Stock Code:
1110

Southeast Cement Corporation

Shareholders General Meeting

2023

Meeting Handbook

Shareholders' Meeting: June 21, 2023
Meeting venue: B1, No. 21 Wufu 3rd Road, Qianjin District, Kaohsiung

Shareholders Meeting Method: Entity Shareholders Meeting

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Southeast Cement Corporation

2023 Annual General Meeting Procedures

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Ⅳ Recognition Matters

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Ⅵ Other Motions

Ⅶ Provisional motions

Ⅷ Meeting Adjourned

Southeast Cement Corporation

Year 2023 Annual General Meeting Agenda

I). Time: Wednesday, June 21, 2023 at 9:00 a.m.

II). Venue: Basement 1, No. 21, Wufu 3rd Road, Qianjin District, Kaohsiung City

III). Meeting Declare

IV). Chairman’s Speech

V). Reporting Items

(1) Year 2022 Business report

(2) Audit Committee Review Report on 2022 Annual final statement

(3) 2022 Annual employee and director remuneration distribution report

(4) 2022 Directors reward payment report

VI). Recognition matters

(1) Recognition of Year 2022 Final statements proposal

(2) Recognition of Year 2022 Surplus distribution proposal

VII). Election matters

(1) Comprehensive re-election of directors

VIII). Other motions

(1) Removal of Prohibition of competition restriction proposal for new directors

IX). Provisional motions

X). Meeting Adjourned

Reporting Items

(1) Year 2022 Business report

Description:

1. Business report, please refer to Annex I. (Page 14)
2. Accountant Audit report and Financial statement, please refer to Annex II (Page 16~33)

(2) **Audit Committee Review Report on 2022 Annual final statement**

Audit Committee Review Report

Board of Directors proposed a named the company Year 2022 Business report, Financial statement (Including Individuals and Consolidated financial statement) and Surplus earnings distribution proposal etc.; Among them, the Financial statement has been audited by the accountants Cai Shuman and Li Qinglin of Crowe Horwath United Accounting Firm, and an Audit report has been issued.

The above-mentioned Business report, Financial statement and Surplus earnings distribution proposal have been reviewed by the Audit committee and there is no discrepancy. According to the provisions of Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act, the report is as above, please review.

Yours truly

Southeast Cement Corporation Year 2023 Annual general meeting

Southeast Cement Corporation

Audit Committee Chairperson:

March 14, 2023 楊文哉

(3) 2022 Annual employee and Director remuneration distribution report

According to the company's Articles of incorporation, if the company makes profits in the annual settlement, no less than 2% should be allocated as employee remuneration, which will be distributed by the Board of directors Resolution in the form of stock or cash distribution; The Company may allocate not more than 3% of the above profits to the Board of directors Resolution as Director's remuneration.

In Year 2022, the pre-tax net profit before deducting the distribution of Employee remuneration and Director remuneration is NT$159,888,732. After calculation, Year 2022 plans to allocate NT$4,796,661 for Employee remuneration and NT$4,796,661 for Director remuneration, both of which will be paid in cash.

(4) Directors reward payment report

In accordance with Article 10-1 of the Code of Practice for Governance of Listed OTC Companies, it is advisable to report the remuneration received by directors at the shareholders' general meeting, including the remuneration policy, the content and amount of individual remuneration, and the relevance of performance evaluation results.

The traveling expenses and remuneration of all directors (including independent directors) of the Company shall be determined by the Board of Directors after being evaluated by the Remuneration committee with reference to the usual standards of the industry in accordance with Article 31 of the company's Articles of Association. In addition, if the Company makes a profit in the settlement of the year, according to Article 37 of the company's Articles of Association, it is also expressly allocated no more than 3% of the annual profit as the director's remuneration. The independent directors are paid a fixed monthly compensation that is resolved by the Board of Directors and do not participate in the distribution of remuneration for the Company when it makes profits.

⋅The content and amount of remuneration paid to directors in 2022 are detailed on page 7.

- General Director and Independent Director Rewards

◆ Unit: NT$ thousand

Job title	Name	Independent director								A,B,C&D 4 item, Total amount and ratio to net income after tax				Part-time employees receive relevant remuneration								A,B,C,D,E,F&G 7 item, Total amount and ratio to net income after tax				Received remuneration from reinvested business subsidiary or parent company
		Reward (A)		Retirement pension(B)		Director remuneration(C) (Note 1)		Business execution expense (D)						Salary, bonus and special expenses etc.(E)		Retirement pension(F) (Note 2)		Employee remuneration(G)								
		The company	All companies in financial statement	The company	All companies in financial statement	The company	All companies in financial statement	The company	All companies in financial statement	The company		All companies in financial statement		The company	All companies in financial statement	The company	All companies in financial statement	The company		All companies in financial statement		The company		All companies in financial statement		
																		Cash amount	Stocks amount	Cash amount	Stocks amount					
Chairman	East Tree Investment Co. Representative: Chen Minduan	0	0	0	0	1,370	1,370	530	553	1,900	1.27%	1,923	1.29%	4,066	4,786	158	158	0	0	0	0	6,124	4.11%	6,867	4.61%	None
Director	East Tree Investment Co. Representative: Chen Tianzhu																									
Vice chairman	Chen Zhaoshu Charity Foundation Representative: Chen Guanhua	0	0	0	0	1,370	1,370	530	556	1,900	1.27%	1,926	1.29%	4,009	4,597	231	265	200	0	200	0	6,340	4.25%	6,988	4.69%	None
Director	Chen Zhaoshu Charity Foundation Representative: Wu Changzhi																									
Director	Likai Investment Co. Representative: Zheng Lixiang	0	0	0	0	685	685	265	265	950	0.64%	950	0.64%	0	0	0	0	0	0	0	0	950	0.64%	950	0.64%	None

Director	Evergreen co. Representative: Yang Zhaoxiong	0	0	0	0	686	686	265	265	951	0.64%	951	0.64%	0	0	0	0	0	0	0	0	951	0.64%	951	0.64%	None
Director	Southeast Cultural Foundation Representative: Chen Jianhao	0	0	0	0	686	686	265	265	951	0.64%	951	0.64%	0	0	0	0	0	0	0	0	951	0.64%	951	0.64%	None
Independent director	Yang Wenzai	0	0	0	0	0	0	505	505	505	0.34%	505	0.34%	0	0	0	0	0	0	0	0	505	0.34%	505	0.34%	None
Independent director	Ye Jinbao	0	0	0	0	0	0	505	505	505	0.34%	505	0.34%	0	0	0	0	0	0	0	0	505	0.34%	505	0.34%	None
Independent director	Zhuang Yuxin	0	0	0	0	0	0	505	505	505	0.34%	505	0.34%	0	0	0	0	0	0	0	0	505	0.34%	505	0.34%	None

◆Note 1: Year 2022 Director remuneration is the proposed amount.
◆Note 2: Year 2022 the actual amount of Retirement pension paid was NT$ 0 thousand; the contributions to Retirement pension expense were NT$389 thousand and NT$423 thousand, respectively.

Recognition matters

(1)

Causes: Recognition of Year 2022 Final statements proposal, propose for recognition. (Board of directors proposed)

Description:

1. The company Year 2022 Final statement report (Including Business report, Financial statement), after review by the audit committee, submit to the Board of directors for approval and audit by accountants, and audited by Audit report issued by the committee for recognition.
2. Please refer to the preceding item listed Annex I to Annex II. (Page 14~33)

Resolution:

※ To help shareholders understand and download the content of the complete Financial statement as needed
Please visit the website of Southeast Cement Corp.
(URL: http://www.southeastcement.com.tw)
"Financial statement" inquiry under "Investor Zone"

(2)

Causes: Recognition of Year 2022 Surplus distribution proposal, propose for recognition. (Board of directors proposed)

Description:

1. The company Year 2022 Surplus earnings distribution statement, details refer to Annex 3 (page 34)
2. It is proposed to distribute shareholder dividends of NT$ 57,200,079 (cash distribution of NT$ 0.1 per share), and the undistributed surplus after distribution is NT$ 258,569,218.
3. The ex-dividend base date for this cash dividend is planned to be determined by the Chairman after the Annual general meeting Resolution passes this surplus distribution case in 2023.
4. Cash dividend distribution shall be calculated up to NT$ (rounded down below NT$), and the total amount of abnormal payment less than NT$ 1.0 shall be included in other income.

Resolution:

Election Matters

(1)

Causes: For comprehensive re-election of Director's proposal, please vote.

(Board of directors proposed)

Description:

1. The 32nd-session Director (Including independent director) of the Company, the term of office expires on June 19, 2023. In conjunction with the 2023 Annual general meeting, it is planned to re-elect the 33rd-session Director (Including independent director) in advance.
2. According to Article 17 of the company's articles of association, it is planned to elect 11 directors (8 directors and 3 independent directors) in the Annual general meeting in 2023. The new director will take office immediately after the election, and the term of office will be three years, from June 21, 2023 to June 20, 2026, the re-elected is eligible for the next term in office.

3 The company Director (Including independent director) adopts a candidate nomination system, whereby shareholders elect a director from a list of candidates.

4. For the above-revealed Directors (Including independent directors) candidate list, please refer to Annex V (Page 35).

Election result:

Other Motions

(1)

Causes: The proposal of lifting the Prohibition of competition for the new-appointed directors is presented for discussion. (Board of directors proposed)

Description:

1. For business demands, it is proposed to remove the directors and their representatives new elected by the company for this Annual general meeting, and it may happen that they serve as directors of other companies with similar business scope as the company at the same time. And there is a restriction under Article 209 of the Company Law of the R.O.C., the Company hereby releases the above-mentioned prohibition of competition.
2. Intend to request the shareholders' meeting to approve the release of newly elected directors (including independent directors) and their representatives from the restriction on competition and to provide additional information on the scope and content of the proposal on the spot before the shareholders' meeting to discuss the proposal.

Resolution:

Provisional motion

Meeting Adjourned

Annex I

Southeast Cement Corporation
Year 2022 Business Report

Domestic sales of domestic cement and clinker in 2022 will be 10.07 million metric tons, a decrease of 230,000 metric tons or 2.2% compared to 10.3 million metric tons in 2021. The imported cement and clinker totaled 3.41 million metric tons, an increase of 1.08 million metric tons or 46% compared to 2.33 million metric tons in 2021.

In 2022, Taiwan's cement demand will be 13.48 million metric tons, an increase of 850,000 metric tons or 6.7% compared to 12.63 million metric tons in 2021.

In the domestic construction market, according to statistics from the Ministry of the Interior's Construction Administration, the total area of "Construction Licenses" issued in Taiwan and Fujian in 2022 was 45.827 million m^2, an increase of 2.402 million m^2 or 5.5% compared to 43.425 million m^2 in 2021. The 2022 public construction budget of the R.O.C. is NT$ 459.6 billion yuan. With the active implementation of major public projects such as Foresight Construction plans and private construction projects, the demand for cement has steadily increased.

Imported Grinding Industry is going to import 2.717 million tons of cement clinker in 2022, mainly because of low cost, and a large amount of imports will erode and expand the domestic cement market. In order to avoid the continuous market erosion of importers, the company can only do a good job in quality management, deepen customer service and flexible marketing strategies to consolidate its market position.

In 2022, the sales volume of cement in the R.O.C. will decrease by 11.67% compared with that in 2021, and the operating revenue will increase by 6.63% compared with that in 2021. The sales volume of furnace slag powder in 2022 will be 11.11% lower than that in 2021, and the operating revenue will be 9.72% lower than that in 2021.

The Company operating performance in 2022 is as follows:

1. Year 2022 and 2021 operating revenue and production and sales comparison table:

Weight unit: metric ton

Amount unit: NT$ thousand

Item \ Year		Year 2022	Year 2021	Increase (Decrease)%
Production volume	Cement	458,971	525,614	-12.68%
	Furnace slag powder	136,188	167,560	-18.72%
	Blast furnace cement	23,352	16,233	43.86%
Sales volume	Cement	473,409	535,935	-11.67%
	Furnace slag powder	144,308	162,338	-11.11%
	Blast furnace cement	23,352	16,233	43.86%
Revenue	Cement	1,363,341	1,278,555	6.63%
	Furnace slag powder	181,322	200,855	-9.72%
	Blast furnace cement	54,326	33,052	64.37%
	Others	1,370	9,400	-85.43%
	Leasing	101,112	59,003	71.37%
	Total	1,701,471	1,580,865	7.63%

2. Net profit and Dividend

Year 2022 operating results, the current after-tax net profit is NT$149,043,548, an increase of 6.47% over the same period last year. The cumulative allocated surplus is NYD330,721,187, and the legal reserve is NT$14,951,890. After discretionary retained earnings of NT$258,569,218, the remaining balance is NT$57,200,079, and the cash dividend of ordinary shares will be distributed in full, with a proposed cash dividend of NT$0.10 per share.

