

Stock Code: 5514



Sunfon Construction Co., Ltd.  
2025 Annual General Meeting

Shareholders  
Meeting Agenda  
Handbook

May 22, 2025

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I. Meeting Agenda

**2025 Annual General Meeting Agenda – Sun Fon  
Construction Co., Ltd.**

Date/time: May 22, 2025 (Thursday); 9 A.M.

Venue: 2F, No. 99, Fuxing N. Rd., Songshan Dist., Taipei City (Primasia

Conference & Business Center, Conference Room 208)

Annual General Meeting Convention Method: Physical Meeting

Meeting Procedures:

- I. Call Meeting to Order
- II. Chair in Position
- III. Recite “Company Spirit”
- IV. Chair’s Remark
- V. Report Items
- VI. Ratification Items
- VII. Discussion Items
- VIII. Extraordinary Motions
- IX. Meeting Adjourned

## II. Report Items

### [Management Presentation]

(I) 2024 Business Report

#### I. Business Operations Report for 2024, submitted for your review.

### Business report

#### (I) Management policy

We adhere to the business motto of “sustainable management and steady growth” and create reasonable profits, which are shared with employees and shareholders and given back to society. As a means to put the motto into practice, our management policy includes:

1. Strengthening land development ability by adopting the strategy of purchasing land and joint construction to ensure the acquisition of land resources.
2. Using market demand as a guide to plan quality products that are user-friendly so as to facilitate sales and reduce the inventory of houses.
3. Emphasizing construction quality and after-sales service to build a sound corporate image and reputation, while increasing the trust and recognition of customers.
4. Properly planning and utilizing human resources and placing importance on employee education and training as well as the welfare system to enhance work efficiency.
5. Improving the financial structure and strictly controlling budgets and audits to ensure our profitability and operating performance.

#### (II) Implementation overview

As of 2024, the Great Emperor Baosheng Memorial Hall has been completed and handed over to the owners. The Yunji project has progressed to the completion of 7th floor slab concrete pouring. The Yun Di project has reached the completion of 8th floor slab concrete pouring. The San Fon AIT project has completed interior plastering from the 2nd to 5th floors. The urban renewal development project Yun Du has progressed to the completion of B4F concrete pouring. The Yun Cheng project on Section 3 of Chengde Road has completed its diaphragm wall, and the joint construction project on Nanchang Road in Zhongzheng District has completed its foundation work. Additionally, the Huanshan Road project in Neihu is scheduled for launch and sales in the second quarter of 2025.

#### (III) Implementation results of the 2024 Business Plan

The company's consolidated operating revenue for 2024 was NT\$684,936,000, representing a 43.15% increase from 2023's consolidated operating revenue of NT\$478,477,000. The consolidated net profit after tax for 2024 was NT\$84,835,000, an increase of NT\$55,919,000 or 193.38% from 2023's consolidated net profit after tax of NT\$28,916,000. Earnings per share was NT\$0.39. The operating results are listed below:

1. Consolidated Profit or Loss

Unit: NT\$ thousand

Item	Amount in 2024	Amount in 2023	Increase/Decrease amount	Change in percentage %
Operating revenue	684,936	478,477	206,459	43.15
Operating costs	522,184	380,978	141,206	37.06
Operating profit	162,752	97,499	65,253	66.93
Operating expenses	67,186	63,850	3,336	5.22
Operating income (loss)	95,566	33,649	61,917	184.01
Non-operating revenue and (expenditures)	25,085	17,194	7,891	45.89
Net income before tax	120,651	50,843	69,808	137.30
Income tax benefit (expense)	(35,816)	(21,927)	(13,889)	63.34
Net profit (loss) for the period	84,835	28,916	55,919	193.38
Earnings per share (NT\$)	0.39	0.13		

## 2. Parent Only Profit/Loss

Unit: NT\$ thousand

Item	Amount in 2024	Amount in 2023	Increase/Decrease amount	Change in percentage %
Operating revenue	685,056	478,597	206,459	43.14
Operating costs	453,108	327,783	125,325	38.23
Operating profit	231,948	150,814	81,134	53.80
Operating expenses	54,537	50,966	3,571	7.01
Operating income (loss)	177,411	99,848	77,563	77.68
Non-operating revenue and (expenditures)	(56,736)	(48,986)	(7,750)	15.82
Net income before tax	120,675	50,862	69,813	137.26
Income tax benefit (expense)	(35,816)	(21,927)	(13,889)	63.34
Net profit (loss) for the period	84,859	28,935	55,924	193.27
Earnings per share (NT\$)	0.39	0.13		

**(IV) Budget Implementation Status:** The company has not disclosed financial forecasts.

## **(V) Analysis of receipts, expenditures, and profitability**

### 1. Liquidity analysis

(1) Consolidated liquidity analysis

Item	Year		Increase/ decrease percentage (%)
	2024.12.31	2023.12.31	
Cash flow ratio (%)	(24.62)	(9.61)	(15.01)
Cash flow adequacy ratio (%)	(77.53)	(12.13)	(65.40)
Cash reinvestment ratio (%)	(22.20)	(8.18)	(14.02)

The cash flow adequacy ratio decreased by 65.4%, primarily due to a significant increase in inventory and increased cash outflow from operating activities, resulting in a reduced cash flow adequacy ratio.

(2) Parent Only Liquidity Analysis

Item	Year		Increase/ decrease percentage (%)
	2024.12.31	2023.12.31	
Cash flow ratio (%)	(26.36)	(3.94)	(22.42)
Cash flow adequacy ratio (%)	(61.57)	0.71	(62.28)
Cash reinvestment ratio (%)	(24.83)	(3.20)	(21.63)

Analysis of changes in the increase/decrease percentage:

The cash flow ratio, cash flow adequacy ratio, and cash reinvestment ratio all decreased, mainly due to a significant increase in inventory and increased cash outflow from operating activities, resulting in reduced cash flow ratio, cash flow adequacy ratio, and cash reinvestment ratio.

