Pacific Construction Co., Ltd.

2023 Annual Shareholders' Meeting

Minutes

------DISCLAIMER------

This is a translation of the Minutes for the 2023 Annual Shareholders'Meeting (The "Minutes") of **Pacific Construction Co., LTD.** (The "Company"). This translation is intended for reference only and nothing else, the Company hereby disclaims and all liabilities whatsoever for the translation. The Chinese text of the Minutes shall govern any and all matters related to the interpretation of the subject matter stated herein.

Time: 9:00 a.m., June 14, 2023

Location: No. 1, Section 5, Xinyi Rd., Taipei City, Taiwan (R.O.C.)
(Meeting Room 102, Taipei International Convention Center)

Quorum: 238,771,921 shares were represented by shareholders in person and by proxy (including by exercising voting rights electronically: 96,831,037 shares), which are mounted to 61.69% of the Company's 387,000,000 issued and outstanding shares.

Board Members Present:

Director: Liu I-Yee
Lei Chien (Living Spring International Development Co., Ltd. Representative)
Yu Sheng-Yi (Living Spring International Development Co., Ltd. Representative)
Lai Yueh-Hsin (Fukunaga Investment Co., Ltd. Representative)
Chang Chi-Ming (Allianz investment Co., Ltd. Representative)
Liu Ming-Heng (Living Spring International Development Co., Ltd. epresentative)
Lin Hao-Li (Independent Director)
Wu Chin-Jung (Independent Director)
Chen Kin-Lung (Independent Director)
9 directors attended the shareholders' meeting, which has exceeded half of the 9 directors.

Attendance: CPA Chen Chung-Che of KPMG

Chairman: Liu I-Yee **Recorder:** Yang Fang-Yi

The Chairman announced that the aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The Chairman called the meeting to order.

I. Chairman's Remarks: (Omitted)

II. Report Items

Item 1 2022 Business Report

Please refer to page 10-12 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 2 2022 Audit Committee's Review Report

Please refer to page 13 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 3 2022 Employee and Director Compensation Report

Please refer to page 3 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 4 Report of The company's appropriations of earnings in cash dividends to shareholders for 2022

Please refer to page 3 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 5 Report of the Details of Individual Remuneration of Directors in 2022

Please refer to page 3-4 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 6 Report the Implementation Situation of the Company's Corporate Bonds

Please refer to page 4 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 7 Report of the Amendments to " Sustainable Development Practice Principles "

Please refer to page 18-19 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 8 Report of the Amendments to " Financial Related Operations between Affiliated Enterprises "

Please refer to page 20-29 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

Item 9 Other matters

Please refer to page 5 of the Meeting Handbook, http://www.pacific-group.com.tw or http://mops.twse.com.tw.

III. Ratification Items

Proposal 1 ***Proposed by the Board of Directors***

Subject: The Company's 2022 business report and financial statements are submitted for ratification.

Explanation:

1. The company's 2022 financial statements have been certified by the CPA Chen, Chung Che and Pan, Jun-Ming of KPMG, along with the business report has been reviewed and examined by the Audit Committee and the Audit Committee has issued a Review Report accordingly. Please ratify Business Report and Financial Statements.
2. The Business Report (page 10~12) and Financial Statements for the Year 2022 (page 30-50) please refer to the Meeting Handbook.

Resolution: That the proposal approved as proposed by voting.

Shares represented at the time of voting: 238,771,921

Voting Results*		% of the total represented share present
Votes in favor:	231,231,483 votes (94,079,948 votes)	97%
Votes against:	208,322votes (208,322 votes)	0%
Votes invalid:	0 votes	0%
Votes abstained:	7,332,116 votes (2,542,767 votes)	3%

*including votes casted electronically (numbers in brackets)

Proposal 2 ***Proposed by the Board of Directors***

Subject: To approve the proposal for distribution of 2022 profits.

Explanation:

1. The Company’s earning distribution proposal has been approved by the Board of Directors and verified by the Audit Committee. It is proposed to submit to the Annual Shareholders' Meeting for Ratification.
2. The 2022 Earnings Distribution Proposal is attached hereto as page 51.

Resolution: That the proposal approved as proposed by voting.

Shares represented at the time of voting: 238,771,921

Voting Results*		% of the total represented share present
Votes in favor:	231,349,097 votes (94,197,562 votes)	97%
Votes against:	210,363 votes (210,363 votes)	0%
Votes invalid:	0 votes	0%
Votes abstained:	7,212,461votes (2,423,112 votes)	3%

*including votes casted electronically (numbers in brackets)

IV. Discussion Items

Proposal 1 ***Proposed by the Board of Directors***

Subject: Review and approval of the amendments to the“Articles of Incorporation”.

Explanation:

1. In order to make the Company's method of convening the shareholders' meeting more flexible, and conducted in accordance with the provisions of the "Company Act" and "Regulations Governing the Administration of Shareholder Services of Public Companies", the Company's Articles of Incorporation clearly stipulate that the Company's shareholders' meetings may be held by video conferencing or other means announced by the central authority. It is proposed to amend the Articles 10th and Articles 30th of the "Articles of Incorporation."
2. The Comparison Table of the amended articles is set out. Please refer to the Handbook page 52.

Resolution: That the proposal approved as proposed by voting.

Shares represented at the time of voting: 238,771,921

Voting Results*		% of the total represented share present
Votes in favor:	231,358,929 votes (94,207,394 votes)	97%
Votes against:	199,636 votes (199,636 votes)	0%
Votes invalid:	0 votes	0%
Votes abstained:	7,213,356 votes (2,424,007 votes)	3%

*including votes casted electronically (numbers in brackets)

Proposal 2 ***Proposed by the Board of Directors***

Subject: Review and approval of the amendments to the "Regulations and Procedures of Shareholders Meeting".

Explanation:

1. In accordance with the amendment to Article 172-2 of the Company Act, public companies may hold shareholders' meetings by video conferencing. In order to improve corporate governance, it is proposed to abolish the original "Procedure Rules of Shareholders' Meeting" and revise a new version, in accordance with the revised draft of the "Reference Example of the Rules of Procedure of the Shareholders'Meeting" announced by the Taiwan Stock Exchange.
2. The Comparison Table of the amended articles is set out. Please refer to the Handbook page 53~60 and page 65~67.

Resolution: That the proposal approved as proposed by voting.

Shares represented at the time of voting: 238,771,921

Voting Results*		% of the total represented share present
Votes in favor:	231,351,925 votes (94,200,390votes)	97%
Votes against:	206,637 votes (206,637votes)	0%
Votes invalid:	0 votes	0%
Votes abstained:	7,213,359 votes (2,424,010 votes)	3%

*including votes casted electronically (numbers in brackets)

Proposal 3 ***Proposed by the Board of Directors***

Subject: Review and approval of the amendments to the "Operation Prodcedures for Loaning of Company Funds".

Explanation:

1. According to the laws and regulations on the total amount of funds loaned, the limit of individual objects, and the loan period, etc., it is proposed to amend certain provisions of " Operation Prodcedures for Loaning of Company Funds".
2. The Comparison Table of the amended articles is set out. Please refer to the Handbook page 61~64.

Resolution: That the proposal approved as proposed by voting.

Shares represented at the time of voting: 238,771,921

Voting Results*		% of the total represented share present
Votes in favor:	231,340,649 votes (94,189,114votes)	97%
Votes against:	207,936votes (207,936votes)	0%

Voting Results*		% of the total represented share present
Votes invalid:	0 votes	0%
Votes abstained:	7,223,336 votes (2,433,987 votes)	3%

*including votes casted electronically (numbers in brackets)

V. Extemporary Motions:None

VI. Adjournment:

Meeting Adjourned: 9:32am

Chairman: Liu I-Yee

Recorder: Yang Fang-Yi

※The minutes of the shareholders’meeting are recorded in accordance with Article 183, Item 4 of the Company Law to record the essentials and results of the deliberations. The contents, procedures, and shareholder speeches of the meeting are still subject to the audio-visual records of the meeting.

Appendix

Annual Audit Committee's Review Report of 2022

To the 2023 Annual Shareholders' Meeting of
Pacific Construction Co., Ltd.

The board of directors hereby authorizes the company's annual business report, balance sheet, comprehensive income statement, statement of changes in equity, cash flow statement, and earnings distribution statement, including the balance sheet, comprehensive income statement, statement of changes in equity and Cash flow statement (including consolidated financial statements) of the Company for the year 2022，The CPA Chen, Chung Che and Pan, Jun-Ming, members of the KPMG, were entrusted by the board of directors to submit an audit report after the audit was completed. The above business report, financial statements (including consolidated financial statements) and the profit distribution proposal have been verified by the Audit Committee to be without any discrepancies. According to Article 14-4 of the Securities and Exchange Act and Article 219 of Company Law, we hereby submit this report as above. Please review and approve the same.

Pacific Construction Co., Ltd.

Audit Committee Convener:

March 14, 2023

Pacific Construction Co., Ltd.