Chairman: Chen Minduan Manager: Chen Guanhua Cheif accountant: Huang Xinhan

Annex II

國富浩華聯合會計師事務所
Crowe (TW) CPAs
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Accountant Audit Report

Southeast Cement Corp., Ltd.:

Audit Opinion

The consolidated balance sheet of Southeast Cement Corp., Ltd. and Subsidiaries (hereinafter referred to as Southeast Cement Group) for the Year 2022 and Dec. 31, 2021, and the Year 2022 and 2021, January 1 to December 31 Consolidated Comprehensive Income Statement, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, and the notes to the Consolidated financial report (including the summary of major accounting policies), which have been checked by our accountants.

According to the opinion of the accountant, based on the audit results of the accountant and the audit report of other accountants (please refer to the other event paragraph), the Consolidated financial report is issued above for all Significant aspects. It is compiled in accordance with the Financial Reporting Standards for Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Announcements approved and issued by the Financial Supervisory Commission. Thus, it is sufficient to express the consolidated financial status of Southeast Group in Year 2022 and Dec. 31, 2021, and the consolidated financial performance and consolidated cash flow in Year 2022 and 2021, January 1 to December 31.

Basis of Audit Opinion

The accountant performs the audit work in accordance with the accounting audit and certification financial statement rules and auditing standards. The accountant's responsibilities under these standards will be further explained in the responsibility section of the accountant's audit of the Consolidated financial report. The personnel of the accounting firm affiliated to the independence standard have maintained detached independence from the Southeast Group in accordance with the professional ethics of accountants and have performed other responsibilities of the standard. Based on the audit results of the accountants and the audit reports of other accountants, and the accountants believe that they have obtained sufficient and appropriate audit evidence to serve as the basis for expressing their audit opinion.

Critical Audit Matters

Critical audit matters are those matters that, in our professional judgment, are of most significance in the audit of the Year 2022 consolidated financial report of Southeast Group. These matters have been addressed in the process of reviewing the Consolidated financial report as a whole and forming audit opinions, and the accountant does not express opinions on these matters independently.

The Critical audit matters of the Year 2022 Consolidated financial report of the Southeast Group are described below:

1) Recognized Sales revenue

For the accounting policy of Revenue recognition, please refer to the Consolidated financial report attached Note 4(19); For the important accounting judgments, estimates and assumptions of Revenue recognition, please refer to the Consolidated financial report attached Note 5(1)2; For revenue recognition, please refer to Consolidated financial report Note 6(31).

Critical review items as description below:

In response to the audit process:

The main auditing procedures of our accountants include understanding and testing the effectiveness of internal control design and implementation related to cement sales revenue, sampling samples from the Sales details account, and verifying the relevant vouchers of transactions to verify the authenticity of revenue recognition. We also obtain post-period sales details and examine whether there are significant sales returns and discounts to confirm whether there are significant abnormalities in revenue recognition and perform sales revenue cut-off point testing.

Other Matters

Subsidiary and Investments using the equity method included in the above-mentioned Consolidated financial report, the financial report has not been checked by this accountant, but by other accountants. Therefore, in the opinions expressed by this accountant on the above-mentioned Consolidated financial report, the amounts listed in the financial reports of these companies are based on the audit report of other accountants. The total assets of these Subsidiary for Year 2022 and Dec. 31, 2021 are 84,248 thousand yuan and 87,068 thousand yuan respectively, each accounting for 0.70% and 0.79% of the total consolidated assets, and the total liabilities are 23,459 thousand yuan and 23,455 thousand yuan respectively, each accounted for 0.72% and 1.04% of the total consolidated liabilities; The Operating revenue of Year 2022 and 2021 is 233 thousand yuan and 114 thousand yuan respectively, each accounting for 0.01% and 0.01% of the consolidated Operating revenue, and the total comprehensive profit and loss are (2,824) thousand yuan and 5,100 thousand yuan respectively, each accounted for (3.48%) and 2.76% of the total consolidated comprehensive profit and loss; In addition, the amount of the Associates Investments using equity method in Year 2022 and Dec. 31, 2021 is 456,791 thousand yuan and 461,327 thousand yuan respectively, accounting for 3.81% and 4.21% of the total consolidated assets. For Year 2022 and 2021, the shares of Associates using the Equity method and joint venture profits and losses recognized are (956) thousand yuan and 18,336 thousand yuan respectively, accounting for (0.87%) and 12.30% of the consolidated pre-tax net profit respectively, the shares of Associates recognized by the Equity method and the other comprehensive income of the joint venture are (973) thousand yuan and 2,544 thousand yuan respectively, accounting for 3.61% and 4.99% of the Other comprehensive income Net amount respectively.

Southeast Cement Corp., Ltd. has prepared the individual financial report for Year 2022 and 2021, and the audit report issued by the accountant with unqualified opinion and other event paragraph is on file for reference.

Responsibilities of management and governance units for Consolidated financial report

The responsibility of the management is to prepare a Consolidated financial report with reasonable expression in accordance with the Financial Reporting Standards for Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Announcements approved and issued by the Financial Supervisory Commission. and maintain the necessary internal control related to the preparation of the Consolidated financial report to ensure that the Consolidated financial report does not contain material misstatements caused by fraud or errors.

When preparing the Consolidated financial report, the responsibilities of the management also include assessing the ability of the Southeast Group to continue operating, the disclosure of related matters, and the adoption of the accounting basis for continuing operations, unless the management intends to liquidate the Southeast Group or cease operations, or there is no practical alternative to liquidation or cessation of operations.

The governance units (including the audit committee) of Southeast Cement Corp., Ltd. are responsible for supervising the financial reporting process.

The accountant's responsibility for reviewing the Consolidated financial report

The purpose of the accountant's inspection of the Consolidated financial report is to obtain reasonable confidence in whether there is a material misstatement in the Consolidated financial report that is caused by fraud or error, and to issue an audit report. Reasonable confidence means a high degree of confidence, however, there is no guarantee that the inspection work performed in accordance with the auditing standards will be able to detect material misstatements in the Consolidated financial report. Misstatements may be caused by fraud or errors. An individual amount or summary amount that is misstated is considered materiality if it could reasonably be expected to affect the economic decisions made by users of Consolidated financial statements.

When auditing in accordance with the auditing standards, the accountant uses professional judgment and professional skepticism. The accountant also performs the following tasks:

1. Identify and assess the risks of misstatement in the materiality of Consolidated financial statements that are attributable to fraud or error; design and implement appropriate countermeasures for the risks assessed; And obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion. Since fraud may involve collusion, forgery, intentional omission, false statement or exceeding internal control, the risk of not detecting a material misstatement resulting from fraud is therefore higher than one resulting from error.
2. Obtain the necessary understanding of the internal control related to the audit in order to design the appropriate audit procedures under the circumstances, but the purpose is not to express an opinion on the effectiveness of the internal control of the Southeast Group.
3. Evaluate the appropriateness of accounting policies adopted by management and the rationality of the accounting estimates and relevant disclosures made.
4. Based on the audit evidence obtained, draw conclusions on the appropriateness of management's use of the going concern basis of accounting and whether there is a material uncertainty in events or circumstances that may cast significant doubt on the Southeast Group's ability to continue as a going concern. If we conclude that there is significant uncertainty about such events or circumstances, we are required to draw the attention of the Consolidated financial report users to the relevant disclosures in the audit report. Or revise the audit opinion when the disclosure is inappropriate. The conclusion of the accountant is based on the audit evidence obtained as of the date of the audit report. However, future events or conditions may cause the Southeast Group to no longer have the ability to continue operating.
5. Evaluate the overall presentation, structure, and content of the Consolidated financial report (including relevant notes), and whether the Consolidated financial report is appropriate to express relevant transactions and events.
6. Obtain sufficient and appropriate audit evidence for the financial information of the constituent entities within the group to express opinions on the Consolidated financial

report. The accountant is responsible for the guidance, supervision, and execution of the audit case, and is responsible for forming the audit opinion of the group.

The communication matters between the accountant and the governance unit include the planned scope and time of the audit, as well as significant audit findings (including significant deficiencies in internal control identified during the audit).

The accountant also provides the governance unit with a statement that the personnel of the office to which the accountant is affiliated are subject to independence regulations have complied with the statement of independence in the code of professional ethics for accountants and communicate with the governance unit about all relationships and other events that may be considered to affect the independence of accountants (including relevant safeguard measures).

From the communication matters with the governance unit, the accountant decides the Critical review items for the Southeast Group Year 2022 Consolidated financial report. The accountant describes these matters in the audit report, unless the law does not allow public disclosure of specific matters, or in extremely rare circumstances, the accountant decides not to communicate a particular matter in the audit report because it can reasonably be expected that the negative impact of such communication will outweigh the promotion of the public interest.

Crowe Horwath United Certified Public Accountants

Accountant: Cai Shuman

Accountant: Li Qinglin

Approval number: Jinguanzheng Shenzi No. 10200032833

March 14, 2023

Southeast Cement Corp., Ltd. and Subsidiary
Consolidated Balance Sheet
Year 2022 and Dec. 31, 2021

Unit: NTD thousand

Code	Assets	Dec. 31, 2022 Amount	%	Dec. 31, 2021 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6(1))	$ 296,374	2	$ 419,504	4
1110	Financial assets at fair value through gain or loss-Current (Note 6(2))	557,515	5	248,685	2
1150	Notes receivable net amount (Note 6(3))	246,783	2	196,923	2
1170	Accounts receivable Net amount (Note 6(4))	93,861	1	110,157	1
1180	Accounts receivable-Net related party (Note 7)	34,243	-	34,424	-
1200	Other receivables (Note 6(5))	33,269	-	2,214	-
1220	Current income tax assets	444	-	502	-
130x	Inventory (Note 6(6))	1,016,152	9	841,074	9
1410	Prepayment (Note 6(7))	40,921	-	36,265	-
1476	Other financial assets-Current (Note 6(8))	164,540	1	161,625	1
1480	Incremental costs to obtain contracts-Current (Note 6(9))	2,000	-	2,000	-
11xx	Total Current assets	2,486,102	20	2,053,373	19
	Non-current assets				
1517	Financial assets measured at fair value via other comprehensive income-Non-current (Note 6(10))	1,233,829	11	1,259,476	11
1550	Investments using equity method (Note 6(11))	592,475	5	611,626	6
1600	Property, plant, and equipment (Note 6(12))	1,580,344	13	1,201,139	11
1755	Right-to-use assets (Note 6(13))	712,728	6	357,661	3
1760	Investment property Net amount (Note 6(14))	5,290,015	44	5,379,924	49
1780	Intangible assets (Note 6(15))	40	-	-	-
1840	Deferred tax assets (Note 6(37))	75,158	1	81,137	1
1920	Deposit guarantee (Note 6(16))	18,998	-	12,749	-
1990	Other Non-current assets-Other (Note 6(5))	-	-	1,415	-
15xx	Total Non-current assets	9,503,587	80	8,905,127	81
1xxx	Total assets	$ 11,989,689	100	$ 10,958,500	100

(Continued on next page)

(From previous page)

Code	Liability and Equity	Dec. 31, 2022 Amount	%	Dec. 31, 2021 Amount	%
	Current debts				
2100	Short-term loan (Note 6(17))	$ 1,530,000	13	$ 1,240,000	11
2110	Short-term notes payable (Note 6(18))	419,705	4	81,969	1
2130	Contract liabilities-Current (Note 6(19))	18,870	-	30,532	-
2150	bill payable	1,920	-	1,696	-
2170	Accounts payable	250,786	2	194,523	2
2200	Other payables (Note 6(20))	89,387	-	71,665	1
2250	Liability reserve-Current (Note 6(21))	1,441	-	1,572	-
2280	Lease liability－Current (Note 6(13))	67,398	-	52,946	-
2300	Other current liabilities	1,518	-	8,528	-
21xx	Total other current liabilities	2,381,025	19	1,683,431	15
	Non-current debts				
2570	Deferred tax liabilities (Note 6(37))	301,448	3	304,612	3
2580	Lease liability－Non-current (Note 6(13))	568,720	5	235,791	2
2645	Deposit guarantee (Note 6(23))	11,828	-	23,957	-
25xx	Total other non-current liabilities	881,996	8	564,360	5
2xxx	Total liability	3,263,021	27	2,247,791	20
	Equity				
	Vested in parent company's equity				
3100	Share capital (Note 6(24))				
3110	Common share capital	5,720,008	48	5,720,008	52
3200	Capital surplus (Note 6(25))	188,583	2	188,373	2
3300	Retained earnings				
3310	Legal surplus reserve	1,069,712	9	1,055,689	10
3320	Special surplus reserve (Note 6(27))	810,918	7	810,918	7
3350	Unallocated surplus (Note 6(26))	330,721	3	309,626	3
3400	Other equity (Note 6(28))	523,949	4	551,296	5
3500	treasury stocks (Note 6(29))	(12,185)	-	(12,185)	-
31xx	Total vested in parent company's equity	8,631,706	73	8,623,725	79
36xx	Non-controlled equity (Note 6(30))	94,962	-	86,984	1
3xxx	Total equity	8,726,668	73	8,710,709	80
	Total Liability and Equity	$ 11,989,689	100	$ 10,958,500	100

