

Stock Code: 2506

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Pacific Construction Co., Ltd.

2023 Annual Shareholders' Meeting **Meeting Handbook**

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

Place: No. 1, Section 5, Xinyi Rd., Taipei City, Taiwan (R.O.C.)

(Meeting Room 102, Taipei International Convention Center)

Convening Method: Physical Shareholders' Meeting

DISCLAIMER

This is a translation of the Handbook for the 2023 Annual Shareholders' Meeting (THE "Handbook") 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 agenda shall govern any and all matters related to the interpretation of the subject matter stated herein.

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Pacific Construction Co., Ltd.

Procedure for the 2023 Annual Shareholders' Meeting

I. Call the Meeting to Order

II. Chairman's Remarks

III. Report Items

IV. Ratification Items

V. Discussion Items

VI. Extemporaneous Motions

VII. Adjournment

Pacific Construction Co., Ltd.

Agenda for the 2023 Annual Shareholders' Meeting

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

Place: No. 1, Section 5, Xinyi Rd., Taipei City, Taiwan (R.O.C.)

(Meeting Room 102, Taipei International Convention Center)

Convening Method: Physical Shareholders' Meeting

I. Call the Meeting to Order

(Report the total number of shares represented by present shareholders and shareholders' proxies.)

II. Chairman's Remarks

III. Report Items

Item 1 2022 Business Report

Item 2 2022 Audit Committee's Review Report

Item 3 2022 Employee and Director Compensation Report

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

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

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

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

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

Item 9 Other matters

IV. Ratification Items

Proposal I To approve 2022 business report and financial statements

Proposal II To approve the proposal for distribution of 2022 profits

V. Discussion Items

Proposal I Discussion of the amendments to the "Articles of Incorporation"

Proposal II Discussion of the amendments to the "Regulations and Procedures of Shareholders Meeting".

Proposal III Discussion of the amendments to the "Operation Procedures for Loaning of Company Funds".

VI. Extemporaneous Motions

VII. Adjournment.

Report Items

I. 2022 Business Report

For the 2022 Business Report, please refer to page 10-12 of the Handbook (**Attachment I**).

II. 2022 Audit Committee's Review Report

For the Audit Committee's Review Report, please refer to page 13 of the Handbook (**Attachment II**).

III. 2022 Employee and Director Compensation Report

In accordance with the Articles of Incorporation of the Company, the Company shall pay appropriate remuneration to directors and employees of that year in case of any profits. The 2022 annual profit for the Company was NT\$704,949,922 before distributing the remuneration of employees and directors. It is proposed to allocate 1.5% to the remuneration of employees and directors, both in the amount of NT\$10,579,000, with a total of NT\$21,158,000. The aforesaid items will be paid in cash.

IV. Report of the company's appropriations of earnings in cash dividends to shareholders for 2022

In accordance with the Articles of Incorporation of the Company, authorizing the Board of Directors to distribute the earnings in cash if there is a surplus in the final accounts at the end of each half year. The Company's 2022 Earnings Distribution Proposal was approved by the the Board of Directors of the company, the distribution status and date of payment are as follows:

2022	Approved Date	Issue Date	Cash Dividend Per Share (NTD)	Cash Dividend Total (NTD)
First half of the fiscal year	August 09,2022	December 23,2022	0.1	38,700,000
Second half of the fiscal year	March 14,2023	July 28,2023	0.2	77,400,000
Total			0.3	116,100,000

V. Report of the Details of Individual Remuneration of Directors in 2022

1. Remuneration policy

The remuneration of directors is in accordance with the spirit of corporate governance, and directors shall be paid corresponding remuneration in accordance with the supervisory and management responsibilities entrusted by the shareholders' meeting.

2. Standard and combination of remuneration

(1) Remuneration for Directors

According to Article 26 of the Articles of Incorporation of the company , if the Company makes a profit in a fiscal year, the Board of Directors shall decide to allocate no more than 2% of the pre-tax profit after deducting employees'

compensation and directors' compensation to remuneration of directors, which should be reported to the shareholders' meeting. However, if the Company still has accumulated losses, the amount necessary for compensation should be reserved in advance and then the above-mentioned proportion of director's remuneration should be allocated.

(2) Business execution costs

Pursuant to Article 21 of the Articles of Incorporation of the Company, the Company's Directors' attendance fee and remuneration shall be determined by the board of directors with reference to the industry standard, and shall take into account the recommendations of the compensation committee.

3. The correlation of remuneration and business performance

- (1) The company has established a performance evaluation method for the board of directors. According to the provisions of Article 3 of the method, six major projects will be evaluated, namely: (1) Mastery of company goals and tasks (2) Awareness of Directors' Responsibilities (3) Participation in the company's operations (4) Internal relationship and communication (5) Professional and continuing education of directors and (6) Internal Control. The actual distribution of 2022 remuneration is implemented with reference to the results of directors performance self-evaluation.
- (2) Since 2009, director liability insurance has been insured, and based on the assessment of existing litigation cases, it is unlikely that directors will be liable, obligated or indebted in the future.

4. The details of Individual remuneration of directors in 2022, please refer to page 14~17 of the Handbook (Attachment III)

VI. Report the Implementation Situation of the Company's Corporate Bonds

Name of the Bond	Company's secured corporate Bond 1st issued in 2022
Total Amount	NT\$230 million
Maturity	5 years
Annual Interest	The coupon rate is a fixed rate 0.85%
Debt Repayment	Repayment : From the date of issue, 15% of the face value of the bond will be repaid in the 3th year, 15% in the 4th year, and 70% in the 5th year. Interest Payment : From the issue date, the interest is calculated and paid annually on the outstanding amount of the bond.
Approval Number	Effective pursuant to Taipei Exchange (TPEX) Securities-TPEX-Bond-11100018481 on Mar. 25, 2022
Use of Proceeds	To payback the principal of the first guaranteed ordinary corporate bond in 2017, lock in the cost of medium and long-term funds and improve the financial structure.
Remark	To be issued at par value on April 01, 2022

VII. Report of the Amendments to " Sustainable Development Practice Principles ".

In accordance with the promulgation of Taiwan Stock Exchange Corporation under Tai-Cheng-Chi-Li-Tze No.11100243661 dated December 23, 2022, it is proposed to amend some articles of the " Sustainable Development Practice Principles ". The Comparison Table of Amended Articles is attached. Please refer to the Handbook page 18~19. (**Attachment IV**).

VIII. Report of the Amendments to " Financial Related Operations between Affiliated Enterprises ".

In accordance with the promulgation of Taiwan Stock Exchange Corporation under Tai-Cheng-Chi-Li-Tze No.11100243661 dated December 23, 2022, it is proposed to amend some articles of the " Financial Related Operations between Affiliated Enterprises ". The Comparison Table of Amended Articles is attached. Please refer to the Handbook page 20~29. (**Attachment V**).

IX. Other Matters

Pursuant to the provision of the Article 172-1 of the Company Act, the company has announced the proposal acception for the Annual Shareholders' Meeting.
No proposals are raised by shareholders during the said accepting period.

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:

- I. The Company's 2022 financial statements have been certified by the CPA Zong-Jhe Chen and Jun-Ming Pan 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.
- II. The Business Report (page 10~12) and Financial Statements for the Year 2022 (page 30~50) are attached hereto as **Attachments I & VI**.

Resolution:

Proposal 2

Proposed by the Board of Directors

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

Explanation:

- I. 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.
- II. The 2022 Earnings Distribution Proposal is attached hereto as **Attachment VII** (page 51).

Resolution:

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 method announced by the central authority. It is proposed to amend the Articles 10 and Articles 30 of the "Articles of Incorporation."
2. The amended articles is set out. Please refer to the Handbook page 52 (**Attachment VIII**)

Resolution:

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 (**Attachment IX**) and page 65~67 (**Appendx I**).

Resolution:

Proposal 3

Proposed by the Board of Directors

Subject: Review and approval of the amendments to the “Operation Procedures 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 Procedures for Loaning of Company Funds".
2. The Comparison Table of the amended articles is set out. Please refer to the Handbook page 61~64. (**Attachment X**)

Resolution:

Extemporaneous Motions

Adjournment

Attachment I

Annual Business Report of 2022

I.Quantity of production and sales:

In 2022, the Company sold 12 houses of various types, 39 parking spaces.

II.Revenue: NT\$2,016,910,719

1. The operating revenue in 2022 was NT\$365,116,042, a decrease of NT\$809,335,948 compared to the year 2021, with a decrease rate of 68.91%. It is mainly that there were not any new projects completed and handed over this year; housing and land revenue was NT\$76,920,926, accounting for 21.07% of operating revenue. Lease and other revenue was NT\$288,195,116, accounting for 78.93% of operating revenue, a increase of 19.41% compared to Year 2021. NT\$880,767,266 was recognized in the disposal of investment real estate interests this year, accounting for 43.67% of operating revenue.
2. Non-operating income In 2022, was NT\$771,027,411, accounting for 38.23% of total revenue, mainly due to the recognized investment interests of subsidiaries investment benefits of NT\$775,704,335.

III. Expenses: NT\$1,441,185,206

1. The operating expenses in 2022 are NT\$1,245,598,072, accounting for 341.15% of operating revenue.
2. Non-operating expenditures in 2022 was NT\$87,235,489, accounting for 6.05% of total expenditures, mainly due to the interest expense.
3. The income tax expense for 2022 was NT\$108,351,645, of which the land value-added tax is NT\$85,818,713.

IV. Benefits: NT\$575,725,513

Net income in 2022 was NT\$575,725,513, which was an increase of \$483,720,880 compared to the year 2021.

V. Review and Outlook

Since the outbreak of the epidemic at the end of 2019, the influx of hot money back to Taiwan has boosted the housing market, leading to an increase in both property prices and transactions. Therefore, our company's *"Sunshine Four Seasons"* and the *"Dunnan Lishe"* projects launched in 2020 and 2021 respectively were sold quickly. However, in 2022, the real estate market was hit by multiple negative factors, including the government's efforts to cool down the market and interest rate hikes, which significantly reduced homebuyers' confidence and purchasing power. The following regulatory measures have also posed challenges to our operations:

1. Construction deadline:

The deadline for starting construction on purchased land is limited to 18 months. If the deadline is exceeded, the loan will be recalled proportionally and interest rates will increase annually. This has affected the financing execution of the Jianye Section in Yilan.