Comparison Table of Amendments to the
"Sustainable Development Practice Principles"

Amended Article	Current Articles	Description
Article 26 The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services etc., participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development. The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company is advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development. <u>The Company is advised to, through donations, sponsorships, investments, procurements, strategic cooperation, voluntary technology services, and/or other models of support, continue providing resources to art and cultural activities or cultural and creative industries to help promote cultural development.</u>	**Article 26** The Company is advised to, through commercial activities, endowments, volunteering service or other charitable professional services etc., participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development. The Company shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. The Company is advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.	In order to encourage enterprises to support cultural and artistic activities and promote the sustainable development of culture, add the third item.

Amended Article	Current Articles	Description
Article 31 The Procedures were adopted on August 10, 2015. The 1st amendment was made on November 2, 2016. The 2nd amendment was made on March 23, 2020. The 3rd amendment was made on January 20, 2022. <u>The 4th amendment was made on March 14, 2023.</u>	**Article 31** The Procedures were adopted on August 10, 2015. The 1st amendment was made on November 2, 2016. The 2nd amendment was made on March 23, 2020. The 3rd amendment was made on January 20, 2022.	Added amendment date.

Pacific Construction Co., Ltd.

Comparison Table of Amendments to the

"Financial Related Operations between Affiliated Enterprises"

Amended Title	Current Title	Description
Regulations on Financial Operations between affiliated parties	Regulations on Financial Operations between affiliated enterprises	To strengthen the management of related party transactions and in compliance with the amendment to Article 17 of the "Corporate Governance Best Practice Principles for Listed Companies," the scope of this operational regulation has been expanded from related companies to all related parties. Therefore, and the name of this operational guideline has been revised.

Amended Article	Current Articles	Description
Article 1 To ensure sound financial and business interactions between the Company and its affiliated parties and to prevent non arm's-length transactions and improper channeling of interests with respect to the purchase and sale of goods, the acquisition and disposal of assets, the provision of endorsements and guarantees, and loans of funds between the Company and its affiliated parties, these Rules are adopted pursuant to Article 17 of the Company Governance Best-Practice Principles for TWSE/ TPEx Companies. Except as otherwise provided by law and regulation or by the articles of incorporation, financial and business matters between the Company and any of its affiliated parties shall be handled in accordance with the provisions of these Rules.	**Article 1** To ensure sound financial and business interactions between the Company and its affiliated enterprises and to prevent non arm's-length transactions and improper channeling of interests with respect to the purchase and sale of goods, the acquisition and disposal of assets, the provision of endorsements and guarantees, and loans of funds between the Company and its affiliated enterprises, these Rules are adopted pursuant to Article 17 of the Company Governance Best-Practice Principles for TWSE/ TPEx Companies. Except as otherwise provided by law and regulation or by the articles of incorporation, financial and business matters between the Company and any of its affiliated enterprises shall be handled in accordance with the provisions of these Rules.	To strengthen the management of related party transactions and in compliance with the amendment to Article 17 of the "Corporate Governance Best Practice Principles for Listed Companies," the scope of this operational regulation has been expanded from related companies to all related parties. Therefore, this article has been revised accordingly.
Article 2 The term "affiliated parties" as used in this Regulation shall be defined in accordance with the criteria set forth in the Regulations Governing the	**Article 2** Newly added	The applicable object of the operation specifications is expanded to the affiliated parties, and the first item of the order is added to defined in accordance with the criteria

Amended Article	Current Articles	Description
Preparation of Financial Reports by Securities Issuers. (The following is omitted.)	(The following is omitted.)	set forth in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
Article 3 The Company shall consider the overall operation activities of the Company and establish effective internal control systems for transactions with affiliated parties (including affiliated companies). The Company shall conduct regular reviews to cope with changes in the internal and external environment of the Company, to ensure that the design and execution of the system remain effective. (Partial omitted) If the affiliated party is a non-publicly traded company, the Company shall still consider the extent to which it affects the Company's financial business and require it to establish effective internal control systems, financial, business, and accounting management systems. (mitted below)	**Article 3** The Company shall consider the overall operation activities of the Company and establish effective internal control systems for transactions with related enterprises. The Company shall conduct regular reviews to cope with changes in the internal and external environment of the Company, to ensure that the design and execution of the system remain effective. (Partial omitted) If the affiliated enterprise is a non-publicly traded company, the Company shall still consider the extent to which it affects the Company's financial business and require it to establish effective internal control systems, financial, business, and accounting management systems. (omitted below)	Reason for amendment is same as explained in the Article 1.
Article 5 The Company shall establish an effective financial and business communication system with all affiliated parties, and regularly conduct comprehensive risk assessments for correspondent banks, major customers, and suppliers to reduce credit risks. For affiliated parties with correspondent financial transactions, the Company should always control their significant financial and business matters for risk management. The financial loans or endorsement guarantees between the Company and affiliated parties should be carefully evaluated and comply with the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" and the " Procedures for Lending Funds to Other Parties" and " Procedures for Endorsements and Guarantees" established by the Company.	**Article 5** The Company shall establish an effective financial and business communication system with all affiliated enterprises, and regularly conduct comprehensive risk assessments for correspondent banks, major customers, and suppliers to reduce credit risks. For affiliated enterprises with correspondent financial transactions, the Company should always control their significant financial and business matters for risk management. The financial loans or endorsement guarantees between the Company and affiliated enterprises should be carefully evaluated and comply with the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" and the " Procedures for Lending Funds to Other Parties" and " Procedures for Endorsements and Guarantees" established by the	Reason for amendment is same as explained in the Article 1.

Amended Article	Current Articles	Description
Detailed reviews should be conducted on the following matters regarding the financial loans or endorsement guarantees with affiliated <u>parties</u>, and the evaluation results should be reported to the Board of Directors. The financial loans should be handled after being approved by the Board of Directors, and no authorization should be given to others to make the decision. The endorsement guarantees can be authorized by the Board of Directors to the Chairman to handle within a certain amount, but should be subsequently reported to the most recent Board of Directors for approval. (1. to 4. omitted) The Company should fully consider the opinions of each independent director regarding the financial loans or endorsement guarantees between the Company and affiliated <u>parties</u>, and record their clear opinions and reasons for approval or disapproval in the minutes of the Board of Directors. (The rest omitted)	Company. Detailed reviews should be conducted on the following matters regarding the financial loans or endorsement guarantees with affiliated <u>enterprises</u>, and the evaluation results should be reported to the Board of Directors. The financial loans should be handled after being approved by the Board of Directors, and no authorization should be given to others to make the decision. The endorsement guarantees can be authorized by the Board of Directors to the Chairman to handle within a certain amount, but should be subsequently reported to the most recent Board of Directors for approval. (1. to 4. omitted) The Company should fully consider the opinions of each independent director regarding the financial loans or endorsement guarantees between the Company and affiliated <u>enterprises</u>, and record their clear opinions and reasons for approval or disapproval in the minutes of the Board of Directors. (The rest omitted)	
Article 6 In transactions between the Company and affiliated <u>parties</u>, clear pricing conditions and payment methods shall be established, and the purpose, price, conditions, substance and form of the transactions and related processing procedures shall not be significantly different from those of normal transactions with unrelated parties, or be obviously unreasonable. The regulations for business transactions between the Company and affiliated <u>parties</u> are as follows: 1.When purchasing finished products, semi-finished products, or raw materials from affiliated <u>parties</u> for business needs, the purchasing personnel shall evaluate the reasonableness of the affiliated <u>party's</u> quotation based on the market price and other transaction conditions. Except for special factors or excellent	**Article 6** In transactions between the Company and affiliated <u>enterprises</u>, clear pricing conditions and payment methods shall be established, and the purpose, price, conditions, substance and form of the transactions and related processing procedures shall not be significantly different from those of normal transactions with unrelated parties, or be obviously unreasonable. The regulations for business transactions between the Company and affiliated <u>enterprises</u> are as follows: 1.When purchasing finished products, semi-finished products, or raw materials from affiliated <u>parties</u> for business needs, the purchasing personnel shall evaluate the reasonableness of the affiliated <u>enterprises's</u> quotation based on the market price and other transaction conditions. Except for special factors	Reason for amendment is same as explained in the Article 1.