(Please refer to Consolidated financial report notes)

Chairman: Chen Minduan　　Manager: Chen Guanhua　　Accounting Supervisor: Huang Xinhan

Southeast Cement Corp., Ltd. and Subsidiary

Consolidated Gain or Loss Statement

Year 2022 and 2021, January 1 to December 31

Unit: TD thousand

Code	Item	Year 2022 Amount	Year 2022 %	Year 2021 Amount	Year 2021 %
4000	Operating revenue (Note 6(31))	$ 1,794,015	100	$ 1,846,785	100
5000	Operating cost (Note 6(6))	(1,672,736)	(93)	(1,712,217)	(93)
5900	Business gross profit (gross loss)	121,279	7	134,568	7
	Business expense				
6100	Selling expense	(28,258)	(2)	(35,069)	(2)
6200	Management costs	(124,859)	(7)	(90,452)	(5)
6450	Expected credit impairment benefit (expense) (Note 6(4))	339	-	3,007	-
6000	Total Business expense	(152,778)	(9)	(122,514)	(7)
6900	Business benefit (loss)	(31,499)	(2)	12,054	-
	Revenue outside business and expenses				
7100	Interest income (Note 6(33))	4,273	-	3,805	-
7010	Other income (Note 6(34))	184,094	10	108,504	6
7020	Other gains and losses (Note 6(35))	(38,448)	(2)	8,714	-
7050	Financial costs (Note 6(36))	(18,010)	(1)	(11,102)	-
7060	Equity method used to recognize shares of Associates and Joint ventures.	9,267	1	27,153	1
7000	Total Revenue outside business and expenses	141,176	8	137,074	7
7900	Pre-tax net profit (Net loss)	109,677	6	149,128	7
7950	Income tax benefit（Expense） (Note 6(37))	(1,553)	-	(15,317)	(1)
8200	Current net profit (Net loss)	108,124	6	133,811	6
	Other comprehensive income (Note 6(38))				
8310	Items no rearrange to gain or loss				
8316	Unrealized valuation gains or losses on investments in equity instruments measured at fair value via other comprehensive income	(25,105)	(1)	47,502	3
8320	Share of Other comprehensive income for Associates and Joint ventures recognized by the Equity method	(1,811)	-	3,513	-
8300	Other comprehensive income (Net amount)	(26,916)	(1)	51,015	3
8500	Total this period consolidated gain or loss	$ 81,208	5	$ 184,826	9
8600	Vested in Net profit (loss):				
8610	Parent company owner (Net Profit/Loss)	$ 149,043	8	$ 139,985	6
8620	Non-controlled equity (Net Profit/Loss)	(40,919)	(2)	(6,174)	-
		$ 108,124	6	$ 133,811	6
8700	Total consolidated gain or loss vested in:				
8710	Parent company owner (Consolidated gain or loss)	$ 122,171	7	$ 191,010	9
8720	Non-controlled equity (Consolidated gain or loss)	(40,963)	(2)	(6,184)	-
		$ 81,208	5	$ 184,826	9
	Earnings per share				
9750	Basic EPS (Note 6(39))	$ 0.26		$ 0.25	
9850	Diluted EPS (Note 6(39))	$ 0.26		$ 0.25	

(Please refer to Consolidated financial report notes)

Chairman: Chen Minduan　　Manager: Chen Guanhua　　Accounting Supervisor: Huang Xinhan

Southeast Cement Corp., Ltd. and Subsidiary

Consolidated Equity Changes Statement

Year 2022 and 2021, January 1 to December 31

Unit:NTD thousand

	Vested in parent company's equity									
			Retained earnings			Other equity items				
	Common share capital	Capital surplus	Legal surplus reserve	Special surplus reserve	Unallocated surplus	Financial assets measured at fair value via other comprehensive income Unrealized valuation (Loss) Gain	treasury stocks	Vested in parent company owner total equity	Non-controlled equity	Total equity amount
Jan. 1, 2021 Balance	$ 5,720,008	$ 188,267	$ 1,052,057	$ 810,918	$ 230,224	$ 500,520	$ (12,185)	$ 8,489,809	$ 58,910	$ 8,548,719
Surplus allocation and distribution:										
Provision for Legal surplus reserve	-	-	3,632	-	(3,632)	-	-	-	-	-
Common stock cash dividend	-	-	-	-	(57,200)	-	-	(57,200)	-	(57,200)
Year 2021 Net profit (Net loss)	-	-	-	-	139,985	-	-	139,985	(6,174)	133,811
Year 2021Other comprehensive income	-	-	-	-	(5)	51,030	-	51,025	(10)	51,015
Year 2021Total consolidated gain or loss	-	-	-	-	139,980	51,030	-	191,010	(6,184)	184,826
Adjustment of dividends paid to subsidiaries' Capital surplus	-	106	-	-	-	-	-	106	-	106
Non-controlled equity Increase/Decrease	-	-	-	-	-	-	-	-	34,258	34,258
Disposal via Other comprehensive income as Fair value Measured Equity Instruments	-	-	-	-	254	(254)	-	-	-	-
Dec. 31, 2021 Balance	5,720,008	188,373	1,055,689	810,918	309,626	551,296	(12,185)	8,623,725	86,984	8,710,709
Surplus allocation and distribution:										
Provision for Legal surplus reserve	-	-	14,023	-	(14,023)	-	-	-	-	-
Common stock cash dividend	-	-	-	-	(114,400)	-	-	(114,400)	-	(114,400)
Year 2022 Net profit (Net loss)	-	-	-	-	149,043	-	-	149,043	(40,919)	108,124
Year 2022Other comprehensive income	-	-	-	-	-	(26,872)	-	(26,872)	(44)	(26,916)
Year 2022Total consolidated gain or loss	-	-	-	-	149,043	(26,872)	-	122,171	(40,963)	81,208
Adjustment of dividends paid to subsidiaries' Capital surplus	-	210	-	-	-	-	-	210	-	210
Non-controlled equity Increase/Decrease	-	-	-	-	-	-	-	-	48,941	48,941
Disposal via Other comprehensive income as Fair value Measured Equity Instruments	-	-	-	-	475	(475)	-	-	-	-
Dec. 31, 2022 Balance	$ 5,720,008	$ 188,583	$ 1,069,712	$ 810,918	$ 330,721	$ 523,949	$ (12,185)	$ 8,631,706	$ 94,962	$ 8,726,668

(Please refer to Consolidated financial report notes)

Chairman: Chen Minduan　　Manager: Chen Guanhua　　Accounting Supervisor: Huang Xinhan

Southeast Cement Corp., Ltd. and Subsidiary

Consolidated Cash Flow Statement

Year 2022 and 2021, January 1 to December 31

Unit: NTD thousand

Item	Year 2022	Year 2021
Cash flows from operating activities		
Net profit (loss) before tax for the period	$ 109,677	$ 149,128
Adjustments		
Income and expense items		
Depreciation expense	102,851	74,503
Amortized expense	16	23
Expected credit impairment losses (gain)	(339)	(3,007)
Net loss (gain) on financial assets and liabilities at fair value through gain or loss	40,117	(18,033)
Interest expense	18,010	11,102
Interest income	(4,273)	(3,805)
Dividend income	(54,256)	(51,560)
Share of subsidiaries, affiliates and joint venture profit recognized under the equity method	(9,267)	(27,153)
Financial assets Impairment loss	702	-
Non-financial assets Impairment loss	6,974	-
Lease modification gain	-	(232)
Other item	210	106
Total gain or loss on revenue items	100,745	(18,056)
Changes in assets/liabilities related to operating activities		
Net change in assets related to operating activities		
Mandatory (increase) decrease in financial assets at fair value through gain or loss	(348,947)	2,015
Notes receivable (increase) decrease	(50,092)	90,751
Accounts receivable (increase) decrease	19,482	(15,035)
Other receivables (increase) decrease	(30,514)	4,717
Inventory (increase) decrease	(176,152)	40,976
Prepayment (increase) decrease	(4,098)	31,875
Other financial assets (increase) decrease	(2,915)	12,973
Incremental costs to obtain contracts (increase) decrease	-	3,842
Total net change in assets related to operating activities	(593,236)	172,114
Net change in liabilities related to operating activities		
Contract liabilities increase (decrease)	(12,331)	(59,893)
Bill payables increase (decrease)	224	(102)
Accounts payable increase (decrease)	56,263	(29,331)
Other payables increase (decrease)	714	3,957
Liability reserve increase (decrease)	(131)	19
Other current liabilities increase (decrease)	(7,010)	(5,266)
Total net change in liabilities related to operating activities	37,729	(90,616)

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Item	Year 2022	Year 2021
Total net changes in assets and liabilities related to business activities	$ (555,507)	$ 81,498
Total adjusted items	(454,762)	63,442
Cash inflow from operations (outflow)	(345,085)	212,570
Interest charged	3,747	3,627
Dividend received	80,863	61,246
Interest paid	(17,483)	(10,853)
Income tax refunded (paid)	1,320	14
Net cash inflow from operating activities (outflow)	(276,638)	266,604
Investment activities' cash flow		
Obtain Financial assets measured at fair value via other comprehensive income	-	(39,164)
Disposal Financial assets measured at fair value via other comprehensive income	542	4,635
Financial assets measured at fair value via other comprehensive income Capital reduction refund	-	1,478
Acquisition of Subsidiary (net of cash received)	882	-
Obtain Property, plant, and equipment	(193,207)	(933,647)
Deposit guarantees increase	(6,243)	(2,631)
Obtain Intangible assets	(56)	-
Obtain Right-to-use assets	(23,947)	(55,091)
Obtain Investment property	(114,286)	(1,434)
Long-term Rental receivable decrease	1,400	1,384
Net cash inflows from investing activities(outflow)	(334,915)	(1,024,470)
Financing activities cash flow		
Short-term loan increase	290,000	1,005,000
Short-term notes payable increase	338,000	82,000
Deposit guarantees decrease	(12,129)	-
Lease principal repayment	(61,989)	(63,431)
Issue Cash dividend	(114,400)	(57,200)
Non-controlled equity variation	48,941	34,258
Net cash inflow from financing activities(outflow)	488,423	1,000,627
Increase (decrease) of cash and cash equivalents in this period	(123,130)	242,761
Opening balance Cash and cash equivalents	419,504	176,743
End-period Cash and Cash equivalents balance	$ 296,374	$ 419,504

(Please refer to Consolidated financial report notes)

Chairman: Chen Minduan　Manager: Chen Guanhua　Accounting Supervisor: Huang Xinhan

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Accountant Audit Report

Southeastern Cement Corporation:

Audit Opinion

Southeastern Cement Corp., Ltd.'s individual balance sheet in 2022 and December 31, 2021, and the individual comprehensive income statement, individual equity change statement, and individual cash flow from January 1 to December 31 in 2022 and 2021 The tables and notes to individual financial reports (including the summary of major accounting policies) have been checked by our accountants.

In our opinion, based on our audits and the reports of the other auditors (see other matters), the financial statements referred to above present fairly, in all material respects, the financial position of Southeast Cement Corporation as of December 31 of 2022 and 2021, and the results of its operations and its cash flows for the years then ended by the Guidelines Governing the Preparation of Financial Reports by Securities Issuers. The accompanying financial statements are intended only to present fairly, in all material respects, the financial position of Southeast Cement Corporation as of December 31 of 2022 and year 2021 and the results of its operations and its cash flows for the periods from January 1 to December 31 of 2022 and 2021.

Basis of Audit Opinion

We conducted our audit in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards. Our responsibility under those standards is further explained in the paragraph on the accountant's responsibility for the audit of individual financial statements. The staff of the firm to which we belong, who are subject to the Code of Ethics for Accountants, have maintained a high degree of independence from Southeast Cement Corporation and have fulfilled the other responsibilities of that Code. Based on our audit and the reports of the other auditors, we believe that we have obtained sufficient and appropriate evidence to form the basis of our audit opinion.