2. Increase in raw material and labor costs:

The Ukraine-Russia conflict has caused inflation in the global economy, leading to a 30% increase in construction costs. This has resulted in a significant increase in construction costs for the *"Sunshine Four Seasons"* and *"Dunnan Lishe"* projects.

3. Central bank's active interest rate hikes:

The US Federal Reserve has raised interest rates seven times in 2022 to control inflation, prompting our Central Bank to follow suit. By the end of December, the interest rate had increased by 0.625%, increasing the Company's interest burden.

4. Real estate control measures:

The Financial Supervisory Commission has increased the risk weighting for developers' land purchases and unsold housing loans by at least 50%. This has caused banks to reduce the lending ratios to developers or raise interest rates, limiting the company's financing channels.

Overall, in the atmosphere of negative factors suppressing the market in 2022, including the trend towards tight monetary policy, no room for relaxation in housing policies, widening gap in price perceptions between buyers and sellers, and significant increase in construction costs, the Company could only respond by being more cautious in the timing of project launches.

Regarding the investment business, Pacific Department Stores Co., Ltd., Pacific Realtor Co., Ltd., and CT Green Bay Hot Spring Hotel were also affected by the COVID-19 pandemic, but they maintained profitability in 2022 by adjusting the operating strategies and disposing of idle assets. In addition, due to the gradual relaxation of epidemic prevention measures, CT Green Bay Hot Spring Hotel has shown a trend of turning losses into gains in the second half of 2022.

Looking ahead to 2023, although development project of Jianye Section in Yilan will be affected by the Average Land Rights Act, however the Central Bank's policy of relaxing construction deadlines will benefit it. With the easing of COVID-19 prevention policies and the opening of borders, it is expected that raw material and labor costs will gradually return to reasonable levels, reducing unfavorable factors such as project launches and construction costs for the company. In addition, the Company expect that the Central Bank will slow down its interest rate hikes in 2023, reducing the interest burden. The company will continue to dispose of idle assets and streamline management expenses to not only enhance operational efficiency but also increase shareholder investment returns.

In addition to continuing to implement the Company's operational plan to achieve the goals, the Company will also comply with regulatory requirements, continuously improve environmental protection, social welfare, and corporate governance, to prioritize ESG issues as a major focus for the Company's sustainable development.

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



Attachment II

Annual Audit Committee's Review Report of 2022

To the 2022 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, Zongzhe and CPA Jun-ming Pan, 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

Attachment III

The Details of Individual Remuneration of Directors in 2022

Job Title	Name	Remuneration of Director								The sum of A, B, C and D in proportion to Earnings	Remuneration in the capacity as employee								The sum of A, B, C, D, E, F and G to Earnings		Whether remuneration from any reinvestees other than subsidiaries is received	
		Remuneration (A)		Pension (B)		Retained Earnings Distribution (C)		Professional practice (D)			Salaries, bonus and special subsidies (E)		Pension (F)		Employee bonus from earnings (G)							
		the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement		the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company		Companies included in the financial statement			
										Cash dividend							Stock dividend	Cash dividend		Stock dividend		
The 18 th Term Chairman	Living Spring International Development Co., Ltd.	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
	Representative : Liu I-Yee	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
Director	Living Spring International Development Co., Ltd.	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
	Representative : Lei Chien	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
Director	Allianz Investment Co., Ltd.	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
	Representative : Chang Chi Ming	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
Director	Living Spring International Development Co., Ltd.	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
	Representative : Yu Sheng Yi	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
Director	Fukunaga Investment Co., Ltd.	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
	Representative : Lai Yueh Hsin	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
Director	Pacific Urban Management Consulting Co., Ltd.	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	N/A
	Representative : Chang Kay Jin	0	0	0	0	0	48,676	25,000	25,000	0%	0.01%	0	743,402	0	0	0	0	0	0	0%	0.14%	N/A

(Continued)

Job Title	Name	Remuneration of Director								The sum of A, B, C and D in proportion to Earnings	Remuneration in the capacity as employee								The sum of A, B, C, D, E, F and G to Earnings		Whether remuneration from any reinvestees other than subsidiaries is received			
		Remuneration (A)		Pension (B)		Retained Earnings Distribution (C)		Professional practice (D)			Salaries, bonus and special subsidies (E)		Pension (F)		Employee bonus from earnings (G)									
		the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	Cash dividend	Stock dividend	Cash dividend	Stock dividend	the Company		Companies included in the financial statement		
Independent Director	Lin Hao Li	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0	0	0%	0%	N/A
Independent Director	Wu Chin Jung	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0	0	0%	0%	N/A
Independent Director	Chen Kin Lung	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0	0	0%	0%	N/A
1. Please describe the policy, system, standards and structure of independent directors' compensation and the correlation with the amount of compensation paid based on the responsibilities, risks and time commitment. The remuneration payment is estimated in accordance with the company's articles of association and processed after discussion by the board of directors and a report at the shareholders meeting. The actual payment has been made with reference to the results of the director's performance evaluation and the recommendations after discussion by the remuneration committee for the board of directors' reference, and will be implemented after approval. 2. Remuneration to Directors providing service to entities within the Company's most recent financial reporting period (such as serving as non-employee consultants), in addition to remuneration disclosed in the above table: None.																								

Job Title	Name	Remuneration of Director								The sum of A, B, C and D in proportion to Earnings		Remuneration in the capacity as employee								The sum of A, B, C, D, E, F and G to Earnings		Whether remuneration from any reinvestees other than subsidiaries is received
		Remuneration (A)		Pension (B)		Retained Earnings Distribution (C)		Professional practice (D)				Salaries, bonus and special subsidies (E)		Pension (F)		Employee bonus from earnings (G)						
		the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company		Companies included in the financial statement				
																Cash dividend	Stock dividend		Cash dividend	Stock dividend	the Company	
The 19 th Term Chairman	Liu I-Yee	2,219,011	2,219,011	0	0	1,175,448	1,175,448	40,000	60,000	0.60%	0.61%	0	0	0	0	0	0	0	0	0.60%	0.61%	N/A
Director	Living Spring International Development Co., Ltd.	0	0	0	0	1,175,444	1,175,444	0	0	0.20%	0.20%	0	0	0	0	0	0	0	0	0.20%	0.20%	N/A
	Representative : Lei Chien	1,384,000	3,510,200	0	0	0	0	45,000	65,000	0.25%	0.62%	0	0	0	0	0	0	0	0	0.25%	0.62%	N/A
Director	Allianz Investment Co., Ltd.	0	0	0	0	1,175,444	1,175,444	0	0	0.20%	0.20%	0	0	0	0	0	0	0	0	0.20%	0.20%	N/A
	Representative : Chang Chi Ming	0	1,164,600	0	0	0	0	45,000	45,000	0.01%	0.21%	0	0	0	0	0	0	0	0	0.01%	0.21%	N/A
Director	Living Spring International Development Co., Ltd.	0	0	0	0	1,175,444	1,175,444	0	0	0.20%	0.20%	0	0	0	0	0	0	0	0	0.20%	0.20%	N/A
	Representative : Yu Sheng Yi	0	0	0	0	0	0	40,000	40,000	0.01%	0.01%	0	0	0	0	0	0	0	0	0.01%	0.01%	N/A
Director	Fukunaga Investment Co., Ltd.	0	0	0	0	1,175,444	1,175,444	0	0	0.20%	0.20%	0	0	0	0	0	0	0	0	0.20%	0.20%	N/A
	Representative : Lai Yueh Hsin	0	0	0	0	0	0	45,000	45,000	0.01%	0.01%	0	0	0	0	0	0	0	0	0.01%	0.01%	N/A
Director	Living Spring nternational Development Co., Ltd.	0	0	0	0	1,175,444	1,175,444	0	0	0.20%	0.20%	0	0	0	0	0	0	0	0	0.20%	0.20%	N/A
	Representative : Liu Ming Hyung (Note 1)	0	0	0	0	0	0	20,000	20,000	0.00%	0.00%	0	0	0	0	0	0	0	0	0.00%	0.00%	N/A

(Continued)

Job Title	Name	Remuneration of Director								The sum of A, B, C and D in proportion to Earnings		Remuneration in the capacity as employee								The sum of A, B, C, D, E, F and G to Earnings		Whether remuneration from any reinvestees other than subsidiaries is received		
		Remuneration (A)		Pension (B)		Retained Earnings Distribution (C)		Professional practice (D)				Salaries, bonus and special subsidies (E)		Pension (F)		Employee bonus from earnings (G)								
		the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	the Company	Companies included in the financial statement	Cash dividend	Stock dividend	Cash dividend	Stock dividend	the Company	Companies included in the financial statement			
Independent Director	Lin Hao Li	600,000	600,000	0	0	1,175,444	1,175,444	100,000	100,000	0.33%	0.33%	0	0	0	0	0	0	0	0	0	0	0.33%	0.33%	N/A
Independent Director	Wu Chin Jung	600,000	600,000	0	0	1,175,444	1,175,444	100,000	100,000	0.33%	0.33%	0	0	0	0	0	0	0	0	0	0	0.33%	0.33%	N/A
Independent Director	Chen Kin Lung (Note 2)	0	0	0	0	1,175,444	1,175,444	100,000	100,000	0.22%	0.22%	0	0	0	0	0	0	0	0	0	0	0.22%	0.22%	N/A
1. Please describe the policy, system, standards and structure of independent directors' compensation and the correlation with the amount of compensation paid based on the responsibilities, risks and time commitment. The remuneration payment is estimated in accordance with the company's articles of association and processed after discussion by the board of directors and a report at the shareholders meeting. The actual payment has been made with reference to the results of the director's performance evaluation and the recommendations after discussion by the remuneration committee for the board of directors' reference, and will be implemented after approval. 2. Remuneration to Directors providing service to entities within the Company's most recent financial reporting period (such as serving as non-employee consultants), in addition to remuneration disclosed in the above table: None.																								