Amended Article	Current Articles	Description
conditions that are different from those of general suppliers, preferential prices or payment conditions may be agreed upon reasonably. For other prices and payment conditions, they should be based on those of general suppliers. 2.When selling finished products, semi-finished products, or raw materials to affiliated parties, their quotations should refer to the market price at that time. Except for long-term cooperation relationships or other special factors that are different from those of general customers, preferential prices or payment conditions may be agreed upon reasonably. For other prices and payment conditions, they should be based on those of general customers. 3.Labor or technical services provided between the Company and affiliated parties should be covered by a contract signed by both parties, which specifies the service content, service fees, period, payment conditions, and after-sales service. The contract shall be approved by the general manager or chairman before being executed, and all its terms should follow general business practices. 4.The Company's accounting personnel and affiliated parties' accounting personnel shall reconcile the balances of goods purchased and sold, and accounts receivable and payable between each other at the end of each month. If there are any discrepancies, the reasons shall be understood and an adjustment table shall be prepared.	or excellent conditions that are different from those of general suppliers, preferential prices or payment conditions may be agreed upon reasonably. For other prices and payment conditions, they should be based on those of general suppliers. 2.When selling finished products, semi-finished products, or raw materials to affiliated enterprises, their quotations should refer to the market price at that time. Except for long-term cooperation relationships or other special factors that are different from those of general customers, preferential prices or payment conditions may be agreed upon reasonably. For other prices and payment conditions, they should be based on those of general customers. 3.Labor or technical services provided between the Company and affiliated enterprises should be covered by a contract signed by both parties, which specifies the service content, service fees, period, payment conditions, and after-sales service. The contract shall be approved by the general manager or chairman before being executed, and all its terms should follow general business practices. 4. The Company's accounting personnel and affiliated enterprises' accounting personnel shall reconcile the balances of goods purchased and sold, and accounts receivable and payable between each other at the end of each month. If there are any discrepancies, the reasons shall be understood and an adjustment table shall be prepared.	
Article 6-1 When engaging in transactions of goods, labor or technical services with affiliated parties, if the anticipated annual transaction amount is expected to reach 5% of the company's most recent consolidated total assets or the most recent year's consolidated net	Newly added	To strengthen the management of affiliated parties' transactions, Article 6-1 has been added to regulate significant purchases or sales, labor services, or technical service transactions between the company and affiliated

Amended Article	Current Articles	Description
revenue, excluding transactions between the company and its parent company, subsidiaries or between subsidiaries, and except when applying the guidelines for handling acquisition or disposal of assets for publicly traded companies, the following information must be submitted to the board of directors for approval before proceeding with the transaction: 1.The items, purpose, necessity and expected benefits of the transaction. 2.The reasons for selecting the related party as the transaction partner. 3.The principles for calculating the transaction price and the expected annual transaction amount ceiling. 4.An explanation of whether the transaction terms comply with normal commercial terms and do not harm the Company's interests or shareholders' equity. 5.The limitations and other important terms and conditions of the transaction. For transactions with affiliated parties referred to in the preceding paragraph, the following matters shall be submitted to the latest shareholders' meeting report after the end of the year. 1.The actual transaction amount and conditions 2.Whether the transaction price was calculated in accordance with the principles approved by the board of directors. 3.Whether the annual transaction amount ceiling approved by the board of directors was exceeded or not, If the annual transaction amount ceiling has been exceeded, the reason, necessity, and reasonableness should be explained.		parties. Relevant transaction information shall be submitted to the Board for approval before proceeding, and the actual transaction situation shall be reported to the shareholders' meeting at the end of the fiscal year.
Article 7 For asset transactions, derivative product transactions, mergers, splits, acquisitions, or share transfers between the Company and affiliated parties, the	**Article 7** For asset transactions, derivative product transactions, mergers, splits, acquisitions, or share transfers between the Company and affiliated enterprises,	1.The target of this article has been amended, with the reasons for the amendment being the same as those explained in Article 1.

Amended Article	Current Articles	Description
"Guidelines for Public Companies to Acquire or Dispose of Assets" and the Company's established procedures for acquiring or disposing of assets shall be followed. In the event of acquiring or disposing of securities from affiliated parties, or acquiring securities with affiliated entities as targets, the most recent audited financial statements or reviewed financial statements of the target company, before the transaction date, shall be obtained as a reference for evaluating the transaction price. In addition, if the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or over NT$300 million, an accountant shall be consulted for an opinion on the reasonableness of the transaction price before the transaction date. However, if the securities have a publicly quoted price on an active market or are subject to other regulations of the Financial Supervisory Commission, this restriction does not apply. In the case of acquiring or disposing of intangible assets or assets with usage rights or membership certificates from affiliated parties, if the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or NT$300 million or more, an accountant shall be consulted for an opinion on the reasonableness of the transaction price before the transaction date.	the "Guidelines for Public Companies to Acquire or Dispose of Assets" and the Company's established procedures for acquiring or disposing of assets shall be followed. In the event of acquiring or disposing of securities from affiliated enterprises, or acquiring securities with related entities as targets, the most recent audited financial statements or reviewed financial statements of the target company from other non-affiliated enterprises, before the transaction date, shall be obtained as a reference for evaluating the transaction price. In addition, if the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or over NT$300 million, an accountant shall be consulted for an opinion on the reasonableness of the transaction price before the transaction date. ~~If the accountant~~ needs ~~to use an expert report, they should follow the regulations set out in Auditing Standards Bulletin No. 71 issued by the Accounting Research and Development Foundation.~~ However, if the securities have a publicly quoted price on an active market or are subject to other regulations of the Financial Supervisory Commission, this restriction does not apply. In the case of acquiring or disposing of intangible assets or assets with usage rights or membership certificates from related parties, if the transaction amount reaches 20% of the Company's paid-in capital, 10% of total assets, or over NT$300 million, an accountant shall be consulted for an opinion on the reasonableness of the transaction price before the transaction date. ~~The accountant should follow the regulations set out in Auditing Standards Bulletin No. 71 issued by the Accounting Research and Development~~	2.In accordance with the revisions to Article 10 and Article 11 of the "Guidelines for Handling the Acquisition or Disposal of Assets by Public Companies", the wording requiring the accountant to handle the transaction in accordance with the auditing standards bulletin No. 71 issued by the Accounting Research and Development Foundation has been deleted.

Amended Article	Current Articles	Description
The calculation of the transaction amount in the preceding two paragraphs shall be handled in accordance with the provisions of the second paragraph of Article 31 of the "Guidelines for Public Companies to Acquire or Dispose of Assets."	~~Foundation.~~ The calculation of the transaction amount in the preceding two paragraphs shall be handled in accordance with the provisions of the second paragraph of Article 31 of the "Guidelines for Public Companies to Acquire or Dispose of Assets."	
Article 8 When conducting financial transactions with affiliated parties, which require Board of Directors approval, the opinions of independent directors should be fully considered, and their explicit agreement or opposition, as well as the reasons for opposition, should be recorded in the board meeting minutes. (The rest is omitted.)	**Article 8** When conducting financial transactions with affiliated enterprises, which require Board of Directors approval, the opinions of independent directors should be fully considered, and their explicit agreement or opposition, as well as the reasons for opposition, should be recorded in the board meeting minutes. (The rest is omitted.)	Reason for amendment is same as explained in the Article 1.
Article 10 When the Company intends to acquire or dispose of real property or right-of-use assets from or to a affiliated party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a affiliated party and the transaction amount reaches 20% or more of the Company's paid-up capital, 10 % or more of the Company's total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to the Audit Committee and approved by the board of directors: 1.(omitted) 2.(omitted) 3.Reasons for selecting affiliated parties as transaction counterparties.	**Article 10** When the Company intends to acquire or dispose of real property or right-of-use assets from or to a affiliated enterprises, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a affiliated party and the transaction amount reaches 20% or more of the Company's paid-up capital, 10 % or more of the Company's total assets, or NT$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to the Audit Committee and approved by the board of directors: 1.(omitted) 2.(omitted) 3.Reasons for selecting affiliated enterprises as transaction counterparties.	1. Reason for amendment is same as explained in the Article 1. 2.In accordance with the "Guidelines for Handling the Acquisition or Disposal of Assets by Publicly Issued Companies," Article 15, Paragraph 5, which stipulates that if a company acquires or disposes of assets from a related party and the transaction amount exceeds 10% of the total assets, relevant information must be submitted to the shareholders' meeting for approval before proceeding. Therefore, the first paragraph of Paragraph 5 is added. In addition, considering that matters approved by the shareholders' meeting should be handled in accordance with the Company Law or the company's articles of incorporation, the second