2. Profitability analysis

(1) Consolidated profitability analysis

Item	Year		Increase/ decrease rate (%)	
	2024	2023		
Return on assets (%)	1.54	0.60	0.94	
Shareholder return on equity (%)	2.83	1.03	1.80	
Percentage to paid-in capital (%)	Operating income	4.21	1.56	2.65
	Net income before tax	5.31	2.35	2.96
Net profit rate (%)	12.39	6.04	6.35	
Earnings per share (NT\$)	0.39	0.13		

(2) Parent Only Profitability Analysis

Item	Year		Increase/ decrease rate (%)	
	2024	2023		
Return on assets (%)	1.50	0.58	0.92	
Shareholder return on equity (%)	2.83	1.03	1.80	
Percentage to paid-in capital (%)	Operating income	7.81	4.62	3.19
	Net income before tax	5.32	2.35	2.97
Net profit rate (%)	12.39	6.05	6.34	
Earnings per share (NT\$)	0.39	0.13		

## (VI) Research and development (R&D) status

### 1. R&D expenditures and results for the most recent fiscal year

- (1) Through applications for incentives for urban renewal and unsafe and old buildings, as well as jointly developing and building quality mixed residential and commercial buildings in old communities with landowners, we are able to keep land acquisition costs down to generate more profits.
- (2) We are proactively seeking desirable locations with reasonable land prices to promote quality residences for steady sales. With a strategy that focuses on small volumes but a large number of projects, we hope to build our company brand in the public awareness.
- (3) Our product design and planning take into account the requirements of building coverage ratio and floor area ratio in order to fully utilize the buildable area. Moreover, we aim to design and construct tall buildings with deep foundations and high floors, imbuing them with vitality so that they are reasonable, practical, humanized and refined, and meeting market demand.
- (4) We select first-rate vendors through evaluation of their information sheets and final reports, while strengthening budget management and improving schedule control to reduce costs, elevating operational efficiency.
- (5) Construction projects completed in recent years, including “Feng Hua Hui,” “Wen Ding Hui,” “Di Yi Hui,” “The Twin Cities,” “Chang An Hui,” “Great Emperor Baosheng Memorial Hall,” and construction projects currently under construction, including “Yun Ji,” “Sun Fon AIT,” “Yun Di,” “Nanchang Street Project,” and “Yun Du,” have received high praise by customers in terms of both the design and construction quality.

### 2. Future R&D plans

- (1) Strengthening land development ability by adopting the strategy of purchasing land and joint construction to ensure the acquisition of land resources.
- (2) Adopting new construction methods and collecting information on new building materials to keep track of construction progress cost and quality.
- (3) Promoting full institutionalized management by strengthening authorization and fostering labor division. By doing this, our labor resources can be put into full practice

to enhance the Company's work quality and highly efficient operations.

- (4) Promoting all businesses to improve computerized operations and enhance work efficiency. This enables us to provide the best service to customers, build product reputation and increase brand awareness, and achieve the goal of sustainable business.
- (5) As we primarily provide land development and construction services, R&D investment is not applicable.

## **(VII) Conclusion**

Dear Shareholders: Thank you for your continued support and encouragement of Sun Fon Construction. We sincerely report to you the development progress and construction status of our company for 2024.

### **2024 Development and Construction Progress Report**

1. **Baosheng Emperor Memorial Hall**
  - Successfully completed and handed over.
  - Building scale: 12 floors above ground, 2 basement levels, site area 108.6 ping.
  - Total sales amount: NT\$690 million.
2. **Yun Cheng** (No. 128, Section 3, Chengde Road, Datong District, Taipei City)
  - Building scale: 11 floors above ground, 4 basement levels, site area 188.46 ping.
  - Launched in July 2024, sold out by November, with total sales of NT\$736 million.
  - Construction began in 2024, with completion and handover expected in 2027.
3. **San Fong AIT** (Section 1, Kangning Road, Neihu District, Taipei City)
  - Building scale: 10 floors above ground, 3 basement levels, site area 215.03 ping.
  - Sales rate 99% (1 unit remaining), projected total sales NT\$600 million.
  - Construction ongoing, completion and handover expected in 2025.
4. **Yun Di** (Intersection of Minle Street and Guisui Street, Datong District, Taipei City)
  - Completely sold out, with total sales of NT\$1.59 billion.
  - Construction ongoing, completion and handover expected in 2026.
5. **Nanchang Road Project** (No. 16, Section 1, Nanchang Road, Zhongzheng District, Taipei City)
  - Construction progress reached foundation completion by the end of 2024.
  - Completion and handover expected in 2026.
6. **Yun Ji** (Minsheng West Road, Datong District, Taipei City)
  - Sales rate 99% (1 unit remaining), projected total sales NT\$3.64 billion.
  - Construction ongoing, completion and handover expected in 2027.
7. **Ri Li** (Section 2, Huanshan Road, Neihu District, Taipei City)
  - Currently preparing for pre-sale operations, with construction expected to begin in 2025 and completion/handover in 2027.

8. **Yun Du** (Chengde Road, Taipei City)

- Construction ongoing, completion and handover expected in 2028.

**2025 Development Plan**

We are actively promoting several development projects, including:

- **Tianyu Street Project** (Urban Renewal), with a site area of 142.18 ping.
- **No. 31-1, Section 3, Chongqing North Road Project** (Government-Planned Urban Renewal), with a site area of 464.94 ping.
- **No. 101, Chang'an West Road Project** (Urban Renewal), with a site area of 641.9 ping.
- **Chang'an West Road Project** (Government-Planned Urban Renewal), with a site area of 435 ping.
- **Changji Street Project** (Government-Planned Urban Renewal), with a site area of 664.59 ping.
- **Yansan Night Market Project** (Urban Renewal), with a site area of 665.75 ping.

**Looking Forward to 2025**

Despite the government's implementation of loan restrictions and the integrated house and land tax system to curb market speculation and raise the threshold for real estate investment, our "Yun Cheng" project still sold out in just 14 weeks, demonstrating the market's high recognition of our products.

Sun Fon Construction has always upheld the corporate spirit of "loyalty and dedication, expanding revenue and reducing costs, customer first, and creating the future together," focusing on building safe, comfortable, and earthquake-resistant buildings. We will continue to deepen our market presence and develop steadily, looking forward to growing company performance and creating higher value for shareholders.

Once again, thank you for the support and encouragement of all shareholders. We wish everyone safety and health!

Chairperson:  
Don Tai Development Co., Ltd.

Managerial  
officer:  
Lan, Li-Hua

Chief Accounting  
Officer:  
Shih, Shu-Ying

Representative: Hung, Min-Fu

(II) 2024 Audit Committee's Review Report

**II. Audit Committee Review Report for 2024, submitted for your review.**

Description: The Company's 2024 financial statements have been audited and attested by CPAs and reviewed by the audit committee. The review report has been submitted for review.

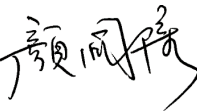
**Audit Committee's Review Report**

Please approve

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements (including consolidated and parent only statements), and proposal for distribution of earnings. The Company's Financial Statements have been audited and certified by CPA Chang, Chiao-Ying and CPA Wang, Yen-Chun of Ernst & Young, Taiwan, and an audit report related thereto has been issued. The above-mentioned statements and schedules have been thoroughly reviewed by this Audit Committee and found to be in compliance. This report is hereby submitted in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your review.

