

**Zongtai Real Estate
Development CO., LTD.**

【2022 Annual Meeting of Shareholders】

Stock Code : **3056**

**Meeting
Handbook**

Meeting Date : June 08, 2022 (AM 10:30)

**Meeting ADD : No. 345, Chongde 5th Rd., Beitun Dist.,
Taichung City 406022, Taiwan (R.O.C.) 【New Palace】**

Convening method : physical shareholders meeting

Notice to Readers

This English version handbook report is a summary translation of the Chinese version.

And is not an official document of the shareholders' meeting.

If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Table of Contents

I. Meeting Procedure.....	1
II. Meeting Agenda	2
1 Report matters	3
2 Acknowledged matters.....	3
3 Matters for Discussion	5
4 Extemporaneous Motion	5
5 Adjournment	5
III. Attachments.....	6
1 Business Report of 2021	6
2 Audit Committee's Review Report.....	12
3 Independent Auditors' Report and 2021 Consolidated Financial Statements ..	13
4 Independent Auditors' Report and 2021 Parent Company Only Financial Statements	24
5 Profit Distribution Table for 2021.....	35
6 Comparison table of amendment to Articles of Incorporation.....	36
7 Comparison table of amendment to Procedure of Acquisition or Disposal of Assets	38
8 Comparison table of amendment to Rules of Procedure for Shareholders Meetings.....	43
IV. Appendices.....	54
1 Rules of Procedure for Shareholders Meetings (Before Amendments).....	54
2 Articles of Incorporation (Before Amendments)	58
3 Current Shareholding of All Directors	62
4 Progress of Shareholders' Proposals	63

I. Meeting Procedure

Zongtai Real Estate Development Co.,Ltd.

Procedure for the 2022 Annual Meeting of Shareholders

1. Call the Meeting to Order
2. Chairman Remarks
3. Report matters
4. Acknowledged matters
5. Matters for Discussion
6. Extemporary Motion
7. Adjournment

II. Meeting Agenda

Zongtai Real Estate Development Co.,Ltd.

2022 Annual Shareholders' Meeting Agenda

Time : 10:30 a.m. on Wednesday, June 8, 2022

Place : No. 345, Chongde 5th Rd., Beitun Dist., Taichung City
(New Palace Restaurant)

Chairman : Yu-Ling, Weng

1. Call the Meeting to Order
2. Chairman Remarks
3. Report matters
 - 1) Business Report of 2021
 - 2) Audit Committee's Review Report
 - 3) To report 2021 employees' profit sharing and Directors' compensation
4. Acknowledged matters
 - 1) Business Report and Financial Statements for 2021
 - 2) Proposal for Distribution of 2021 Profits
5. Matters for Discussion
 - 1) Amendment to Articles of Incorporation
 - 2) Amendment to Procedure of Acquisition or Disposal of Assets
 - 3) Amendment to the Rules of Procedure for Shareholders Meetings
6. Extemporary Motion
7. Adjournment

1 Report Matters

- 1) Business Report of 2021 for Approval
Explanation: Business Report of 2021 is attached as pp. 6~10 (Attachment1).
- 2) Audit Committee's Review Report for Approval
Explanation: Audit Committee's Review Report is attached as pp. 11 (Attachment 2).
- 3) To report 2021 employees' profit sharing and Directors' compensation for Approval
Explanation: (i) According to Article 18 of the Article of Incorporation, if the company makes a profit, it shall appropriate 0.1% ~ 5% of profit for employee remuneration and no more than 2% for directors' remuneration.
(ii) The Board of Directors approved 1.5% of the profit will be allocated as 2021 employees' remuneration amounted to NT\$12,287,328 and 1.5% of the profit will be allocated as 2021 directors' remuneration amounted to NT\$12,287,328 on March 15, 2022. The remuneration for both employees and directors is to be distributed in cash.

2 Acknowledged Matters

- Proposal 1 (Proposed by the Board of Directors)
- Subject : Acknowledging the 2021 Business Report and Financial Statements
- Explanation : 1. The company's Business Report and Consolidated Financial Statements and Financial Statements have been approved by the 6th meeting of the 12th term of the Board of Directors on March 15, 2022, and presented to the audit committee for review report. Please refer to pp. 11 (Attachment 2).
2. The Consolidated Financial Statements and Financial Statements as stated above were audited by CPA Shu-Chin, Chiang, and CPA Dong-Yun, Zeng of Deloitte & Touche. The audit report was issued on March 15, 2022.
 3. The Business Report of 2021 and Consolidated Financial Statements and Financial Statements are attached as pp. 6~10, 12~21, and 22~31 (Attachment 1, 3, and 4).
 4. The agenda has been proposed for acknowledgment.

- Proposal 2 (Proposed by the Board of Directors)
- Subject : Acknowledging the Proposal for Profit Distribution for 2021
- Explanation :
1. After the finalization of the tax and earnings of 2021, the after-tax net profit is NT\$635,368,925. After setting aside the 10% of earnings for the legal reserve of NT\$63,536,893, and adding beginning retained earnings of NT\$726,094,825, the distributable net profit is NT\$1,297,926,857.
 2. The 6th meeting of the 12th term of the Board of Directors on March 15, 2022 resolved the shareholders' bonus is NT\$ 317,575,062 (It is calculated in accordance with 211,716,708 ordinary stock shares issued and NT\$1.5 per share for the distribution of cash dividend). The total amount of cash dividend distributed to individual shareholders is rounded up to the dollar and the remaining cash dividend is listed in corporate other income. The profit distribution table is attached as pp. 37 (Attachment 8).
 3. Should The company buy back its shares or employee stock options that make cancellation of shares or issuance of new shares and affect the number of outstanding shares, the Board of Director shall be authorized to adjust the cash dividend to be distributed to each common share based on the NT\$ 317,575,062 total amount of earnings resolved to be distributed and the number of actual common shares outstanding on the record date for the distribution.
 4. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date and other relevant issues.
 5. Shareholder Lu, Shi-Fang (Account No. 16591) proposed to increase the distribution of shareholders' dividend to NT\$ 3 per share, and the allotted dividend amounts to NT\$ 635,150,124. The Board of Directors discussed the proposal of the shareholders' meeting on April 26, 2022 and reached a resolution to maintain the original resolution for allotment of cash dividend of NT\$ 1.5.
 6. The agenda has been proposed for acknowledgment.

3 Matters of Discussion

Proposal 1 (Proposed by the Board of Directors)

Subject : Amendment to Articles of Incorporation. Please proceed to discussion.

Explanation : 1. For strengthen corporate governance and dividend policy, the company proposes to amend the partial clause of rules.
2. The comparison table of amended rules is attached as pp. 33~34 (Attachment 6).
3. Proposed for the referendum.

Resolution :

Proposal 2 (Proposed by the Board of Directors)

Subject : Amendment to Procedure of Acquisition or Disposal of Assets. Please proceed to discussion.

Explanation : 1. In compliance with Chi-Guan-Tzu No. 1110380465 dated January 28, 2022, the company proposes to amend the partial clause of rules.
2. The comparison table of amended rules is attached as pp. 35~39 (Attachment 7).
3. Proposed for the referendum.

Resolution :

Proposal 3 (Proposed by the Board of Directors)

Subject : Amendment to Rules of Procedure for Shareholders Meetings. Please proceed to discussion.

Explanation : 1. In compliance with Tai-Cheng-Chih-Li-Tzu No. 1110004250 dated March 8, 2022, the Company Law admit the publicly owned corporationthe company that the shareholders meeting will be held by visual communication, proposes to amend the partial clause of rules.
2. The comparison table of amended rules is attached as pp. 40~49 (Attachment 8).
3. Proposed for the referendum.

Resolution :

4 Extemporary Motion

5 Adjournment

III. Attachments

Attachment 1. Business Report of 2021

Business Report of 2021

I. 2021 annual operation report

According to statistics of Ministry of the Interior, registration number of building transaction for the year ended December 31, 2021 was 348,194, although it was 21,605 (6.6%) more than 2020. The house transaction volume has been exceeding 300,000 for 3 years, and the number keeps growing. It shows that the real estate market is still in demand and has already gotten rid of the influence of insufficient confidence, which is due to a series of tax revision since 2015. The real estate market has also returned to the level before the tax revision, which demonstrates that domestic real estate transaction volume is moving positively and stably.

Observing month to month performance, we could find that the real estate transaction volume was stable in 2021, there was only a slight decrease between July and August, which was due to COVID-19 pandemic that lowered consumers' willingness to view and purchase houses. However, after the pandemic was controlled, transaction volume soon returned to normal level and consumers' willingness had extended to December. Moreover, the sharp spikes of raw material prices let large economies start to focus on inflation issues and made real estate, which was inflation-protected, became the top priority of asset allocation.

The deal price was another growth in real estate market. The spikes of raw material prices led to the rises of construction costs, and land prices kept reaching record high, too. Thus, property developers reflected these costs on house prices. Domestic real asset price started booming in H2 2021, since real estate was inflation-protected, and mortgage rate, which represented consumers' affordability, maintained at a low level. Moreover, real estate developers kept developing product strategies that met consumers' needs. For the above reasons, both domestic real estate transaction number and price rose in 2021.

In 2021, number of building ownerships registered at the first time was 125,779, increased by 7.1% compared to 2020, the number concentrated in the Six Special Municipalities which accounted for 70% of total. Among that, New Taipei City had 19,522 first time ownership registered buildings, accounted for 15.5% which was the largest, Taoyuan City had 18,437, accounted for 14.6%, which was the second largest, Taichung City had 18,170, accounted for 14.4%, which was the third largest.

Overviewing the real estate market in 2021, although COVID-19 pandemic erupted in the mid of 2021, the dealing number still reached the highest in recent 3 years, it represented that the market was stable. Low mortgage rate, well-performed disease control and prevention policy, and inflation also enforced consumers' willingness of purchasing real estate. It is foreseeable that real estate and other industries will keep thriving, and the Company will carefully respond with financial stabilization and deep market analysis on the operating principle of 100% sold out, and no house retained.

The projects completed and handovered in 2021 was "ZongTai 2020", the projects under construction in the year are "Good together MELODY", "Get together" and "The way home" etc. Among that, "Good together Melody" has already sold out, residential of "Get together" and "The way home" have already sold out. We anticipate that real estate market will keep booming in 2022, the Company will evaluate the market prudently and respond aggressively, we expect to maximize benefit for shareholders and expand ZongTai's brand ideal to deepen differentiating value.