Amended Article	Current Articles	Description
4.When acquiring real estate from affiliated parties, relevant information on the reasonableness of the intended transaction terms evaluated in accordance with Articles 16 and 17 of the "Criteria for Handling the Acquisition or Disposition of Assets by Public Companies." 5.Date and price of the affiliated party's original acquisition, the transaction counterparty, and its relationship with this Company and the affiliated party. 6.(omitted) 7.(omitted) 8.The opinion of the accountant appointed to determine whether the affiliated party transaction is in line with general business conditions and does not harm the interests of this Company and its minority shareholders. (Partial omitted.) When acquiring or disposing of real estate or its usage rights from affiliated parties, if the actual transaction price is higher than the assessed transaction cost, and no objective evidence can be presented or specific and reasonable opinions from real estate appraisers and accountants cannot be obtained, the Board of Directors should fully evaluate whether it would harm the interests of the company and shareholders, and if necessary, reject the transaction. The supervisors should also exercise their supervisory rights and, if necessary, immediately notify the Board of Directors to stop such behavior. (Partial omitted.) If the following situations occur in affiliated party transactions, after being approved by the board of directors, the information listed in the first item must still be presented to the shareholders' meeting for approval, and shareholders who have conflicts of interest may not	4.When acquiring real estate from affiliated enterprises, relevant information on the reasonableness of the intended transaction terms evaluated in accordance with Articles 16 and 17 of the "Criteria for Handling the Acquisition or Disposition of Assets by Public Companies." 5.Date and price of the affiliated enterprises 's original acquisition, the transaction counterparty, and its relationship with this Company and the affiliated enterprises. 6.(omitted) 7.(omitted) 8.The opinion of the accountant appointed to determine whether the affiliated party transaction is in line with general business conditions and does not harm the interests of this Company and its minority shareholders. (Partial omitted.) When acquiring or disposing of real estate from affiliated enterprises, if the actual transaction price is higher than the assessed transaction cost, and no objective evidence can be presented or specific and reasonable opinions from real estate appraisers and accountants cannot be obtained, the Board of Directors should fully evaluate whether it would harm the interests of the company and shareholders, and if necessary, reject the transaction. The supervisors should also exercise their supervisory rights and, if necessary, immediately notify the Board of Directors to stop such behavior. (Partial omitted.) If the following situations occur in affiliated enterprises transactions, after being approved by the board of directors, must still be presented to the shareholders' meeting for approval, and affiliated enterprises or persons related	and third paragraphs of Paragraph 5 are merged and revised. Furthermore, the current first and fourth paragraphs of Paragraph 5 are covered by the revised second paragraph if they have a significant impact on the company's operations or shareholders' rights, so they are deleted. 3.In accordance with the "Corporate Governance 3.0 - Sustainable Development Blueprint" plan, promote the reporting of related party transactions in non-operating activities at the shareholders' meeting. Therefore, a new Paragraph 6 is added, requiring that related party transactions approved by the board of directors should be reported to the shareholders' meeting after the end of the fiscal year. 4.The current Paragraph 6 is moved to become the revised Paragraph 7.

Amended Article	Current Articles	Description
participate in the voting: <u>1.The company or its non-domestic publicly traded subsidiaries engage in first-item transactions, and the transaction amount exceeds 10% of the company's total assets.</u> <u>2.</u>The transaction amount or conditions have a significant impact on the company's operations<u> or shareholders' interests as stipulated in the Company Act, the company's Articles of Incorporation, or internal operating procedures.</u> <u>If the company engages in first-item transactions with related parties, the actual transaction situation (including actual transaction amount, transaction conditions, and information listed in the first item) should be reported to the latest shareholders' meeting after the end of the fiscal year.</u> (The rest is omitted.)	<u>to affiliated enterprises</u> should not participate in the voting: 1.<u>The difference between the transaction amount and the appraisal amount exceeds 20%</u>. 2.The transaction amount or conditions have a significant impact on the Company's operations. ~~3.Significantly impact shareholder rights.~~ ~~4.Other situations that the Board of Directors considers to require approval by the Shareholders' Meeting.~~ New added. (The rest is omitted.)	
Article 11 Disclosure of information regarding affiliated <u>parties</u> and information disclosure (Partial omitted) Significant transactions between the Company and affiliated <u>parties</u> shall be fully disclosed in the annual report, financial statements, related party transaction statements, and public explanatory statements. In the event that affiliated <u>parties</u> encounter financial difficulties, the Company shall obtain their financial statements and related information to evaluate their impact on the Company's finance, business or operation. When necessary, appropriate preservation measures should be taken for the Company's creditor's rights. When the above circumstances occur, in addition to stating their impact on the Company's financial condition in the annual report and public explanatory statements, significant information shall	**Article 11** Disclosure of information regarding affiliated <u>enterprises</u> and information disclosure (Partial omitted) Significant transactions between the Company and affiliated<u> enterprises</u> shall be fully disclosed in the annual report, financial statements, related party transaction statements, and public explanatory statements. In the event that affiliated <u>enterprises</u> encounter financial difficulties, the Company shall obtain their financial statements and related information to evaluate their impact on the Company's finance, business or operation. When necessary, appropriate preservation measures should be taken for the Company's creditor's rights. When the above circumstances occur, in addition to stating their impact on the Company's financial condition in the annual report and public explanatory statements, significant information shall also be	Reason for amendment is same as explained in the Article 1.

Amended Article	Current Articles	Description
also be promptly released on the Market Observation Post System.	promptly released on the Market Observation Post System.	
Article 12 This operating standard was established on November 11, 2015, first amended on August 13, 2019, second amended on August 11, 2020, and third amended on March 14, 2023. It shall be implemented after being approved by the Board of Directors, and shall also apply to any subsequent amendments.	**Article 12** This operating standard was established on November 11, 2015, first amended on August 13, 2019, second amended on August 11, 2020. It shall be implemented after being approved by the Board of Directors, and shall also apply to any subsequent amendments.	Add the revised date of this amendment.

Independent Auditor's Report

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

Opinion

We have audited the financial statements of Pacific Construction Co., Ltd. (the "Company"), which comprise the balance sheet as of December 31, 2022 and 2021 (revised), the statements of comprehensive income, statements of changes in equity and statements of cash flow for the years ended December 31, 2022 and 2021 (revised), and notes to financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of the other auditors (see Other Matters), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021 (revised), and its financial performance and its cash flows for the years then ended December 31, 2022 and 2021 (revised), in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the financial statements as of in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

1. Revenue recognition

   Please refer to Note (4)(15) for the accounting policy of revenue recognition. Information of revenue recognition are shown in Note (6)(19) of the financial statements.

   Description of Key Audit Matters:

   The Company main operating revenue sources are income from department stores and rental income from investment properties. The risk of material misstatement is associated with the truthfulness of revenue recognition. While operating revenue involves the management's operating performance, the management may fail to recognize revenue earlier or defer the recognition of revenue to achieve the expected net profit, resulting in a material misstatement of operating revenue. Accordingly, the revenue recognition test is one of the significant evaluations performed by us in our audit of the financial statement of the Company.

Auditing Procedures Performed:

Our principal audit procedures of the above key audit matters include:

- Understand the process and internal controls of the Sales and Collection Cycle and assess the controls to prevent and detect errors and fraud in revenue recognition.
- ·Perform a cut-off test on Sale of the Properties and Lease Revenue to assess whether the former revenue is recognized in the appropriate period.
- ·Perform a verification test on revenue recognition by randomly reviewing relevant documents, Including Lease Contractual Terms, Real Estate Sales Contract and Real Estate Transfer Registration, etc. These will be verified with the general entry to assess whether the revenue recognition policy of the Company complies with applicable bulletins.

2. Inventory Valuation

Please refer to Note 4(7) and 5(2) for the accounting policy of inventory valuation, as well as the estimation and assumption uncertainty of the valuation of inventory, respectively. Information of estimation of the valuation of inventory are disclosed in Note 6(5) of the financial statements.

Description of Key Audit Matters:

The Construction Department's inventory is an important asset of the Company, accounting for approximately 46% of total assets. Inventory is valued in accordance with IAS 2 as the net realizable value of the Company's inventory of the Construction Department is based on management's estimates of future sales prices and construction costs and is likely to be affected by political and economic situations. Where the net realizable value is not properly assessed, it may result in a misstatement in the financial statements. Accordingly, the inventory valuation test is one of the significant evaluations performed by us in our audit of the financial statement of the Company.

Auditing Procedures Performed:

We obtained information on the net realizable value of the Company's inventory and reassessed the net realizable value of homes for sales by randomly reviewing sold contracts from previously disclosed information, with reference to the most recent property price registered by the Ministry of the Interior, or obtaining quotes from nearby transactions. In terms of the net realizable value of construction sites, land and buildings under construction, we acquired and randomly checked the Company's investment return analysis or appraisal report and compared the investment return analysis with market conditions to assess whether the net realizable value of inventories is fairly presented.

Other Matters

We did not audit certain investees' financial statements included in the financial statements of the Company's using the equity method; they were audited by the other auditors. Our audits, our opinion on the financial statements of the Company, are based solely on the other auditors' audit reports. The amount in investments in certain investees accounted for using the equity method for the years ended December 31, 2022 and 2021 accounted for 9% and 3% of the total assets, respectively. The shares of subsidiaries, affiliates and joint ventures accounted for using the equity method accounted for 95% and 35% of the net income before taxes for January 1 to December 31, 2022 and 2021, respectively.