Critical Audit Matters

Critical audit matters are those matters that, in our professional judgment, are of most significance in relation to the audit of the financial statements of Southeast Cement Corporation for the year-end of December 31, 2023. These matters have been considered in the process of examining the financial statements taken as a whole and in forming an opinion on those matters. Critical audit matters are those matters that, in our professional judgment, are of most significance in relation to the audit of the financial statements of Southeast Cement Corporation for the year-end of December 31, 2023. These matters have been considered in the process of examining the financial statements taken as a whole and in forming an opinion on those matters.

We have audited the financial statements of Southeast Cement Corporation as a whole and have formed an opinion thereon:

I. Revenue Recognition

For the accounting policies related to revenue recognition, please refer to Note 4(17) to the financial statements; for the significant accounting judgments, estimates, and assumptions related to revenue recognition, please refer to Note 5(1)2 to the financial statements; for the revenue recognition, please refer to Note 6(28) to the financial statements.

Description of Critical Audit Issues:

As Southeast Cement Corporation is principally engaged in the manufacture and sale of various cement-related products, which may be affected by raw material prices, market supply and demand, and economic prosperity, and the cement sales revenue can only meet the performance obligations when the customer actually picks up the cement, and recognized the relevant income, so in year 2022, the cement sales income was recognized as a key critical audit issue.

Corresponding Audit Procedures:

The major auditing procedures of our accountants include understanding and testing the effectiveness of the internal control design and implementation related to cement sales revenue, spot checking samples from the sales subsidiary ledger, and verifying the relevant vouchers of the transaction to verify the authenticity of the revenue recognition, verifying relevant evidence of transactions to verify the authenticity of revenue recognition, obtaining post-period sales details, reviewing significant sales returns and discounts to confirm whether there are significant exceptions to revenue recognition, and performing sales revenue cut-off point tests, etc.

Other Matters

We have audited the financial statements of certain equity-method investees of the Company for the years ended December 31 of 2022 and year 2021, which were not audited by us, but by other auditors. Accordingly, our opinion on the financial statements of the investees is based on the reports of other auditors. As of December 31 of 2022 and year 2021, the equity method investments in these investees amounted to $426,836 thousand and $419,115 thousand, representing 3.71% and 3.95% of the total assets, respectively.

For the year-end of December 31 of 2022 and year 2021, the shares of income or loss of subsidiaries, affiliates, and joint ventures recognized under the equity method were $(1,247) thousand and $17,388 thousand, respectively, representing (0.83%) and 11.22% of net income before income tax. The share of other comprehensive income or loss recognized under the equity method was $(866) thousand and $2,397 thousand, representing 3.22% and 4.70% of other comprehensive income or loss, respectively.

Management's and Governance's Responsibility for Individual Financial Report

Management's responsibility is to prepare financial statements that are fairly stated in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and to maintain such internal control relevant to the preparation of financial statements as is necessary to ensure the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

When preparing individual financial statements, the responsibility of the management also includes assessing the ability of Southeast Cement Corporation to continue operating, the disclosure of related matters, and the adoption of the accounting basis for continuing operations, unless the management intends to liquidate Southeast Cement Corporation or cease operations, or there is no practical alternative to liquidation or suspension of business.

The governing unit (including the audit committee) of Southeast Cement Corporation is responsible for supervising the financial reporting process.

Accountant's Responsibility for Auditing Individual Financial Reports

The purpose of the accountant's review of individual financial reports is to obtain reasonable assurance as to whether there is any material misrepresentation in the individual financial reports as a whole that is caused by fraud or error and to issue a review report. Reasonable assurance is a high degree of confidence, but an audit performed in accordance with auditing standards does not provide a guarantee that material misstatements in individual financial statements can be detected. Misstatements may be the result of fraud or error. Misrepresentation of individual amounts or aggregate amounts is considered material if it can reasonably be expected to affect economic decisions made by individual users of financial statements.

We use professional judgment and apply professional skepticism in our audits in accordance with auditing standards. We also perform the following tasks:

1. To identify and assess the risks of material misstatement of individual financial statements that are attributable to fraud or error; to design and implement appropriate responses to those risks; and to obtain sufficient and appropriate evidence to form the basis of an audit opinion. The risk of not detecting material misstatement due to fraud is higher than that due to error because fraud may involve conspiracy, forgery, intentional omission, misrepresentation, or a breach of internal control.
2. To obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Southeast Cement Corporation.
3. To evaluate the appropriateness of the accounting policies adopted by the management, and the rationality of the accounting estimates and relevant disclosures made.
4. Based on the audit evidence obtained, draw conclusions on the appropriateness of the management's use of the going-concern accounting basis and whether there are major uncertainties in events or circumstances that may cast serious doubt on Southeast Cement Corporation's ability to continue operations. If the accountant believes that there are major uncertainties in such events or situations, he must remind the individual financial report users to pay attention to the relevant disclosures in the individual financial statements in the audit report or revise the audit opinion when the disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained up to the date of the audit report. However, future events or circumstances may cause Southeast Cement Corporation to cease to be able to continue as a going-concern.
5. To assess the overall expression, structure and content of the individual financial report (including relevant notes), and whether the individual financial report is appropriate to express relevant transactions and events.
6. To obtain sufficient and appropriate audit evidence for the financial information of the individual constituents of Southeast Cement Corporation to express opinions on the individual financial reports. We are responsible for the guidance, supervision, and implementation of the audit case, and are responsible for presenting the audit opinion to Southeast Cement Corporation.

The matters communicated by the accountant with the governing unit include the planned scope and time of the audit, as well as major audit findings (including significant deficiencies in internal control identified during the audit process).

The accountant also provides the governing unit with the statement that the personnel of the accounting firm that is subject to independence regulations have complied with the declaration of independence in the code of professional ethics of accountants and communicates with the governing unit all relationships that may be considered to affect the independence of the accountant and other matters (including related safeguards).

We have determined the matters are critical to an audit of the financial statements of Southeast Cement Corporation for the year ended December 31, 2022, according to our communications with the governing units. We have identified those matters in our auditor's report, except where disclosure of specific issues is not permitted by law or, in rare circumstances, the accountant decides not to communicate these particular issues in the audit report, because it can reasonably be expected that the negative impact of this communication will outweigh the promotion of the public interest.

Crowe Horwath United Certified Public Accountants

Accountant: Cai Shuman

Accountant: Li Qinglin

Approval number: Jinguanzheng Shenzi No. 10200032833

March 14, 2023

Southeast Cement Corporation
Individual Balance Sheets
December 31, 2022 and 2021

Unit: NT$ Thousand

Code	Assets	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6(1))	$ 121,474	1	$ 334,709	3
1110	Financial assets at fair value through profit or loss - current (Note 6(2))	30,032	-	58,430	-
1150	Net notes receivable (Note 6 (3))	211,718	2	192,560	2
1170	Net accounts receivable (Note 6 (4)	43,576	-	76,675	1
1180	Accounts receivable - net amount of related parties (Note 7)	116,585	1	38,721	-
1200	Other receivables (Note 6(5))	32,608	-	2,117	-
1210	Other receivables - related parties (Note 7)	-	-	30,000	-
1220	Current income tax assets	352	-	284	-
130x	Inventories (Note 6(6))	532,811	5	504,386	5
1410	Prepayments (Note 6(7))	14,534	-	22,362	-
1476	Other financial assets - current (Note 6(8))	164,540	1	161,625	2
11xx	Total Current Assets	1,268,230	10	1,421,869	13
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6(9))	1,018,400	9	1,038,766	10
1550	Investments using the equity method (Note 6(10))	1,997,982	17	1,459,020	14
1600	Real property, plant and equipment (Note 6(11))	1,237,416	11	1,121,926	11
1755	Right-of-use assets (Note 6(12))	464,861	4	147,589	1
1760	Net investment real estate (Note 6 (13))	5,439,125	48	5,336,055	50
1840	Deferred income tax assets (Note 6 (34))	72,134	1	77,812	1
1920	Margin deposits (Note 6(14))	14,834	-	9,209	-
1990	Other non-current assets - others (Note 6 (5))	-	-	1,415	-
15xx	Total non-current assets	10,244,752	90	9,191,792	87
1xxx	Total assets	$ 11,512,982	100	$ 10,613,661	100

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(From previous page)

Code	Liabilities and Equities	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current liabilities				
2100	Short-term borrowings (Note 6(15)	$ 1,530,000	13	$ 1,240,000	12
2110	Short-term notes payable (Note 6(16)	259,968	2	39,991	-
2130	Contract liabilities - current (Note 6(17)	18,870	-	30,532	-
2170	Accounts payable	212,855	2	160,671	2
2200	Other payables (Note 6(18)	61,796	1	58,260	1
2250	Provision for Liabilities - Current (Note VI (19)	1,441	-	1,572	-
2280	Lease liabilities - current (Note 6(12)	60,297	1	47,214	-
2300	Other current liabilities	1,383	-	896	-
21xx	Total current liabilities	2,146,610	19	1,579,136	15
	Non-current liabilities				
2570	Deferred income tax liabilities (Note 6 (34)	278,000	2	281,164	3
2580	Lease liabilities - non-current (Note 6(12)	420,838	3	105,679	1
2645	Margin deposits (Note 6 (21)	35,828	-	23,957	-
25xx	Total non-current liabilities	734,666	5	410,800	4
2xxx	Total liabilities	2,881,276	24	1,989,936	19
	Equity				
3100	Share capital (Note 6 (22)				
3110	Common stock capital	5,720,008	50	5,720,008	54
3200	Capital reserves (Note 6 (23)	188,583	2	188,373	1
3300	Retained earnings				
3310	Statutory surplus reserve	1,069,712	9	1,055,689	10
3320	Special surplus reserve (Note 6 (25)	810,918	7	810,918	8
3350	Undistributed surplus (Note 6(24)	330,721	3	309,626	3
3400	Other interests (Note 6(26)	523,949	5	551,296	5
3500	Treasury stocks (Note 6 (27)	(12,185)	-	(12,185)	-
3xxx	Total equity	8,631,706	76	8,623,725	81
	Total liabilities and equity	$ 11,512,982	100	$ 10,613,661	100

(Please refer to the notes to the individual financial statements)

Chairman: Chen Minduan Manager: Chen Guanhua Accounting Supervisor: Huang Xinhan

Southeast Cement Corporation
Individual Comprehensive Income Statements
From January 1 to December 31, 2022 and 2021

Unit: NT$ Thousand

Code	Item	Year 2022 Amount	Year 2022 %	Year 2021 Amount	Year 2021 %
4000	Operating income (Note 6 (28)	$ 1,701,471	100	$ 1,580,865	100
5000	Operating costs (Note 6(6)	(1,535,269)	(90)	(1,475,177)	(93)
5900	Operating profit (gross loss)	166,202	10	105,688	7
	Operating expenses				
6100	Promotional expenses	(12,809)	(1)	(14,538)	(1)
6200	Management costs	(102,034)	(6)	(74,128)	(5)
6450	Expected credit-impairment benefits (expenses) (Note 6 (4)	339	-	3,007	-
6000	Total operating expenses	(114,504)	(7)	(85,659)	(6)
6900	Operating profit (loss)	51,698	3	20,029	1
	Non-operating income and expenses				
7100	Interest income (Note 6(30)	3,988	-	4,254	-
7010	Other income (Note 6(31)	176,735	10	96,118	6
7020	Other gains and losses (Note 6 (32)	(3,592)	-	(13,975)	(1)
7050	Financial costs (Note 6 (33)	(15,143)	-	(8,264)	-
7070	Profit and loss share of subsidiaries, affiliated enterprises and joint ventures recognized using the equity method	(63,391)	(4)	56,828	4
7000	Total non-operating income and expenses	98,597	6	134,961	9
7900	Net profit before tax (net loss)	150,295	9	154,990	10
7950	Income tax benefits (expenses) (Note 6 (34)	(1,252)	-	(15,005)	(1)
8200	Net profit (net loss) for the period	149,043	9	139,985	9
	Other comprehensive gains and losses (Note 6 (35)				
8310	Items not reclassified to profit or loss				
8316	Unrealized valuation gains and losses on equity instrument investments measured at fair value through other comprehensive income	(19,824)	(1)	50,042	3
8330	Shares of other comprehensive profits and losses of subsidiaries, affiliated enterprises and joint ventures recognized using the equity method	(7,048)	-	983	-
8300	Other comprehensive income (net)	(26,872)	(1)	51,025	3
8500	Total comprehensive gain or loss for the period	$ 122,171	8	$ 191,010	12
	Earnings per share				
9750	Basic earnings per share (Note 6(36)	$ 0.26		$ 0.25	
9850	Diluted earnings per share (Note 6(36)	$ 0.26		$ 0.25	