1 Operating plan

Construction business development targets are separated into short-term, mid-term, long-term:

1.1 Short-term target: Project sales successfully

1.2 Mid-term target:

1.2.1 Increase value of brand

1.2.2 Expand field in business investment

1.2.3 Develop land with good prospect

1.2.4 Enhance residential brand recognition

1.3 Long-term target

1.3.1 Operating firmly, openly and clearly

The Company insists following principles: Not holding land for long period, not using short-term debt in long-term investment, not keeping houses as inventory. With stable financial status and public transparent platform, create a sustainable development business model.

1.3.2 Focus on main business, operate diversily

Based on main business, also aggressively engaged in construction related business, such as BOT, ROT, OT, etc. to increase operating income and balance the fluctuation from caused by business cycle.

1.3.3 Company culture, brand asset

Combine entrepreneurship with business culture, deepen brand with humanism, so that we make our brand one of the kind.

2 Operating plan outcome

Revenue in 2021 was NT\$ 3,647,336 thousand, decreased by 22.14% compared to NT\$ 4,684,643 thousand in 2020, operating cost increase by 5.28%, other income (losses) increased by 246.14%, profit before tax was NT\$ 798,982 thousand, decreased by 37.21% compared to NT\$ 1,272,433 thousand in 2020, net profit was NT\$ 635,368 thousand, decreased by 37.99% compared to NT\$ 1,024,587 thousand in 2020.

3 Budget execution: Not applicable.

4 Financial income(losses) and profitability

4.1 Financial income(losses)

In thousand NT\$			
Item	2021	2020	Percentage (%)
Operating revenue	3,647,336	4,684,643	-22.14
Gross profit from operations	1,055,846	1,526,729	-30.84
Operating net profit	792,676	1,276,748	-37.91
Interest income	2,598	2,966	-12.41
Interest expense	15,668	4,822	224.93
Profit before tax	798,982	1,272,433	-37.21

4.2 Profitability

Analysis Item of the Year		2021	2020
Rate of Return on Assets (%)		3.41	6.44
Rate of Return on Equity (%)		12.51	20.45
Account for Capital (%)	Operating profit	37.60	61.00
	Profit before tax	37.90	60.79
Net profit rate (%)		17.42	21.87
Earning per share (NT\$)		3.01	4.90

Note : 1. Rate of return on assets = $[\text{Profit} + \text{Interest expense} \times (1 - \text{Tax rate})] / \text{Average assets}$

2. Rate of return on equity = $\text{Profit} / \text{Average total Equity}$

5 Research and Development

5.1 Production Policy:

5.1.1 Develop aggressively, invest prudently

Deepen construction proficiency and analyze market trend;
Expand development channel and enhance diversity.

5.1.2 Plan on local basis and fulfill idea

Hold original intention and implement ideality; return to human nature and construct steadily.

Do further study in architecture and share blessedness by building up communities.

5.1.3 Manage in project and divide in individual case.

Clear right and responsibility to stabilize finance, compliance and general and avoid rigidity.

5.1.4 Make announcement for the brand and fulfill it

Ensure brand announcement in customers' shoe under supervision and fulfill it.

5.2 Sales strategy:

5.2.1 Construction of humanity , brand of philosophy

Construction philosophy is based on humanity, brand idea is based on empathy.

5.2.2 Public platform with honesty

Operate openly and transparently as a listed company, also recognized as an honest company with credibility.

5.2.3 Reflect policy and improve real estate market

Keep track on changes of policy to shorten fluctuation, firmly operate business.

5.2.4 Marketing with touching, create identification

Use marketing with touching to create harmony and happiness.

5.2.5 Define Taichung, Track with the world

Macro constructure mind, build up the culture.

II. Annual outlook

2021 real estate market had already gotten rid of the influence of insufficient confidence, which is due to a series of tax revision since 2015 and the impact of COVID-19 pandemic, plus inflation caused by global raw material price rise. All the above reason attracted self-occupied consumers entered real estate market and made 350,000 transactions in 2021. It is foreseeable that if inflation and low interest rate continue, real estate market will become even hotter.

Taichung government also develops Taichung City aggressively. MRT green line (Wuri to Beitun) is anticipated to operate, route of blue line and construction plan are also decided, other lines are under planning; Government's BOT cases are already bid off; Mitsui real estate's mall project has already started, it is expected to complete in 2022, and COSTCO's second store in Beitun District is running now. Taichung is quickly developing under the endeavor of industry and government.

The captivating Shuinan Trade and Economic Park is developing thrivingly. The completed central park is becoming a famous hotspot for recreation; Shuinan Trade and Economic Park also collects buildings designed by well-known architects over the world, including Taichung Green Museumbrary designed by Sejima Kazuyo, Virtuosi Hall designed by Kuma Kengo; Also the construction of Central Taiwan Cinema Center, Taichung International Convention and Exhibition Center, and Shuinan Transit Center could enforce the functions of the area, Shuinan Trade and Economic Park is also the next key developing area in Taichung.

COVID-19's impact on global economy and livelihood had been slowing down in 2021. Each large economies had been launching several policies, planning infrastructures, and dealing with jobless rate due to the stagnation during pandemic. Since domestic pandemic was properly controlled, Taiwan's economy was impacted slightly, it even benefits from the serious pandemic in foreign countries, expatriates returned to Taiwan, which created a new group of propect customers to real estate industry.

Thus, the Company will keep working on branding and product differentiation, brand announcement expansion from employee to consumers communication will play an important role in the Company's operation plan. In recent years, the Company had outstanding sales performance, which indicated that the trust on the brand had already created benefit. Except integrating design and construction through the digital function on designing side to improve the qulity of construction, we will keep introducing digitalization system on marketing and extend services

into community operation, let residents experience comprehensive services from visiting projects to move in. After-sales services and community operation are the main operating target of the Company, it is helpful for increasing trust and loyalty to the brand, also creates a channel for the Company to keep communicating with communities.

We strive on interacting with international architects and engaging in healthy architecture field, except improving our humanism concept, we also hope to provide residents a green living space and multiple experiences, which is humanities' reflection and ideal living style, this strategy could strengthen the corporation's product differentiation.

Except to add features and trust, promoting product differentiation and comprehensive services can transferr into performance. In recent years, the projects in BuTzu Redevelopment Zone, Beitun, TaiChung attract many consumers, not only because the feature of the base, but also the community influence extended from trusts of the brand. So far "Good together Melody" has already sold out, residential of "Get together" and "The way home" have already sold out, the above projects receive positive feedbacks, life settlement phase are going to be implemented, too. All the employees of the Company will execute aggressively, operate stably, construct quality buildings with ZongTai's honesty image and create profit.

Best regards to all Shareholders

Weng, Yu-Ling Chairman of the Board

Attachment 2. Audit Committee's Review Report

Zongtai Real Estate Development Co. Ltd.
Audit Report from Audit Committee

2021 operation report, financial statement and proposal of earnings appropriation, etc. are composed by Board of Directors, Deloitte & Touche is appointed to audit financial statements and issue Independent Auditor's report. The above operation report, financial statement and proposal of earnings appropriation are reviewed and confirmed by the Audit Committee. The reports are based on Article 14-4 of Securities and Exchange Act and Article 219 of Company Act.

Sincerely,

2022 Shareholder's Meeting of Zongtai Real Estate Development Co. Ltd.

Zongtai Real Estate Development Co. Ltd.
Convener of the Audit Committee: Tsao, Yong-Jen

March 15, 2022

INDEPENDENT AUDITOR'S REPORT

Zongtai Real Estate Development Company Limited

Opinion

We have audited the accompanying consolidated financial statements of Zongtai Real Estate Development Company Limited and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows, notes to the consolidated financial statements as of 2021 and January 1 to December 31, 2020.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows as for 2021 and January 1 to December 31, 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended in 2021. 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.

Key audit matters for the Group's consolidated financial statements for the year ended in 2021 are stated as follows:

Revenue Recognition

The main source of revenue of Zongtai Group comes from the sales of the real estate revenues. The revenue is only recognized after the completion of property rights transfer and final walk-through of property with clients. The sales of the real estate revenues accounts for the big share of the consolidated revenues and is considered as a significant item in the consolidated financial statements. Therefore, the aforementioned sales revenue is listed as a key audit item; please refer to Note 4 of the consolidated financial statements for the accounting policy for the recognition of sales revenue.

The main audit procedures that the auditors have implemented for the above-mentioned issues are as follows:

1. Understand and test the design of internal control and the effectiveness of implementation in the sales cycle.
2. Select the samples from the recognized sales of the real estate detail lists (Client fee payment statements) to check the corresponding documents of real estate handover and registration of property rights to ensure the appropriateness of the sales of real estate revenue recognition

Inventory Impairment Assessment

Inventory of the Zongtai Group as of December 31, 2021-the balance of the construction industry was NT\$ 16,188,118 thousand yuan, accounting for 80% of the total assets. The Zongtai Group uses the profit rate of the construction project to assess whether there is impairment of inventory. Moreover, evaluated by the lower cost and net realizable value, the net realizable value is determined based on the recent transaction prices of development projects and the real market price of the near regions. Due to the above matters involve significant accounting estimates and judgments of the management, the assessment of the net realizable value of inventories is listed as a key audit item; please refer to Notes 4, 5 and 9 of the consolidated financial report for inventory information.

The main audit procedures that the accountant has implemented for the above-mentioned issues are as follows:

3. Review the newly added construction costs this year, selecting samples and check the relevant vouchers, and confirm that the above costs have been appropriately attributed to the construction project.
4. Review the year-round inventory impairment loss evaluation documents, to check whether the net realizable value is consistent with the supporting documents. Calculate the correctness of the estimated inventory impairment evaluation from the managerial level for verification.

Other Matter

Zongtai Real Estate Development Co., Ltd. has prepared individual financial statements for the years of 2021 and 2020, and the audit report with unqualified opinion issued by the auditors is filed for reference.

Responsibilities of Management and Those Charged with Governance for the Consolidated 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 and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group 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 Group's financial reporting process.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a higher level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted 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 economics decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the 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 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 the 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 auditors' 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 auditors' reports. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express and opinion on the consolidated financial statements. We are responsible for the direction, supervision

and performance of the group 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 in significant audit findings, including any significant deficiencies and 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 determined those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Chiang, Shu-Chin and Zeng, Dong-Yun.