Submitted to

The Company's 2025 Annual General Meeting

Convener of the Audit Committee: Yen, Kuo-Lung 

February 26, 2025

(III) 2024 Report on Distribution of Remuneration to Employees and Directors

### **III. 2024 Report on Distribution of Remuneration to Employees and Directors**

Description:

- I. According to Article 25 of the Company's Articles of Incorporation, if the company has profits for the year, it shall allocate no less than 1% for employee compensation and no more than 1% for directors' compensation based on the pre-tax net profit.
- II. The pre-tax net profit for 2024, excluding employee compensation and directors' compensation, is NT\$124,406,997. The proposed allocation is 2% for employee compensation, amounting to NT\$2,488,140, and 1% for directors' compensation, amounting to NT\$1,244,069. All compensation will be distributed in cash.
- III. The above compensation distribution has been reviewed and approved by the 2nd meeting of the 6th Remuneration Committee on February 26, 2025.

(IV) Report of amendments to the “Rules of Procedure for Board of Directors Meetings”

IV. Report on amendment to the “Rules of Procedure for Board of Directors Meetings,” please review.

Description: In line with regulatory amendments, it has been proposed to amend some clauses of the Company’s Rules of Procedure for Board of Directors Meetings. The comparison table before and after amendments is as follows:

Comparison Table of Amendments to the Rules of Procedure for Board of Directors’ Meetings

Original Article	Amended Article	Reason for Amendment
<p>Article 8 (Board Meeting Reference Materials, Attendees, and Convening)</p> <p>When a board meeting is held, the designated unit responsible for the board meetings shall furnish the attending directors with relevant materials for ready reference.</p> <p>As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals may also be invited to attend the meeting as non-voting participants and to make explanatory statements. However, they shall leave the meeting when deliberation or voting takes place.</p> <p>The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.</p> <p>If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce</p>	<p>Article 8 (Board Meeting Reference Materials, Attendees, and Convening)</p> <p>When a board meeting is held, the designated unit responsible for the board meetings shall furnish the attending directors with relevant materials for ready reference.</p> <p>As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals may also be invited to attend the meeting as non-voting participants and to make explanatory statements. However, they shall leave the meeting when deliberation or voting takes place.</p> <p>The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.</p> <p>When the meeting time arrives, if less than half of all directors are present, the chairperson may announce a</p>	<p>It is hereby specified that when attendance is insufficient, the chairperson may announce a postponement of the meeting limited to the same day.</p>

Original Article	Amended Article	Reason for Amendment
<p>postponement of the meeting, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair may reconvene the meeting in accordance with the procedures in Article 3, Paragraph 2.</p> <p>The number of “all directors” as used in the preceding paragraph and in Article 16, Paragraph 2, Subparagraph 2 shall be counted as the number of directors actually in office.</p>	<p>postponement of the meeting <u>on the same day</u>, limited to two postponements. If the quorum is still not met after two postponements, the chair may reconvene the meeting in accordance with the procedures in Article 3, Paragraph 2.</p> <p>The number of “all directors” as used in the preceding paragraph and in Article 16, Paragraph 2, Subparagraph 2 shall be counted as the number of directors actually in office.</p>	
<p>Article 11 (Discussion of Proposals) Board meetings of the Company shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.</p> <p>The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.</p> <p>At any time during the course of a board meeting, if the number of directors present at the meeting does not constitute a majority of the attending directors, then upon the motion by a director present at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, Paragraph 4 shall apply mutatis mutandis.</p>	<p>Article 11 (Discussion of Proposals) Board meetings of the Company shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.</p> <p>The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.</p> <p>At any time during the course of a board meeting, if the number of directors present at the meeting does not constitute a majority of the attending directors, then upon the motion by a director present at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, Paragraph 4 shall apply mutatis mutandis.</p> <p><u>During the board meeting proceedings, if the chairperson is unable to continue presiding over the meeting for any</u></p>	<p>In accordance with the newly added Paragraph 4, it is specified that the method for selecting a proxy shall follow the provisions of Paragraph 3, Article 7.</p>

Original Article	Amended Article	Reason for Amendment
	<u>reason or does not announce the adjournment of the meeting in accordance with Paragraph 2, the selection of a proxy shall follow the provisions of Paragraph 3, Article 7.</u>	
<p>Article 18 (Supplementary provisions)</p> <p>I. These Rules of Procedure shall be adopted by the approval of the meeting of the board of directors and shall be reported to the shareholders' meeting.</p> <p>II. These Rules of Procedures were formulated on March 23, 2007; the 1st amendments were made on March 21, 2008; the 2nd amendments were made on March 17, 2010; the 3rd amendments were made on June 21, 2013; the 4th amendments were made on November 8, 2017; the 5th amendments were made on March 9, 2021; and the 6th amendments were made on November 8, 2022.</p>	<p>Article 18 (Supplementary provisions)</p> <p>I. These Rules of Procedure shall be adopted by the approval of the meeting of the board of directors and shall be reported to the shareholders' meeting.</p> <p>II. These Rules of Procedures were formulated on March 23, 2007; the 1st amendments were made on March 21, 2008; the 2nd amendments were made on March 17, 2010; the 3rd amendments were made on June 21, 2013; the 4th amendments were made on November 8, 2017; the 5th amendments were made on March 9, 2021; the 6th amendments were made on November 8, 2022; <u>and the 7th amendment were made on November 5, 2024.</u></p>	

III. Ratification Items

**[Recognition Matters]**

- (I) Case for Acknowledgment of the 2024 Business Report and Financial Statements, submitted for your acknowledgment.

First Proposal Proposed by the Board of Directors

Reason: Case for Acknowledgment of the 2024 Business Report and Financial Statements, submitted for your acknowledgment.

Description:

- I. The Company's 2024 financial statements, including: the Consolidated Balance Sheet, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flows, as well as the 2024 Individual Financial Statements, have been completed. In addition to being submitted to the Audit Committee for review, they have been audited by CPAs Chang, Chiao-Ying and Wang, Yen-Chun of Ernst & Young.
- II. For the preceding financial statements, please refer to pages 39–56 of this Handbook.

Resolution:

- (II) Case for Acknowledgment of the 2024 Earnings Distribution, submitted for your acknowledgment.

Second Proposal Proposed by the Board of Directors

Reason: Case for Acknowledgment of the 2024 Earnings Distribution, submitted for your acknowledgment.

Description:

- I. The Company's after-tax net profit for 2024 is NT\$84,858,928. It is proposed to distribute NT\$90,814,730 from the unappropriated earnings as stock dividends, with a distribution of 0.4 shares per share, or 40 shares per 1,000 shares. Upon approval by this Shareholders' Meeting, the Board of Directors will be authorized to set the dividend distribution base date.
- II. For the 2024 Earnings Distribution Table, please refer to page 57 of this handbook.