Note 1/ Refers to the remuneration and traveling expenses of NT275,976 for natural persons elected as supervisors of the consolidated financial statements.

Note 2/ It refers to the independent director Chen Kin Lung's driver's salary of NT\$649,000 paid by the Company from Jan. 01,2022 to Dec. 31,2022.

Attachment IV

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.

Attachment V

Pacific Construction Co., Ltd.

Comparison Table of Amendments to

“Financial Related Operations between Affiliated Enterprises”

Amended Article	Current Articles	Description
Regulations on Financial Operations between affiliated <u>parties</u>	Regulations on Financial Operations between affiliated <u>enterprises</u>	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 <u>parties</u> 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 <u>parties</u>, 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 <u>parties</u> 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 <u>enterprises</u> 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 <u>enterprises</u>, 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 <u>enterprises</u> 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.

Amended Article	Current Articles	Description
Article 2 <u>The term "affiliated parties" as used in this Regulation shall be defined in accordance with the criteria set forth in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</u> (The following is omitted.)	Article 2 Newly added (The following is omitted.)	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 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 <u>with affiliated parties (including affiliated companies)</u>. 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 <u>party</u> 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 <u>enterprises</u>. 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 <u>enterprise</u> 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 <u>parties</u>, and regularly conduct comprehensive risk assessments for correspondent banks, major customers, and suppliers to reduce credit risks. For affiliated <u>parties</u> with correspondent financial transactions, the Company should always control their significant financial and business matters for risk management. The financial loans or endorsement	Article 5 The Company shall establish an effective financial and business communication system with all affiliated <u>enterprises</u>, and regularly conduct comprehensive risk assessments for correspondent banks, major customers, and suppliers to reduce credit risks. For affiliated <u>enterprises</u> with correspondent financial transactions, the Company should always control their significant financial and business matters for risk management. The	Reason for amendment is same as explained in the Article 1.

Amended Article	Current Articles	Description
guarantees between the Company and affiliated <u>parties</u> 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. 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)	financial loans or endorsement guarantees between the Company and affiliated <u>enterprises</u> 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. 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	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	Reason for amendment is same as explained in the Article 1.

Amended Article	Current Articles	Description
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 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 <u>parties</u>, 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 <u>parties</u> 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 <u>parties'</u> accounting personnel shall reconcile the balances of goods purchased and sold, and accounts receivable and	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 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 <u>enterprises</u>, 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 <u>enterprises</u> 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 <u>enterprises'</u> accounting personnel shall reconcile the balances of goods purchased and sold, and accounts receivable and	

Amended Article	Current Articles	Description
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.	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 <u>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 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:</u> <u>1.The items, purpose, necessity and expected benefits of the transaction.</u> <u>2.The reasons for selecting the related party as the transaction partner.</u> <u>3.The principles for calculating the transaction price and the expected annual transaction amount ceiling.</u> <u>4.An explanation of whether the transaction terms comply with normal commercial terms and do not harm the Company's interests or shareholders' equity.</u> <u>5.The limitations and other important terms and conditions of the transaction.</u> <u>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.</u> <u>1.The actual transaction amount and conditions</u> <u>2.Whether the transaction price was calculated in accordance with the</u>	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 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.

Amended Article	Current Articles	Description
<u>principles approved by the board of directors.</u> <u>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.</u>		
Article 7 For asset transactions, derivative product transactions, mergers, splits, acquisitions, or share transfers between the Company and affiliated <u>parties</u>, 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 <u>parties</u>, 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.	Article 7 For asset transactions, derivative product transactions, mergers, splits, acquisitions, or share transfers between the Company and affiliated <u>enterprises</u>, 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 <u>enterprises</u>, or acquiring securities with related entities as targets, the most recent audited financial statements or reviewed financial statements of the target company from <u>other non-affiliated enterprises</u>, 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.	1. The target of this article has been amended, with the reasons for the amendment being the same as those explained in Article 1. 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
In the case of acquiring or disposing of intangible assets or assets with usage rights or membership certificates from affiliated <u>parties</u>, 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 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."	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 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 <u>parties</u>, 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 <u>enterprises</u>, 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 <u>party</u>, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a affiliated <u>party</u> 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	Article 10 When the Company intends to acquire or dispose of real property or right-of-use assets from or to a affiliated <u>enterprises</u>, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a affiliated <u>party</u> 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	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

Amended Article	Current Articles	Description
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 <u>parties</u> as transaction counterparties. 4.When acquiring real estate from affiliated <u>parties</u>, 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 <u>party's</u> original acquisition, the transaction counterparty, and its relationship with this Company and the affiliated <u>party</u>. 6.(omitted) 7.(omitted) 8.The opinion of the accountant appointed to determine whether the affiliated <u>party</u> 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 <u>or its usage rights</u> from affiliated <u>parties</u>, 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	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 <u>enterprises</u> as transaction counterparties. 4.When acquiring real estate from affiliated <u>enterprises</u>, 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 <u>enterprises 's</u> original acquisition, the transaction counterparty, and its relationship with this Company and the affiliated <u>enterprises</u>. 6.(omitted) 7.(omitted) 8.The opinion of the accountant appointed to determine whether the affiliated <u>party</u> 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 <u>enterprises</u>, 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	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 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

Amended Article	Current Articles	Description
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 <u>party</u> transactions, after being approved by the board of directors, <u>the information listed in the first item</u> must still be presented to the shareholders' meeting for approval, <u>and shareholders who have conflicts of interest</u> may not 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.The transaction amount or conditions have a significant impact on the company's operations 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.)	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 <u>enterprises</u> transactions, after being approved by the board of directors, must still be presented to the shareholders' meeting for approval, and <u>affiliated enterprises or persons related to affiliated enterprises</u> should not participate in the voting: <u>1.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.)	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.
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	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	Reason for amendment is same as explained in the Article 1.

Amended Article	Current Articles	Description
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 also be promptly released on the Market Observation Post System.	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 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 <u>third amended on March 14, 2023.</u> 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.

Attachment VI

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)

		December 31, 2022		December 31, 2021	
				(Revised)	
Assets		Amount	%	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	-
		<u>5,827,751</u>	<u>52</u>	<u>6,534,741</u>	<u>57</u>
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	-
		<u>5,271,316</u>	<u>48</u>	<u>4,674,202</u>	<u>43</u>
Total Assets		<u>\$ 11,099,067</u>	<u>100</u>	<u>11,208,943</u>	<u>100</u>

Pacific Construction Co., Ltd.
Balance Sheet
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(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	-
		<u>2,926,691</u>	<u>26</u>	<u>3,453,324</u>	<u>31</u>
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	-
		<u>881,868</u>	<u>8</u>	<u>1,003,817</u>	<u>8</u>
	Total liabilities	<u>3,808,559</u>	<u>34</u>	<u>4,457,141</u>	<u>39</u>
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	<u>7,290,508</u>	<u>66</u>	<u>6,751,802</u>	<u>61</u>
	Total liabilities and equity	<u>\$ 11,099,067</u>	<u>100</u>	<u>11,208,943</u>	<u>100</u>

(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)	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
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))	<u>35,490</u>	<u>10</u>	<u>(6,998)</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	<u>34,551</u>	<u>10</u>	<u>18,410</u>	<u>2</u>
8300	Other comprehensive income (Net after revenue)	<u>35,292</u>	<u>11</u>	<u>25,605</u>	<u>2</u>
	Total comprehensive income	<u>\$ 611,018</u>	<u>168</u>	<u>117,609</u>	<u>10</u>
	Earnings per share (Note 6(18))				
9750	Basic earnings per share (in NT\$)	<u>\$ 1.59</u>		<u>0.25</u>	
9850	Diluted earnings per share (in NT\$)	<u>\$ 1.59</u>		<u>0.25</u>	

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)	<u>\$ 3,870,000</u>	<u>371,732</u>	<u>1,221,329</u>	<u>55,134</u>	<u>686,665</u>	<u>157,538</u>	<u>609,624</u>	<u>(193,207)</u>	<u>6,778,815</u>
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)	<u>3,870,000</u>	<u>381,910</u>	<u>1,221,329</u>	<u>70,421</u>	<u>615,474</u>	<u>175,948</u>	<u>609,927</u>	<u>(193,207)</u>	<u>6,751,802</u>
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	<u>\$ 3,870,000</u>	<u>386,998</u>	<u>1,301,036</u>	<u>73,133</u>	<u>1,039,704</u>	<u>210,499</u>	<u>602,345</u>	<u>(193,207)</u>	<u>7,290,508</u>

(See accompanying notes to financial statements.)

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

(See accompanying notes to financial statements.)