Deloitte & Touche.
Taipei, Taiwan
Republic of China
March 15, 2022

Zongtai Real Estate Development Company Limited and Subsidiaries
CONSOLIDATED BALANCE SHEETS
December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

CODE	ASSETS	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
CURRENT ASSETS					
1100	Cash and cash equivalents (Note 4 and 6)	\$ 1,302,800	6	\$ 1,843,954	10
1110	Financial assets at fair value through profit or loss – current (Note 4 and 7)	28,634	-	605,183	4
1136	Financial assets at amortized cost – current (Note 4, 6 and 31)	1,729,781	9	636,517	4
1140	Contract assets – current (Note 4, 23)	-	-	3,425	-
1172	Notes and accounts receivable (Note 4, 8, 23 and 30)	2,795	-	763	-
1200	Other receivables (Note 4 and 25)	51	-	644	-
1320	Inventories – Construction Industry (Note 4, 5, 9, 30 and 31)	16,188,118	80	13,818,591	78
1470	Other current assets (Note 16)	169,942	1	184,535	1
1480	Current assets recognised as incremental costs to obtain contract with customers (Note 4 and 23)	57,904	-	17,232	-
11XX	Total current assets	<u>19,480,025</u>	<u>96</u>	<u>17,110,844</u>	<u>97</u>
NONCURRENT ASSETS					
1510	Financial assets at fair value through profit or loss – noncurrent (Note 4 and 7)	97,725	1	19,665	-
1550	Investments accounted for using equity method (Note 4 and 11)	245	-	-	-
1600	Property, plant and equipment (Note 4, 12 and 31)	133,847	1	140,895	1
1755	Right-of-use assets (Note 4 and 13)	261,447	1	176,165	1
1760	Investment properties (Note 4, 14 and 31)	226,209	1	234,741	1
1780	Intangible assets (Note 4 and 15)	19,010	-	19,255	-
1840	Deferred tax assets (Note 4 and 25)	4,601	-	7,452	-
1990	Other noncurrent assets (Note 16)	16,455	-	18,705	-
15XX	Total noncurrent assets	<u>759,539</u>	<u>4</u>	<u>616,878</u>	<u>3</u>
1XXX	Total assets	<u>\$ 20,239,564</u>	<u>100</u>	<u>\$ 17,727,722</u>	<u>100</u>
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
2100	Short-term loans (Note 17 and 31)	\$ 9,680,500	48	\$ 7,611,740	43
2130	Contract liabilities – current (Note 4, 23 and 32)	2,804,993	14	1,675,428	9
2150	Notes payable	28,372	-	75,091	-
2170	Accounts payable	189,210	1	288,709	2
2219	Other payables (Note 19)	265,841	2	317,316	2
2230	Current tax liabilities (Note 4 and 25)	57,331	-	191,922	1
2280	Lease liabilities – current (Note 4 and 13)	9,069	-	4,593	-
2320	Long-term liabilities – current portion (Note 17 and 31)	6,335	-	1,569	-
2399	Other current liabilities (Note 19)	17,266	-	159,776	1
21XX	Total current liabilities	<u>13,058,917</u>	<u>65</u>	<u>10,326,144</u>	<u>58</u>
NONCURRENT LIABILITIES					
2530	Bonds payable (Note 18 and 31)	1,997,513	10	1,996,849	12
2540	Long-term bank loans (Note 17 and 31)	122,096	1	128,431	1
2580	Lease liabilities – noncurrent (Note 4 and 13)	107,694	-	25,279	-
2645	Guarantee deposit received	16,236	-	36,000	-
25XX	Total noncurrent liabilities	<u>2,243,539</u>	<u>11</u>	<u>2,186,559</u>	<u>13</u>
2XXX	Total liabilities	<u>15,302,456</u>	<u>76</u>	<u>12,512,703</u>	<u>71</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT					
Capital					
3110	Capital - common stock	2,107,907	10	2,092,877	12
3140	Advance receipts for share capital	3,592	-	10,464	-
3200	Capital surplus	822,657	4	816,615	4
Retained earnings					
3310	Legalreserve	641,490	3	539,031	3
3350	Unappropriatedearnings	1,361,462	7	1,756,032	10
3XXX	Total equity	<u>4,937,108</u>	<u>24</u>	<u>5,215,019</u>	<u>29</u>
Total liabilities and equity		<u>\$ 20,239,564</u>	<u>100</u>	<u>\$ 17,727,722</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

Zongtai Real Estate Development Company Limited and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars,
Except Earnings Per Share

CODE		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Note 4, 23 and 30)	\$ 3,647,336	100	\$ 4,684,643	100
5000	Operating costs (Note 24)	<u>2,591,490</u>	<u>71</u>	<u>3,157,914</u>	<u>68</u>
5900	Gross profit from operations	<u>1,055,846</u>	<u>29</u>	<u>1,526,729</u>	<u>32</u>
	Operating expenses (Note 23, 24 and 30)				
6100	Selling expenses	159,612	4	124,142	2
6200	Administrative expenses	<u>103,558</u>	<u>3</u>	<u>125,839</u>	<u>3</u>
6000	Total operating expenses	<u>263,170</u>	<u>7</u>	<u>249,981</u>	<u>5</u>
6900	Net operating income	<u>792,676</u>	<u>22</u>	<u>1,276,748</u>	<u>27</u>
	Non-operating income and expenses				
7100	Interest Income	2,598	-	2,966	-
7130	Dividend income	851	-	645	-
7190	Other income	15,899	-	7,126	-
7210	Gains on disposals of property, plant and equipment (Note 4)	198	-	349	-
7225	Gain on disposal of investments	-	-	19,763	1
7235	Gain from financial assets at fair value through profit (Note 4)	6,519	-	5,377	-
7510	Interest expenses	(15,668)	-	(4,822)	-
7590	Miscellaneous Disbursements	(71)	-	(28,224)	(1)
7630	Foreign exchange loss (Note 4)	(4,015)	-	(7,495)	-
7770	Share of loss of associates and joint ventures accounted for using equity method (Note 4)	<u>(5)</u>	<u>-</u>	<u>-</u>	<u>-</u>
7000	Non-operating income and expenses Total	<u>6,306</u>	<u>-</u>	<u>(4,315)</u>	<u>-</u>

(Continued)

(Continue from previous page)

CODE		2021		2020	
		Amount	%	Amount	%
7900	Profit before tax	\$ 798,982	22	\$ 1,272,433	27
7950	Income tax expense (Note 4 and 25)	<u>163,614</u>	<u>5</u>	<u>247,846</u>	<u>5</u>
8500	Total comprehensive income	<u>\$ 635,368</u>	<u>17</u>	<u>\$ 1,024,587</u>	<u>22</u>
	Earnings per share (Note 26)				
9750	Basic earnings per share	<u>\$ 3.01</u>		<u>\$ 4.90</u>	
9850	Diluted earnings per share	<u>\$ 3.00</u>		<u>\$ 4.85</u>	

The accompanying notes are an integral part of the consolidated financial statements.

Zongtai Real Estate Development Company Limited and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

CODE		Capital Stock - Common	Advance receipts for	Capital surplus	Retained earnings		Total equity
		Stock	share capital	(Note 4 and 22)	(Note 22)		
		(Note 22)	(Note 22)		Legal reserve	Unappropriated earnings	
A1	BALANCE, JANUARY 1, 2020	\$ 2,092,877	\$ -	\$ 814,043	\$ 491,894	\$ 1,406,445	\$ 4,805,259
	Appropriations of prior year's earnings in 2019						
B1	Legal reserve	-	-	-	47,137	(47,137)	-
B5	Cash dividends of ordinary share	-	-	-	-	(627,863)	(627,863)
D5	Total comprehensive income in 2020	-	-	-	-	1,024,587	1,024,587
N1	Share-based payments	-	10,464	2,572	-	-	13,036
Z1	BALANCE, DECEMBER 31, 2020	2,092,877	10,464	816,615	539,031	1,756,032	5,215,019
	Appropriations of prior year's earnings in 2020						
B1	Legal reserve	-	-	-	102,459	(102,459)	-
B5	Cash dividends of ordinary share	-	-	-	-	(927,479)	(927,479)
D5	Total comprehensive income in 2021	-	-	-	-	635,368	635,368
N1	Share-based payments	15,030	(6,872)	6,042	-	-	14,200
Z1	BALANCE, DECEMBER 31, 2021	\$ 2,107,907	\$ 3,592	\$ 822,657	\$ 641,490	\$ 1,361,462	\$ 4,937,108

The accompanying notes are an integral part of the consolidated financial statements.

Zongtai Real Estate Development Company Limited and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

CODE		2021	2020
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Profit before tax	\$ 798,982	\$ 1,272,433
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation expense	23,794	16,660
A20200	Amortization expense	673	437
A20400	Gain on financial assets at fair value through profit or loss	(6,519)	(5,377)
A20900	Interest expenses	15,668	4,822
A21200	Interest income	(2,598)	(2,966)
A21300	Dividend income	(851)	(645)
A21900	Share-based payments	710	2,572
A22300	Share of loss of associates and joint ventures accounted for using equity method	5	-
A22500	Gains on disposals of property, plant and equipment	(198)	(349)
A23100	Gain on disposal of investments	-	(19,763)
A29900	Loss from lease modification	-	28,088
A30000	Changes in operating assets and liabilities		
A31125	Contract assets	3,425	(565)
A31150	Notes and trade receivables	(2,032)	144
A31180	Other receivables	239	250
A31200	Inventories	(2,223,086)	(1,525,514)
A31240	Other current assets	(116,448)	(63,738)
A31270	Assets recognised as incremental costs to obtain contract with customers	(40,672)	(3,801)
A32125	Contract liabilities	1,129,565	102,314
A32130	Notes payable	(46,719)	26,344
A32150	Accounts payable	(99,499)	64,120
A32180	Other payables	(52,602)	126,989
A32230	Other current liabilities	(<u>18,831</u>)	<u>105,267</u>
A33000	Cash inflow (outflow) generated from operations	(636,994)	127,722
A33100	Interest received	2,954	2,533
A33300	Interest paid	(152,566)	(152,493)
A33500	Income tax paid	(<u>295,356</u>)	(<u>71,768</u>)
AAAA	Net cash flow used in operating activities	(<u>1,081,962</u>)	(<u>94,006</u>)

(Continued)

(Continued from previous pages)