(Please refer to the notes to the individual financial statements)

Chairman: Chen Minduan   Manager: Chen Guanhua   Accounting Supervisor: Huang Xinhan

Individual Equity Change Statement

2022 and 2021, January 1 to December 31

Unit: NT$ Thousand

	Ordinary share capita	Capital reserve	Retained earnings: Legal surplus reserve	Retained earnings: special surplus reserve	Retained earnings: Unallocated surplus	Other equity items: Unrealized valuation (gain) loss on financial assets at fair value through other comprehensive gain or loss	Treasury stocks	Total equity
Jan. 1, 2021 Balance	$ 5,720,008	$ 188,267	$ 1,052,057	$ 810,918	$ 230,224	$ 500,520	$ (12,185)	$ 8,489,809
Surplus allocation and distribution:								
Provision Legal surplus reserve	-	-	3,632	-	(3,632)	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(57,200)	-	-	(57,200)
Net profit (net loss) 2021	-	-	-	-	139,985	-	-	139,985
Other comprehensive gain or loss 2021	-	-	-	-	(5)	51,030	-	51,025
Total comprehensive gain or loss 2021	-	-	-	-	139,980	51,030	-	191,010
Dividends issued to subsidiaries to adjust capital reserve	-	106	-	-	-	-	-	106
Disposal of equity instruments measured at fair value through other comprehensive gain or loss	-	-	-	-	254	(254)	-	-
Dec. 31, 2021 Balance	5,720,008	188,373	1,055,689	810,918	309,626	551,296	(12,185)	8,623,725
Surplus allocation and distribution:								
Provision Legal surplus reserve	-	-	14,023	-	(14,023)	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(114,400)	-	-	(114,400)
Net profit (net loss) 2022	-	-	-	-	149,043	-	-	149,043
Other comprehensive gain or loss 2022	-	-	-	-	-	(26,872)	-	(26,872)
Total comprehensive gain or loss 2022	-	-	-	-	149,043	(26,872)	-	122,171
Dividends issued to subsidiaries to adjust capital reserve	-	210	-	-	-	-	-	210
Disposal of equity instruments measured at fair value through other comprehensive gain or loss	-	-	-	-	475	(475)	-	-
Dec. 31, 2022 Balance	$ 5,720,008	$ 188,583	$ 1,069,712	$ 810,918	$ 330,721	$ 523,949	$ (12,185)	$ 8,631,706

(Please refer to the notes to the individual financial statements)

Chairman: Chen Minduan Manager: Chen Guanhua Accounting Supervisor: Huang Xinhan

Southeast Cement Corporation

Individual Cash Flow Statement

2022 and 2021, January 1 to December 31

Unit: NT$ Thousand

Item	Year 2022	Year 2021
Cash flows from operating activities		
Net profit (loss) before tax for the period	$ 150,295	$ 154,990
Adjustments		
Income and expense items		
Depreciation expense	82,488	65,469
Expected credit impairment losses (gain)	(339)	(3,007)
Net loss (gain) on financial assets and liabilities at fair value through gain or loss	5,305	4,717
Interest expense	15,143	8,264
Interest income	(3,988)	(4,254)
Dividend income	(48,527)	(39,644)
Share of subsidiaries, affiliates and joint venture profit recognized under the equity method	63,391	(56,828)
Impairment loss on financial assets	702	-
Lease modification gain	-	(232)
Impairment loss on non-financial assets	6,974	-
Total gain or loss on revenue items	121,149	(25,515)
Changes in assets/liabilities related to operating activities		
Net change in assets related to operating activities		
Mandatory (increase) decrease in financial assets at fair value through profit or loss	23,093	(4,517)
Notes receivable (increase) decrease	(19,390)	95,143
Accounts receivable (increase) decrease	(44,194)	14,150
Other receivables (increase) decrease	(30,574)	1,765
Inventory (increase) decrease	(29,499)	(431)
Prepayment (increase) decrease	7,828	23,329
Other financial assets (increase) decrease	(2,915)	12,973
Total net change in assets related to operating activities	(95,651)	142,412
Net change in liabilities related to operating activities		
Increase (decrease) in contract liabilities	(11,662)	(43,050)
Increase (decrease) in accounts payable	52,184	(32,228)
Other payables (increase) decrease	2,745	(4,634)
Increase (decrease) in liability provision	(131)	19
Increase (decrease) in other current liabilities	487	896
Total net change in liabilities related to operating activities	43,623	(78,997)
Total net change in assets and liabilities related to operating activities	(52,028)	63,415
Total adjusted items	69,121	37,900
Cash outflow from operations	219,416	192,890
Interest charged	4,086	4,080

(Continued on next page)

(From previous page)

Item	Year 2022	Year 2021
Dividends received	$ 88,934	$ 62,769
Interest paid	(14,375)	(8,025)
Income tax refunds (paid)	1,194	(131)
Net cash inflow (outflow) from operating activities	299,255	251,583
Cash flows from investing activities		
Acquisition of financial assets measured at fair value through other comprehensive gain or loss	-	(39,164)
Disposal of financial assets at fair value through other comprehensive gain or loss	542	4,635
Capital reduction on financial assets at fair value through other comprehensive gains and losses	-	1,478
Acquisition of investments accounted for using the equity method	(650,300)	(35,000)
Acquisition of property, plant and equipment	(125,522)	(910,140)
Increase in guarantee deposits on deposit	(5,625)	-
Decrease in guarantee deposits on deposit	-	861
Decrease in other receivables - related parties	30,000	63,000
Acquisition of investment property	(114,286)	(1,434)
Decrease in long-term lease receivables	1,400	1,384
Net cash inflow (outflow) from investing activities	(863,791)	(914,380)
Cash flows from financing activities		
Increase in short-term borrowings	290,000	1,005,000
Increase in short-term bills payable	220,000	40,000
Increase in guarantee deposits on deposit	11,871	-
Principal repayments on leases	(56,170)	(58,048)
Cash dividends paid	(114,400)	(57,200)
Net cash inflow (outflow) from financing activities	351,301	929,752
Decrease in cash and cash equivalents for the period	(213,235)	266,955
Cash and cash equivalents at begin of the period	334,709	67,754
Cash and cash equivalents at end of the period	$ 121,474	$ 334,709

(Please refer to the notes to the individual financial statements)

Chairman: Chen Minduan Manager: Chen Guanhua Accounting Supervisor: Huang Xinhan

Annex III

Southeast Cement Corporation

Year 2022

Surplus Earnings Distribution List

Unit: NT dollar

Summary	Total amount
Opening undistributed surplus	181,202,290
Year 2022 Net profit after tax	149,043,548
Disposal of equity instruments measured at fair value via other comprehensive income	475,349
The remeasurement amount of the defined benefit plan is included in the retained surplus (Note)	0
Surplus available for distribution	330,721,187
Allocation items	
Provision of 10% Legal surplus reserve	(14,951,890)
Distribution of cash dividends (NT$ 0.1 per share allotted, calculated until the dividend reaches yuan)	(57,200,079)
Ending undistributed surplus	258,569,218

Note: The remeasurement amount of the defined benefit plan of the subsidiary Southeast Investment is recognized according to the shareholding ratio.

Chairman: Chen Minduan Manager: Chen Guanhua Chief accountant: Huang Xinhan

<u>Annex IV</u>

33rd-session Directors (Including independent directors) candidates list

No.	Candidate Type	Candidate Name	No. of shares held	Education	Experience	Concurrent major positions in other company
74	Director	East Tree Investment Co. Representative: Chen Minduan	80,496,816	B.S., Tamkang University	Southeast Cement Co. Vice chairman	Southeast Cement Co. Chairman
30599	Director	Chen Zhaoshu Charity Foundation Representative: Chen Guanhua	24,885,291	M.S., University of Southern California, USA.	Royal Bank of Scotland H K Branch Manager,	Southeast Cement Co. Vice chairman
30599	Director	Chen Zhaoshu Charity Foundation Representative: Wu Changzhi	24,885,291	B.A., National Chengchi University	Southeast Cement Co. General manager	Southeast Gaoliang Resources Recycling Co. Chairman
74	Director	East Tree Investment Co. Representative: Wu Yanhui	80,496,816	Taipei Technical College	Southeast Cement Co. Plant manager	Southeast Cement Co. Acting General manager
51644	Director	Fukang Cultural and Educational Foundation Representative: Yang Zhaoxiong	38,829,350	Kaohsiung Institute of Technology	Evergreen co. Advisor	Evergreen co. Chairman
42	Director	Southeast Culture Foundation Representative: Zhong Shufang	33,421,803	Advanced M.B.A., Kaohsiung University of Science and Technology	Southeast Cement Co. Audit chief	Fukang Asset Management Co. Chairman
87	Director	Zheng Lixiang	1,800,000	M.S., Boston University, USA	Southeast Cement Co. Supervisor	Weijue Int'l Co. General manager
88985	Director	Lin Yiling	200,000	Advanced M.B.A., Kaohsiung University of Science and Technology	Taiwan Implant Technology Co., Manager Management Dept.	Taiwan Implant Technology Co., Assistant manager
	Independent director	Yang Wenzai	0	M.S., Chaoyang University of Science & Technology	Director, Bureau of Internal Revenue, Kaohsiung, MOF	Keningwei Co. Independent director
	Independent director	Ye Jinbao	0	B.S., National Taiwan Normal University	Prosecutor, Supreme Court Prosecutor's Office	
	Independent director	Zhuang Yuxin	0	M.S., Int'l Management Institute, USA	First Resistor Capacitor Co., Manager	

Appendix I

Southeast Cement Corporation
Articles of Association

Revised on June 28, 2022.

Chapter I General Provisions

Article 1: The company is named Southeast Cement Corporation in accordance with the Company Act on its provisions concerning the naming of organization.

Article 2: The businesses operated by our company are as follows:

1. C901030 Cement manufacturing.
2. B202010 Non-metallic mining.
3. C901040 Ready-mixed concrete manufacturing.
4. C901050 Cement and concrete product manufacturing.
5. H701010 Housing and building development and rental.
6. H701040 Specific area development.
7. H701060 New towns, new community development.
8. H703100 Real estate leasing.
9. J101040 Waste treatment.
10. F111090 Building materials wholesale.
11. F211010 Building materials retail.
12. CD01010Ship and parts manufacturing.
13. CD01020 Rail vehicles and parts manufacturing.
14. A201040 Forest recreation area management.
15. J701020 Amusement Park.
16. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
17. C901990 Other non-metallic mineral products manufacturing industry.

Article 3: The company has its head office located in Kaohsiung and a plant at No. 1, Pingshan Lane, Nanzi District, Kaohsiung. If necessary, branches, business offices or plants may be established at home and abroad by resolution of the board meeting.

Article 4: The company’s announcement method is in compliance with Article 28 of the Company Act.

Chapter II Shares

Article 5: The capital of the company is rated at NT$8 billion, divided into 800 million shares, at NT$10 per share. The unissued shares shall be issued in different trenches according to the business needs of the company.

Article 6: The shares of the company are all registered and are issued with the signatures or seals of more than three directors, numbered and legally certified. The company may also issue shares without printing physical share certificates.

Article 7: The shareholder or legal agent shall fill in a seal card and keep it at the company for reference. The seal on the seal card shall be used for any transaction document with the company for exercise of the rights of shares.

Article 8: The company shall, unless otherwise provided by other laws or regulations, handle stock affairs in accordance with the provisions of the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authority.

Article 9: The title transfer of the shares shall be suspended within 60 days before the general shareholders' meeting, 30 days before the Extraordinary general meeting or 5 days before the ex-date of the company's decision to distribute dividends, bonuses, or other interests.

Chapter III Shareholders' Meeting

Article 10: The shareholders' meeting is divided into two types: the general shareholders' meeting and the Extraordinary general meeting. The general shareholders' meeting shall be convened once a year within 6 months after the end of each accounting year, and the Extraordinary general meeting shall be convened when necessary.

Article 11: The shareholders shall be notified of the date, place, and the cause of the meeting 30 days before the convening of the general shareholders' meeting and 15 days before the convening of the Extraordinary general meeting.