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)

Assets		December 31, 2022		December 31, 2021 (Revised)	
		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	-
		<u>8,119,055</u>	<u>58</u>	<u>6,986,235</u>	<u>49</u>
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	-
		<u>5,866,954</u>	<u>42</u>	<u>7,070,024</u>	<u>51</u>
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)	
		Amount	%	Amount	%
Liabilities and Equity					
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	-
		<u>3,835,177</u>	<u>27</u>	<u>4,373,509</u>	<u>30</u>
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	-
		<u>936,296</u>	<u>7</u>	<u>1,083,722</u>	<u>8</u>
		<u>4,771,473</u>	<u>34</u>	<u>5,457,231</u>	<u>38</u>
Total liabilities					
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	<u>7,290,508</u>	<u>52</u>	<u>6,751,802</u>	<u>49</u>
36xx	Non-controlling interest (Note 6(7) and (19))	<u>1,924,028</u>	<u>14</u>	<u>1,847,226</u>	<u>13</u>
	Total equity	<u>9,214,536</u>	<u>66</u>	<u>8,599,028</u>	<u>62</u>
	Total liabilities and equity	<u>\$ 13,986,009</u>	<u>100</u>	<u>14,056,259</u>	<u>100</u>

(See accompanying Notes to Consolidated Financial Statements)

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					
						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
	Ordinary Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings						
Balance on January 1, 2021 (Revised)	<u>\$ 3,870,000</u>	<u>371,732</u>	<u>1,221,329</u>	<u>55,134</u>	<u>686,665</u>	<u>157,538</u>	<u>609,624</u>	<u>(193,207)</u>	<u>6,778,815</u>	<u>1,814,629</u>	<u>8,593,444</u>
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)	<u>3,870,000</u>	<u>381,910</u>	<u>1,221,329</u>	<u>70,421</u>	<u>615,474</u>	<u>175,948</u>	<u>609,927</u>	<u>(193,207)</u>	<u>6,751,802</u>	<u>1,847,226</u>	<u>8,599,028</u>
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	<u>\$ 3,870,000</u>	<u>386,998</u>	<u>1,301,036</u>	<u>73,133</u>	<u>1,039,704</u>	<u>210,499</u>	<u>602,345</u>	<u>(193,207)</u>	<u>7,290,508</u>	<u>1,924,028</u>	<u>9,214,536</u>

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)

	<u>2022</u>	<u>2021 (Revised)</u>
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)	<u>(1,616,784)</u>	<u>94,835</u>
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	<u>408,499</u>	<u>386,795</u>
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	<u>204,120</u>	<u>(323,133)</u>
Total changes in operating assets and liabilities	<u>612,619</u>	<u>63,662</u>
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	<u>(390,170)</u>	<u>221,652</u>

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)

	<u>2022</u>	<u>2021 (Revised)</u>
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	<u>1,144,913</u>	<u>(110,010)</u>
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	<u>(994,704)</u>	<u>(303,991)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(1,390)</u>	<u>26,213</u>
Net decrease in cash and cash equivalents	(241,351)	(166,136)
Beginning cash and cash equivalents	<u>779,115</u>	<u>945,251</u>
Closing cash and cash equivalents	<u><u>\$ 537,764</u></u>	<u><u>779,115</u></u>

Attachment VII

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



Attachment VIII

Pacific Construction Co., Ltd. Comparison Table of Amendments to “Articles of Incorporation”

Amended Article	Current Articles	Description
Article 10: <u>The Company</u> 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. <u>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.</u>	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.
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, <u>the 43th amendment was made on June 14, 2023</u>, 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.

Attachment IX

Pacific Construction Co., Ltd.

The “Regulations and Procedures of Shareholders’ Meeting”

(Amended Articles)

- Article 1 The present regulations and procedures are established in accordance with the “Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies” to set guidelines for the governance, supervision, and management of the shareholders’ meeting of the Company.
- Article 2. The Company’s shareholders’ meetings shall be held pursuant to the present regulations and procedures unless otherwise specified in laws and regulations.
- Article 3 The Company’s shareholders’ meetings shall be convened by the board of directors unless otherwise specified in laws and regulations.

Changes to the method for convening the shareholders' meeting must be passed by a resolution of the Board of Directors, and must be effected before the shareholders' meeting notice is sent.

The Company shall prepare an electronic file that contains the meeting notice, proxy form, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general shareholders’ meeting or 15 days before the date of a special shareholders’ meeting.

The Handbook of the shareholders’ meeting agenda and supplementary information shall be uploaded to the Market Observation Post System (MOPS) 21 days before the date of the annual general shareholders’ meeting or 15 days before the date of a special shareholders’ meeting.

The Handbook of the shareholders’ meeting agenda and supplementary materials shall also be prepared 15 days before the date of the shareholders’ meeting and.

Aforementioned documents shall be placed within the Company’s premises, made available for review by shareholders at any time.

The Company shall provide the meeting Handbook and supplementary information in the preceding paragraph to shareholders on the day of the shareholders' meeting via one of the following methods:

1. Distributed at the venue of the shareholders' meeting if a physical shareholders' meeting is held.
2. Distributed at the venue of the shareholders' meeting and electronic copies uploaded to the video conferencing platform if a physical shareholders' meeting is held with video calls.
3. Electronic copies must be uploaded to the video conferencing platform if a virtual shareholders' meeting is held.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendment to the Articles of Incorporation, capital reduction, application for delisting of shares, competition approval for directors, capitalization of earnings, capitalization of reserves, the dissolution, merger, spin-off or demerger of the Company, or any matters set forth in Paragraph 1, Article 185 of the Company Act; Articles 26-1 and 43-6 of the Securities and Exchange Act; and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and their essential contents shall be explained in the notice of the reasons for convening the shareholders’ meeting. None of the above matters may be raised by an extraordinary motion.

If a full re-election of the directors and their date of appointment has been stated in the notice of the reasons for convening the shareholders’ meeting, after the re-election has been completed in

such shareholders' meeting, the appointment date may not be changed by extemporary motions or other means in the same meeting.

A shareholder may submit to the Company a proposal for discussion at the shareholders' meeting in accordance with the Article 172-1 of the Company Act.

Article 4 A shareholder may issue the Company's proxy form with the scope of authorization indicated to appoint a proxy to attend a shareholders' meeting.

Each shareholder may issue one proxy form and appoint one proxy only. The proxy form shall be delivered to the Company at least five days before the shareholders' meeting in concern is convened. In a case where more than one proxy form is received, the first one received by the Company shall prevail unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

After the Company receives the proxy form, a shareholder intending to attend the shareholders' meeting in person or exercise his/her/its voting rights in writing or by way of electronic transmission shall file a proxy rescission notice at least two days before the shareholders' meeting is convened. Otherwise, the voting right exercised by the authorized proxy at the meeting shall prevail.

Once the proxy has been delivered to the Company and the shareholder wishes to attend the meeting via video call, the concerned shareholder should notify the Company in writing two days prior to the shareholders' meeting to rescind the notice for proxy. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 Shareholders' meetings shall be held at the premises of the Company or locations that are convenient for shareholders to attend and appropriate for shareholders' meetings. Meetings shall not begin earlier than 9:00 a.m. or later than 3:00 p.m..

The restrictions on venue in the preceding paragraph do not apply if the Company convenes a virtual shareholders' meeting.

Article 6 The Company shall specify in shareholders' meeting notices the time and location for the registration of shareholders, solicitors, and proxies (hereinafter collectively referred to as "Shareholders") and other matters of attention.

The registration of shareholders shall begin at least 30 minutes before the meeting commences. The registration counter shall be clearly indicated. A sufficient number of competent personnel shall be assigned to process registration. The registration of shareholders for virtual shareholders' meetings shall begin 30 minutes before the meeting commences. Shareholders that complete registration shall be deemed as personally attending the shareholders' meeting.

Attending shareholders must present their attendance card, sign-in card, or other certificates for admittance when attending a shareholders' meeting. The Company shall not arbitrarily require additional supporting documents other than the certificates for admittance when shareholders attend a meeting. Proxy solicitors shall also bring their identification certificates for verification.

The attending shareholders must present their attendance card in lieu of signing in.

The Company shall furnish attending shareholders with the meeting Handbook, Annual Report and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

A shareholder who is a government agency or a juristic person may send more than one representative to attend shareholders' meetings. However, a juristic person serving as a proxy to attend a shareholders' meeting may appoint only one representative to attend the meeting.

If a virtual shareholders' meeting is convened and a shareholder wishes to attend the meeting via video call, the shareholder shall register the attendance method with the Company two days prior to the shareholders' meeting.

If a virtual shareholders' meeting is convened, the Company shall upload the meeting Handbook, Annual Report, and related materials to the shareholders' meeting video conferencing platform at least 30 minutes before the meeting commences, and shall continue to disclose the materials until the meeting ends.

Article 6-1 The Company shall specify the following matters in the shareholders' meeting notice before convening a virtual shareholders' meeting:

1. How shareholders can attend the virtual shareholders' meeting and exercise their rights.
2. How to handle malfunctions of the video conferencing platform or video call due to natural disasters, incidents, or other force majeure events, and must at least include the following matters:
 - (1) The duration of the malfunction resulting in a postponement or resumption of the meeting, and the date that a postponed meeting will be resumed.
 - (2) Shareholders that did not register to attend in the original shareholders' meeting via video call may not attend the postponed or resumed meeting.
 - (3) If a physical shareholders' meeting that allowed attendance via video call cannot resume the video calls, the number of shares represented by shareholders attending via video call will be deducted, and the shareholders' meeting shall continue if the total number of shares in attendance reaches the threshold for convening a shareholders' meeting. If the shareholders' meeting continues, the number of shares represented by shareholders who originally attended via video call shall be counted in the total number of shares in attendance, but counted as abstentions in all agenda items of the shareholders' meeting.
 - (4) How to handle the meeting if the results of all agenda items were already announced but there were no extraordinary motions.
3. If a virtual shareholders' meeting is convened, suitable alternatives for shareholders who have difficulty attending the shareholders' meeting via video call must be specified.

Article 7 If a shareholders' meeting is convened by the board of directors, the chairman shall preside over the meeting. If the chairman is on leave or is unable to perform his/her duties, the vice chairman shall preside over the meeting. If the Company does not have a vice chairman or the vice chairman is also on leave or unable to perform his/her duties, the chairman shall appoint an executive director to preside over the meeting. If there is no executive director, the chairman shall appoint a director to act on his/her behalf. If the chairman has not appointed an agent, the directors shall elect among themselves one director to act on behalf of the chairman.

To serve as an agent for the chairman to preside over a shareholders' meeting, a director must have been on the board for at least six months and is familiar with the financial and business operations of the Company. The same requirement shall apply when a representative of the director of a juristic person is to chair a shareholders' meeting.

It is advisable for the chairman of the board to personally preside any shareholders' meetings convened by the board of directors. It is also preferable that at least one-half of the directors and the audit committee's convener attend in person, and at least one member representing other functional committees is present. Attendance shall be recorded in the shareholders' meeting minutes.

When a shareholders' meeting is convened by a party entitled to do so, the said party shall chair the meeting. If there are two such parties, one shall be elected to chair the meeting.