Resolution:

IV. Discussion Items

**[Discussion Matters]**

(I) Resolution on issuing new shares through capitalization of retained earnings, submitted for approval.

First Proposal Proposed by the Board of Directors

Reason: Resolution on issuing new shares through capitalization of retained earnings submitted for approval.

Description:

- I. To strengthen operating capital, the Company proposes to appropriate NT\$90,814,730 from the distributable earnings of 2024 as common stock dividends for capital increase, issuing 9,081,473 new shares with a par value of NT\$10 per share.
- II. After the shareholders meeting has passed the issue of new shares and it has been approved by the competent authorities, the base date for distribution of shares will be set. Based on the shareholders recorded in the register on that base date, 40 shares will be distributed without compensation for every 1,000 shares held. For fractional shares less than one share, shareholders may register to combine them into one share within five days from the book closure date. For fractional shares that are not combined within the time limit or remain less than one share after combination, cash will be issued according to Article 240 of the Company Act, calculated to the nearest dollar. The Chairman is authorized to find specific persons to purchase these shares at par value.
- III. Regarding the new stock issued for capital increase, the rights and obligations are the same as the originally issued common stock.
- IV. If the Company's capital changes before the capital increase base date, affecting the total number of outstanding shares and consequently changing the shareholders' stock distribution ratio, the Chairman is authorized to make full adjustments.
- V. The chairperson of the board of directors is authorized to handle matters not covered in this motion for capital increase due to changes in law or approval by the competent authorities.

Resolution:

(II) Amendments to the Articles of Incorporation, please review.

Second Proposal Proposed by the Board of Directors

Reason: Amendments to the Articles of Incorporation, please review.

Description: The comparison table of the amended Articles of Incorporation is as follows:

**Comparison Table of Amendments to the Articles of Incorporation**

Original Article	Amended Article	Reason for Amendment
Article 25: If the company has profits for the year, it shall allocate no less than <u>1%</u> for employee compensation and no more than <u>1%</u> for directors' and supervisors' compensation. The recipients of employee compensation may include employees of subsidiaries who meet certain conditions. Distribution of remuneration to employees and directors/supervisors shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, the Company should first make up for losses before allocating remuneration to employees and directors/supervisors in the proportion described above.	Article 25: If the company has profits for the year, it shall allocate no less than <u>2%</u> for employee compensation and no more than <u>2%</u> for directors' and supervisors' compensation. The recipients of employee compensation may include employees of subsidiaries who meet certain conditions. <u>Of the employee compensation amount, no less than 30% shall be distributed to entry-level employees.</u> Distribution of remuneration to employees and directors/supervisors shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, the Company should first make up for losses before allocating remuneration to employees and directors/supervisors in the proportion described above.	Adjustment of employee and director compensation ratios and specification of the allocation ratio for entry-level employees.
Article 28: These Articles of Incorporation were established on January 11, 1988, with the 1st amendment on June 1, 1989... the 25th amendment on May 23, 2024.	Article 28: These Articles of Incorporation were established on January 11, 1988, with the 1st amendment on June 1, 1989... the 25th amendment on May 23, 2024, <u>and the 26th amendment on May 22, 2025.</u>	

Resolution:

V. Extraordinary Motions

**[Extraordinary Motions]**

## [Appendix I]

### **Sunfon Construction Co., Ltd. – Articles of Incorporation**

#### **Chapter I General Rules**

- Article 1: The Company is organized in accordance with the Company Act and is named SUN FON CONSTRUCTION CO., LTD.
- Article 2: The Company's line of business is as follow:
1. H701010 Housing and Building Development and Rental.
  2. H701020 Industrial Factory Development and Rental.
  3. H701040 Specific Area Development.
  4. H701050 Investment, Development and Construction in Public Construction.
  5. H701060 New Towns, New Community Development.
  6. H701070 Process Zone Expropriation and Urban Land Readjustment Agency.
  7. H701080 Urban Renewal Reconstruction.
  8. H701090 Urban Renewal Renovation or Maintenance.
  9. H703090 Real Estate Commerce.
  10. H703100 Real Estate Leasing.
  11. H703110 Senior Citizen Residence.
  12. E801010 Indoor Decoration.
  13. F211010 Retail Sale of Building Materials.
  14. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1: The aggregate amount of all investments may exceed 40% of the Company's paid-in capital; guarantees may be made to others depending on the necessity of the business.
- Article 3: The Company's head office is located in Taipei City. Where necessary, an overseas branch may be set up by resolution of the board of directors.
- Article 4: Handled in accordance with Article 28 of the Company Act.

#### **Chapter II Shares**

- Article 5: The Company's capital is set at NT\$3 billion divided into 300 million shares with a par value of NT\$10 per share. Among these shares, unissued shares shall be issued by the board of directors in installments to satisfy its business

requirements.

- Article 6: Any shares bought back by the Company in accordance with the Company Act may be transferred to employees of parents or subsidiaries of the Company meeting certain specific requirements.  
Share subscription warrants may be issued to employees of parents or subsidiaries of the Company meeting certain specific requirements.  
The Company's new shares may be subscribed by employees of parents or subsidiaries of the Company meeting certain specific requirements.  
The Company's issuing of new restricted stock for employees includes the employees of parents or subsidiaries of the Company meeting certain specific requirements.
- Article 7: The Company's issued shares are exempted from printing any share certificate; however, they shall be registered with a centralized securities depository enterprise.
- Article 8: The transferring of shares shall cease within 60 days prior to the convening date of a regular shareholders meeting, or within 30 days prior to the convening date of a special shareholders meeting, or within 5 days prior to the base date fixed by the Company for distribution of dividends, bonuses or other benefits.
- Article 9: The Company complies with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies when it handles stock-related affairs of shareholders, except as otherwise provided by law or the competent authority of securities.

### **Chapter III Shareholders' Meeting**

- Article 10: The shareholders meeting is divided into regular meetings of shareholders and special meetings of shareholders. The general meeting shall be convened by the board of directors once a year within 6 months after the end of fiscal year. The special meeting is convened when necessary.
- Article 11: When a shareholder is not able to attend a shareholders meeting for any reason, they shall issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. In addition to provisions stipulated in Article 177 of the Company Act, related matters shall be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies" promulgated by the competent authorities.
- Article 12: Shareholders of the Company are entitled to one vote per share, except for the

Company's shares held by the Company and its subsidiaries pursuant to Article 179 of the Company Act.

Article 13: Unless otherwise specified in the Company Act, any resolution at a shareholders' meeting shall be adopted by a majority of the shareholders present, who represent more than half of the total number of the Company's outstanding shares, and shall be executed based on the majority of the voting rights of attending shareholders. According to the regulations of the competent authority, shareholders of the Company may also exercise their voting rights via electronic method, and shareholders exercising voting rights via electronic method shall be deemed to attend the meeting in person. Relevant matters shall be handled according to laws and regulations.