Article 12: If a shareholder is unable to attend the shareholders' meeting for some reason, he may issue a power of attorney in the form printed by the company to specify the scope of authorization and entrust an agent to attend. However, when a person, other than a trust enterprise or a stock agency approved by the securities authority, is at the same time entrusted by two or more shareholders, the voting rights of the proxy shall not exceed 3% of the total voting rights of all shares issued, otherwise the excessive voting rights shall not be counted.

If the power of attorney above is repeated, the first one that is delivered shall prevail. However, this does not apply to those which declare to revoke the previous entrustment.

Article 13: The chairman shall preside over the shareholders' meeting. When the chairman is on leave or unable to perform his duties for some reason, the vice chairman shall act as his proxy. When the vice chairman is also on leave or unable to perform his duties for some reason, the directors shall elect one among themselves as the deputy.

Article 14: The resolutions of a shareholders' meeting shall, unless otherwise provided by the Company Act or the company's articles of incorporation, be adopted by a majority vote of the shareholders or proxies present, who represent more than half of the total number of shares issued.

Article 15: For the shareholders of the company, each share has one voting right, and the voting right less than one shall not be counted.

Article 15-1: When the company convenes a shareholders' meeting, electronic means shall be listed as one of the channels for exercising voting rights, and the method of the exercise shall be stated in the notice of the shareholders' meeting. Shareholders who exercise voting rights electronically are deemed to have attended the shareholders' meeting in person. However, the exercise of voting rights for extraordinary proposals and the amendments to the original proposals of the shareholders' meeting shall be deemed as abstention. The relevant exercise methods are handled in accordance with the Company Act and the regulations of the competent authority.

Article 16: The resolutions of the shareholders' meeting of the company shall be recorded into minutes, and Article 183 of the Company Act shall be followed for the distribution and retention of the minutes.

Chapter IV Directors, Supervisors and Major employees

Article 17: The company has 7 to 11 directors, who are selected by the shareholders' meeting among people with capacity for conduct. The total number of shares of the company's registered shares held by all directors of the company shall be set in accordance with the standards promulgated by the competent authority.

When the shareholders' meeting elects' directors, each share has the same voting rights as the number of directors to be elected. The shareholder may elect one person with all his voting rights or have the voting rights distributed among several persons. The candidates who win votes with more voting rights are elected as directors.

Among the number of directors to be elected for each term in accordance with the first paragraph, the number of independent directors shall not be less than three and shall not be less than one-fifth of the number of directors to be elected. The independent directors' professional qualifications, shareholdings and restrictions on part-time employment, determination of independence, methods of nomination and other matters to be followed shall be in accordance with the relevant provisions of the Securities and Exchange Act.

The candidate nomination system is adopted for the election of the company's directors (including independent directors), and shareholders shall make the selection from the list of candidates. Directors and independent directors shall be nominated separately, and the election shall be conducted together, with the number of elected positions calculated separately.

Article 17-1: The company has established the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. Except for the functions and powers in paragraph 4, Article 14-4 of the Securities and Exchange Act, the Audit Committee is responsible for the exercise of powers of the supervisor as in

the Company Act, the Securities and Exchange Act and other laws and regulations.

The Audit Committee's exercise of powers, organizational procedures, and other matters to be complied with shall be handled in accordance with the Securities and Exchange Act and other relevant laws or company regulations.

Article 18: The chairman of the board of directors shall be elected from among the directors by a majority vote at a meeting attended by over two-thirds of the directors. The same method above shall be employed for the election of a vice chairman. The chairman of the board of directors shall externally represent the company and internally take care of the resolutions of board meetings and all other matters.

Article 19: For the convening of the board meeting, except for the first meeting of each term, which is convened by the director who wins the votes representing the most voting rights, the subsequent meetings are convened by the chairman of the board who shall also be the chairman. When the chairman is on leave or unable to perform his duties for some reason, the vice chairman shall act as his proxy. When the vice chairman is also on leave or unable to perform his duties for some reason, the directors shall elect one among themselves as the deputy.

Article 20: The term of the directors is 3 years, and those who are reelected may serve another term. If the term expires and a reelection is not possible, the directors' executive duties shall be extended until the reelected directors take office.

Article 21: (Deleted)

Article 22: The company's reinvestment is not subject to the provisions of Article 13 of the Company Act that reinvestment shall not exceed 40% of the paid-in capital.

Matters related to reinvestment shall be resolved by the board of directors.

Article 23: The company may provide external guarantees for business needs with the approval of the board of directors.

Article 24: The board meeting is convened once every quarter, and the reason for the convening shall be stated at the time of convening, and the directors shall be notified 7 days beforehand. However, in case of an emergency, a meeting may be called at any time.

The notice of the convening in the preceding paragraph shall be made by e-mail or fax upon the directors' approval. The directors shall attend the board meeting in person and may entrust other directors to attend on their behalf if they are unable to attend in person for some reason.

Article 25: Unless otherwise stipulated in the Company Act, the resolution of the board meeting shall be attended by more than half of the directors, and the consent of more than half of the directors present shall be obtained.

Article 26: When the vacancy of directors reaches one-third, the board of directors shall convene a by-election at an Extraordinary general meeting within 60 days, and the term of office shall be limited to the time limit for the original appointment.

Article 27: (Deleted)

Article 28: (Deleted)

Article 29: (Deleted)

Article 30: (Deleted)

Article 31: The travel fees and remuneration of all directors shall be determined by the board meeting. Salaries for general employees shall be reported to the chairman for approval by the president according to the normal standards and shall be paid regardless of the company's profit or loss.

Article 32: The company has one president and several vice presidents. The appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

Article 33: The president takes the orders of the chairman and the board of directors to handle all business of the company, and the vice presidents assist the president in handling the business he designates.

Article 34: Depending on the business needs, the board of directors may hire lawyers as legal advisers, accountants as accounting advisers, and people with knowledge of the industry as advisers to the company.

Article 34-1: The company may purchase liability insurance for the directors during their term of office for the compensation liabilities according to law during their execution of duties within the business scope.

Chapter V Accounting

Article 35: The company has set its fiscal year from January 1 to December 31 each year.

Article 36: The board of directors shall prepare the following lists for the company at the end of each fiscal year and submit them to the general shareholders' meeting for recognition.

1. Business report
2. Financial statements
3. Proposal for Surplus earnings distribution or Loss recovery

Article 37: If the company makes a profit in its annual settlement, it shall allocate no less than 2% as employees' remuneration, which shall be distributed in stock or cash based on the resolution of the board meeting. The company may, based on the abovementioned profit, allocate no more than 3% as directors' remuneration based on the resolution of the board meeting. The distribution of employees' remuneration and directors' remuneration shall be reported at the shareholders' meeting.

However, when the company still has accumulated losses, it shall reserve the compensation amount in advance, and then allocate employee compensation and director compensation in proportion to the preceding paragraph.

Article 37-1: If the company makes a profit in the fiscal year, it shall first pay taxes and make up for previous losses, and then allocate 10% as the legal reserve until the legal reserve reaches the total capital of the company. After making the provisions and reversing the special reserve in accordance with the regulations

of the competent authority, the balance shall be combined with the accumulated undistributed earnings of the previous year and the undistributed earnings adjustment of the current year to be the earnings available for distribution. The board of directors shall draft an earnings distribution plan and submits it to the shareholders' meeting for a resolution on the distribution of shareholder dividends.

For the dividend payment, the company shall take into account the characteristics of the business climate change and consider the future capital needs and long-term financial planning of the life cycle of each product or service. Under the goal of maintaining stable dividends, all dividend payments in cash shall be the principle, but if the company has capital needs such as capacity expansion, financial structure improvement, major investment plans, etc., then more than 50% may be stock dividend, and the rest be cash dividend.

Chapter VI By-law Provisions

Article 38: The company's organizational rules and rules for handling matters are to be separately formulated.

Article 39: Any matter not covered in this Articles of Association shall be handled in accordance with the provisions of the Company Act.

Article 40: This Articles of Association will take effect after being approved by the shareholders' meeting, and the same procedure applies when amended.

Article 41: This Articles of Association was established on November 17, 1956.
The first revision was made on March 10, 1957.
The second revision was made on December 30, 1957.
The third revision was made on May 10, 1958.
The fourth revision was made on October 20, 1958.
The fifth revision was made on November 15, 1959.
The sixth revision was made on March 2, 1961.
The seventh revision was made on March 25, 1962.
The eighth revision was made on March 26, 1963.
The ninth revision was made on March 28, 1964.
The tenth revision was made on March 31, 1965.
The eleventh revision was made on March 24, 1966.
The twelfth revision was made on March 29, 1967.
The thirteenth revision was made on August 20, 1967.
The fourteenth revision was made on March 20, 1968.
The fifteenth revision was made on August 9, 1968.
The sixteenth revision was made on December 31, 1969.
The seventeenth revision was made on September 24, 1970.
The eighteenth revision was made on August 2, 1971.
The nineteenth revision was made on February 5, 1972.
The twentieth revision was made on November 22, 1973.
The twenty-first revision was made on June 1, 1974.

The twenty-second revision was made on December 15, 1974.
The twenty-third revision was made on April 1, 1976.
The twenty-fourth revision was made on January 25, 1977.
The twenty-fifth revision was made on August 27, 1977.
The twenty-sixth revision was made on April 28, 1979.
The twenty-seventh revision was made on May 26, 1980.
The twenty-eighth revision was made on May 23, 1981.
The twenty-ninth revision was made on April 15, 1982.
The thirtieth revision was made on May 10, 1982.
The thirty-first revision was made on May 7, 1983.
The thirty-second revision was made on March 22, 1985.
The thirty-third revision was made on May 17, 1985.
The thirty-fourth revision was made on June 29, 1985.
The thirty-fifth revision was made on January 7, 1986.
The thirty-sixth revision was made on April 26, 1986.
The thirty-seventh revision was made on September 9, 1986.
The thirty-eighth revision was made on April 25, 1987.
The thirty-ninth revision was made on April 30, 1988.
The fortieth revision was made on August 1, 1988.
The forty-first revision was made on November 30, 1988.
The forty-second revision was made on April 29, 1989.
The forty-third revision was made on April 13, 1990.
The forty-fourth revision was made on April 29, 1991.
The forty-fifth revision was made on March 27, 1992.
The forty-sixth revision was made on March 26, 1993.
The forty-seventh revision was made on September 6, 1993.
The forty-eighth revision was made on March 26, 1994.
The forty-ninth revision was made on April 29, 1995.
The fiftieth revision was made on April 27, 1996.
The fifty-first revision was made on April 30, 1997.
The fifty-second revision was made on May 28, 1999.
The fifty-third revision was made on May 22, 2000.
The fifty-fourth revision was made on May 18, 2001.
The fifty-fifth revision was made on June 14, 2002.
The fifty-sixth revision was made on June 10, 2005.
The fifty-seventh revision was made on June 16, 2006.
The fifty-eighth revision was made on June 15, 2007.
The fifty-ninth revision was made on June 19, 2009.
The sixtieth revision was made on June 29, 2011.
The sixty-first revision was made on June 18, 2012.

The sixty-second revision was made on June 24, 2013.
The sixty-third revision was made on August 22, 2013.
The sixty-fourth revision was made on June 27, 2014.
The sixty-fifth revision was made on June 17, 2016.
The sixty-sixth revision was made on June 22, 2018.
The sixty-seventh revision was made on June 20, 2020.
The sixty-eighth revision was made on August 27, 2021
The sixty-ninth revision was made on June 28, 2022

Southeast Cement Corporation

Chairman: Chen Minduan

Appendix II

Southeast Cement Corporation
Regulation of Shareholders' Meeting Procedure

Approved by Annual general meeting on 2022.6.28.

Article 1: The shareholders’ meeting of the company shall be conducted in accordance with the rules of procedure except where otherwise provided in laws and regulations or the Articles of Association.

Article 2: Unless otherwise provided by law, a meeting of the Company's shareholders shall be convened by the Board of Directors. Changes in the method of convening the shareholders' meeting of the company shall be resolved by the board of directors and shall be implemented at the latest before the notice of the shareholders' meeting is dispatched. The Company shall send to the Market Observation Post System (MOPS) the notice of the general meeting, the proxy form, and the agenda and explanatory information of each proposal for recognition, discussion, election or dismissal of directors, and independent directors, etc., in an electronic file 30 days prior to the general meeting or 15 days prior to the shareholders' meeting. The Company also prepares and transmits to the MOPS an electronic file of the shareholders' meeting minutes and supplementary information to the MOPS no later than 21 days prior to the regular shareholders' meeting or 15 days prior to the Extraordinary general meeting. The shareholders' meeting manuals and supplementary information are available for shareholders' reference at any time 15 days prior to the shareholders' meeting and are displayed at the Company and the Company's appointed professional stockbrokers.