The Company may appoint its legal counsels, accountants, or relevant personnel to attend shareholders' meetings.

Article 8 The Company shall make uninterrupted audio and video recordings over the entire meeting process, including the shareholders' registration process, meeting proceedings, and election and vote-count in each shareholders' meeting.

The recorded materials of the preceding paragraph shall be retained the audio and video recordings for at least one year. However, if any shareholder files a lawsuit in regard to a meeting in accordance with Article 189 of the Company Act, the audio and video recordings of the meeting shall be retained until the lawsuit is concluded.

If a virtual shareholders' meeting is convened, the Company shall keep records of shareholder registration, sign-in, questions, voting, and vote counting results, and the entire course of the virtual shareholders' meeting shall be recorded in audio and video without any interruptions.

The Company shall properly preserve the materials and audio and video recordings in the preceding paragraph, and provide the audio/video recordings to the party commissioned to organize the virtual shareholders' meeting for retention.

Article 9 The attendance of shareholder meetings shall be determined based on the number of outstanding shares. The number of shares of the attending shareholders shall be calculated based on the signatures on the attendance list, the submitted attendance cards, the number of shares represented on the video conferencing platform, and the shares from shareholders exercising their right to vote in writing or by way of electronic transmission.

The chairman shall call a meeting to order according to the schedule, and shall also announce the number of shares without voting rights and number of shares in attendance.

However, if the number of outstanding shares represented by the attending shareholders is less than one half of the total outstanding shares, the chairman may postpone the meeting up to two times for no more than one hour in total. If the number of shares represented by the attending shareholders is still less than one third of the total outstanding shares after two postponements, the chairman shall declare the meeting aborted. If a virtual shareholders' meeting is convened, the Company shall also announce the meeting was aborted on the video conferencing platform.

If the number of shares represented by the attending shareholders remains less than one half but more than one third of the total outstanding shares after two postponements, tentative resolutions may be passed according to Paragraph 1, Article 175 of the Company Act. Shareholders shall be notified of such tentative resolutions and that a shareholders' meeting is to be convened within one month. If a virtual shareholders' meeting is convened and a shareholder wishes to attend the meeting via video call, the shareholder shall register with the Company again according to Article 6.

If the number of shares represented by the attending shareholders totals more than one half of the total outstanding shares before the end of the meeting, the chairman may act pursuant to Article 174 of the Company Act and request the attending shareholders to vote on the tentative resolutions.

Article 10 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Relevant proposals shall all be discussed first and then voted on by poll. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The preceding paragraph shall apply mutatis mutandis to meetings convened by other parties entitled to convene shareholders' meetings.

The chairman may not adjourn a meeting before the agenda established as specified in the two preceding paragraphs (including extemporary motions) is concluded, unless it is otherwise resolved during the meeting. If the chairman adjourns the meeting in violation of the Regulations and Procedures of Shareholders' Meeting, the other members of the board of directors shall immediately assist the attending shareholders to elect a new chairman, by majority vote, pursuant to legal procedures to continue the meeting.

The chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a

vote, the chairman may announce the discussion closed and call for a vote, and shall arrange sufficient voting time.

Article 11 A shareholder who wishes to speak during a shareholders' meeting is required to fill out containing the summary of the speech and the shareholder account number (or attendance card number) and account name in advance a speech note. The chairman shall decide the speaking order of the shareholders.

Any attending shareholder who submits a speech note but does not speak shall be considered unspoken. If a shareholder's speech is inconsistent with his/her/its speech note, the content of the actual speech shall prevail.

Each shareholder shall not speak about the same proposal more than twice without the permission of the chairman and exceed five minutes in each speech session. The chairman shall stop a speech of any shareholder whose speech is in violation of relevant regulations or concerns issues beyond the subject.

Shareholders shall not interrupt the speech of a speaking shareholder without the permission of the chairman and the speaking shareholder; otherwise the chairman shall stop such interruptions.

When a shareholder, who's a juristic person, has two or more representatives attending a shareholders' meeting only one representative may speak about each proposal.

The chairman or whose relevant designated personnel may respond after an attending shareholder has finished speaking.

If a virtual shareholders' meeting is convened, shareholders who participate via video call may ask questions on the video conferencing platform via text after the chairperson announces the commencement of the meeting until the chairperson announces the meeting is adjourned. Each shareholder may not ask more than two questions on each agenda item, and each question may not exceed 200 characters. Paragraphs 1 to 5 are not applicable.

If a question in the preceding paragraph does not violate any regulations and does not exceed the scope of the agenda item, it should be disclosed on the shareholders' meeting video conferencing platform for all to see.

Article 12 Votes at a shareholders' meeting shall be counted based on the number of shares.

The shares held by shareholders without voting rights shall not be included in the total number of outstanding shares.

If there is any concern that the interest of a shareholder regarding an issue discussed during a shareholders' meeting may jeopardize the Company's interests, the shareholder may not participate in voting or serve as a proxy to exercise the voting rights of any other shareholder.

The number of shares held by a shareholder who is prohibited from exercising his/her voting rights as described in the preceding paragraph shall not be included in the total number of shares in voting.

Besides the shareholder service agents ratified by the trust enterprise or securities authority, the voting rights of an individual serving as the proxy for two or more shareholders shall not exceed 3% of the total number of outstanding shares. The excess shares shall not be calculated.

Article 13 Each shareholder is entitled to one vote for each share in his/her possession. This does not apply to shareholders who has restricted or no voting rights according to Paragraph 2, Article 179 of the Company Act.

When the Company holds a shareholders meeting, shareholders shall exercise voting rights by electronic means, and they may also choose to do so by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means shall be deemed to have attended the shareholders' meeting in person, but to

have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extemporary motions and amendments to original proposals.

A shareholder who chooses to exercise his/her voting rights in writing or by way of electronic transmission shall have the decision delivered to the Company at least two days before the meeting. If two or more decisions are delivered to the Company, the first one received shall prevail unless a notice of revocation of the foregoing decisions is issued.

A shareholder intending to attend the shareholders' meeting in person or via video call after expressing the decision to exercise his/her voting rights in writing or by way of electronic transmission shall revoke the decision by the same means previously used in exercising his/her voting rights at least two days before the meeting; otherwise, the voting right exercised in writing or by way of electronic transmission shall prevail. If a shareholder expresses the intention to exercise his/her voting rights in writing or by way of electronic transmission and at the same time appoints a proxy to attend the meeting, the voting rights shall be exercised by the proxy.

Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairman or a person designated by the chairman shall first declare the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against, and the number of abstentions, shall be entered into the MOPS.

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of this Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be disclosed on-site at the meeting, and a record made of the vote.

If the Company convenes a virtual shareholders' meeting, shareholders attending via video call shall cast their vote for agenda items and elections on the video conferencing platform before the chairperson declares the voting has ended. Shareholders shall be deemed to have abstained from voting if they cast their vote after the voting has ended.

If a virtual shareholders' meeting is held, votes shall be counted in a single session after the chairperson declares that voting has ended, and the results of voting and elections shall be announced.

If the Company convenes a physical shareholders' meeting that allows attendance via video call, if a shareholder who has registered to attend via video call according to Article 6 intends to attend the physical shareholders' meeting in person, the shareholder shall use the same way to cancel the registration two days prior to the shareholders' meeting. If the shareholder fails to cancel the registration before the deadline, the shareholder may only attend the shareholders' meeting via video call.

If a shareholder does not retract votes exercised in writing or by way of electronic transmission, and attends a shareholders' meeting via video call, except for extraordinary motions, the shareholder may not exercise the right to vote on original agenda items, propose a revision of

original agenda items, or exercise the right to vote on revised agenda items.

Article 14

The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be disclosed on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected. List of candidates who were not elected and number of votes they received.

The ballots casted in the elections stated in the preceding paragraph shall be sealed with the signatures of the scrutineers and properly kept for at least one year. If a shareholder files a lawsuit over election results in accordance with Article 189 of the Company Act, the ballots shall be kept until the lawsuit is concluded.

- Article 15 Resolutions established during a shareholders' meeting shall be recorded in the meeting minutes carrying the signature or personal seal of the chairman. The meeting minutes shall be distributed to shareholders within 20 days after the end of the meeting. Drafting and distribution of meeting minutes may be conducted electronically.

The Company may distribute meeting minutes electronically by uploading them to the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and voting results (including the numbers of votes counted) of each meeting shall be clearly indicated in the meeting minutes; when an election of directors takes place, the number of votes with which each candidate was elected shall be disclosed. These minutes shall be retained for the duration of the existence of the Company.

If a virtual shareholders' meeting is convened, in addition to the matters required to be recorded in the meeting minutes in the preceding paragraph, the start and end time of the shareholders' meeting, how the meeting is convened, the name of the chairperson and minutes taker, and how malfunction of the video conferencing platform or video call due to natural disasters, incidents, or other force majeure events was handled and the current status.

In addition to the preceding paragraph, if the Company convenes a virtual shareholders' meeting, the Company must specify suitable alternatives for shareholders who have difficulty attending the shareholders' meeting via video call in the meeting minutes.

- Article 16 On the day of each shareholders' meeting, the Company shall compile in tables the numbers of shares obtained by solicitors and the numbers of shares represented by proxies, and the number of shares from shareholders exercising their right to vote in writing or by way of electronic transmission in the specified format. These tables shall be posted at noticeable locations inside the meeting venue. If a virtual shareholders' meeting is convened, the Company shall upload the abovementioned materials to the shareholders' meeting video conferencing platform at least 30 minutes before the meeting commences, and shall continue to disclose the materials until the meeting ends.

When the Company convenes a virtual shareholders' meeting and announces the commencement of the meeting, the total number of shares in attendance shall be disclosed on the video conferencing platform. The same shall apply if the total number of shares and votes in attendance is counted during the meeting.

If any resolutions achieved during a shareholders' meeting are defined as critical information in relevant laws and regulations or the regulations of Taiwan Stock Exchange Corporation, the Company shall upload the contents of such resolutions to the MOPS within the specified period.