CODE		2021	2020
	NET CASH FLOW FROM INVESTMENT ACTIVITIES		
B00040	Acquisition of financial assets at amortized cost	(\$ 1,093,264)	(\$ 106,322)
B00100	Acquisition of financial assets at fair value through income	(2,505,001)	(2,171,706)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	3,010,009	1,694,461
B01800	Acquisition of investments accounted for using equity method	(250)	-
B01900	Proceeds from disposal of investments accounted for using equity method	-	44,574
B02700	Acquisition of property, plant and equipment	(504)	(4,395)
B02800	Proceeds from disposal of property, plant and equipment	246	981
B03800	Decrease (Increase) in refundable deposits	2,250	(15,400)
B04500	Acquisition of intangible assets	(428)	(1,177)
B06800	Decrease in other non-current assets	-	9
B07600	Dividends received	<u>851</u>	<u>645</u>
BBBB	Net cash flows used in investing activities	<u>(586,091)</u>	<u>(558,330)</u>
	CASH FLOWS USED IN FINANCING ACTIVITIES		
C00100	Increase in short-term loans	2,068,760	462,470
C01200	Proceeds from issuing bonds	-	2,000,000
C01600	Proceeds from long-term debt	-	15,000
C01700	Repayments of long-term debt	(1,569)	-
C03100	Increase (Decrease) in guarantee deposits received	(19,764)	10,000
C04020	Payments of lease liabilities	(6,539)	(3,290)
C04500	Cash dividends paid	(927,479)	(627,863)
C04800	Exercise of employee share options	<u>13,490</u>	<u>10,464</u>
CCCC	Net cash flows from financing activities	<u>1,126,899</u>	<u>1,866,781</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(541,154)	1,214,445
E00100	Cash and cash equivalents at beginning of period	<u>1,843,954</u>	<u>629,509</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 1,302,800</u>	<u>\$ 1,843,954</u>

The accompanying notes are an integral part of the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

Zongtai Real Estate Development Company Limited

Opinion

We have audited the accompanying parent company only financial statements of Zongtai Real Estate Development Company Limited (the "Company"), which comprise the parent company only balance sheets as of December 31, 2021 and 2020, and the parent company only statements of comprehensive income, statements of changes in equity, statements of cash flows, notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2021 and 2020, and its parent company only financial performance and its parent company only cash flows for 2021 and January 1 to December 31, 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Standards issuers.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the parent company only financial statements for the year ended in 2021. These matters were addressed in the context of our audit of parent

company only the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended in 2021 are stated as follows :

Revenue Recognition

The main source of income of the Company is the sales of real estate, which is recognized as income after the completion of property right transfer and the confirmation of the client's house handover. Since the Company may recognize the sales revenue before having met the income recognition conditions, the aforementioned sales revenue is listed as a key audit item; please refer to Note 4 of the parent company only financial statements for the accounting policy for the recognition of sales revenue.

The main audit procedures that the auditors have implemented for the above-mentioned issues are as follows :

1. Understand and test the design of internal control and the effectiveness of implementation in the sales cycle.
2. Select the samples from the recognized sales of the real estate detail lists to check the corresponding documents of real estate handover and registration of property rights to ensure the appropriateness of the sales of real estate revenue recognition.

Inventory Impairment Assessment

Inventory of the Company as of December 31, 2021-the balance of the construction industry was NT\$ 15,750,701 thousand yuan, accounting for 81% of the total assets. The Zongtai Group uses the profit rate of the construction project to assess whether there is impairment of inventory. Moreover, evaluated by the lower cost and net realizable value, the net realizable value is determined based on the recent transaction prices of development projects and the real market price of the near regions. Due to the above matters involve significant accounting estimates and judgments of the management, the assessment of the net realizable value of inventories is listed as a key audit item; please refer to Notes 4, 5 and 8 of the consolidated financial report for inventory information.

The main audit procedures that the accountant has implemented for the above-mentioned issues are as follows :

1. Review the newly added construction costs this year, selecting samples and check the relevant vouchers, and confirm that the above costs have been appropriately attributed to the construction project.

2. Review the year-round inventory impairment loss evaluation documents, to check whether the net realizable value is consistent with the supporting documents. Calculate the correctness of the estimated inventory impairment evaluation from the managerial level for verification.

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

Management is responsible for the preparation and fair presentation of the parent company only 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only 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.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a higher level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted 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 parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the 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 auditors' report to the related disclosures in the consolidated parent company only 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 auditors' reports. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group 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 in significant audit findings, including any significant deficiencies and 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 determined those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partners on the audit resulting in this independent auditors' report are Chiang, Shu-Chin and Zeng, Dong-Yun.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 15, 2022

Zongtai Real Estate Development Co., Ltd.
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

CODE	ASSETS	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
CURRENT ASSETS					
1100	Cash and cash equivalents (Note 4 and 6)	\$ 1,026,588	5	\$ 1,661,723	10
1110	Financial assets at fair value through profit or loss – current (Note 4 and 7)	18,459	-	484,642	3
1136	Financial assets at amortized cost – current (Note 4,6 and 27)	1,728,481	9	620,217	3
1172	Notes and accounts receivable (Note 4 and 19)	196	-	87	-
1200	Other receivables (Note 4)	6	-	145	-
1320	Inventories – Construction Industry (Note 4,5,8 and 27)	15,750,701	81	13,245,622	78
1470	Other current assets (Note 12)	127,717	1	142,870	1
1480	Current assets recognised as incremental costs to obtain contract with customers (Note4 and 19)	<u>57,904</u>	<u>-</u>	<u>17,232</u>	<u>-</u>
11XX	Total current assets	<u>18,710,052</u>	<u>96</u>	<u>16,172,538</u>	<u>95</u>
NONCURRENT ASSETS					
1510	Financial assets at fair value through profit or loss – noncurrent (Note 4 and 7)	88,500	-	11,760	-
1550	Investments accounted for using equity method (Note 4 and 9)	499,292	3	656,443	4
1600	Property, plant and equipment (Note 4, 10 and 27)	133,183	1	139,300	1
1755	Right-of-use assets (Note 4 and 11)	5,200	-	8,747	-
1780	Intangible assets (Note 4)	1,156	-	1,401	-
1840	Deferred tax assets (Note 4 and 21)	2,076	-	6,787	-
1990	Other noncurrent assets (Note 12)	<u>3,005</u>	<u>-</u>	<u>5,505</u>	<u>-</u>
15XX	Total noncurrent assets	<u>732,412</u>	<u>4</u>	<u>829,943</u>	<u>5</u>
1XXX	Total assets	<u>\$ 19,442,464</u>	<u>100</u>	<u>\$ 17,002,481</u>	<u>100</u>
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
2100	Short-term loans (Note 13 and 27)	\$ 9,264,600	48	\$ 7,195,840	42
2130	Contract liabilities – current (Note 4, 19 and 28)	2,793,773	15	1,675,428	10
2150	Notes payable	24,260	-	72,486	-
2170	Accounts payable (Note 26)	149,570	1	269,364	2
2219	Other payables (Note 15)	199,566	1	221,155	1
2230	Current tax liabilities (Note 4 and 21)	54,073	-	188,142	1
2280	Lease liabilities – current (Note 4 and 11)	2,806	-	3,512	-
2399	Other current liabilities (Note 15)	<u>16,637</u>	<u>-</u>	<u>159,401</u>	<u>1</u>
21XX	Total current liabilities	<u>12,505,285</u>	<u>65</u>	<u>9,785,328</u>	<u>57</u>
NONCURRENT LIABILITIES					
2530	Bonds payable (Note 14 and 27)	1,997,513	10	1,996,849	12
2580	Lease liabilities – noncurrent (Note 4 and 11)	2,478	-	5,285	-
2645	Guarantee deposits received	<u>80</u>	<u>-</u>	<u>-</u>	<u>-</u>
25XX	Total noncurrent liabilities	<u>2,000,071</u>	<u>10</u>	<u>2,002,134</u>	<u>12</u>
2XXX	Total liabilities	<u>14,505,356</u>	<u>75</u>	<u>11,787,462</u>	<u>69</u>
EQUITY					
Capital					
3110	Capital - common stock	2,107,907	11	2,092,877	12
3140	Advance receipts for share capital	3,592	-	10,464	-
3200	Capital surplus	822,657	4	816,615	5
Retained earnings					
3310	Legal reserve	641,490	3	539,031	3
3350	Unappropriated earnings	<u>1,361,462</u>	<u>7</u>	<u>1,756,032</u>	<u>11</u>
3XXX	Total equity	<u>4,937,108</u>	<u>25</u>	<u>5,215,019</u>	<u>31</u>
Total liabilities and equity		<u>\$ 19,442,464</u>	<u>100</u>	<u>\$ 17,002,481</u>	<u>100</u>

The accompanying notes are an integral part of the parent company only financial statements.

Zongtai Real Estate Development Co., Ltd.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
January 1 to December 31, 2021 and 2020

		Unit: In Thousands of New Taiwan Dollars, Except Earnings Per Share			
		2021		2020	
<u>CODE</u>		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (Note4, 19 and 26)	\$ 3,549,606	100	\$ 4,617,207	100
5000	Operating costs (Note 20 and 26)	<u>2,501,895</u>	<u>71</u>	<u>3,152,038</u>	<u>69</u>
5900	Gross profit from operations	<u>1,047,711</u>	<u>29</u>	<u>1,465,169</u>	<u>31</u>
	Operating expenses (Note19, 20 and 26)				
6100	Selling expenses	156,094	4	123,547	3
6200	Administrative expenses	<u>90,785</u>	<u>3</u>	<u>109,516</u>	<u>2</u>
6000	Total operating expenses	<u>246,879</u>	<u>7</u>	<u>233,063</u>	<u>5</u>
6900	Operating net profit	<u>800,832</u>	<u>22</u>	<u>1,232,106</u>	<u>26</u>
	Non-operating income and expenses				
7100	Interest income	2,005	-	1,755	-
7130	Dividend income	715	-	629	-
7190	Other Income	12,426	-	5,805	-
7210	Gains on disposals of property, plant and equipment (Note 4)	199	-	115	-
7225	Gain on disposal of investments	-	-	1,676	-
7235	Gains on financial assets at fair value through profit (Note 4)	4,695	-	4,522	-
7510	Interest expenses	(13,185)	-	(3,354)	-

(Continued)

(Continue from previous page)

CODE		2021		2020	
		Amount	%	Amount	%
7590	Miscellaneous Disbursements	\$ -	-	(\$ 1)	-
7630	Foreign exchange loss (Note 4)	(1,896)	-	(3,538)	-
7770	Share of profit (loss) of associates and joint ventures accounted for using equity method	(<u>11,211</u>)	-	<u>24,629</u>	<u>1</u>
7000	Non-operating income and expenses	(<u>6,252</u>)	-	<u>32,238</u>	<u>1</u>
7900	Profit before tax	794,580	22	1,264,344	27
7950	Income tax expense (Note 4 and 21)	<u>159,212</u>	<u>4</u>	<u>239,757</u>	<u>5</u>
8500	Total comprehensive income	<u>\$ 635,368</u>	<u>18</u>	<u>\$ 1,024,587</u>	<u>22</u>
	Earnings per share (Note 22)				
9750	Basic earnings per share	<u>\$ 3.01</u>		<u>\$ 4.90</u>	
9850	Diluted earnings per share	<u>\$ 3.00</u>		<u>\$ 4.85</u>	

The accompanying notes are an integral part of the parent company only financial statements.