Emphasis

As stated in Note 6 (6) of the individual financial report, on December 12, 2022, Pacific Construction Co., Ltd., an investment subsidiary of Hong Kong Pacific Holdings Company, which adopted the equity method in its individual financial statements, held Beijing Tai Yun Building Co., Ltd., because it no longer meets the conditions for being classified as non-current assets for sale, in accordance with the provisions of International Financial Reporting Standard No. 5, it ceased to be classified as non-current assets for sale, and the financial statements for the comparative period were revised. The accountant did not amend the audit result because of this.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

KPMG

Taipei, Taiwan (Republic of China)

Pacific Construction Co., Ltd.
Balance Sheet
December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2022 Amount	%	December 31, 2021 (Revised) Amount	%
	Current assets:				
1100	Cash and cash equivalents (Note 6(1))	$ 241,747	2	520,460	5
1170	Accounts receivable, net (Note 6(3) and (19))	29,976	-	39,933	-
1200	Other receivables (Note 6(4) and 7)	53,192	-	51,663	-
1320	Inventory (applicable to the construction industry) (Note 6(5) and 8)	5,080,544	46	5,498,929	49
1476	Other current financial assets (Note 8)	291,470	3	309,123	3
1478	Refundable deposits for construction projects (Note 9)	16,818	-	17,419	-
1479	Other current assets, others (Note 7 and 9)	43,971	-	35,802	-
1480	Current assets recognized as incremental costs to obtain contract with customers (Note 7)	70,033	1	61,412	-
		5,827,751	52	6,534,741	57
	Non-current assets:				
1517	Non-current financial assets at FVTOCI (Note 6(2) and 8)	286,159	3	294,151	3
1550	Investments accounted for using equity method (Note 6(6) and 8)	2,914,280	26	2,142,726	19
1600	Property, plant and equipment (Note 6(7) and 8)	172,404	2	168,800	2
1755	Right-to-use assets (Note 6(8), (13) and 8)	76,245	1	95,587	1
1760	Investment property, net (Note 6(9) and 8)	1,645,096	15	1,832,953	16
1840	Deferred tax assets (Note 6(16))	15	-	185	-
1975	Non-current net defined benefit assets (Note 6(15))	18,167	-	12,739	1
1980	Non-current other financial assets (Note 8)	149,938	1	119,079	1
1990	Other non-current assets, others	9,012	-	7,982	-
		5,271,316	48	4,674,202	43
	Total Assets	**$ 11,099,067**	**100**	**11,208,943**	**100**

Pacific Construction Co., Ltd.
Balance Sheet
December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

	Liabilities and Equity	December 31, 2022 Amount	%	December 31, 2021 (Revised) Amount	%
	Current liabilities:				
2100	Short-term loans (Note 6(10))	$ 1,632,895	15	1,155,756	10
2110	Short-term notes and bills payable (Note 6(10))	-	-	240,000	2
2130	Current contract liabilities (Note 6(19))	302,452	3	188,400	2
2150	Notes and accounts payable	300,962	2	306,085	3
2200	Other payables (Note 7 and 9)	210,035	2	211,847	2
2230	Current tax liabilities	9,605	-	6,435	-
2280	Current lease liabilities (Note 6(8) and (13))	8,758	-	10,326	-
2305	Other current financial liabilities	324,550	3	324,371	3
2321	Corporate bonds payable, current portion (Note 6(12))	-	-	260,000	2
2322	Long-term borrowings, current portion (Note 6(11))	117,976	1	743,249	7
2399	Other current liabilities, other	19,458	-	6,855	-
		2,926,691	26	3,453,324	31
	Non-Current liabilities:				
2530	Bonds payable (Note 6(12))	480,000	4	250,000	2
2540	Long-term loans (Note 6(11))	266,277	2	587,641	5
2580	Non-current lease liabilities (Note 6(8) and (13))	68,549	1	86,028	1
2570	Deferred tax liabilities (Note 6(16))	262	-	1,005	-
2645	Deposits received	52,125	1	49,693	-
2670	Other non-current liabilities, other (Note 6(6) and 7)	14,655	-	29,450	-
		881,868	8	1,003,817	8
	Total liabilities	3,808,559	34	4,457,141	39
	Equity (Note 6(2) and (17)):				
3110	Ordinary share	3,870,000	35	3,870,000	35
3200	Capital surplus	386,998	4	381,910	3
3310	Legal reserve	1,301,036	12	1,221,329	11
3320	Special reserve	73,133	1	70,421	1
3350	Retained earnings-unappropriated	1,039,704	9	615,474	5
3410	Exchange differences resulting from translating the financial statements of foreign operations	210,499	2	175,948	2
3420	Unrealized gains (loss) from investments in financial assets measured at FVTOCI	602,345	5	609,927	6
3500	Treasury shares	(193,207)	(2)	(193,207)	(2)
	Total equity	7,290,508	66	6,751,802	61
	Total liabilities and equity	**$ 11,099,067**	**100**	**11,208,943**	**100**

(See accompanying notes to financial statements.)

Pacific Construction Co., Ltd.
Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

		2022		2021 (Revised)	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue (Note 6(13), (14), (19) and 7)**	$ 363,375	100	1,172,440	100
5000	**Operating costs (Note 6(5), (14), (15) and (20))**	1,019,980	280	812,676	69
	Gross profit (loss) from operations	(656,605)	(180)	359,764	31
5920	Add: Realized profit or loss of sales	1,741	-	2,012	-
5950	**Gross profit (loss) from operations**	(654,864)	(180)	361,776	31
	Operating expenses (Note 6(3), (13), (15), (21) and 7):				
6100	Selling expenses	57,375	16	94,768	8
6200	Administrative expenses	173,619	48	150,972	13
6450	Expected credit loss (gain)	(5,376)	(2)	1,014	-
		225,618	62	246,754	21
6500	**Net other income and expenses** (Note 6(9))	880,767	242	-	-
	Net operating income	285	-	115,022	10
	Non-operating income and expenses:				
7100	Interest revenue	1,743	-	723	-
7020	Other gains and losses (Note 6(2), (9) and (22))	(6,420)	(2)	22,119	2
7050	Finance costs (Note 6(13) and (22))	(87,235)	(24)	(106,234)	(9)
7370	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (Note 6(6))	775,705	213	95,862	8
		683,793	187	12,470	1
	Net income before tax from continuing operating department	684,078	187	127,492	11
7950	**Less: Income tax expense (Note 6(16))**	108,352	30	35,488	3
	Net income	575,726	157	92,004	8
8300	**Other comprehensive income:**				
8310	**Items that will not be reclassified subsequently to profit or loss**				
8311	Remeasurement of defined benefit plans	5,803	2	3,114	-
8316	Unrealized gains (losses) from equity instrument investments measured at FVTOCI	(4,452)	(1)	1,048	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, Items that will not be reclassified subsequently to profit or loss	(610)	-	3,033	-
	Total items that will not be reclassified subsequently to profit or loss	741	1	7,195	-

Pacific Construction Co., Ltd.
Statements of Comprehensive Income (Continued)
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

		2022		2021 (Revised)	
		Amount	%	Amount	%
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences resulting from translating the financial statements of foreign operations	(939)	-	25,408	2
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, Items that may be reclassified subsequently to profit or loss (Note 6(6))	35,490	10	(6,998)	-
	Total items that may be reclassified subsequently to profit or loss	34,551	10	18,410	2
8300	**Other comprehensive income (Net after revenue)**	35,292	11	25,605	2
	Total comprehensive income	**$ 611,018**	**168**	**117,609**	**10**
	Earnings per share (Note 6(18))				
9750	**Basic earnings per share (in NT$)**	**$**	**1.59**		**0.25**
9850	**Diluted earnings per share (in NT$)**	**$**	**1.59**		**0.25**

Pacific Construction Co., Ltd.
Statements of Changes in Equity
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings			Total Other Equity Interest			
	Ordinary Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences Resulting from Translating the Financial Statements of Foreign Operations	Unrealized Gains (losses) from Financial Assets Measured at FVTOCI	Treasury shares	Total Equity
Balance on January 1, 2021 (Revised)	$ 3,870,000	371,732	1,221,329	55,134	686,665	157,538	609,624	(193,207)	6,778,815
Net income	-	-	-	-	92,004	-	-	-	92,004
Other comprehensive income	-	-	-	-	5,841	18,410	1,354	-	25,605
Total comprehensive income	-	-	-	-	97,845	18,410	1,354	-	117,609
Appropriation and distribution of retained earnings:									
Special reserve appropriated	-	-	-	15,287	(15,287)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(154,800)	-	-	-	(154,800)
Dividends distributed to subsidiaries to adjust capital surplus	-	10,178	-	-	-	-	-	-	10,178
Proceeds from disposal of equity instruments measured at FVTOCI	-	-	-	-	1,051	-	(1,051)	-	-
Balance on December 31, 2021 (Revised)	3,870,000	381,910	1,221,329	70,421	615,474	175,948	609,927	(193,207)	6,751,802
Net income	-	-	-	-	575,726	-	-	-	575,726
Other comprehensive income	-	-	-	-	8,323	34,551	(7,582)	-	35,292
Total comprehensive income	-	-	-	-	584,049	34,551	(7,582)	-	611,018
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	79,707	-	(79,707)	-	-	-	-
Special reserve appropriated	-	-	-	2,712	(2,712)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(77,400)	-	-	-	(77,400)
Dividends distributed to subsidiaries to adjust capital surplus	-	5,088	-	-	-	-	-	-	5,088
Balance on December 31, 2022	**$ 3,870,000**	**386,998**	**1,301,036**	**73,133**	**1,039,704**	**210,499**	**602,345**	**(193,207)**	**7,290,508**

Pacific Construction Co., Ltd.