- Article 17 The personnel handling the affairs of shareholders' meetings shall wear identification passes or armbands.

The chairman may command disciplinary personnel or security guards to maintain order in the meeting venue. Such disciplinary personnel or security guards shall wear armbands or identification passes carrying the wording of "Disciplinary Personnel" when on duty.

If the meeting venue is equipped with audio equipment by the company, the chairman may stop shareholders from using other equipment while speaking.

If any shareholders violate the meeting regulations and procedures, disobey the chairman's correction, disrupt meeting proceedings, and refuse to cooperate when ordered to discontinue their misbehaviors, the chairman may instruct disciplinary personnel or security guards to escort them to leave the meeting venue.

- Article 18 When a meeting is in session, the chairman may set time for breaks. In force majeure situations, the chairman may decide to temporarily suspend the meeting and announce when to resume the meeting depending on the circumstances.

If a meeting cannot be continued at the meeting venue before the agenda, (including extemporary motions) of the meeting is concluded, the shareholders' meeting may be adjourned to another location by vote to continue the meeting.

The shareholders' meeting may resolve to postpone or resume a meeting within five days in accordance with Article 182 of the Company Act.

- Article 19 If a virtual shareholders' meeting is convened, after a vote is concluded, the Company shall immediately disclose voting and election results on the shareholders' meeting video conferencing platform according to regulations, and shall continue to disclose the results for at least 15 minutes after the chairperson announces the meeting is adjourned.

- Article 20 When the Company convenes a virtual shareholders' meeting, the chairperson and minutes taker must be in the same location in Taiwan, and the chairperson must announce the address of the location during the meeting.

- Article 21 If a virtual shareholders' meeting is convened, the Company may provide shareholders with a simple connection test before the meeting, and provide services before and during the meeting to help handle technical issues with communication.

If a virtual shareholders' meeting is convened, the chairperson shall announce situations where postponement or resumption of the meeting is not required according to Article 44-20, Paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies when calling the meeting to order. Furthermore, if the video conferencing platform or video call malfunctions for 30 minutes or longer due to natural disasters, incidents, or other force majeure events before the chairperson announces the meeting is adjourned, and the meeting must be postponed or resumed within 5 days, Article 182 of the Company Act shall not be applicable.

If a shareholders' meeting is postponed or resumed, the Company shall handle matters according to Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies and relevant articles.

- Article 22 If the Company convenes a virtual shareholders' meeting, suitable alternatives must be provided for shareholders who have difficulty attending the shareholders' meeting via video call.

- Article 23 Regulations and Procedures of Shareholders' Meeting were established on Mar 28, 1979

First amendment on April 10, 1990

Second amendment on May 26, 1998

Third amendment on Jun 14, 2002

Fourth amendment on Jun 6, 2012

Fifth amendment on Jun 17, 2015

Sixth amendment on Jun 6, 2012

Seventh amendment on Jun 14, 2023

The Regulations and Procedures shall take effect after approval by the shareholders' meeting and the same procedure shall apply when amendments are made.

Attachment X

Pacific Construction Co., Ltd.

Comparison Table of Amendments to

“Operation Procedures for Loaning of Company Funds”

Amended Article	Current Articles	Description
II. Content Article 1: Borrowing object: <u>1.</u> Except for the following circumstances, the company shall not lend funds to shareholders or any other person in accordance with Article 15 of the Company Act: (1) Those who have business dealings with the company. (2) Those who have a short-term financing need with the company. <u>2.</u> The term "short-term" referred to in the preceding paragraph means one year. However, if the company's operating cycle is longer than one year, the operating cycle shall prevail. <u>3.</u> The financing amount referred to in paragraph 1, subparagraph 2 means the cumulative balance of the company's short-term financing. <u>4.</u> The restriction in paragraph 1, subparagraph 2 does not apply to foreign companies in which the company directly or indirectly holds 100% of the voting rights, and which engage in fund lending, or to foreign companies in which the company directly or indirectly holds 100% of the voting rights and which lend funds to the company. However, the limits and terms of borrowing funds shall still be determined in accordance with the provisions of Article 3, <u>paragraph 1, subparagraph 2, Article 3, paragraph 2, subparagraph 2, and Article 5, paragraph 1.</u> <u>5.</u> When a responsible person of a company violates paragraph 1, the responsible person shall bear joint and several liability with the borrower for repayment; if the company suffers damage, the responsible person also shall be liable for damages.	II. Content Article 1: Borrowing object: Except for the following circumstances, the company shall not lend funds to shareholders or any other person in accordance with Article 15 of the Company Act: 1. Those who have business dealings with the company. 2. Those who have a short-term financing need with the company. The term "short-term" referred to in the preceding paragraph means one year. However, if the company's operating cycle is longer than one year, the operating cycle shall prevail. The financing amount referred to in paragraph 1, subparagraph 2 means the cumulative balance of the company's short-term financing. The restriction in paragraph 1, subparagraph 2 does not apply to foreign companies in which the company directly or indirectly holds 100% of the voting rights, and which engage in fund lending, or to foreign companies in which the company directly or indirectly holds 100% of the voting rights and which lend funds to the company. However, the limits and terms of borrowing funds shall still be determined in accordance with the provisions of Article 3, ~~paragraph 1, paragraph 2, paragraph 3, and Article 5, paragraph 1,~~ paragraph 2. When a responsible person of a company violates paragraph 1, the responsible person shall bear joint and several liability with the borrower for repayment; if the company suffers damage, the responsible person also shall be liable for damages.	Addition of articles, paragraphs, and subparagraphs

Amended Article	Current Articles	Description
II. Content Article 3: Total Amount and Individual Limits on Fund Loans <u>1.Total amount of fund lending</u> (1) The total amount of funds that this company can lend to others shall not exceed 40% of the company's net worth. <u>However, for companies or banks with a need for short-term financing, the total amount of funds that can be lent shall not exceed 30% of the company's net worth.</u> For companies or banks with business transactions with this company, the total amount of funds that can be lent shall not exceed 10% of the company's net worth. (2) However, for the case where the Company directly or <u>indirectly</u> holds 100% of the voting rights of a foreign subsidiary and engages in fund lending with third parties, or where a foreign subsidiary that directly or indirectly holds 100% of the voting rights of the Company engages in fund lending with the Company, <u>the total amount of lending</u> is limited to the net value of the lending company. <u>2.The individual limit for funding loans to specific entities shall be set according to the following regulations:</u> (1) The limit of individual loans to specific companies or institutions that require short-term financing shall not exceed NTD 30 million. For companies or institutions that have business dealings with our company, the individual loan limit shall not exceed the amount of business transactions between the two parties. The aforementioned business transaction amount is based on the higher value of purchases or sales between the two parties <u>within one year.</u> (2) However, in the case where the	II. Content Article 3: Total Amount and Individual Limits on Fund Loans ~~1~~The total amount of funds that this company can lend to others shall not exceed 40% of the company's net worth. ~~2~~For companies or banks with business transactions with this company, the total amount of funds that can be lent shall not exceed 10% of the company's net worth. ~~3~~The limit of individual loans to specific companies or institutions that require short-term financing shall not exceed NTD 30 million, shall not exceed 10% of the Company's net worth. However, in the case where the Company directly or indirectly holds 100% of voting shares in foreign subsidiaries engaged in providing funds to others, or foreign subsidiaries directly or indirectly holding 100% of voting shares in the Company engaged in providing funds to the Company, shall be subject to the net value of the lending company. The term "financing amount" refers to the accumulated balance of the Company's short-term funding.	Establishing separate limits for short-term financing and business-related financing, as well as setting limits on the total amount and individual borrowers.

Amended Article	Current Articles	Description
Company directly or indirectly holds 100% of voting shares in foreign subsidiaries engaged in providing funds to others, or foreign subsidiaries directly or indirectly holding 100% of voting shares in the Company engaged in providing funds to the Company, <u>the individual lending limit</u> shall be subject to the net value of the lending company. 3.The term "financing amount" refers to the accumulated balance of the Company's short-term funding.		
II. Content Article 5: Loan Period and Interest Calculation Method 1.The loan period for each fund shall not exceed one year or the company's operating cycle as a principle. However, for the financing between foreign subsidiaries in which the company directly or indirectly holds 100% voting rights or between foreign subsidiaries in which the company directly or indirectly holds 100% voting rights and the company, the financing period is not limited to one year or one operating cycle but <u>is limited to five years</u>. 2.omitted	II. Content Article 5: Loan Period and Interest Calculation Method 1.The loan period for each fund shall not exceed one year or the company's operating cycle as a principle. However, for the financing between foreign subsidiaries in which the company directly or indirectly holds 100% voting rights or between foreign subsidiaries in which the company directly or indirectly holds 100% voting rights and the company, the financing period is not limited to one year or one operating cycle. 2.omitted	Specify the loan period.
II. Content Article 6: Follow-up control measures for disbursed amounts and procedures for handling overdue debts. 1. omitted 2. omitted 3. omitted However, in the case where the voting shares directly or indirectly held by the Company are all owned by foreign subsidiaries engaged in short-term funding or by foreign subsidiaries that are engaged in short-term funding to the Company, if the board of directors approves the extension of the short-term funding before	II. Content Article 6: Follow-up control measures for disbursed amounts and procedures for handling overdue debts. 1. omitted 2. omitted 3. omitted However, in the case where the voting shares directly or indirectly held by the Company are all owned by foreign subsidiaries engaged in short-term funding or by foreign subsidiaries that are engaged in short-term funding to the Company, if the board of directors approves the extension of the short-term funding before	Specify the loan period.