Zongtai Real Estate Development Co.,Ltd
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
January 1 to December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

CODE		Capital Stock - Common	Advance receipts for	Capital surplus	Retained earnings		Total equity
		Stock	share capital	(Note 4 and 22)	(Note 22)		
		(Note 22)	(Note 22)		Legal reserve	Unappropriated earnings	
A1	BALANCE, JANUARY 1, 2020	\$ 2,092,877	\$ -	\$ 814,043	\$ 491,894	\$ 1,406,445	\$ 4,805,259
	Appropriations of prior year's earnings in 2019						
B1	Legal reserve	-	-	-	47,137	(47,137)	-
B5	Cash dividends of ordinary share	-	-	-	-	(627,863)	(627,863)
D5	Total comprehensive income in 2020	-	-	-	-	1,024,587	1,024,587
N1	Share-based payments	-	10,464	2,572	-	-	13,036
Z1	BALANCE, DECEMBER 31, 2020	2,092,877	10,464	816,615	539,031	1,756,032	5,215,019
	Appropriations of prior year's earnings in 2020						
B1	Legal reserve	-	-	-	102,459	(102,459)	-
B5	Cash dividends of ordinary share	-	-	-	-	(927,479)	(927,479)
D5	Total comprehensive income in 2021	-	-	-	-	635,368	635,368
N1	Share-based payments	15,030	(6,872)	6,042	-	-	14,200
Z1	BALANCE, DECEMBER 31, 2021	\$ 2,107,907	\$ 3,592	\$ 822,657	\$ 641,490	\$ 1,361,462	\$ 4,937,108

The accompanying notes are an integral part of the parent company only financial statements.

Zongtai Real Estate Development Co.,Ltd
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
January 1 to December 31, 2021 and 2020

Unit: In Thousands of New Taiwan Dollars

CODE		2021	2020
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Profit before tax	\$ 794,580	\$ 1,264,344
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation expense	10,597	9,440
A20200	Amortization expense	673	437
A20400	Gain on financial assets at fair value through profit or loss	(4,695)	(4,522)
A20900	Interest expenses	13,185	3,354
A21200	Interest income	(2,005)	(1,755)
A21300	Dividend income	(715)	(629)
A21900	Share-based payments	492	1,783
A22400	Share of profits of subsidiaries and associates	11,211	(24,629)
A22500	Gains on disposals of property, plant and equipment	(199)	(115)
A23100	Gain on Disposal of Investment	-	(1,676)
A30000	Changes in operating assets and liabilities		
A31150	Notes and accounts receivable	(109)	(87)
A31180	Other receivable	158	297
A31200	Inventories	(2,376,432)	(1,386,539)
A31240	Other current assets	(106,365)	(54,002)
A31270	Assets recognised as incremental costs to obtain contract with customers	(40,672)	(3,801)
A32125	Contract liabilities	1,118,345	123,556
A32130	Notes payable	(48,226)	26,480
A32150	Accounts payable	(119,794)	81,914
A32180	Other payable	(22,729)	100,544
A32230	Other current liabilities	(<u>19,085</u>)	<u>105,663</u>
A33000	Cash inflow (outflow) generated from operations	(791,785)	240,057
A33100	Interest received	1,985	1,754
A33300	Interest paid	(142,190)	(142,183)
A33500	Income tax paid	(<u>288,569</u>)	(<u>66,718</u>)
AAAA	Net cash flows from (used in) operating activities	(<u>1,220,559</u>)	<u>32,910</u>

(Continued)

(Continue from previous page)

CODE		2021	2020
	NET CASH FLOW FROM INVESTMENT ACTIVITIES		
B00040	Acquisition of financial assets at amortized cost	(\$ 1,108,264)	(\$ 138,174)
B00100	Acquisition of financial assets at fair value through income	(2,305,000)	(2,161,706)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	2,699,138	1,694,461
B01800	Acquisition of investments accounted for using equity method	(250)	-
B01900	Proceeds from disposal of investments accounted for using equity method	104,267	6,215
B02700	Acquisition of property, plant and equipment	(958)	(2,844)
B02800	Proceeds from disposal of property, plant and equipment	246	210
B03800	Decrease (Increase) in refundable deposits	2,500	(2,200)
B04500	Acquisition of intangible assets	(428)	(1,177)
B06800	Decrease in other non-current assets	-	9
B07600	Dividends received	<u>42,856</u>	<u>19,862</u>
BBBB	Net cash flows used in investing activities	(<u>565,893</u>)	(<u>585,344</u>)
	CASH FLOWS USED IN FINANCING ACTIVITIES		
C00100	Increase in short-term loans	2,068,760	382,470
C01200	Proceeds from issuing bonds	-	2,000,000
C03000	Increase in guarantee deposits received	80	-
C04020	Payments of lease liabilities	(3,534)	(2,575)
C04500	Cash dividends paid	(927,479)	(627,863)
C04800	Exercise of employee share options	<u>13,490</u>	<u>10,464</u>
CCCC	Net cash flows from financing activities	<u>1,151,317</u>	<u>1,762,496</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(635,135)	1,210,062
E00100	Cash and cash equivalents at beginning of period	<u>1,661,723</u>	<u>451,661</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 1,026,588</u>	<u>\$ 1,661,723</u>

The accompanying notes are an integral part of the consolidated financial statements.

Attachment 5. Profit Distribution Table for 2021

Zongtai Real Estate Development Co.,Ltd.

Profit Distribution Table for 2021

Unit: NTD

Item	Amount
Opening undistributed earnings	726,094,825
Add : After-tax net profit of 2021	635,368,925
Less : Appropriation of 10% legal reserve	(63,536,893)
Appropriation of reversal special reserve	-
Distributable earnings	1,297,926,857
Distribution	
Shareholder dividend	(317,575,062)
(Cash Dividend NT\$1.5 per share)	
Closing undistributed earnings	980,351,795

Attachment 6. Comparison Table of amendment to Articles of Incorporation

Zongtai Real Estate Development Co.,Ltd.

Comparison Table of amendment to Articles of Incorporation

Amendments	Current Clauses	Description
<p>Article 9-1 <u>Shareholders' meetings of the Company can be held by means of visual communication network or other methods promulgated by the central competent authority. In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.</u></p>	<p>This Article is Newly Added.</p>	<p>The provision on convening shareholders' meeting as virtual is eased pursuant to amendments to the Company Act.</p>
<p>Article 18-1 When the Company does not make a profit, it is not allowed to distribute the stock dividend. If the Company makes surplus in the annual final accounts, the "distributable profit" shall be calculated in the following order and the portion shall be reserved according to the business conditions and capital requirement. The proposal for profit distribution shall be prepared by the Board of Directors and submitted to shareholders' meetings for distribution: (1) Withholding Tax (2) Cover Accumulated Deficit (3) Appropriation of Legal Reserve (4) Legal Appropriation or Reversal Special Reserve (5) Opening Undistributed Earnings and the "Adjustment Amount of the Undistributed Earnings of the Year" <u>Where all or part of the dividend and bonus distribution is paid in cash, such distribution may be adopted by a majority of directors in a Board of Directors' meeting attended by 2/3 or more of all directors before reporting to the shareholders' meeting; the resolution adopted by shareholders' meeting as prescribed in the preceding paragraph shall not apply.</u> The dividend policy of the Company is based on the company operation situation, capital requirement, and change in internal and external overall</p>	<p>Article 18-1 When the Company does not make a profit, it is not allowed to distribute the stock dividend. If the Company makes surplus in the annual final accounts, the "distributable profit" shall be calculated in the following order and the portion shall be reserved according to the business conditions and capital requirement. The proposal for profit distribution shall be prepared by the Board of Directors and submitted to shareholders' meetings for distribution: (1) Withholding Tax (2) Cover Accumulated Deficit (3) Appropriation of Legal Reserve (4) Legal Appropriation or Reversal Special Reserve (5) Opening Undistributed Earnings and the "Adjustment Amount of the Undistributed Earnings of the Year" The dividend policy of the Company is based on the company operation situation, capital requirement, and change in internal and external overall circumstances that the dividend is distributed fully or partially with the consideration of the interest of the shareholders. The profit distribution is in the form of cash dividend or stock dividend, nevertheless, the cash dividend shall not be less than 50% of the total dividend</p>	<p>1. Procedure for distribution of dividend and bonus in cash by a public company simplified pursuant to 22 January 2019 Letter MoEA-Commerce-Zi-No. 10802400700 of the Ministry of Economic Affairs. 2. Concrete and expressive dividend policies are disclosed.</p>

Amendments	Current Clauses	Description
<p>circumstances that the dividend is distributed fully or partially with the consideration of the interest of the shareholders. Distribution of earnings may be made in cash dividend or share dividend. <u>Limits of dividend distribution shall remain the proportion between 20% and 100% of the distributable earnings of the current year;</u> however, the distribution of cash dividend shall be in principle not lower than 50% of the total dividend.</p>		
<p>Article 20 (omitted) The twenty-first amendment was made on June 12, 2019. <u>The twenty-second amendment was made on June 8, 2022.</u></p>	<p>Article 20 (omitted) The twenty-first amendment was made on June 12, 2019.</p>	<p>The amendment date is added.</p>

Attachment 7. Comparison Table of amendment to Procedure of Acquisition or Disposal of Assets

Zongtai Real Estate Development Co.,Ltd.