The aforementioned handbook and supplementary information shall be made available to shareholders on the date of the shareholders' meeting in the following manner:

1. When the physical shareholder meeting is held, it shall be issued on the spot of the shareholder meeting.
2. When convening a video-assisted shareholders' meeting, it shall be distributed at the site of the shareholders' meeting and sent to the video conference platform as an electronic file.
3. When convening a video conference, the electronic file shall be sent to the video conference platform.

The notification and announcement shall specify the reason for the convening; the notification may be done by electronic means if the counterparty agrees.

Appointment or dismissal of directors, independent directors, change of articles of association, capital reduction, application for cessation of public offering, directors' non-competition permit, capital increase from surplus, capital increase from public reserve, company dissolution, merger, division, or the matters mentioned in the subparagraphs of Article 185, Paragraph 1 of the Company Law shall be listed and explained in the reason for the convening, and the main content shall not be proposed as a temporary proposal.

The reason for the convening of the shareholders' meeting has stated the overall re-election of directors and the date of their inauguration. After the re-election of the shareholders' meeting is completed, the same meeting shall not change the date of their inauguration by temporary proposal or other means.

Shareholders who hold more than 1% of the total number of issued shares may submit to the company a resolution for the general meeting of shareholders, and no more than one proposal shall be included in the proposal. However, if a shareholder's proposal is a suggestion to urge the company to promote public interests or fulfill social responsibilities, the board of directors may still include it in the proposal. In addition, if a proposal proposed by a shareholder falls under any of the circumstances in Subparagraph 4 of Article 172-1 of the Company Law, the board of directors may not include it as a proposal.

The Company shall announce the acceptance of shareholders' proposals, the written or electronic means of acceptance, the place of acceptance, and the period of acceptance before the date of cessation of stock transfer prior to the shareholders' meeting; the period of acceptance shall not be less than 10 days.

A shareholder's proposal shall be limited to 300 words, and any proposal more than 300 words shall not be included in the proposal; the proposing shareholder shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal.

The company shall notify the proposing shareholders of the results of the handling before the notice date for the convening of the shareholders' meeting and list the proposals that meet the provisions of this article in the meeting notice. The Board of Directors shall state the reasons for not including the proposal in the shareholders' meeting if the proposal is not included.

Article 3: The shareholders referred to in these rules mean the shareholders themselves and their proxies entrusted to attend.

At each shareholders' meeting, the shareholder may issue a power of attorney issued by the company specifying the scope of authorization and appoint a proxy to attend the meeting.

Each shareholder is limited to issuing one power of attorney and entrusting one person. The power of attorney shall be delivered to the company 5 days before the shareholders' meeting. If the power of attorney is repeated, the first one that is delivered shall prevail. However, this does not apply to those which declare to revoke the previous entrustment.

After the power of attorney is delivered to the company, shareholders who wish to attend the shareholders' meeting in person shall give the company a written notice of the cancellation of the entrustment at least 2 days before the shareholders' meeting; if the cancellation is overdue, the voting rights of the entrusted proxy shall prevail.

Article 4: The company shall specify in the meeting notice the time and location of the shareholder registration, and other matters that should be noted. The time for accepting the registration of shareholders in the preceding paragraph shall be handled at least 30 minutes before the start of the meeting; the registration location shall be clearly marked, and adequately qualified personnel shall be dispatched to handle the registration.

The shareholder himself or the proxy entrusted by the shareholder (hereinafter jointly referred to as the shareholder) shall present the attendance certificate, sign-in card, or other attendance documents to attend the shareholders' meeting; The company shall not arbitrarily add other certification documents to the documents required for the shareholders to attend. The solicitor of the power of attorney shall bring identification documents for verification.

Attending shareholders shall wear attendance certificates and hand in the sign-in card to sign in.

Attending shareholders shall wear attendance certificates and hand in the sign-in card to sign in.

The company shall deliver the meeting handbook, annual report, attendance certificate, speech slips, voting ballots and other meeting materials to shareholders attending the shareholders' meeting; if there is an election of directors (including independent directors), additional election ballots shall be attached.

When the government or legal person is a shareholder, the number of representatives present at the shareholders' meeting is not limited to one. When a legal person is entrusted to attend the shareholders' meeting, only one representative may be appointed to attend.

Article 4-1: When the company convenes a shareholder meeting via video conference, the following items shall be specified in the shareholders meeting convening notice:

1. Shareholders' participation in video conferences and methods for exercising their rights.
2. How to deal with obstacles caused by natural disasters, accidents, or other force majeure events, including at least the following items:
   (1) The time at which the meeting must be postponed or continued due to the occurrence of previous obstacles that cannot be eliminated, and the date when the meeting must be postponed or continued.
   (2) Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting.
   (3) To convene a video-assisted shareholders' meeting, if the video conference cannot be continued, after deducting the number of shares attending the shareholders' meeting through video conference, the total number of shares attended reaches the statutory quota for the shareholders' meeting, Shareholders' meeting shall continue to be held. Shareholders participating in the video conference shall be included in the total number of shareholders' shares present and shall be deemed to have abstained from voting on all proposals at the shareholders' meeting.
   (4) How to deal with the situation where all the proposals have been announced and no provisional proposals have been made.
3. To convene a video conference shareholders meeting, which shall specify appropriate alternative measures for shareholders who have difficulty participating in video-conferencing.

Article 5: The shareholders’ meeting shall be held at the location of the company or at a place convenient for shareholders to attend and suitable for the shareholders’ meeting.

The meeting start time shall be between 9 am and 3 pm.

Article 6: If the shareholders’ meeting is convened by the board of directors, the chairman shall preside over the meeting. When the chairman is on leave or unable to perform his duties for some reason, the vice chairman shall act as his proxy. When the vice chairman is also on leave or unable to perform his duties for some reason, the directors shall elect one among themselves as the deputy. If the chairman of the preceding paragraph is deputized by a director, the director shall have served for more than 6 months and understands the company’s financial and business conditions. The same applies if the chairman is the representative of a corporate director.

For the shareholders' meeting convened by the board of directors, the chairman of the board shall preside in person, and more than half of the directors of the board of directors, at least one independent director and at least one member of each functional committee shall attend; the attendance shall be recorded in the shareholders' meeting minutes.

If the shareholders' meeting is convened by a convener other than a member of the board of directors, the convener shall be the chairman. If there are two or more conveners, one of them shall be elected.

The company may appoint its designated lawyers, accountants or related personnel to attend the shareholders' meeting.

Article 7: The entire process of the shareholders' meeting shall be audio or video recorded.

The recording above shall be kept for at least one year.

However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

If the shareholders' meeting is held by video conference, the company shall keep records of shareholders' registration, registration, registration, questioning, voting, and company vote counting results, etc., and record and video the entire process of the video conference continuously.

The company shall properly keep the materials and audio and video recordings in the preceding paragraph during the period of existence and provide the audio and video recordings to the person entrusted to handle the video conferencing affairs for storage.

If the shareholders' meeting is held by video conference, the company should make audio and video recordings of the background operation interface of the video conference platform.

Article 8: The number of attending shares is calculated based on the number of shares represented by the sign-in cards from the attending shareholders or the shareholders' proxies, plus the number of shares of shareholders exercising their voting rights in writing or electronically.

The chairman shall call the meeting to order at the specified meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a meeting postponement, provided that the number of such postponement is no more than two, and the total time no more than 1 hour. If the attending shareholders still do not represent one-third of the total number of issued shares after two postponements, the chairman shall declare the meeting aborted; If the shareholders meeting is convened by video conference, the company shall also announce the streamed meeting on the video conference platform of the shareholders meeting.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month; If the general meeting of shareholders is convened by video conference, shareholders who wish to attend via video conference shall re-register with the company in accordance with Article 4.

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

Article 9: If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors, and the resolutions of related proposals (including extraordinary proposals and amendments to original proposals) shall be made on a case-by-case basis by voting. The meeting shall proceed in the order set in the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene but is not a member of the Board of directors.

Before the conclusion of the agenda (including temporary proposals) scheduled in the first two items, the chairman shall not declare the meeting closed unless a resolution is passed; If the chairman announces the adjournment of the meeting in violation of the rules of procedure, other members of the board of directors shall promptly assist the attending shareholders in accordance with the legal procedures, and elect a person as the chairman with the consent of more than half of the voting rights of the attending shareholders to continue the meeting.

The chairman shall give full explanations and opportunities for discussion on proposals and amendments, or extraordinary proposals proposed by shareholders. When he thinks that the proposals have reached the level that can be voted on, he may announce the suspension of discussions, put them up for voting, and arrange adequate voting time.

After the meeting is adjourned, shareholders are not allowed to elect another chairman to continue the meeting at the original location or find another place.

Before a shareholder attends to speak, he/she must fill in a speech slip, stating the shareholder's account number, account name and the main idea of his/her speech, and the chairman will determine the order of his/her speech.

A shareholder who merely mentions the speech slip but does not speak is deemed not to have spoken. If the content of the speech does not correspond to that of the speech slip, the content of the speech shall prevail.

Article 10: Before a shareholder attends to speak, he/she must fill in a speech slip, stating the shareholder's account number, account name, and the main idea of his/her speech, and the chairman will determine the order of his/her speech.

A shareholder who merely mentions the speech slip but does not speak is deemed not to have spoken. If the content of the speech does not correspond to that of the speech slip, the content of the speech shall prevail.

Article 11: For the same proposal, each shareholder shall not speak more than twice without the consent of the chairman, and each speech shall not exceed 5 minutes.

If the shareholder's speech violates the rules above or exceeds the scope of the agenda item, the chairman may terminate the speech.

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

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

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

Article 12-1: If the shareholders meeting is convened by video conference, the shareholders participating in the video conference may ask questions in text on the shareholders meeting video conference platform after the chairman announces the opening of the meeting and before the announcement of the closing of the meeting.

The number of questions for each proposal shall not exceed two, and each time shall be limited to 200 characters. The provisions of Articles 10 to 12 do not apply.

If the question in the preceding paragraph does not violate the regulations or exceed the scope of the proposal, it is advisable to disclose the question on the video conferencing platform of the shareholders meeting for public awareness.

Article 13: When the chairman is of the opinion that the proposal and the amendment or extraordinary proposal put forward by the shareholder has been discussed sufficiently for a vote, the chairman may announce the discussion closed and call for a vote.

Article 14: Vote scrutinizing and counting personnel for the voting on a proposal, if required, shall be appointed by the chairman, provided that all the scrutinizing personnel shall be shareholders of the company.

Article 15: The voting at the shareholders' meeting shall be based on the number of shares.

The shares held by shareholders having no voting right shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders.

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, otherwise, the portion of excessive voting power shall not be counted.

Article 16: Shareholders shall have one vote per share; except for those who are restricted or have no voting rights as listed in Article 179, Paragraph 2 of the Company Act.

When the company convenes a general meeting of shareholders, it shall exercise its voting rights electronically and may exercise its voting rights in written form; when exercising its voting rights in written or electronic form, the method of exercise shall be specified in the shareholders' meeting convening notice. Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, the interim motions and amendments to the original proposals at the shareholders' meeting are deemed as abstentions, so the company should avoid proposing interim motions and amendments to the original proposals.

For those who exercise their voting rights in writing or electronically in the preceding paragraph, their declaration of intent shall be delivered to the company two days before the shareholders' meeting. However, this does not apply to those who express their intention before the declaration is revoked. After shareholders have exercised their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or via video conference, they shall revoke the previous declaration of intention to exercise voting rights in the same manner as exercising voting rights two days before the shareholders' meeting; If the cancellation is overdue, the voting rights exercised in writing or electronically shall prevail. If voting rights are exercised in written or electronic means and a proxy is authorized to attend the shareholders' meeting with a power of attorney, the voting rights performed by the proxy shall prevail.

Unless otherwise provided in the Company Law and the Company's Articles of Incorporation, a motion shall be approved by a majority of the votes of the shareholders present. In the event of a vote, the chairman or his or her designee shall announce the total number of votes of the shareholders present on a case-by-case basis, and then the shareholders shall vote on the motion on a case-by-case basis, and the results of the shareholders' approval, disapproval and abstention shall be entered into the MOPS on the day after the shareholders' meeting is held.

The company holds a video conference of the shareholders meeting. Shareholders who participate in the video conference shall vote on various proposals and election proposals through the video conference platform after the chairman announces the meeting. It should be completed before the chairman announces the end of voting, and those who are overdue shall be regarded as abstaining from voting.