Article 14: A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date and no later than 15 days prior to the scheduled meeting date for a special meeting, with the date and place of meeting and cause for the meeting included in the notice.

A shareholders' meeting of the Company may be held by video conferencing or any other methods as announced by the central competent authority.

Article 15: Except as otherwise provided by the Company Act, the chairperson shall chair the shareholders meeting. In the event of absence of the chairperson for any reason, matters concerning the chairperson's proxy may be handled in accordance with the provisions stipulated in Article 208 of the Company Act. For a shareholders meeting convened by any person other than directors, they shall act as the chair of that meeting provided that if there are two or more persons having the convening right, the chair of the meeting shall be elected from among themselves.

Article 16: Resolutions adopted at a shareholders meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting and shall be distributed to all shareholders of the Company within 20 days after the close of the meeting. The preparation and distribution of the minutes of the shareholders' meeting may be effected by means of public announcement.

The minutes of the shareholders' meeting shall record the date and place of the meeting, the name of the chair, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept in the

Company.

#### **Chapter IV Directors and Audit Committee**

- Article 17: The Company has seven to nine directors. The number of directors is determined by the board of directors.  
The number of independent directors from the preceding paragraph regarding directors shall be at least three.  
The election of directors adopts the candidate nomination system stipulated in Article 192-1 of the Company Act. Matters relating to the acceptance method and announcement of director candidate nominations are handled in accordance with the Company Act and the Securities and Exchange Act. Independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. The term of office of a director shall not exceed three years; but they may be eligible for re-election.
- Article 17-1: The Company has set up an audit committee pursuant to Article 14-4 of the Securities and Exchange Act. The audit committee shall be made up by all independent directors. The audit committee or members of the audit committee are responsible for performing the duties of supervisors set out in the Company Act, the Securities and Exchange Act and other laws and regulations.
- Article 18: The Board of Directors is organized by the directors, who shall elect one person from among themselves as the Chairman by a majority vote of the directors present at a meeting attended by at least two-thirds of all directors. One Vice Chairman may also be elected in the same manner. They shall execute all affairs of the Company, and the Chairman shall represent the Company externally.
- Article 19: Except as otherwise provided by the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. Resolutions adopted at a board meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting and shall be distributed to all directors of the Company within 20 days after the close of the meeting. The meeting minutes shall record a summary of the essential points of the proceedings and the results of the meeting. The attendance list bearing the signatures of directors present at the meeting and the powers of attorney of the proxies shall be kept in the Company.  
When a director is not able to attend a board meeting for any reason, they

shall issue a written proxy. A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.

In case a meeting of the board of directors is proceeded via video conference, then the directors taking part in such a video conference meeting shall be deemed to have attended the meeting in person.

The convening of the board of directors may be effected by means of written, electronically transmitted or faxed notice to each director.

Article 20: In case the chairperson of the board of directors is on leave or absent or cannot exercise their power and authority for any reason, its proxy is handled pursuant to Article 208 of the Company Act.

Article 21: The remuneration of directors shall be based on the usual rate of the industry. The determination for remuneration is authorized to the board of directors.

Article 22: Deleted.

### **Chapter V Managerial Officers**

Article 23: The Company may have one president and several vice presidents and managerial officers. Their appointment and dismissal as well as remuneration are handled pursuant to Article 29 of the Company Act.

### **Chapter VI Accounting**

Article 24: At the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to supervisors for their auditing no later than 30 days prior to the meeting date of a general meeting of shareholders, and shall also submit it to the shareholders' meeting for ratification.

1. Business report
2. Financial statements
3. Earnings distribution or loss appropriation proposals

Article 25: If the company has profits for the year, it shall allocate no less than 1% for employee compensation and no more than 1% for directors' and supervisors' compensation. The recipients of employee compensation may include employees of subsidiaries who meet certain conditions. Distribution of remuneration to employees and directors/supervisors shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, the Company should first make up for losses before allocating remuneration to employees and directors/supervisors in the proportion described above.

Article 25-1: The Company shall first make up for accumulated losses using its profit for

the year, then set aside 10% as the legal reserve and allocate or reverse the special reserve as required by law. After adding the previous year's accumulated undistributed earnings to the remaining balance, 30% or more shall be allocated as shareholder dividends. However, the above rates for earnings distribution and cash dividends to shareholders are adjusted by resolution of the shareholders' meeting depending on the actual profit of the year and the Company's state of capital.

The cash dividends may not be less than 10% of the total dividends; however, if the cash dividends are less than NT\$0.1 per share or there is a plan for significant capital expenditure for the year, dividends may be distributed in the form of shares.

If the profit for the year is less than NT\$0.5 per share, dividends for shareholders pursuant to the preceding paragraph may be retained.

If there is a reduction in accumulated shareholders' equity from the previous year or incurred in the current year but there is not sufficient net income to provide for the reduction, a special reserve of the same amount should be set aside from the accumulated undistributed earnings of the previous year and deducted prior to the provision for distribution.

The motion for the above distribution of earnings is prepared by the Board of Directors and submitted to the shareholders' meeting for resolution.

## **Chapter VII Supplemental Provisions**

Article 26: Matters not covered in these Articles of Incorporation are handled in accordance with the Company Act.

Article 27: The Articles of Incorporation go into effect upon approval and registration by the competent authorities. The same shall apply to any amendments.

Article 28: The Articles of Incorporation were formulated on January 11, 1988; the 1st amendments were made on June 1, 1989; the 2nd amendments were made on July 18, 1989; the 3rd amendments were made on June 20, 1990; the 4th amendments were made on July 23, 1990; the 5th amendments were made on June 20, 1991; the 6th amendments were made on June 10, 1992; the 7th amendments were made on June 2, 1994; the 8th amendments were made on April 7, 1995; the 9th amendments were made on May 29, 1996; the 10th amendments were made on May 2, 1997; the 11th amendments were made on June 4, 1998; the 12th amendments were made on April 29, 2000; the 13th amendments were made on May 30, 2002; the 14th amendments were made on May 30, 2003; the 15th amendments were made on June 14, 2006; the 16th

amendments were made on June 9, 2010; the 17th amendments were made on June 15, 2012; the 18th amendments were made on June 21, 2013; the 19th amendments were made on June 4, 2014; the 20th amendments were made on May 27, 2016; the 21st amendments were made on May 29, 2018; the 22nd amendments were made on May 28, 2020; the 23rd amendments were made on July 23, 2021; the 24th amendments were made on May 26, 2022; and the 25th amendments were made on May 23, 2024.