Amended Article	Current Articles	Description
the maturity date, <u>the extension shall be limited to one time and the extension period shall not exceed three years.</u>	the maturity date.	
II. Content Article 8: Announcement filing 1.omitted 2.omitted <u>3.If any of the subsidiaries of the Company is not a domestic publicly listed company, matters that should be announced and reported in accordance with the preceding subparagraphs by such subsidiary shall be handled by the Company.</u>	II. Content Article 8: Announcement filing 1.omitted 2.omitted If any of the subsidiaries of the Company is not a domestic publicly listed company, matters that should be announced and reported in accordance with the preceding subparagraphs by such subsidiary shall be handled by the Company.	Additional item
II. Content Article 10: take effect & revise 1.omitted 2.revise This operating procedure was established on June 26, 2003 of the Republic of China. The first revision was made on June 13, 2008, the second revision was made on June 19, 2009, the third revision was made on April 29, 2010, the fourth revision was made on June 18, 2013, the fifth revision was made on June 13, 2019, the sixth revision was made on June 14, 2022, <u>and the seventh revision was made on June 14, 2023.</u> It shall take effect after being approved by the shareholders' meeting.	II. Content Article 10: take effect & revise 1.omitted 2.revise This operating procedure was established on June 26, 2003 of the Republic of China. The first revision was made on June 13, 2008, the second revision was made on June 19, 2009, the third revision was made on April 29, 2010, the fourth revision was made on June 18, 2013, the fifth revision was made on June 13, 2019, and the sixth revision was made on June 14, 2022, It shall take effect after being approved by the shareholders' meeting.	Stipulate the revision and effective dates

Appendices I

Pacific Construction Co., Ltd. Rules of Procedures for Shareholders' Meetings (Current Article)

- Article 1 The Company's Shareholders' meetings shall be governed by these rules and procedures.
- Article 2 The shareholder referred herein is the person himself/herself or a representative who is legally authorized to act on behalf of this shareholder.
- Article 3 Shareholders shall attend shareholder's meetings based on attendance cards, sign-in cards, or shall submit attendance cards instead of signing in cards, which handed in plus the number of shares whose voting rights are exercised by electronically. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- Article 4 The venue for a shareholders meeting shall be the premises of the Company or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 5 If the shareholders' meeting is convened by the board of directors, the chairman shall be the chairman. When the chairman asks for leave or is unable to exercise his powers for some reason, the chairman shall appoint a director to act as his agent. If the chairman does not appoint an agent, the directors shall mutually Push one person to act as an agent. If the shareholders' meeting is convened by someone other than the board of directors who has the right to convene, a person in accordance with the company law and relevant laws and regulations shall serve as the chairman.
- Article 6 The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting.
- Staffs handling administrative affairs of a shareholders meeting shall wear identification cards
- Article 7 The Company shall video-tape or audio-tape the entire proceeding of a shareholders' meeting, and the recording shall be kept for at least one year.
- Article 8 The Chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the Chairman shall declare the meeting adjourned. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month. When, prior to conclusion of the meeting, the attending shareholders represent a majority

of the total number of issued shares, the Chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 9 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party having the convening right that is not the Board of Directors.

The Chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the Chairman declares the meeting adjourned in violation of the rules of procedure, the attending shareholders shall elect a new chairman by a majority of the votes represented by the attending shareholders, and then continue the meeting. After the meeting is adjourned in accordance with the procedures set out in these rules of procedure, shareholders shall not elect another chairman to continue the meeting at the original site or in another venue.

Article 10 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder attendance card number, and account name. The order in which shareholders speak will be set by the chairman.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken.

When the content of the speech does not correspond to the content contained in the speaker's slip, the spoken content shall prevail.

Article 11 Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and each of the speech may not exceed 5 minutes. However, if the explanation of the proposal or the response to the challenge is approved by the chairman, this limit is not applicable.

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

If the shareholder's speech more than twice on the same proposal or exceeds the scope of the agenda item, the Chairman may terminate the speech.

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

Those who refused to accept the prohibition of the chairman in the preceding two paragraphs, shall be handled in accordance with the second paragraph of Article 18.

Article 12 After an attending shareholder has spoken, the chairman may respond himself/herself or direct relevant personnel to respond.

Article 13 Over the proposal discussion, the Chairman may conclude the discussion in a timely manner and where necessary announce the cessation of the discussion and put it to the

vote.

- Article14 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman, provided that all monitoring personnel shall be shareholders of the Company.
- Article15 Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the adoption of a proposal shall require an affirmative vote of more than half of the voting rights represented by the attending shareholders. If no objection is voiced after solicitation by the Chairman, a resolution shall be deemed adopted and shall have the same effect as if it had been put to a vote. After vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote immediately.
- Article16 When there is an amendment or an alternative to a proposal, the Chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- Article17 When a meeting is in progress, the chairman may announce a recess based on time considerations. If there is an air raid alert during the meeting, the meeting will be stopped and evacuate. It will continue until one hour after the alert is lifted.
- Article18 The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor." Shareholders should obey the command of the chairman and proctors or security personnel regarding maintaining the order. When a shareholder violates the rules of procedure and defies the chairman's correction, and refusing to heed calls to stop, the chairman may direct the proctors or security personnel to escort the shareholder from the meeting.
- Article19 Any matter not prescribed in the Rules shall be handled in accordance with the Company Act, Securities Exchange Act and the relevant laws and regulations and the Article of Incorporation.
- Article20 These rules and procedures shall take effect upon being ratified by a resolution adopted by the Shareholders' meeting and the same shall apply to all amendments thereto.
- Article21 These rules of procedure were enacted on March 28, 1979, the first amendment was made on April 10, 1990, the second amendment was made on May 26, 1998, and the third amendment was on June 14, 2002, the fourth amendment was implemented on June 6, 2012, and the fifth amendment was implemented on June 17, 2015, after the resolution of the shareholders meeting.

Appendices II

Pacific Construction Co., Ltd. Articles of Incorporation

Chapter 1 General Provisions

Article 1: The name of the company is 太平洋建設股份有限公司 which is incorporated pursuant to the Company Act. The English name is PACIFIC CONSTRUCTION CO., LTD.

Article 1-1: The name of the company (ie "Pacific") and the trademarks applied for registration in accordance with laws and regulations shall be approved by the company's board of directors before being authorized to use by the company's affiliates or other third parties.

The company's trademark authorization measures shall be separately formulated by the resolution of the board of directors.

Article 2: The following is the business scope of the company:

- 1 、E101011 Comprehensive construction industry.
- 2 、H701010 Residence and building development, lease and sale.
- 3 、CA02010 Metal structure and building component manufacturing industry.
- 4 、H701020 Industrial plant development, lease and sale.
- 5 、H701040 Specific professional zone development industry.
- 6 、H701050 Invest in the construction of public construction industry
- 7 、H701060 Development of new towns and communities.
- 8 、H701070 Section expropriation and municipal rezoning agency Business.
- 9 、H703090 Real estate trading business.
- 10 、H703100 Real estate leasing industry.
- 11 、I102010 Investment consulting industry.
- 12 、E502010 Fuel pipe installation engineering industry.
- 13 、E599010 Piping engineering industry.
- 14 、H701080 Urban renewal and reconstruction industry.
- 15 、H701090 Urban renewal, renovation, maintenance and construction.
- 16 、J101990 Other environmental sanitation and pollution prevention service industries.
- 17 、D501010 Hot Spring Collection Industry.
- 18 、ZZ99999 In addition to permitted business, businesses that are not prohibited or restricted by laws and regulations may be conducted.

Article 3 : The Company is incorporated in Taipei City. The Company may establish branch office, business unit or subsidiary plant in the Republic of China or foreign countries if necessary.

Article.4: The Company may act as a guarantor for another person. The announcements made by the Company is handled in accordance with the Article 28 of the Company Act.

Chapter II Shares

Article 5: The Company's total capital is NT\$16,600,000,000, which is divided into 1,660,000,000

shares with a face value of NT\$10 per share. The Board of Directors is authorized to issue separately the un-issued shares.

Article 6: The share certificates of the Company shall be signed by, or affixed with seals of the director on behalf of the company, and issued after obtaining a bank visa as a stock issuer in accordance with the law.

The Corporation may issue shares without printing share certificate(s), which shall be authenticated by the competent authority before issuance, and in accordance with the regulations of the agency.

Article 7: Shareholders shall fill in the seal card and submit it to the company for storage. When shareholders receive dividends, bonuses, or communicate with the company in writing and exercise other rights, they shall rely on the seal. The establishment, revocation, and renewal of the seal card shall be handled in accordance with the regulations of the competent authority.

Article 8: The transfer, inheritance, gift, loss and destruction of securities issued by the company shall be handled in accordance with the Company Act and relevant laws and regulations.

Article 9: The registration of share transfer will be halted within sixty days prior to a general meeting, thirty days prior to an extraordinary meeting or five days prior to the closing date regarding a distribution of dividends and bonus or other interests.

Chapter III Shareholders' Meeting

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.

Article 11: If a shareholder is unable to attend a meeting, he/she may appoint a representative to attend, in accordance with Article 177 of the Company Act., promulgated by the competent authority by submitting proxy form printed and distributed by the Company and specifying the scope of authority therein. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting. The proxy vote shares held by one proxy representing two or more principals may not exceed 3% of the total shares issued by the company. Any votes exceeding such limit will not be counted. When there is more than one representative of a corporate shareholder, the exercise of its voting rights shall be calculated on the basis of the shares held by them.

Article 12: Unless otherwise provided for by law, the voting right of the Company's shareholders is based on one-share-one-vote.

Article 13: Unless otherwise provided for by law, a resolution of a shareholders' meeting shall be adopted by a majority vote of the shareholders who are present at the meeting and

represent more than half of the total number of issued shares.

Article 14: Minutes shall be duly worked out for the decisions resolved in the shareholders' meeting. The minutes shall be signed or affixed with a seal by the chairman and shall be served to all shareholders within the legal period. The minutes may be distributed by public announcements. The meeting minutes shall be recording any resolutions being made, the meeting dates, times, the chairman's name, the voting procedures.

Chapter IV Directors and audit committee

Article 15: There shall be 7 to 11 Directors of the Company, who are elected and appointed from the persons with legal capacity at the shareholders' meeting. The number of directors to be elected shall be determined by the board of directors within the aforementioned range. There is three-year tenure and the directors are eligible for re-election.

There shall be at least three independent directors in the above-mentioned number of directors.