Statements of Cash Flow

For the years ended December 31, 2022 and 2021 (Revised)

(Expressed in Thousands of New Taiwan Dollars)

		2022	2021 (Revised)
Cash flows from operating activities:			
Net before tax for the period	$	684,078	127,492
Adjustment items:			
Adjustments to reconcile profit (loss)			
Depreciation expense		95,363	101,236
Amortization expense		1,333	480
Expected credit loss (gain)		(5,376)	1,014
Interest expense		87,235	106,234
Interest revenue		(1,743)	(723)
Dividend income		(13,718)	(12,981)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		(775,705)	(95,862)
Loss of disposal and scrapping of property, plant and equipment		1,026	373
Gains on disposals of investment property		(880,767)	-
Impairment loss of investment property		35,190	-
Deferred credit		(25,878)	(2,012)
Loss (gains) of lease modifications		(568)	594
Total adjustments to reconcile profit (loss)		(1,483,608)	98,353
Changes in operating assets and liabilities:			
Changes in operating assets:			
Notes & accounts receivable		12,077	68,236
Other receivables (related parties)		1,806	(4,709)
Inventories		397,296	296,122
Other current financial assets		17,653	(4,298)
Refundable deposits for construction projects		601	(6,315)
Other current assets		(8,169)	2,525
Incremental costs to obtaining a contract		(8,621)	(14,181)
Net defined benefit assets		375	352
Total changes in operating assets		413,018	337,732
Changes in operating liabilities:			
Contract liabilities		114,052	(262,514)
Notes and accounts payable		(5,123)	12,656
Other payables		(1,363)	9,788
Other financial liabilities		179	(9,535)
Other current liabilities		12,603	(4,836)
Total changes in operating liabilities		120,348	(254,441)
Total changes in operating assets and liabilities		533,366	83,291
Cash inflow (outflow) generated from operations		(266,164)	309,136
Interest received		1,664	690
Interest paid		(87,684)	(104,791)
Income tax paid		(105,755)	(38,578)
Net cash flows from (used in) operating activities		(457,939)	166,457

Pacific Construction Co., Ltd.
Statements of Cash Flow (Continued)
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021 (Revised)
Cash flows from (used in) investing activities:		
Proceeds from capital reduction of financial assets at FVTOCI	3,540	1,813
Acquisition of property, plant and equipment	(8,497)	(5,045)
Proceeds from disposal of property, plant and equipment	568	9
Acquisition of investment property	-	(3,079)
Proceeds from disposal of investment property	973,780	-
Other financial assets	(30,859)	(141,432)
Other non-current assets	(2,363)	(6,991)
Dividends received	68,920	47,864
Net cash flows from (used in) investing activities	1,005,089	(106,861)
Cash flows from (used in) financing activities:		
Increase in short-term loans	477,139	483,686
Increase in short-term notes and bills payable	-	240,000
Decrease in short-term notes and bills payable	(240,000)	-
Bonds payable	230,000	250,000
Redemption of bonds	(260,000)	(300,000)
Decrease in long-term loans	(946,637)	(678,578)
Deposits received	2,432	(2,488)
Lease principal repayment	(10,006)	(10,116)
Cash dividends paid	(77,400)	(154,800)
Net cash flows from (used in) financing activities	(824,472)	(172,296)
Effect of exchange rate changes on cash and cash equivalents	(1,391)	23,742
Net decrease in cash and cash equivalents	(278,713)	(88,958)
Beginning cash and cash equivalents	520,460	609,418
Closing cash and cash equivalents	$ 241,747	520,460

Independent Auditor's Report

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

Opinion

We have audited the consolidated balance sheet of Pacific Construction Co., Ltd. (Pacific Construction Group) and its subsidiaries for the years ended December 31, 2022 and 2021 (revised). The related consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flow for the years ended December 31, 2022 and 2021 (revised), and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of the other auditors (see Other Matters), the consolidated financial statements present fairly, in all material respects, the financial position of the Group for the years ended December 31, 2022 and 2021 (revised), and its financial performance and its cash flows for the years then ended in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Financial Reporting Standards and International Accounting Standards, interpretations and notices approved and effective upon promulgation by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audit of the consolidated financial statements as of in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Pacific Construction Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

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

1. Revenue recognition

   Please refer to Note (4)(17) for the accounting policy of revenue recognition. Information of revenue recognition details are shown in Note (6)(21) of the Consolidated financial statements Description of Key Audit Matters Pacific Construction Group's main operating revenue sources are income from department stores and rental income from investment properties. The risk of material misstatement is associated with the truthfulness of revenue recognition. While operating revenue involves the management's operating performance, the management may fail to recognize revenue earlier or defer the recognition of revenue to achieve the expected net profit, resulting in a material misstatement of operating revenue. Accordingly, the revenue recognition test is one of the significant evaluations performed by us in our audit of the consolidated financial statement of Pacific Construction Group.

   Auditing Procedures Performed

   Our principal audit procedures of the above key audit matters include:

- Understand the process and internal controls of the Sales and Collection Cycle and assess the controls to prevent and detect errors and fraud in revenue recognition.
- Perform a cut-off test on Sale of the Properties and Lease Revenue to assess whether the former revenue is recognized in the appropriate period.
- Perform a verification test on revenue recognition by randomly reviewing relevant documents, including lease contractual terms and conditions, real estate sales contract and Real estate transfer registration. These will be verified with the general entry to assess whether the revenue recognition policy of Pacific Construction Group. complies with applicable bulletins.
- Understand and test the control mechanism of department store's self-operating, and counter collection and revenue recognition operating procedures of Pacific Construction Group.
- Randomly check and understand the contractual terms and conditions to test whether the draw rate complies with the contractual terms and conditions and whether the revenue statements transferred by the information system are correct, recorded and collected in time.
- Evaluate whether Pacific Construction Group's revenue recognition policy for department stores complies with applicable bulletins.

2. Inventory Valuation

Please refer to Note 4(8) and 5 for the accounting policy of inventory valuation, as well as the estimation and assumption uncertainty of the valuation of inventory, respectively. Information of estimation of the valuation of inventory are disclosed in Note 6(5) of the consolidated financial statements.

Description of Key Audit Matters:

The Construction Department's inventory is an important asset of Pacific Construction Group, accounting for approximately 37% of total assets. Inventory is valued in accordance with IAS 2 as the net realizable value of Pacific Construction Group's inventory of the Construction Department is based on management's estimates of future sales prices and construction costs and is likely to be affected by political and economic situations. Where the net realizable value is not properly assessed, it may result in a misstatement in the financial statements. Accordingly, the inventory valuation test is one of the significant evaluations performed by us in our audit of the consolidated financial statement of Pacific Construction Group.

Auditing Procedures Performed:

We obtained information on the net realizable value of Pacific Construction Group's inventory and reassessed the net realizable value reassessment of homes for sales by randomly reviewing sold contracts from previously disclosed information, with reference to the most recent property price registered by the Ministry of the Interior, or obtaining quotes from nearby transactions or obtaining quotes from nearby transactions. In terms of the net realizable value of construction sites, land and buildings under construction, we acquired and randomly checked the Company's investment return analysis or appraisal report and compared the investment return analysis with market conditions to assess whether the net realizable value of inventories is fairly presented.

Other Matters

We did not audit certain subsidiary's financial statements included in the consolidated financial statements of Subsidiary's of Pacific Construction Group using the equity method; they were audited by the other auditors. Our audits, our opinion on the consolidated financial statements of Subsidiary's of Pacific Construction Group, are based solely on the other auditors' audit reports. The total assets of the above-mentioned subsidiaries as of December 31, 2022 and 2021 accounted for 12% and 0.14% of the total consolidated assets respectively, and the net operating income on December 31, 2022 and 2021 accounted for Consolidated net operating income is all 0%. In addition, some of the financial reports of Pacific Construction Group's investments using the equity method, we did not audit about it, they were audited by other accountants. Our audits, our opinion on the consolidated financial statements of Pacific Construction Group, are based solely on the other auditors' audit reports. The amount in investments in certain investees accounted for using the equity method for the years ended December 31, 2021 accounted for 7% of the total consolidated assets. The shares of subsidiaries, affiliates and joint ventures accounted for using the equity method accounted for 1% and 22% of the consolidated net income before income taxes for January 1 to December 31, 2021, respectively.