## [Appendix II]

### **Sunfon Construction Co., Ltd. – Rules of Procedure for Shareholders' Meetings**

- I. The Rules of Procedure for the Company's shareholders' meetings, except as otherwise provided by law or regulation, shall be as provided in these Rules. Changes to the method of convening shareholders' meetings shall be resolved by the Board of Directors and made at the latest before the dispatch of the meeting notice.
- When the Company convenes a virtual shareholders' meeting, the following items shall be specified in the meeting notice:
1. Methods for shareholders to participate in the virtual meeting and exercise their rights.
  2. Handling procedures in the event that the virtual meeting platform or participation by video conferencing is hindered due to natural disasters, contingencies, or other force majeure events.
- II. The registration time for shareholders should begin at least thirty minutes before the meeting starts. For shareholders' meetings held via video conferencing, registration should be accepted on the virtual meeting platform thirty minutes before the meeting begins. Shareholders who complete registration are considered to be personally present at the shareholders' meeting. The Company shall, at least thirty minutes before the meeting begins, upload the number of attendees by written or electronic means, the meeting handbook, annual report, and supplementary meeting materials to the virtual shareholders' meeting platform, and continue to disclose them until the end of the meeting.
- The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. For shareholders' meetings held via video conferencing, shareholders wishing to attend by video conferencing shall register with the Company two days before the shareholders' meeting.
- The number of shares in attendance shall be calculated based on the submitted attendance cards, the number of registrations on the video conference platform, plus

the number of shares exercising voting rights by written or electronic means.

- III. Attendance and voting at shareholders' meetings shall be calculated based on numbers of shares. Shareholders may issue a proxy form printed by the Company for each shareholders' meeting, stating the scope of authorization to appoint a proxy to attend the shareholders' meeting.

Each shareholder shall issue only one proxy form and appoint only one person as proxy. The proxy form shall be delivered to the Company five days before the shareholders' meeting. When duplicate proxy forms are received, the one received earliest shall prevail. However, this does not apply when a declaration is made to revoke the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder wishes to attend the shareholders' meeting in person or by video conferencing, or to exercise voting rights by written or electronic means, a written notice of proxy cancellation shall be submitted to the Company two days before the meeting. If the cancellation is made after this deadline, in cases where both written or electronic voting rights are exercised and a proxy is appointed to attend the shareholders' meeting, the voting rights exercised by the proxy shall prevail.

- IV. The venue for a shareholders meeting shall be on the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

When the Company convenes a virtual shareholders' meeting, it is not subject to the meeting location restrictions in the preceding paragraph.

- V. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson, or, if there is no vice chairperson or the vice chairperson is also on leave or for any reason is unable to act, by a managing director designated by the chairperson, or, if there is no managing director, by a director designated thereby, or, if the chairperson does not make such a designation, by a managing director or director elected by and from among the directors.

If a shareholders' meeting is convened by a party with power to convene 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.

- VI. The Company may appoint its attorneys, certified public accountants, or related persons it retains to attend a shareholders' meeting in a non-voting capacity.

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

- VII. The Company shall make an audio and video recording of the entire shareholders' meeting and the recorded materials shall be retained for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the records shall be preserved until the conclusion of the litigation.

When the Company holds a shareholders' meeting via video conferencing, it shall record and preserve data concerning shareholder registration, sign-in, check-in, questions raised, votes cast, and company vote counting results. The Company shall also make an uninterrupted audio and video recording of the entire virtual meeting and properly preserve it throughout the duration of the Company's existence.

- VIII. The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and the number of shares represented by shareholders attending the meeting. 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 1 hour, may be made. If after two postponements the number of shareholders present still does not constitute a quorum but represents one-third or more of the total number of issued shares, the chairperson shall announce the adjournment of the meeting. In the case of a shareholders' meeting held via video conferencing, the Company shall also announce the adjournment on the virtual shareholders' meeting platform.

When, after two postponements as referred to in the preceding paragraph, the number of shareholders present still does not constitute a quorum but represents one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act. All shareholders shall be notified of the tentative resolution, and another shareholders' meeting shall be convened within one month. For shareholders' meetings held via video conferencing, shareholders wishing to attend by video conferencing shall re-register with the Company in accordance with Point 2.

When, prior to conclusion of the meeting, the attending shareholders represent a

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

- IX. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the power to convene other than 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. After the said meeting is adjourned, shareholders may not elect another chair to hold another meeting at the same place or at any other place. During the session of a shareholders' meeting, if the chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chair may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.

- X. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, their 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.

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.

- XI. 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.
- XII. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the shareholders' meeting.
- 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.
- XIII. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- For shareholders' meetings held via video conference, shareholders participating through video may submit questions in text format on the video conference platform after the chairperson announces the commencement of the meeting and before the announcement of adjournment. Questions for each agenda item are limited to two submissions with a maximum of 200 characters each.
- XIV. 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.
- XV. 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 the Company. The voting results shall be announced on-site immediately, and a record shall be made of the vote. The announcement of the voting results of an election shall include the names of those elected and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.
- For shareholders' meetings held via video conference, vote counting shall be conducted once after the chairperson announces the end of voting. The voting and election results for each proposal shall be announced and immediately disclosed on the shareholders' meeting video conference platform.
- XVI. When a meeting is in progress, the chair may announce a break based on time considerations.
- XVII. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. If there is no objection by any shareholders present following an inquiry by the chair, the proposal shall be deemed passed with the same effect as a poll.

A shareholder shall be entitled to one vote for each share held, except for shares held by the Company under the Company Act.

- XXVIII. 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 any of the proposals is passed, the other proposals will be deemed rejected, and no further voting shall be required.
- XIX. The chair may direct proctors (or security personnel) to help maintain order at the meeting place. When proctors (security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word “Proctor.”
- XX. All matters not provided in these Rules are handled in accordance with the Company Act and the Company’s Articles of Incorporation.
- XXI. 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.
- XXII. These Rules were established on June 20, 1990, with the first amendment on May 29, 1999, the second amendment on May 30, 2002, the third amendment on July 23, 2021, and the fourth amendment on May 23, 2024.

## [Appendix III]

### Sunfon Construction Co., Ltd. – Rules of Procedure for Board of Directors Meetings

Article 1 (Basis for the adoption of these Rules)

To establish a strong governance system and sound supervisory capabilities for the Company’s board of directors and to strengthen management capabilities, these Rules are adopted pursuant to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Article 2 (Scope of these Rules)

With respect to the board of directors meetings (“board meetings”) of the Company, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.

Article 3 (Convening and notice of board meetings)

The board of directors shall meet at least once every quarter.

A notice of the reasons for convening a board meeting shall be given to each director 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called at shorter notice.

All matters set out in the subparagraphs of Paragraph 1 of Article 12 of these Rules shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extraordinary motion.

The convening of the board of directors may be effected by means of written, electronically transmitted or faxed notice to each director.