If the shareholders' meeting is convened by video conference, after the chairman announces that the voting is over, the votes shall be counted at one time, and the voting and election results shall be announced.

When the company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting via video conference in accordance with Article 4 and wish to attend the physical shareholders' meeting in person, shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; Those who cancel after the deadline can only attend the shareholders' meeting via video conference.

Exercising the right to vote in writing or electronically without revoking its declaration of will, those who participate in the shareholders' meeting via video conference shall not exercise voting rights on the original proposal or propose amendments to the original proposal, except for temporary proposals, or exercise the right to vote on amendments to the original proposal.

Article 17: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to the vote. If one of the proposals has been passed, the other proposals shall be deemed to be rejected, and there is no need to vote again.

Article 18: The election of directors (including independent shareholders) at a shareholders’ meeting shall be held in accordance with the company’s

"Directors Election Method," and the voting results, including the name list of elected directors and independent directors and the respective voting rights won, shall be announced on-site immediately.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. However, if a shareholder initiates a lawsuit in accordance with Article 189 of the Company Act, the recording shall be kept until the end of the lawsuit.

Article 19: The resolutions of the shareholders' meeting of the company shall be recorded into minutes and signed or stamped by the chairman and distributed to the shareholders within 20 days after the meeting.

For the distribution of the minutes of the preceding paragraph, the company may enter the minutes into the MOPS for public announcement.

The minutes shall record the year, month, day, venue, name of the chairman, resolution method, key points of the proceedings, and voting results (including statistical weights) of the meeting. When there is an election of directors, the number of voting rights won by each candidate shall be disclosed. During the existence of the company, the minutes shall be kept permanently.

If the shareholders meeting is convened by video conference, in addition to the items that shall be recorded in accordance with the provisions of the preceding paragraph, the minutes shall also record the start and end time of the shareholders meeting, the method of convening the meeting, the name of the chairman and minutes, and the or other force majeure events to the video-conferencing platform or the way to deal with obstacles in the way of video participation.

The Company shall hold a video conference shareholders meeting, in addition to following the provisions of the preceding paragraph and shall state in the minutes of the meeting that there are alternative measures provided by shareholders who have difficulties participating in video-conferencing.

Article 20: The number of shares solicited by the requester, the number of shares represented by proxy, and the number of shares attended by shareholders in writing or electronically shall be clearly disclosed in the shareholders' meeting venue on the date of the shareholders' meeting in a statistical form prepared in accordance with the prescribed format; If the shareholders' meeting is held by video conference, the company shall upload the above-mentioned information to the shareholders' meeting video conference platform at least 30 minutes before the meeting starts, and continue to disclose it until the end of the meeting.

When the company holds a video conference of the shareholders' meeting and announces the meeting, the total number of shareholders' shares present shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights of shareholders present are counted separately during the meeting.

If the resolution of a shareholders' meeting is a significant information required by law or by the Taiwan Stock Exchange Corporation, the Company shall transmit the content to the MOPS within the prescribed time.

Article 21: When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Article 22: The chairman may direct the Picket person or Security guard to help maintain order at the meeting place. When Picket persons or Security guard help maintain order at the meeting place, they shall wear an identification card or armband bearing the word “Picket person.”

At the venue of the shareholders’ meeting, if a shareholder attempts to speak through any device other than the equipment set up by the company, the chairman may prevent the shareholder from doing so.

When a shareholder violates the rules of procedure and defies the chairman’s correction or obstructs the proceedings and refuses to heed calls to stop, the chairman may direct the Picket persons or Security guard to escort the shareholder out of the meeting venue.

Article 23: If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results and election results of various proposals on the video conference platform of the shareholders' meeting in accordance with regulations after the voting ends. The disclosure should continue for at least 15 minutes after the chairman announces the adjournment of the meeting.

Article 24: When the company holds a video conference shareholders meeting, the chairman and recorder shall be at the same place in the country, and the chairman shall announce the address of the place when the meeting is held.

Article 25: If a shareholders' meeting is held via video conference, the Company may provide a simple connection test for shareholders before the meeting and provide real-time related services immediately before and during the meeting to assist in handling technical problems of communication.

If the shareholders' meeting is convened by videoconference, the chairman shall, when announcing the opening of the meeting, separately announce that there is no need to postpone or continue the meeting, except for the circumstances stipulated in Article 44-24 of the Standards for the Handling

of Stock Affairs of Public Offering Companies, before the chairman announces the adjournment of the meeting, due to natural disasters, accidents or other force majeure, the video conferencing platform or participation in the form of video is blocked for more than 30 minutes, the Article 182 of the Company Law shall not apply to the date when the meeting should be postponed or continued within 5 days.
Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meetings in the event of the occurrence of the preceding paragraph.
Shareholders who are supposed to postpone or resume the meeting according to the provisions of Paragraph 2, who have registered to participate in the original shareholders' meeting and completed the report-in via video conference, and who have not participated in the postponed or resumed meeting, the number of shares, voting rights, and election rights exercised at the original shareholders' meeting shall be counted as the total number of shares, voting rights and election rights of shareholders present at the adjourned or renewed meeting.
When adjourning or adjourning a general meeting of shareholders in accordance with the provisions of Paragraph 2, no re-discussion and resolution is required for proposals that have completed voting and counting and announced the voting results or the list of elected directors and supervisors.
When the company convenes a video-assisted shareholders' meeting, and the video conference cannot be continued under Paragraph 2, if the total number of shares present after deducting the number of shares present at the shareholders' meeting via video conference still reaches the legal quota for the shareholders' meeting, the shareholders' meeting shall continue, and there is no need to postpone or continue the meeting in accordance with the provisions of the 2nd paragraph.
In the event that the meeting should continue as mentioned in the preceding paragraph, the shareholders who participate in the shareholders meeting via video conference shall count the number of shares present in the total number of shares of the shareholders present but shall be deemed as abstaining from voting on all the resolutions of the shareholders meeting.
When the company postpones or continues the meeting in accordance with the provisions of Paragraph 2, it shall comply with the provisions listed in Article 44-20, Item 7 of the Standards for the Handling of Share Affairs of Companies Offering Shares to the Public, according to the date of the original shareholder meeting and the provisions of each article, the relevant

pre-operations will be handled.

The 2nd paragraph of Article 12 and the 3rd item of Article 13, The period specified in Article 44-5, Paragraph 2, Article 44-15, and Article 44-17, Paragraph 1 of the Guidelines for the Handling of Share Affairs of Companies Offering Shares to the Public, the company shall postpone or renew the date of the general meeting of shareholders in accordance with the provisions of the 2nd paragraph.

Article 26: When sponsoring the company to hold a video conference shareholders meeting, appropriate alternative measures shall be provided for shareholders who have difficulties attending via video-conferencing.

Article 27: These regulations will come into effect after being approved by the shareholders meeting, and the same will be done when they are amended.

Approved at the General meeting of shareholders on April 29, 1991.

The first revision was made in the General meeting of shareholders on May 19, 1998.

The second revision was made in the General meeting of shareholders on June 14, 2002.

The third revision was made in the General meeting of shareholders on June 16, 2006.

The fourth revision was made in the General meeting of shareholders on June 29, 2011.

The fifth revision was made in the General meeting of shareholders on June 18, 2012.

The sixth revision was made in the General meeting of shareholders on June 18, 2015.

The seventh revision was made in the General meeting of shareholders on June 23, 2017.

The eighth revision was made in the General meeting of shareholders on June 20, 2020.

The ninth revision was made in the General meeting of shareholders on August 27, 2021.

The tenth revision was made in the General meeting of shareholders on June 28, 2022.

Appendix III

Southeast Cement Corporation
Directors Election Method

(Revised on June 28, 2022)

Article 1: The election of directors of the Company shall be governed by these Regulations unless otherwise provided by law or the Articles of Incorporation.

Article 2: The election of directors of the Company shall take into consideration the overall configuration of the Board of Directors.

Members of the board of directors should generally have the knowledge, skills, and accomplishments necessary to perform their duties, and their overall abilities should be as follows:

1. Operational judgment.
2. Accounting and financial analysis skills.
3. Business management skills.
4. Crisis management ability.
5. Industry knowledge.
6. International market perspective.
7. Leadership skills.
8. Decision-making ability.

Article 3: According to Article 192-1 of the Company Law, the election of directors of the company adopts a candidate nomination system, and directors and independent directors shall be nominated separately.

The qualifications for the nomination and election of independent directors of the Company are in accordance with the Regulations Governing the Establishment and Compliance of Independent Directors of Public Companies.

The directors and independent directors of the company shall be elected together, and the number of elected directors shall be calculated separately.

Article 4: The election of directors of the company adopts a single-register cumulative voting system. Each share shall have the same number of votes as the number of directors to be elected and may elect one person or allocate the number of persons to be elected.

Article 5: The board of directors shall prepare ballots equal to the number of directors to be elected, fill in the number of election rights, and distribute them to the shareholders.

The name of the elector may be replaced by the attendance number printed on the election ballot.

For shareholders who exercise their election rights electronically, no separate election ballot will be issued.

Article 6: The elector shall fill in the name of the electee and the candidate number in the "Elected Person" column of the ballot paper according to the lists of candidates for directors and independent directors respectively. However, when the government or legal person shareholder is the "Elected Person", the name of the government or legal person shareholder and the candidate number should be filled in the electee column of the ballot paper.

Article 7: At the beginning of the election, the chairman shall designate two scrutineers who have the status of shareholders among the shareholders present and designate a number of counting personnel to perform various related tasks.

Article 8: Ballot boxes for directors shall be prepared separately by the board of directors and shall be opened by the scrutineers before voting in public.

Article 9: Directors (including independent directors) of the company shall be elected from the list of candidates at the shareholders' meeting. According to the quota stipulated in the articles of association, the person with more votes represented by the votes obtained shall be elected as director and independent director respectively.

A person who is also elected as a director or independent director shall serve as a director or independent director at his or her own discretion, and the vacancy shall be filled by the candidate with the next highest number of election rights.

If two or more people have the same number of voting rights and exceed the prescribed quota, the votes obtained represent the same number of voting rights, and they will be determined by drawing lots. For those who are not present, the chairman will draw lots on their behalf.

Article 10: Ballots are invalid under any of the following circumstances:

1. Those who do not use the ballots stipulated in Article 5 of these Regulations.
2. Putting blank ballots into the ballot box.
3. Two or more candidates are listed on the same ballot paper.
4. In addition to filling in the name of the electee and the candidate number, other words are inserted.
5. The handwriting is illegible, unrecognizable, or altered.
6. There are omissions in the names of candidates and candidate numbers filled in or are inconsistent with the list of candidates.
7. Those who tear up the ballot papers to make them incomplete.

8. The elected directors and independent directors filled in are not listed in the list of candidates for directors and independent directors.

Article 11: After the voting is completed, the ballots will be counted on the spot, and the result of the counting will be announced by the chairman or his designated personnel on the spot.

Article 12: Elected directors (including independent directors) shall be notified separately by the Board of directors.

Article 13: Matters not stipulated in these measures shall be handled in accordance with the company's articles of association, company law and relevant laws and regulations.

Article 14: These measures shall be effective upon the approval of the shareholders' meeting, and the same shall apply when amended.
After this revision, it will come into effect in 2017.

Appendix IV

As of April 23, 2023, Record of Shareholder Register on Transfer Closing Date

Shareholders' list of Individual and All Directors Shares Held

All Directors' legal minimum shares held should be 18,304,025 shares.

Base date: April 23, 2023

Job Title	Name	No. of shares recorded in register of shareholders on transfer closing date
Chairman	East Tree Investment Co.; Representative: Chen Minduan	80,496,816
Vice chairman	Chen Zhaoshu Charity Foundation; Representative: Chen Guanhua	24,885,291
Director	East Tree Investment Co.; Representative: Chen Tianzhu	80,496,816
Director	Chen Zhaoshu Charity Foundation; Representative: Wu Changzhi	24,885,291
Director	Likai Investment Co.; Representative: Zheng Lixiang	19,434,559
Director	Evergreen co.; Representative: Yang Zhaoxiong	40,070,010
Director	Southeast Culture Foundation; Representative: Chen Jianhao	33,421,803
Independent director	Yang Wenzai	0
Independent director	Ye Jinbao	0
Independent director	Zhuang Yuxin	0

Note :1. The company's paid-in capital on April 23, 2023 is NT$5,720,007,970.00, and the No. of issued shares is 572,000,797 shares.
2. All of Directors’ shares held 198,308,479 shares, as 34.67%.
3. The Company has set up an Audit committee, so there is no legal requirement for the number of shares to be held by Supervisors.