The Company has prepared the individual financial reports for 2022 and 2021, and we have audited and expressed reports of unqualified opinions plus other matters, paragraphs of emphasis matters, and paragraphs of unqualified opinions plus other matters for reference.`

Emphasis

As stated in Note 6 (6) of the individual financial report, on December 12, 2022, Pacific Construction Co., Ltd., an investment subsidiary of Hong Kong Pacific Holdings Company, which adopted the equity method in its individual financial statements, held Beijing Tai Yun Building Co., Ltd., because it no longer meets the conditions for being classified as non-current assets for sale, in accordance with the provisions of International Financial Reporting Standard No. 5, it ceased to be classified as non-current assets for sale, and the financial statements for the comparative period were revised. The accountant did not amend the audit result because of this.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers International Financial Reports Standards, International Accounting Standards interpretations, and announcements of interpretations recognized and published by the Financial Supervisory Commission and maintain necessary internal control and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those in charge of governance (including members of the Audit Committee) are responsible for overseeing the reporting process of Pacific Construction Group’s.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with auditing standards in the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

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

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

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

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

KPMG
Taipei, Taiwan (Republic of China)

Pacific Construction Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021 (Revised)	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6(1))	$ 537,764	4	779,115	6
1120	Current financial assets at FVTOCI (Note 6(2) and (6))	1,699,172	12	-	-
1170	Accounts receivable, net (Note 6(3), (21) and 7)	36,814	-	44,707	-
1200	Other receivables (Note 6(4))	2,595	-	3,828	-
1210	Other receivables - related parties (Note 6(4) and 7)	2,200	-	2,150	-
1300	Inventory - merchandising business	33,679	-	32,945	-
1320	Inventory (applicable to the construction industry) (Note 6(5) and 8)	5,191,591	37	5,625,074	40
1476	Other current financial assets (Note 8 and 9)	492,496	4	392,243	3
1478	Refundable deposits for construction projects (Note 9)	16,818	-	17,419	-
1479	Other current assets, others (Note 7)	52,277	-	40,295	-
1480	Current assets recognized as incremental costs to obtain contract with customers	53,649	1	48,459	-
		8,119,055	58	6,986,235	49
	Non-current assets:				
1517	Non-current financial assets at FVTOCI (Note 6(2) and 8)	2,216,220	16	2,230,969	16
1550	Investments accounted for using equity method (Note 6(6))	-	-	944,332	7
1600	Property, plant and equipment (Note 6(8) and 8)	2,049,353	15	2,102,674	15
1755	Right-to-use assets (Note 6(9) and 8)	80,771	1	101,639	1
1760	Investment property, net (Note 6(10) and 8)	1,328,175	9	1,532,406	11
1780	Intangible assets	2,304	-	2,304	-
1840	Deferred tax assets (Note 6(18))	2,012	-	2,264	-
1975	Non-current net defined benefit assets (Note 6(17))	18,167	-	12,739	-
1980	Non-current other financial assets (Note 8)	153,496	1	123,208	1
1990	Other non-current assets, others	16,456	-	17,489	-
		5,866,954	42	7,070,024	51
	Total Assets	**$ 13,986,009**	**100**	**14,056,259**	**100**

Pacific Construction Co., Ltd. and Subsidiaries
Consolidated Balance Sheet (Continued)
December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021 (Revised)	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term loans (Note 6(12))	$ 1,632,895	12	1,185,755	7
2111	Short-term notes and bills payable (Note 6(11))	-	-	240,000	2
2130	Current contract liabilities (Note 6(21) and 9)	325,965	2	212,329	2
2150	Notes and accounts payable	440,881	3	446,552	3
2200	Other payables (Note 7)	926,084	7	851,679	6
2230	Current tax liabilities	15,644	-	25,347	-
2280	Current lease liabilities (Note 6(9) and (15))	10,688	-	12,452	-
2305	Other current financial liabilities	324,472	2	323,891	2
2321	Corporate bonds payable, current portion (Note 6(14))	-	-	260,000	2
2322	Long-term borrowings, current portion (Note 6(13))	130,252	1	801,249	6
2399	Other current liabilities, other	28,296	-	14,255	-
		3,835,177	27	4,373,509	30
	Non-Current liabilities:				
2530	Bonds payable (Note 6(14))	480,000	3	250,000	2
2540	Long-term loans (Note 6(13))	271,359	2	629,641	4
2570	Deferred tax liabilities (Note 6(18))	262	-	1,675	-
2580	Non-current lease liabilities (Note 6(9) and (15))	71,195	1	89,947	1
2640	Non-current net defined benefit liability (Note 6(17))	5,172	-	10,373	-
2645	Deposits received	90,920	1	84,241	1
2670	Other non-current liabilities, other	17,388	-	17,845	-
		936,296	7	1,083,722	8
	Total liabilities	4,771,473	34	5,457,231	38
	Equity attributable to owners of parent (Note 6(2), (6) and (19)):				
3110	Ordinary share	3,870,000	28	3,870,000	28
3200	Capital surplus	386,998	3	381,910	3
3310	Legal reserve	1,301,036	9	1,221,329	9
3320	Special reserve	73,133	1	70,421	1
3350	Retained earnings-unappropriated	1,039,704	7	615,474	4
3410	Exchange differences resulting from translating the financial statements of foreign operations	210,499	1	175,948	1
3420	Unrealized gains (loss) from investments in financial assets measured at FVTOCI	602,345	4	609,927	4
3500	Treasury shares	(193,207)	(1)	(193,207)	(1)
	Total equity attributable to owners of parent	7,290,508	52	6,751,802	49
36xx	**Non-controlling interest (Note 6(7) and (19))**	1,924,028	14	1,847,226	13
	Total equity	9,214,536	66	8,599,028	62
	Total liabilities and equity	**$ 13,986,009**	**100**	**14,056,259**	**100**

Pacific Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

		2022		2021 (Revised)	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue (Note 6(21) and 7)**	$ 857,457	100	1,669,031	100
5000	**Operating costs (Note 6(5), (16), (17) and (22))**	1,262,378	147	1,069,558	64
5900	**Gross profit (loss) from operations**	(404,921)	(47)	599,473	36
	Operating expenses (Note 6(3), (4), (15), (17), (23) and 7):				
6100	Selling expenses	112,406	13	147,681	9
6200	Administrative expenses	371,706	43	341,670	20
6450	Expected credit loss (Gain on reversal of impairment loss)	(5,557)	-	933	-
		478,555	56	490,284	29
6500	**Net other income and expenses (Note 6(10))**	932,237	109	-	-
	Net operating income	48,761	6	109,189	7
	Non-operating income and expenses:				
7100	Interest revenue	3,595	-	1,478	-
7020	Other gains and losses (Note 6(2), (6), (10), (24) and 7)	857,034	100	161,140	10
7050	Finance costs (Note 6(14) and (24))	(88,565)	(10)	(109,227)	(7)
7060	Share of profit of associates and joint ventures accounted for using equity method	11,198	1	46,394	3
		783,262	91	99,785	6
	Net income before tax from continuing operating department	832,023	97	208,974	13
7950	**Less: Income tax expense (Note 6(18))**	120,387	14	54,848	3
	Net income	711,636	83	154,126	10
8300	**Other comprehensive income:**				
8310	**Items that will not be reclassified subsequently to profit or loss**				
8311	Remeasurement of defined benefit plans	11,004	1	8,742	1
8316	Unrealized gains (losses) from equity instrument investments measured at FVTOCI	(11,209)	(1)	1,739	-
8349	Less: Income tax relating to those items not to be reclassified to profit or loss	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	(205)	-	10,481	1
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences resulting from translating the financial statements of foreign operations	34,551	4	18,410	-
8399	Less: Income tax relating to those items to be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	34,551	4	18,410	-
8300	**Other comprehensive income**	34,346	4	28,891	1
8500	**Total comprehensive income**	**$ 745,982**	**87**	**183,017**	**11**
	Profit attributable to:				
8710	Owners of parent	$ 575,726	67	92,004	6
8620	Non-Controlling interest	135,910	16	62,122	4
		$ 711,636	**83**	**154,126**	**10**
	Total comprehensive income attributable to:				
8710	Owners of parent	$ 611,018	71	117,609	7
8720	Non-Controlling interest	134,964	16	65,408	4
		$ 745,982	**87**	**183,017**	**11**
	Earnings per share (Note 6(20))				
9750	**Basic earnings per share (in NT$)**	**$**	**1.59**		**0.25**
9850	**Diluted earnings per share (in NT$)**	**$**	**1.59**		**0.25**