Article 4 (Meeting notification and meeting materials)

The designated unit responsible for the board meetings of the Company shall be the Finance Department.

The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.

A director who is of the opinion that the meeting materials provided are insufficient may request supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such a proposal may be postponed by a resolution from the board of directors.

- Article 5 (Preparation of attendance book and other documents and attendance by proxy)  
When a board meeting is held, an attendance book shall be provided for sign-in by attending directors, which shall be made available for future reference.  
Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in their place in accordance with the Company's Articles of Incorporation. Attendance by video conference will be deemed attendance in person.  
A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.  
The proxy referred to in Paragraph 2 may be the appointed proxy of only one person.
- Article 6 (Principles for determining the place and time of a board meeting)  
A board meeting shall be held at the premises and during the business hours of the Company, or at a place and time convenient for all directors to attend and suitable for holding board meetings.
- Article 7 (Chair and acting chair of a board meeting)  
Board meetings shall be convened and chaired by the chairman of the board. However, where the first meeting of each newly elected board of directors is convened by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.  
Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, Paragraph 4 or Article 203-1, Paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.  
When the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson; or, if there is no vice chairperson or the vice chairperson is also on leave or for any reason is unable to act, by a managing director designated by the chairperson; or, if there is no managing director, by a director designated thereby; or, if the chairperson does not make such a designation, by a managing director or director elected by and from among the directors.

Article 8 (Reference materials, non-voting participants, and holding board meetings)  
When a board meeting is held, the designated unit responsible for the board meetings shall furnish the attending directors with relevant materials for ready reference.

As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals may also be invited to attend the meeting as non-voting participants and to make explanatory statements. However, they shall leave the meeting when deliberation or voting takes place.

The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.

If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair may reconvene the meeting in accordance with the procedures in Article 3, Paragraph 2.

The number of “all directors” as used in the preceding paragraph and in Article 16, Paragraph 2, Subparagraph 2 shall be counted as the number of directors actually in office.

Article 9 (Recording of a board meeting by audio or video)

Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recordings shall be retained for a minimum of 5 years. The record may be retained in electronic form.

If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.

Where a board meeting is held by video conference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the Company.

Article 10 (Agenda items)

Agenda items for regular board meetings of the Company shall include at least the following:

1. Report Items:

(1) Minutes of the last meeting and actions taken.

- (2) Important financial and business matters.
- (3) Internal audit activities.
- (4) Other important matters to be reported.

2. Discussion Items:

- (1) Items for continued discussion from the last meeting.
- (2) Items for discussion at this meeting.

3. Extraordinary Motions.

Article 11

(Discussion of proposals)

Board meetings of the Company shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

At any time during the course of a board meeting, if the number of directors present at the meeting does not constitute a majority of the attending directors, then upon the motion by a director present at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, Paragraph 4 shall apply *mutatis mutandis*.

Article 12

(Matters requiring discussion at a board meeting)

The matters listed below as they relate to Company shall be raised for discussion at a board meeting:

1. The Company's business plan.
2. Annual financial report and financial report for the second quarter audited and attested by a certified public account (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. If the board of directors have no managing directors, the election or discharge of the chairman of the board.

7. The appointment or discharge of a financial, accounting, or chief internal auditor.
8. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
9. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or the Articles of Incorporation, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

The term “related party” in Subparagraph 8 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term “major donation to a non-related party” means an individual donation, or cumulative donations within a 1-year period to a single recipient, with an amount of NT\$100 million or more, or with an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term “within a 1-year period” in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10 per share, 2.5 percent of shareholders’ equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under Paragraph 2.

At least one independent director must personally attend the Board of Directors' meeting. For matters requiring Board of Directors' resolution as mentioned in Paragraph 1, all independent directors shall attend the Board of Directors' meeting. If an independent director is unable to attend in person, they shall appoint another independent director to attend on their behalf. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 13 (Voting – I)

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.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

“Attending directors” as used in the preceding paragraph does not include directors that may not exercise voting rights pursuant to Article 15, Paragraph 1. One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote.
3. A vote by ballot.

Article 14 (Voting – II and methods for vote monitoring and counting)

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

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 any of the proposals is passed, the other proposals will be deemed rejected, and no further voting shall be required.

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, provided that all monitoring personnel shall be directors. The voting results shall be announced on-site immediately, and a record shall be made of the vote.

Article 15 (Recusal system of directors)

If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate

in discussion or voting on that agenda item, and further shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item, such director shall be deemed to be an interested party with respect to that agenda item.

Where a director is prohibited by the regulations from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, Paragraph 2 of the Company Act shall apply mutatis mutandis in accordance with Article 206, Paragraph 4 of the same Act.

#### Article 16

(Meeting minutes and sign-in matters)

Discussions at a board meeting of the Company shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The session (or year), time, and place of the meeting.
2. The name of the chair.
3. The attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in Paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under Article 12, Paragraph 4.
8. Extraordinary motions: the name of the proposer, method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in Paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director

was required or not required to enter recusal, and the status of their recusal; and opinions expressing objections or reservations at the meeting that were included in records or stated in writing.

9. Any other matters that require reporting.

Any matter in relation to a resolution passed at a meeting of the board of directors to which an independent director expresses an objection or reservation that has been included in records or stated in writing; or, if the Company has an audit committee, any matter that has not been passed by the audit committee, but has been adopted with the approval of two-thirds or more of all board directors, besides stating these matters in the meeting minutes, they shall also be published on the Market Observation Post System designated by the competent authority within two days.

The attendance book forms a part of the minutes for each board of directors meeting and shall be well preserved during the existence of the Company.

The minutes of a board of directors meeting shall bear the signature or seal of both the meeting chair and the minutes taker; a copy of the minutes shall be distributed to each director within 20 days after the meeting. The minutes of a board of directors meeting shall be well preserved as important company records during the existence of the Company.

The production and distribution of the meeting minutes referred to in Paragraph 1 may be done in electronic form.

Article 17 (Principles with respect to the delegation of powers by the board)

Aside from the matters referred to in Paragraph 1 of Article 12, which are required to be submitted for discussion by the board of directors, when the board of directors authorizes the chairperson to exercise their powers pursuant to laws or regulations or the Company's Articles of Incorporation, matters such as the level and substance of the delegation shall be set out as follows:

1. Approval of important contracts.
2. Approval of real estate mortgage loans and other loans.
3. Approval of the Company's general assets and real estate purchase and disposition.
4. Appointment of directors of the investment company.
5. Approval of the base dates for capital increase or capital reduction as well as cash dividends distribution.