Comparison Table of amendment to Procedure of Acquisition or Disposal of Assets

Amendments	Current Clauses	Description
<p>Article 2 Basis These Regulations are adopted in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.</p>	<p>Article 2 Basis These Regulations are adopted: 1. Article 36-1 of the Securities and Exchange Act 2. <u>Regulations Governing the Acquisition and Disposal of Assets by Public Companies (Regulations Governing)</u>. 3. <u>Financial Supervisory Commission (F.S.C)</u> 1) <u>Chin-Kuan-Zeng No.1070341072 on November 26, 2018.</u> 2) <u>Chin-Kuan-Zeng No.1060001296 on February 9, 2017.</u> 3) <u>Chin-Kuan-Zeng No.1020053073 on December 30, 2013.</u> 4) <u>Chin-Kuan-Zeng No.1010004588 on February 13, 2012.</u> 5) <u>Chin-Kuan-Zeng-Yi No.0960001463 on January 19, 2007.</u> 6) <u>Chin-Kuan-Zeng-Yi No.0950005718 on December 19, 2006.</u></p>	<p>Amendment to Regulations Governing the Acquisition and Disposal of Assets by Public Companies</p>
<p>Article 8 the standards of report the relevant information. Subparagraph 1 to 6 of Paragraph1 are omitted. 7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: 1) Trading of domestic government bonds or <u>foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u> 2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>forien government bonds</u> or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered</p>	<p>Article 8 the standards of report the relevant information. Subparagraph 1 to 6 of Paragraph1 are omitted. 7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: 1) Trading of domestic government bonds. 2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or</p>	<p>Accordinging Chin-Kuan-Zeng NO.1110380465 on January 28, 2022, amendment to item 1 and 2 of subparagraph 7 of paragraph 1.</p>

Amendments	Current Clauses	Description
<p>and issued in the primary market, <u>or subscription or redemption of exchange traded note</u>, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>3)Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The content hereafter is omitted.</p>	<p>futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>3)Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The content hereafter is omitted.</p>	
<p>Article 10 Subparagraph 1 and 2 of paragraph 1 are omitted.</p> <p>3.Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>1)The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>2)The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4.No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>Except where a limited price, specified</p>	<p>Article 10 Subparagraph 1 and 2 of paragraph 1 are omitted.</p> <p>3.Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>1)The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>2)The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4.No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current</p>	<p>1. Following 28 January 2022 Order No. Financial- Supervisory- Securities- Corporate- 1110380465 of the Financial Supervisory Commission and in consideration of the amendment and addition in Article 14 requiring opinions issued by external experts to comply with the industry code of the respective affiliated trade associations, partial contents of Paragraph 1, subparagraph 3 are therefore deleted.</p> <p>2. In consideration of the requirements in practice, Paragraph 2 is amended to ease the period for construction industry to obtain the opinions of a certified public accountant to two weeks from the date the appraisal report is acquired.</p>

Amendments	Current Clauses	Description
<p>price, or special price is employed by a construction enterprise as the reference basis for the transaction price, if an appraisal report cannot be obtained in time and there is a legitimate reason for the delay, the appraisal report shall be obtained within 2 weeks counting inclusively from the date of occurrence, and the certified public accountant's opinion under subparagraph 3 of the preceding paragraph <u>shall be obtained within 2 weeks counting inclusively from the day the appraisal report is obtained.</u></p>	<p>value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser. Except where a limited price, specified price, or special price is employed by a construction enterprise as the reference basis for the transaction price, if an appraisal report cannot be obtained in time and there is a legitimate reason for the delay, the report, and the certified public accountant's opinion under subparagraph 3 of the preceding paragraph, shall be obtained within 2 weeks counting inclusively from the date of occurrence.</p>	
<p>Article 11 The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Article 11 The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDE.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>Following 28 January 2022 Order No. Financial- Supervisory- Securities- Corporate- 1110380465 of the Financial Supervisory Commission and in consideration of the amendment and addition in Article 14 requiring opinions issued by externa exports to comply with the industry code of the respective affiliated trade associations, partial contents are therefore deleted.</p>
<p>Article 12 Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p>	<p>Article 12 Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions</u></p>	<p>The reason of amendment is same as article 11.</p>

Amendments	Current Clauses	Description
	<u>of Statement of Auditing Standards No. 20 published by the ARDF.</u>	
<p>Article 14 Paragraph 1 is omitted. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate</u> and reasonable, and that they have complied with applicable laws and regulations. 	<p>Article 14 Paragraph 1 is omitted. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and <u>accurate</u>, and that they have complied with applicable laws and regulations. 	<p>Accordinging Chin-Kuan-Zeng NO.1110380465 on January 28, 2022, amendment to paragraph 2.</p>
<p>Article 16 Paragraph 1 is omitted.</p> <p>The Company and subsidiaries, or the Company which it directly or indirectly holds 100 percent of the issued shares or</p>	<p>Article 16 Paragraph 1 is omitted. <u>The calculation of the transaction amounts referred to in the preceding article shall be done in accordance with Article 8, Paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items having submitted to and adopted by the Company's Audit Committee and the Board of Directors need not be counted toward the transaction amount.</u></p> <p>The Company and subsidiaries, or the Company which it directly or indirectly holds 100 percent of the issued shares or</p>	<ol style="list-style-type: none"> 1. Paragraph 2 in the current articles is moved to Paragraph 5 in the amended articles; furthermore, amendment to amount of transactions included to transactions submitted to shareholders' meeting for adoption is made accordingly. 2. Paragraph 4 added following 28 January 2022 Order No. Financial-Supervisory- Securities-Corporate-1110380465 of the Financial Supervisory Commission: To strengthen the management of trading between related parties, and to protect the right of minority shareholders of a public company to express their

Amendments	Current Clauses	Description
<p>authorized capital, the company's board of directors may pursuant the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>1.Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>2.Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p><u>If the company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 1 and the transaction amount will reach 10 percent or more of the public company's total assets, the company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in paragraph 1 and the preceding paragraph shall be made in accordance with Article 8, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders meeting or board of directors and recognized by the supervisors need not be counted toward the transaction amount.</u></p>	<p>authorized capital, the company's board of directors may pursuant the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>1.Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>2.Acquisition or disposal of real property right-of-use assets held for business use.</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p>	<p>opinions on the company's trading with related parties.</p>

Amendments	Current Clauses	Description
<p><u>business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>		
<p>Article 4 Paragraph 1 is omitted. <u>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations; the shareholders' meeting in video conference manner shall be open for registration at least 30 minutes prior to the time the meeting commences. Shareholders having completed the registration will be deemed to have attended the meeting in person.</u> The company shall furnish the attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished. Shareholders shall attend the shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting. <u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.</u> <u>In the event of a virtual shareholders meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes</u></p>	<p>Article 4 Paragraph 1 is omitted.</p> <p>The company shall furnish the attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished. Shareholders shall attend the shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.</p>	<ol style="list-style-type: none"> 1. Paragraph 2 has been added to specify the time and procedure for registration by shareholders in their attendance in physical meeting or via video conference. The existing paragraphs 2 and 3 have been moved down. 2. Paragraphs 6 and 7 specifying that the Company shall upload meeting agenda book, annual report, and other meeting materials shall be uploaded to the video conference platform to allows shareholders attending the shareholders' meeting via video conference to peruse such material have been added.

Amendments	Current Clauses	Description
<u>before the meeting starts, and keep this information disclosed until the end of the meeting.</u>		
<p>Article 4-1 <u>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:</u></p> <p><u>1.How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>2.Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</u></p> <p><u>a:To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>b: Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u></p> <p><u>c: In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>d: Actions to be taken if the outcome of all proposals have been</u></p>		<p>1. This Article is Newly Added.</p> <p>2.To allow the shareholders be informed of the rights and restrictions with respect to attendance in meeting prior to a shareholders' meeting.</p>

Amendments	Current Clauses	Description
<p><u>announced and extraordinary motion has not been carried out.</u></p> <p>3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</p>		
<p>Article 5</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, 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. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.</u></p>	<p>Article 5</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, 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. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>	<p>Paragraph 2 specifying that “Where the Company convenes the shareholders’ meeting via video conference is not limited by the venue for a shareholders’ meeting as stated in the preceding paragraph” is added.</p>
<p>Article 8</p> <p>The entire process of shareholders meetings shall be made an uninterruptedly audio and video recording and the recorded materials shall be retained for at least one year. If however, the recorded materials are filed a lawsuit pursuant to Article 189 of the Company Act by shareholders, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p>	<p>Article 8</p> <p>The entire process of shareholders meetings shall be made an uninterruptedly audio and video recording and the recorded materials shall be retained for at least one year. If however, the recorded materials are filed a lawsuit pursuant to Article 189 of the Company Act by shareholders, the recording shall be retained until the conclusion of the litigation.</p>	<p>Paragraphs 2 and 3 specifying that “the Company shall make an uninterrupted recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures as well as an uninterrupted audio and video recording of the proceedings of the entire shareholders meeting” and “it is advisable to perform audio and video recording to the video conference backend interface” are added.</p>

Amendments	Current Clauses	Description
<p><u>In case of a virtual shareholders meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>		
<p>Article 9 Attendance at shareholders meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in <u>and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p>The chair shall call the meeting to order at the appointed meeting time and announce the relevant information such as the number of no voting rights and the number of attending shares. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one 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 chair shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>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 Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 4.</u></p> <p>The below is omitted.</p>	<p>Article 9 Attendance at shareholders meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time and announce the relevant information such as the number of no voting rights and the number of attending shares. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one 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 chair shall declare the meeting adjourned.</p> <p>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 Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p> <p>The below is omitted.</p>	<p>1.Paragraph 1 specifying that the number of shares in attendance shall be calculated according to the shares indicated by the attendance book or sign-in cards and number of shares held by shareholders registering for attendance via video conference is amended.</p> <p>2.Paragraph 2 specifying that “where a shareholders’ meeting is convened via video conference, the Company shall make public disclosures concerning the adjournment of the that shareholders’ meeting on the video conference platform otherwise with a view to inform shareholders at a timely manner” is amended.</p> <p>3.Paragraph 3 specifying that shareholders intending to attend the shareholders’ meeting as convened otherwise following a tentative resolution via video conference shall make registrations to the Company is amended.</p>

Amendments	Current Clauses	Description
<p><u>Article 11</u> <u>Paragraph 1 to 6 are omitted.</u> <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u> <u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p>Article 11 Paragraph 1 to 6 are omitted.</p>	<p>1.Paragraph 7 specifying the manners, procedure and limitations for raising questions by shareholders attending the shareholders’ meeting is added. 2.To help other shareholders in understanding the questions raised by shareholders, the Company has the right to screen the questions irrelevant to the proposals in the shareholders’ meeting, with the remaining questions raised by shareholders advisable to be disclosed on the video conference platform. Paragraph 8 is hence added.</p>
<p>Article 13 Paragraph 1 to 3 are omitted. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in this Corporation'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, <u>for each proposal, the chair or a person</u></p>	<p>Article 13 Paragraph 1 to 3 are omitted. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in this Corporation'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, <u>if there is no objection after consultation by</u></p>	<p>1.Paragraph 4 specifying that “a shareholder intending to attend the shareholders’ meeting after exercising his/her voting rights in correspondence or electronic form shall make a cancellation in the same manner as exercise of voting rights” is amended. 2.Paragraph 5 is amended pursuant to the full adoption of electronic voting by public companies and to fulfill the principle of case-by-case voting. 3.Part of texts in Paragraph 8 is amended to complement the vote count operation and voting procedure. 4.Paragraphs 9 and 10 specifying that “Where the shareholders’ meeting is convened via video conference, to allow ample time for voting by shareholders attending via video conference, after the chair has declared the meeting commenced, they are allowed cast votes on the various proposals as well as the election on the video conference platform and shall complete such voting prior to chair declaration of the end of voting. In addition, a one-time vote count shall be conducted after the chair has declared the end of voting in cooperation with the voting time for shareholders attending via video conference” are added.</p>