The company's directors shall be elected by adopting candidate nomination system at the shareholders' meeting.

The election of Independent, Non-Independent Directors should be held together, yet with the elected calculated separately.

The professional qualifications, shareholding, restrictions on concurrent positions held, method of nomination and election, and other compliance matters with respect to independent directors shall be conducted in accordance with the Securities and Exchange Act, applicable laws and regulations.

Article 16: The Board of Directors shall consist the directors of the Company and execute all business of the company according to laws and regulations and resolutions of the shareholders meeting, shall have the rights listed below:

1. Convene a shareholder meeting and implement its resolutions
2. The business guideline establishment
3. To determine the budget and final account
4. Inspection of various rules and stipulations
5. Decisions on the establishment and abolition of branches
6. Appointment and dismissal of important personnel of the company
7. According to the company's various regulations, make relevant resolutions related to the company's business
8. The company's decision to apply for financing loans from financial institutions
9. to formulate any important matters

Article 16-1: The total amount of the company's reinvestment may not be restricted by Article 13 of the Company Act. The management decision of the reinvestment shall be authorized by the board of directors.

Article 17: The company has one chairman and one vice-chairman. The method of formation and eligibility for election shall be handled in accordance with Article 208 of the Company Act.

The chairman internally is the chairman of the shareholders meeting and the board of

directors, and shall externally have the authority to represent the Company.

Where the chairman has taken leave or is unable to perform his duties for any reasons, the vice chairman shall act in his place. Where there is no vice chairman or the vice chairman is also unavailable, the chairman shall appoint a director to act on his behalf, failing which the directors shall nominate from among them a person to act on behalf of the chairman.

Article 18: The convening of the Board of Directors of the company shall be notified to all directors, within 7 days via e-mail or fax, in case of an urgent circumstances, an interim Board meeting may be held at any time.

The board of directors meeting shall be convened by the chairman or his/her agent. Unless otherwise stipulated by the Company Act, the resolutions of the board of directors shall be attended by more than half of the directors and with the consent of more than half of the directors present.

If the director is unable to attend the board meeting, they may appoint another director to attend as their proxy and give to that director a written proxy stating the scope of authorization with respect to the reasons for meeting. A director may accept a proxy from one person only.

Article 19: Any resolution passed at a meeting of the board of directors should be stated in the minutes, shall bear the signature or seal of chairman and be well preserved in the company. The minutes of a board of directors meeting shall be distributed to each director within the statutory period.

Article 20: In compliance with the Securities and Exchange Act, the Company shall establish an audit committee, which shall consist of all independent directors.

The duties, rules of meeting and other matters of the audit committee shall be in accordance with the relevant rules of the competent securities authority.

Article 21: The board of the directors shall have the power to determine the transportation expenses and remuneration of directors, based with reference to the standards implemented by the other companies in the same industry, and shall consider the recommendations of the Salary and Remuneration Committee. The company may purchase liability insurance for directors in accordance with relevant laws and regulations, and the scope of insurance is authorized by the board of directors.

Chapter V Managers

Article 22: The company has one general manager and several deputy general managers. The general manager takes the policy decided by the board of directors to supervise all the business of the company, and the deputy general manager assists him/her.

Article 23: The appointment, removal and compensation of the manager shall be determined in accordance with Article 29 of the Company Act.

Chapter VI Accounting

Article 24: The Company's fiscal year shall commence on January 1 and terminate on December 31 every year and settlement of accounts shall be once a year.

Article 25: The Company shall, at the end of each fiscal year, prepare the following reports and submit to the shareholders' meeting for recognition.

1. Business Operation Report,
2. Financial Statements, and
3. Measures on profit distribution or deficit compensation.

Article 26: If the Company gains any profits in the year, it shall allocate 1 to 2% as employee compensation, which shall be distributed in stock or cash by the resolution of the board of directors. The distribution objects may include employees of controlling or affiliated companies that meet certain conditions; The company is able to increase the amount of profit, and the board of directors decided to allocate no more than 2% of the cash to the directors' remuneration. The remuneration distribution plan for employees and directors shall be reported to the shareholders meeting.

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

Article 26-1: The company's earnings distribution or loss allowance can be made after the end of each half year. The earnings distribution or loss allowance proposal should be submitted to the audit committee together with the business report and financial statements for review and then submitted to the board of directors for resolution. If there is a earnings in the semi-annual final accounts, it should be estimated and retained taxable contributions, compensation of accumulated losses, employee remuneration and directors' remuneration, and 10% of the statutory earnings reserve shall be allocated. However, when the statutory earnings reserve has reached the amount of paid-in capital of the company, it is no longer to list statutory earnings reserve.

The Company's earnings of the year, if any, it shall pay income tax in accordance with the law, and after offset the accumulated losses in the previous years, a statutory surplus reserve of 10% shall be allocated, and the company shall set aside the special reserve as stipulated by the law or the competent authority. The distributable earnings for the current year, and the adjustment amount of the accumulated undistributed earnings for the first half of the year, is the cumulative distributable earnings.

The cumulative distributable earnings shall be distributed by the board of directors. When new shares are issued, it shall be submitted to the shareholders meeting for distribution after a resolution; when cash is issued, it shall be authorized in accordance with Article 240, Item 5 of the Company Act. The board of directors shall present the earning distribution proposal by more than two-thirds of the directors and the resolutions approved by more than half of the directors, and then report to the shareholders meeting.

The afore mentioned cash and stock dividends to be distributed are limited to 30% ~100% of the current year's distributable earnings. However, the company may consider the future business and major capital expenditure plans, and prioritize the retention of funds, then dividends will be distributed.

The company's corporate life cycle is at a mature and stable stage, the industrial environment is changeable, in response to the boom and market changes, consider the business plan, profitability and investment capital needs, etc., adopts a residual dividend policy to distribution the cash and stock dividends. The cash dividend ratio shall not be lower than 20% of the combined cash and stock dividends paid in the current year. However, when the earnings of the shareholders distributed for the year is not more than NT\$1.00 per share, or when the debt ratio is higher than 50%, the entire amount may be distributed as stock dividends.

Article 27: According to the needs of the business, the company can allocate average dividend reserve, expand improvement reserve, debt repayment reserve, accident loss reserve, etc. The proposal shall be subject to the resolution of the shareholders meeting, after deducting the statutory reserve and special earnings reserve, withdrawal directly from the earnings.

Chapter VII Supplementary Articles

Article 28: The company's organizational rules, internal rules and working rules are separately determined by the board of directors.

Article 29: The Company Act and other applicable laws rules shall govern any matter not prescribed herein.

Article 30: These Articles of Incorporation were enacted on April 11, 1967, and the first amendment was made on September 26, 1968, the 2nd amendment was made on June 16, 1974, the 3th amendment was made on July 16, 1976, the 4th amendment was made on Nov 20, 1977, the 5th amendment was made on June 30, 1978, the 6th amendment was made on Mar 28, 1979, the 7th amendment was made on Apr 24, 1980, the 8th amendment was made on May 18, 1981, the 9th amendment was made on May 19, 1982, the 10th amendment was made on May 10, 1983, the 11th amendment was made on Apr 26, 1984, the 12th amendment was made on May 02, 1985, the 13th amendment was made on May 09, 1986, the 14th amendment was made on Mar 31, 1988, the 15th amendment was made on June 14, 1989, the 16th amendment was made on Apr 10, 1990, the 17th amendment was made on Apr 17, 1991, the 18th amendment was made on Apr 21, 1992, the 19th amendment was made on Apr 21, 1994, the 20th amendment was made on Apr 20, 1995, the 21th amendment was made on May 15, 1996, the 22th amendment was made on May 30, 1997, the 23th amendment was made on May 26, 1998, the 24th amendment was made on June 04, 1999, the 25th amendment was made on May 26, 2000, the 26th amendment was made on June 15, 2001, the 27th amendment was made on June 14, 2002, the 28th amendment was made on June 26, 2003, the 29th amendment was made on May 28, 2004, the 30th amendment was made on June 15, 2006, the 31th amendment was made on Jan 25, 2007, the 32th amendment was made on June 19, 2009, the 33th amendment was made on Apr 29, 2010, the 34th amendment was made on June 17, 2011, the 35th amendment was made on June 06, 2012, the 36th amendment was made on June 18, 2013, the 37th amendment was made on June 18, 2014, the 38th amendment was made on June 17, 2015, the 39th amendment was made on June 16, 2016, 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

Appendices III

Pacific Construction Co., Ltd. Current Shareholdings of Directors

As of April 16, 2023

The legal minimum number of shares to be held by all Directors (Rules and Review Producedure for Director and Supervisor share Ownership Ratioa at Public Companies)		Number of Shareholdings of all Directors on the Book closure date
The total number of registered shares held by all directors shall not be less than 5% of the total issued shares of the company. If two or more independent directors are elected, the percentage of shares held by all directors other than the independent directors shall be reduced to 80% based on the ratio in the preceding paragraph. Common shares issued: 387,000,000 shares The legal minimum number of shares to be held by all Directors is 15,480,000 shares		The total current shareholdings of all directors is 29,517,598 shares, 7.62% .
Position	Name	Number of sharesholdings on the closing date
Chairman	Liu I-Yee	5,000,000 shares
Director	Living Spring International Development Co., Ltd. Representative : Lei Chien	17,602,833 shares
Director	Allianz Investment Co., Ltd. Representative: Chang Chi-Ming	781,020 shares
Director	Living Spring International Development Co., Ltd. Representative : Yu Sheng-Yi	17,602,833 shares
Director	Fukunaga Investment Co., Ltd. Representative:Lai Yueh-Hsin	6,133,745 shares
Director	Living Spring International Development Co., Ltd. Representative : Liu Ming Hyung	17,602,833 shares
Independent Director	Lin Hao-Li	0 shares
Independent Director	Wu Chin-Jung	0 shares
Independent Director	Chen Kin-Lung	0 shares
Total	29,517,598 shares (Accounted for 7.62% of the total issued shares)	

Note: All Directors were re-elected on June 14,2022.