Pacific Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent										
			Retained Earnings			Total Other Equity Interest					
	Ordinary Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences Resulting from Translating the Financial Statements of Foreign Operations	Unrealized Gains (losses) from Financial Assets Measured at FVTOCI	Treasury Shares	Total Equity Attributable to Owners of Parent	Non-Controlling Interests	Total Equity
Balance on January 1, 2021 (Revised)	$ 3,870,000	371,732	1,221,329	55,134	686,665	157,538	609,624	(193,207)	6,778,815	1,814,629	8,593,444
Net income	-	-	-	-	92,004	-	-	-	92,004	62,122	154,126
Other comprehensive income	-	-	-	-	5,841	18,410	1,354	-	25,605	3,286	28,891
Total comprehensive income	-	-	-	-	97,845	18,410	1,354	-	117,609	65,408	183,017
Appropriation and distribution of retained earnings:											
Special reserve appropriated	-	-	-	15,287	(15,287)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(154,800)	-	-	-	(154,800)	-	(154,800)
Cash dividends of the Company received by its subsidiaries	-	-	-	-	-	-	-	-	-	(32,811)	(32,811)
Dividends distributed to subsidiaries to adjust capital surplus	-	10,178	-	-	-	-	-	-	10,178	-	10,178
Proceeds from disposal of equity instruments measured at FVTOCI	-	-	-	-	1,051	-	(1,051)	-	-	-	-
Balance on December 31, 2021 (Revised)	3,870,000	381,910	1,221,329	70,421	615,474	175,948	609,927	(193,207)	6,751,802	1,847,226	8,599,028
Net income	-	-	-	-	575,726	-	-	-	575,726	135,910	711,636
Other comprehensive income	-	-	-	-	8,323	34,551	(7,582)	-	35,292	(946)	34,346
Total comprehensive income	-	-	-	-	584,049	34,551	(7,582)	-	611,018	134,964	745,982
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	79,707	-	(79,707)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	2,712	(2,712)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(77,400)	-	-	-	(77,400)	-	(77,400)
Cash dividends of the Company received by its subsidiaries	-	-	-	-	-	-	-	-	-	(58,162)	(58,162)
Dividends distributed to subsidiaries to adjust capital surplus	-	5,088	-	-	-	-	-	-	5,088	-	5,088
Balance on December 31, 2022	**$ 3,870,000**	**386,998**	**1,301,036**	**73,133**	**1,039,704**	**210,499**	**602,345**	**(193,207)**	**7,290,508**	**1,924,028**	**9,214,536**

Pacific Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flow
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

		2022	2021 (Revised)
Cash flows from operating activities:			
Net before tax for the period	$	832,023	208,974
Adjustment items:			
Adjustments to reconcile profit (loss)			
Depreciation expense		132,418	135,985
Amortization expense		4,927	4,632
Expected credit loss (Gain on reversal of impairment loss)		(5,557)	933
Interest expense		88,565	109,227
Interest revenue		(3,595)	(1,478)
Dividend income		(118,122)	(108,615)
Lease modifications (gains) loss		(568)	594
Share of profit of associates and joint ventures accounted for using equity method		(11,198)	(46,394)
Loss (gains) of disposal and scrapping of property, plant and equipment		(98,017)	373
Gains on disposals of investment property		(932,237)	-
Proceeds from disposal of investments accounted for using equity method		(708,153)	-
Impairment loss of investment property		35,190	-
Other revenue		(437)	(422)
Total adjustments to reconcile profit (loss)		(1,616,784)	94,835
Changes in operating assets and liabilities:			
Changes in operating assets:			
Notes & accounts receivable		10,190	70,388
Other receivables		4,522	19,489
Inventories		412,939	311,251
Other current assets		(11,982)	13,359
Other current financial assets		(2,956)	(13,008)
Non-current net defined benefit assets		375	352
Incremental costs to obtaining a contract		(5,190)	(8,721)
Refundable deposits for construction projects		601	(6,315)
Total changes in operating assets		408,499	386,795
Changes in operating liabilities:			
Contract liabilities		113,636	(306,159)
Notes and accounts payable		(5,671)	16,159
Other payables		74,854	(11,250)
Other financial liabilities		7,260	(10,427)
Other current liabilities		14,041	(6,337)
Non-current net defined benefit liability		-	(5,119)
Total changes in operating liabilities		204,120	(323,133)
Total changes in operating assets and liabilities		612,619	63,662
Cash inflow (outflow) generated from operations		(172,142)	367,471
Interest received		3,516	1,478
Interest paid		(90,293)	(107,922)
Income tax paid		(131,251)	(39,375)
Net cash flows from (used in) operating activities		(390,170)	221,652

Pacific Construction Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flow (Continued)
For the years ended December 31, 2022 and 2021 (Revised)
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021 (Revised)
Cash flows from operating activities:		
Proceeds from capital reduction of financial assets at FVTOCI	3,540	1,813
Acquisition of property, plant and equipment	(27,502)	(14,345)
Proceeds from disposal of property, plant and equipment	131,791	9
Acquisition of investment property	-	(3,077)
Proceeds from disposal of investment property	1,050,461	-
Other financial assets	(127,585)	(191,022)
Other non-current liabilities	(20)	480
Dividends received	118,122	108,615
Other operating assets	(3,894)	(12,483)
Net cash flows from (used in) investing activities	1,144,913	(110,010)
Cash flows from (used in) financing activities:		
Increase in short-term loans	447,140	483,685
Short-term notes and bills payable	(240,000)	240,000
Bonds payable	230,000	250,000
Redemption of bonds	(260,000)	(300,000)
Proceeds from long-term loans	5,427	-
Repayments of long-term loans	(1,034,706)	(786,579)
Lease principal repayment	(12,091)	(13,664)
Cash dividends paid	(72,312)	(144,622)
Changes in non-controlling interests	(58,162)	(32,811)
Net cash flows from (used in) financing activities	(994,704)	(303,991)
Effect of exchange rate changes on cash and cash equivalents	(1,390)	26,213
Net decrease in cash and cash equivalents	(241,351)	(166,136)
Beginning cash and cash equivalents	779,115	945,251
Closing cash and cash equivalents	**$ 537,764**	**779,115**

Pacific Construction Co., Ltd.

2022 Earnings Distribution Table

Unit: NT$

Item	Total	Note
Beginning of Period Retained Earnings	525,229,519	
Add: Net Income after tax	575,725,513	
Add: Prior adjustment	43,583,154	
Add: Remeasurements of Defined Benefit Plans of the changes in the current period	8,322,866	
Minus: Legal Reserve (Note 1)	62,763,153	
Minus: Reversal of Special Reserve Appropriated by Law (Note 2)	8,259,706	
Distributable Earnings	1,081,838,193	
Distribution Item		
First half of the fiscal year 2022 -Cash Dividend to Shareholders	38,700,000	NT$0.1 per Share
Second half of the fiscal year 2022 -Cash Dividend to Shareholders	77,400,000	NT$0.2 per Share
End of Period Retained Earnings	965,738,193	

Note 1: Including the statutory surplus reserve of NT$74,456,785 for distribution of interim earnings.

Note 2: It is a special earnings reserve for changes in the market price of the shares of the parent company held by the subsidiary.

Note 3: The amount of this earnings distribution is given priority to the year 2022's earnings.

Chairman: Liu, I-Yee　　President: Chen, Chin-Hui　　Chief Accountant: Nien,Pi-Chen

Pacific Construction Co., Ltd.

Comparison Table of Amendments to

"Articles of Incorporation"

Amended Article	Current Articles	Description
Article 10: The Company holds two types of shareholders' meetings: annual general shareholders' meetings and special shareholders' meetings. Annual general shareholder's meeting shall be convened within six months after close of each fiscal year; the special meeting will be held if necessary. Unless otherwise provided for by Company Act, the shareholder's meetings shall be convened by the Board of Directors. A notice to convene a general/special shareholders' meeting referred to in the preceding Paragraph shall be given to the shareholders 30/15 days in advance. The notice shall indicate the meeting date, meeting place, and the reason for convening the meeting. The Company shall notify the shareholders by public notice. The Company's shareholders' meetings can be held by means of video conferencing or other methods announced by the central competent authority.	**Article 10:** Shareholders' meetings of the Company are of two types, namely: annual general shareholders' meetings and special shareholders' meetings Annual general shareholder's meeting shall be convened within six months after close of each fiscal year; the special meeting will be held if necessary. Unless otherwise provided for by Company Act, the shareholder's meetings shall be convened by the Board of Directors.The meeting notice shall be published and given to all shareholders at least 30 days prior to a general meeting and 15 days prior to an extraordinary meeting. The notice and announcement shall specify the date, place and purpose of such meeting.	In order to cooperate with the policy of the competent authority to promote the video conference of shareholders, and in response to the needs of the digital age, to provide shareholders with a convenient channel to participate in the shareholders' meeting, it is clearly stipulated that the company's shareholders' meeting can be held by video conference or other methods announced by the central competent authority.
Article30: These Articles of Incorporation were enacted on April 11, 1967, and the first amendment was made on September 26, 1968, ……..…, the 40th amendment was made on June 15, 2018, the 41th amendment was made on June 13, 2019, the 42th amendment was made on June 12, 2020, the 43th amendment was made on June 14, 2023, implemented after the resolution of the shareholders meeting.	**Article 30:** These Articles of Incorporation were enacted on April 11, 1967, and the first amendment was made on September 26, 1968, ……..…, the 40th amendment was made on June 15, 2018, the 41th amendment was made on June 13, 2019, the 42th amendment was made on June 12, 2020, implemented after the resolution of the shareholders meeting.	Add the revised date of this amendment.