Amendments	Current Clauses	Description
<p><u>designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When anyone among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting.</p> <p><u>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 announced on-site at the meeting, and a record made of the vote.</u></p> <p><u>When the Company convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</u></p> <p><u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When this Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 4 decide to attend the physical shareholders meeting in person, they shall revoke their</u></p>	<p><u>the chair, it shall be deemed as passed and its validity shall be the same as that of voting.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When anyone among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting.</p> <p>Immediately after vote counting has been completed, <u>the results of the voting shall be announced on-site at the meeting, and</u> a record made of the vote.</p>	<p>5.Paragraph 11 specifying “where the Company convenes a video-assisted shareholders’ meeting, a shareholder intending to attend the physical meeting in person after having registered for attendance via video conference shall make a declaration to cancel such registration via the same manner as registration two days before the date of the shareholders’ meeting, and that shareholders performing overdue cancellation are only allowed to attend the shareholders’ meeting via video conference” is added.</p>

Amendments	Current Clauses	Description
<p><u>registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>		
<p>Article 14-1 Paragraph 1 to 3 are omitted. <u>Where the shareholders’ meeting is convened via video conference, the meeting minutes to such meeting shall, in addition to matters required to be recorded pursuant to the preceding paragraph, record the commencement and adjournment times of the meeting, manners the meeting is convened, its character and the name of the note taker, and the handling in events of obstacles for the video conference platform or attendance via video conference due to natural disaster, incidents or force majeure.</u> <u>Where the Company convenes the shareholders’ meeting via video conference, in addition to handling in accordance with the provisions in the preceding paragraph, the Company shall specify the convening via such manner on the meeting minutes and provide alternatives to shareholders having difficulties in attending the shareholders’ meeting via video conference.</u></p>	<p>Article 14-1 Paragraph 1 to 3 are omitted.</p>	<p>1.Paragraph 4 is added to allow shareholders to be informed of the results in the convening of the video conference, alternatives for shareholders with digital divides, and the manners and conditions in the handling of disconnections.</p> <p>2.Paragraph 5 specifying “where the Company convenes the shareholders’ meeting via video conference, the Company shall specify the convening via such manner on the meeting minutes and provide alternatives to shareholders having difficulties in attending the shareholders’ meeting via video conference” is added.</p>
<p>Article 17 On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an</u></p>	<p>Article 17 On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation <u>and</u> the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p>	<p>1.To allow the shareholders to be informed of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending in correspondence or electronically, the Company shall make an express disclosure of the same at the place of the Shareholders’ meeting.</p>

Amendments	Current Clauses	Description
<p>express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, <u>the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During this Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p>The below is omitted.</p>	<p>The below is omitted.</p>	<p>Where the Company convenes the shareholders' meeting via video conference, the numbers shall be uploaded to the video conference platform for the shareholders' meeting. Paragraph 1 is hence amended.</p> <p>2.To specify that the Company shall disclose the total of shares represented by attending shareholders on the video conference platform, and where the total number of shares and voting rights represented by attending shareholders are tallied during the meeting shall also apply, Paragraph 2 is added.</p>
<p>Article 18</p> <p><u>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</u></p>	<p>The below is omitted.</p>	<p>1. This Article is Newly Added.</p> <p>2. <u>This Article specifying ample information disclosure duration to allow shareholders attending the shareholders' meeting via video conference be informed of voting and election results for various proposals at a timely manner is added.</u></p>
<p>Article 19</p> <p><u>When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.</u></p>	<p>The below is omitted.</p>	<p>1.This Article is Newly Added.</p> <p>2.This Paragraph specifying that where the Company convenes the shareholders' meeting via video conference without venue for physical meetings, the chair and the note taker shall be at the same domestic location, and the chair shall declare the address to such location when the meeting commences is added.</p>
<p>Article 20</p> <p><u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public</u></p>	<p>The below is omitted.</p>	<p>1. This Article is Newly Added.</p> <p>2. Paragraph 1 specifying that "Where the shareholders' meeting is convened via video conference, in events that there are obstacles to the video conference platform or attendance via video conference retained for 30 minutes or over due to natural disaster, incidents or other force majeure, the meeting</p>

Amendments	Current Clauses	Description
<p><u>Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply. For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session. For a meeting to be postponed or resumed under the paragraph 1, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session. During a postponed or resumed session of a shareholders meeting held under the paragraph 1, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors. When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in paragraph 1, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the paragraph 1 is required.</u></p>		<p>shall be deferred or resumed within five days” has been added.</p> <p>3.Paragraphs 2 to 8 specifying the proceeding of meeting and follow-up handling in events of deferral or resumption of meeting as prescribed in Paragraph 1 have been added.</p>

Amendments	Current Clauses	Description
<p><u>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</u></p> <p><u>When postponing or resuming a meeting according to the paragraph 1, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the paragraph 1.</u></p>		
<p>Article 21</p> <p><u>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>		<p>1. This Article is Newly Added.</p> <p>2. In consideration of potential difficulties met by shareholders with digital divide, alternatives as applicable shall be provided to shareholders.</p>
<p><u>Article 22</u></p> <p>These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.</p>	<p>Article 18</p> <p>These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.</p>	<p>Article order has been adjusted following this amendment to articles.</p>

IV. Appendices

Appendix 1. Rules of Procedure for Shareholders Meetings (Before Amendments)

Zongtai Real Estate Development Co.,Ltd.

Rules of Procedure for Shareholders Meetings

Approved and Enforced by Shareholders Meeting on July 30, 2021

- Article 1 The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 2 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the Board of Directors.
- The Handbook shall be made for the convening of regular shareholders' meetings and the notice shall be sent to all shareholders at least thirty days in advance. For shareholders holding less than one thousand registered shares, the notice of meeting may be publicly announced on the Market Observation Post System. The notice for special shareholders meetings shall be sent to all shareholders at least fifteen days in advance and may be publicly announced on the Market Observation Post System at least fifteen days in advance for the shareholders holding less than one thousand registered shares.
- 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 the electronic form.
- Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
- Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
- A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. The shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities shall process according to the relevant rules of Article 172-1 of the Company Act that the number of items proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.
- Prior to the book closure date, before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
- Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder proposing shall be present in person or by proxy at the regular shareholders meeting and take part in the discussion of the proposal.
- Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting, the board of directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.
- Article 3 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.
- A shareholder may issue only one proxy form and appoint only one proxy for any given

shareholders meeting, and shall deliver the proxy form to this Corporation five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4 The company shall furnish the attending shareholders or their proxy (Hereinafter referred to as shareholders) with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

Shareholders shall attend the shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.

Article 5 The venue for a shareholders meeting shall be the premises of this Corporation, 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. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. In case the chairman of the board of directors is on leave or absent or cannot exercise his power and authority for any cause, the vice-chairman shall act on his behalf. In case there is no vice-chairman chairman, or the vice-chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the Board of Directors shall designate one of the directors as representative. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the Board of Directors.

It is advisable that shareholders meetings convened by the board of directors be attended by a majority of the directors.

If a shareholders meeting is convened by a party with the power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 7 This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 The entire process of shareholders meetings shall be made an uninterruptedly audio and video recording and the recorded materials shall be retained for at least one year. If however, the recorded materials are filed a lawsuit pursuant to Article 189 of the Company Act by shareholders, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance at shareholders meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and announce the relevant information such as the number of no voting rights and the number of attending shares. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one 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 chair 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 Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to the 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 10 If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). 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 with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair 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 chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11

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

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 subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair 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 chair shall stop any violation.

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.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12

Voting at a shareholders meeting shall be calculated based on the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as a proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights 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 will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by

the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation'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, if there is no objection after consultation by the chair, it shall be deemed as passed and its validity shall be the same as that of voting.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When anyone 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 chair, provided that all monitoring personnel shall be shareholders of this Corporation.

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 shall be announced on-site at the meeting, and a record made of the vote.

Article 14

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 14-1

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Article 15

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

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 16

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

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."

The chair may order shareholders to speak in a specific area of the venue. If shareholders do not obey the chair's order, the chair may stop it.

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 17

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed period.

Article 18

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix 2. Articles of Incorporation

Zongtai Real Estate Development Co.,Ltd.

Articles of Incorporation

Approved and Enforced by Shareholders Meeting on June 12, 2019

Chapter 1 General Provisions

- Article 1 The Company shall be incorporated under the Company Act of the Republic of China, and its name shall be Zongtai Real Estate Development Co.,Ltd.
- Article 2 The scope of business of the Corporation shall be as follows:
1.CC01080 Electronic Parts and Components Manufacturing
2.F113020 Wholesale of Household Appliance
3.F119010 Wholesale of Electronic Materials
4.F213010 Retail Sale of Electrical Appliances
5.F219010 Retail Sale of Electronic Materials
6.F401010 International Trade
7.IZ99990 Other Industrial and Commercial Services (Integrated Circuit Development)
8.F601010 Intellectual Property
9.H701010 Housing and Building Development and Rental
10.H701020 Industrial Factory Development and Rental
11.H701040 Specific Area Development
12.H701050 Investment, Development, and Construction in Public Construction
13.H701060 New Towns, New Community Development
14.H701070 Process Zone Expropriation and Urban Land Readjustment Agency
15.H701080 Urban Renewal Reconstruction
16.E801010 Building Maintenance and Upholstery
17.I503010 Landscape and Interior Designing
18.F111090 Wholesale of Building Materials
19.C901990 Other Non-Metallic Mineral Products Manufacturing (Quartz Bricks, Quartz Plate, Quartz Tube)
20.CB01990 Other Machinery Manufacturing (Diamond Saw Blade for Quartz)
21.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Corporation shall have its head office in Hsinchu County, Taiwan, Republic of China, and shall be free, upon approval of the Board of Directors and government authorities in charge, to set up representative and branch offices at various locations within and without the territory of the Republic of China, wherever and whenever the Corporation deems it necessary or advisable to carry out any or all of its activities.
- Article 4 Public announcements of the Corporation shall be made in accordance with the Company Act, the Securities and Exchange Act, and other relevant rules and regulations of the Republic of China.
- Article 4-1 Due to the need for business or investment, the company is approved to do the endorsement and guarantee by the Board of Directors.
- Article 4-2 The company can become a shareholder of limited liability in other companies in light of its business need. The amount of re-investment may not be restricted by the limitation of the re-investment ratio stated in Article 13 of the Company Act.

Chapter 2 Capital Stock

- Article 5 The total capital stock of the Company shall be in the amount of five billion New Taiwan Dollars, divided into five hundred million shares, at ten New Taiwan Dollars each. A total of sixty million New Taiwan Dollars among the above total capital stock should be reserved for issuing employee stock options. The Board of Directors is authorized to issue the unissued stocks from to time.
- Article 6 The shares printed by the Company shall be registered and issued in accordance with the Company Act and relevant rules and regulations of the Republic of China. When issuing new shares, the Company may print share certificates in respect of the full number of shares to be issued at that time, or be exempt from the printing of share certificates. If the Corporation decides to print share certificates for shares issued, the Corporation shall comply with relevant provisions of the Company Act and relevant rules and regulations of the Republic of China
- Article 7 The change of name and transfer of stock shall be ceased within sixty days prior to the convening date of a regular shareholders meeting, or within thirty days prior to the convening date of a special shareholders meeting, or within five days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3 Shareholders Meeting

- Article 8 Shareholders meetings of the Company are of two kinds which are regular meetings and special meetings. Regular shareholders meetings shall be convened once a year by the Board of Directors according to the law within six months after the close of each fiscal year. Special shareholders meeting shall be convened according to the Company Act and the relevant rules and regulations of the Republic of China.
- Article 9 In case the shareholders are not able to attend the shareholders meetings for any cause, the proxies of the shareholders may attend the meetings with the signed or sealed proxy for attendance printed by the Company stating therein the scope of power authorized to the proxy. The proxy for attendance shall be applied according to Article 177 of the Company Act and the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies” stated in Article 25-1 of the Securities and Exchange Act.
- Article 10 Each shareholder of the Company, except the condition of no voting right for share stated in Article 179 of the Company Act, is entitled to one vote for each share held. The voting right shall be exercised by writing or electronically. There is no voting right for the shares held by the Company itself according to the law.
- Article 11 Unless otherwise provided for in the Company Act, a meeting of shareholders shall proceed only if attended by shareholders themselves or the proxies representing more than one-half of the total outstanding capital stock of the Company. Resolutions of a shareholders meeting shall be made at the meeting with the concurrence of a majority of the votes held by the shareholders present at the meeting.
- Article 11-1 The resolutions of the shareholders meeting shall be recorded in the minutes and executed according to Article 183 of the Company Act.

Chapter 4 Directors and Audit Committee

- Article 12 The Company shall have nine to thirteen Directors with the three-year term and the number of the directors is determined by the Board of Directors Meeting. All Directors shall be eligible for re-election. Directors shall be elected by adopting a candidate nomination system as specified in Article 192-1 of the Company Act The nomination of directors and related announcements shall comply with the relevant regulations of the Company Act and the Securities and Exchange Law. The total amount of registered shares held by all directors is stipulated by the standard of “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” published by Securities and Futures Bureau of Financial Supervisory Commission of

Executive Yuan. A company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship.

Article 12-1 According to the Securities and Exchange Act, among the number of directors mentioned in the preceding article, the independent directors shall not be less than three in number and less than one-fifth of the total number of directors. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be prescribed by the competent authority of securities.

Article 12-2 The Board of Directors of the Company establishes the compensation committee whose responsibility, organic regulations, the exercise of authority, and other compliance matters shall be regulated in accordance with the relevant rules of the competent authority of securities and the Company.

Article 12-3 The Company establishes the audit committee which is composed of all independent directors according to the law and the relevant organic regulations are enacted by resolution of the Board of Directors. The exercise of authority and other compliance matters shall be executed according to the relevant laws and the Articles of Incorporation.

Article 13 The Board of Directors which is organized by the directors shall be attended by over two-thirds of the directors. The directors shall elect from among themselves a Chairman of the Board of Directors and Vice-Chairman of the Board of Directors by a majority in attending directors. The Chairman of the Board of Directors shall have the authority to represent the Corporation.

Article 14 In case the chairman of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, a delegate shall be appointed in compliance with Article 208 of the Company Act. Directors shall attend the Board of Directors Meetings and appoint other directors as the proxy to attend the meetings if they are on leave or absent or cannot exercise their power and authority for any cause.

Article 14-1 The convening of the Board of Directors shall be executed according to Article 204 of the Company Act. In the case of an emergency, a meeting of the Board of Directors may be convened by fax or email instead of written notice.

Article 15 The Board of Directors is authorized to determine the salary of the directors, regardless of the profit and loss of the Company, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry.

Chapter 5 Managerial Officials

Article 16 The Company may have one general manager, several vice general managers, and several managers that the appointment, discharge, and remuneration are executed according to Article 29 of the Company Act.

Chapter 6 Accounting

Article 17 After the close of each fiscal year of the Company, the Board of Directors shall prepare the proposals and tables such as (1) Business report (2) Financial statements (3) Profit distribution or Deficit compensation, and so on. These proposals shall be submitted to the regular shareholders meetings according to the law for acceptance.

Article 18 If there is profit at the end of each fiscal year, a ratio of 0.1% - 5% of the profit of current year distributable as employees' compensation and a ratio less than 2% of the profit of current year distributable as directors' compensation shall be appropriated. However, the Company's accumulated losses shall have been covered first if any.

The employees' compensation shall be in the form of shares or cash, and the distribution targets include employees who meet certain conditions of affiliated companies. The directors' remuneration mentioned in the preceding article shall be only in cash.

The proposals for distribution of employees' compensation and directors' remuneration shall be resolved by the Board of Directors and reported to the shareholders meetings.

Article 18-1

When the Company does not make a profit, it is not allowed to distribute the stock dividend. If the Company makes surplus in the annual final accounts, the "distributable profit" shall be calculated in the following order and the portion shall be reserved according to the business conditions and capital requirement. The proposal for profit distribution shall be prepared by the Board of Directors and submitted to shareholders' meetings for distribution:

- (1) Withholding Tax
- (2) Cover Accumulated Deficit
- (3) Appropriation of Legal Reserve
- (4) Legal Appropriation or Reversal Special Reserve
- (5) Opening Undistributed Earnings and the "Adjustment Amount of the Undistributed Earnings of the Year"

The dividend policy of the Company is based on the company operation situation, capital requirement, and change in internal and external overall circumstances that the dividend is distributed fully or partially with the consideration of the interest of the shareholders. The profit distribution is in the form of cash dividend or stock dividend, nevertheless, the cash dividend shall not be less than 50% of the total dividend.

Chapter 7 Supplementary Provisions

Article 19

In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 20

The articles are enacted on October 20, 1997.
The first amendment was made on May 18, 1998.
The second amendment was made on July 15, 1998.
The third amendment was made on March 6, 2000.
The fourth amendment was made on November 10, 2000.
The fifth amendment was made on June 15, 2001.
The sixth amendment was made on April 15, 2002.
The seventh amendment was made on June 15, 2004.
The eighth amendment was made on June 19, 2006.
The ninth amendment was made on June 28, 2007.
The tenth amendment was made on June 19, 2008.
The eleventh amendment was made on June 19, 2009.
The twelfth amendment was made on May 28, 2010.
The thirteenth amendment was made on November 10, 2010.
The fourteenth amendment was made on June 28, 2011.
The fifteenth amendment was made on May 16, 2012.
The sixteenth amendment was made on May 20, 2014.
The seventeenth amendment was made on June 24, 2015.
The eighteenth amendment was made on June 15, 2016.
The nineteenth amendment was made on June 13, 2017.
The twentieth amendment was made on June 8, 2018.
The twenty-first amendment was made on June 12, 2019.

Appendix 3. Current Shareholding of All Directors

Zongtai Real Estate Development Co.,Ltd.

Current Shareholding of All Directors

1. The Company has issued 211,716,708 ordinary shares until April 10, 2022.
2. In accordance with Article 26 of the Securities and Exchange Act and subparagraph 4 of paragraph 1 of Article 2 and paragraph 2 of Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies:
The minimum shareholding of the Company's board directors is 12,000,000 shares
3. As at the book closure date of this annual general meeting (April 10, 2022), the numbers of shares held by the individual directors and by entire bodies as recorded in the shareholders' register are as follows:

Title	Name	On-Board Date	Number of Shares Recorded in the Shareholders' Register	Shareholding Percentage
Chairman	Tso Jung Investment Co., Ltd Representative: Yu-Ling, Weng	July 30, 2021	26,776,123	12.65%
Vice-Chairman	Shun-Wen, Wu	July 30, 2021	1,951,000	0.92%
Director	Tso-Jung, Wu	July 30, 2021	1,850,000	0.87%
Director	Zong Tai Construction Development Co., Ltd Representative: Chia-Chi, Kuo	July 30, 2021	3,160,000	1.49%
Director	Zong Tai Construction Development Co., Ltd Representative: Cheng Yung, Lin	July 30, 2021	3,160,000	1.49%
Independent Director	Yong-Jen, Tsao	July 30, 2021	0	0.00%
Independent Director	Ming-Hai, Lee	July 30, 2021	0	0.00%
Independent Director	Yao-Jia, Wen	July 30, 2021	0	0.00%
Total Shares Held by Directors (Except Independent Directors)			33,737,123	15.93%

Appendix 4. Progress of Shareholders' Proposals

Explanatory Note of Progress of Shareholders' Proposals:

According to Article 172-1 of The Company Act, shareholders who own more than 1% of The Company's outstanding shares are entitled to submit one agenda for discussion during the annual general meeting. The submission must be made in writing and is limited to 300 words.

The company has publicly announced the shareholders' proposal right of this annual general meeting on the Market Observation Post System that the period for accepting starts on April 1, 2022, and concludes on April 11, 2022. Shareholder Lu, Shi-Fang (Account No. 16591) proposed to increase the distribution of shareholders' dividend to NT\$ 3 per share. The Board of Directors discussed the proposal of the shareholders' meeting on April 26, 2022 and reached a resolution to maintain the original resolution for allotment of cash dividend of NT\$ 1.5. And the explanation will be given at the profit distribution case in the ratification section of the shareholders' meeting and will ask the shareholders to ratify.