Article 18 (Supplementary provisions)

1. These Rules of Procedure shall be adopted by the approval of the meeting of the board of directors and shall be reported to the shareholders' meeting.
2. These Rules of Procedures were formulated on March 23, 2007; the 1st amendments were made on March 21, 2008; the 2nd amendments were made on March 17, 2010; the 3rd amendments were made on June 21, 2013; the 4th amendments were made on November 8, 2017; the 5th amendments were made on March 9, 2021; and the 6th amendments were made on November 8, 2022.

(IV) Director Shareholding Information

**[Appendix IV]**

**Director Shareholding Information**

**(I) Minimum Shareholding Required for All Directors and Details of Shareholding of All Directors Recorded on the Shareholders' Roster**

Title	Number of shares to be held	Number of shares as recorded in the shareholders register
Director	12,000,000 shares	34,144,042 shares

Note: Book Closure Date: March 24, 2025

**(II) Details of shares held by directors**

Title	Name	Number of shares held as recorded in the shareholders register	Ratio
Chairperson	Don Tai Development Co., Ltd. Representative: Hung, Min-Fu	14,700,504	6.47%
Director	Jin Sha Cultural and Educational Foundation, Representative: Hung, I-Ching	1,456,711	0.64%
Director	You Li Investment Co., Ltd. Representative: Lin, I-Wei	15,288,109	6.73%
Director	Hong Ding Investment Co., Ltd., Representative: Chen, Te-Feng	2,698,718	1.18%
Independ	Yen, Kuo-Lung	0	0%
Independ	Ke, Pai-Ling	0	0%
Independ	Wu, Chen-Chi	0	0%

Note: Book Closure Date: March 24, 2025

# [Appendix V]

## English Translation of Auditors' Report Originally Issued in Chinese

### **Report of Independent Auditors**

To SUNFON CONSTRUCTION CO., LTD.

### **Opinion**

We have audited the accompanying consolidated balance sheets of Sunfon Construction Co., Ltd. (the “Company”) and its subsidiaries (collectively the “Group”) as of December 31, 2024, and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024, and 2023, and notes to the consolidated financial statements (including the summary of significant accounting policies).

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly in all material respects, the financial position of the Group as of December 31, 2024 and 2023, and financial performance and its cash flows for the years ended December 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

### **Basis for Opinions**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, 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 judgment, were of most significance in our audit of 2024 consolidated financial statements. 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.

### Recognition of income from sales of real estate

The Group recognized operating income in the amount of NTD 684,936 thousand for the year ended December 31, 2024. Its main operating income was from the sales of real estate. Due to the large number of counterparties in real estate transactions, we consider that the correct timing of income recognition is material to the consolidated financial statements. Therefore, it was determined to be one of the key audit matters for the year ended December 31, 2024.

Our audit procedures include (but are not limited to) understanding, evaluating and testing the effectiveness of internal controls related to the income from the sales of real estate, including testing the controls where the sales staff review the contract and relevant purchase and sale elements, and when performing substantive procedures at the end of the period, checking the contract of the sale and purchase of real estate and reviewing the ownership transfer registration documents of land and houses, hand over bills of the house and checking the payment collection records to confirm the time when the performance obligations are met; in addition, we will review whether there are any restrictive clauses in the contract of the sale and purchase of real estate to confirm the correctness of the timing of revenue recognition.

The accountant has considered the disclosure appropriateness of the operating income of the Group in Notes 4 and 6 to the consolidated financial statements.

### Valuation of Inventories

The Group mainly engages in the construction of residential and commercial buildings. The inventories of the Group consist principally of land held for construction site, construction in progress, and land and buildings held for sale. As of December 31, 2024, the net inventories amounted to NTD 3,403,713 thousand, accounting for 57% of the consolidated total assets and was considered material to the consolidated financial statements. In addition, the real estate market is subject to influences such as politics, general economy, market prospect, and property tax system reforms, which added to the difficulties and risks in management's assessment over the value of the inventories. As the valuation of inventories had significant impact on the consolidated financial statements, we considered this a key audit matter.

For the valuation of inventories, we have conducted audit procedures including but not limited to obtaining the appraisal reports concerning net realizable value of inventories, projected profit-and-loss statement, and analysis of the land development, to evaluate and test the reasonableness of net realizable value estimated by management. In addition, we analyzed the report based on the industry development trends and also inquired the most recent closing prices and transaction prices of similar construction projects in nearby areas (including public information from the Ministry of Interior and real estate agents), in order to evaluate whether declines in inventory value did occur.

The accountant has considered the disclosure appropriateness of the inventory valuation of the Group in Notes 5 and 6 to the consolidated financial statements.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Group, 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 audit committee, are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with the Standards on Auditing of 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 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 internal control of the Group.
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 ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause 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 accompanying notes, 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 Company and its subsidiaries to express an 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 and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

(V) Financial statements

## [Appendix V]

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 the consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have audited and expressed unqualified opinions in the parent company only financial statements of the Company for the years ended December 31, 2024 and 2023.

Chang Chiao-Ying

Wang Yahn-Jyun

Ernst & Young, Taiwan  
February 26, 2025

Taipei, Taiwan  
Republic of China

### Notice to Readers

The accompanying consolidated financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English translation of consolidated financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheet

December 31, 2024 and December 31, 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2024		December 31, 2023		Liabilities and Equity		December 31, 2024		December 31, 2023	
Accounts	Notes	Amount	%	Amount	%	Accounts	Notes	Amount	%	Amount	%
<b>Current assets</b>						<b>Current liabilities</b>					
Cash and cash equivalents	4, 6, 9	\$372,261	7	\$454,551	9	Short-term loans	4, 6, 8	\$1,541,876	26	\$951,521	18
Current tax assets	4	37	-	126	-	Short-term notes and bills payable, net	4, 8	150,000	3	100,000	2
Inventory	4, 5, 6, 8, 9	3,403,713	57	2,983,394	55	Current contract liabilities	4, 6	970,140	16	1,257,139	24
Prepayments		45,884	1	19,900	-	Notes payable		47,279	1	97,396	2
Other current assets	6, 9	673,118	11	643,140	12	Accounts payable		89,154	1	55,317	1
Current assets recognised as incremental costs to obtain contract with customers	4, 6	206,892	3	171,306	3	Other payables		17,850	-	16,585	-
<b>Total current assets</b>		<b>4,701,905</b>	<b>79</b>	<b>4,272,417</b>	<b>79</b>	Current tax liabilities	4	35,089	1	21,420	-
						Other current liabilities - others		4,041	-	6,507	-
						<b>Total current liabilities</b>		<b>2,855,429</b>	<b>48</b>	<b>2,505,885</b>	<b>47</b>
<b>Non-current assets</b>						<b>Non-current liabilities</b>					
Financial assets at fair value through other comprehensive income, non-current	4, 6, 8	899,691	15	759,574	14	Net defined benefit liabilities, non-current	4, 6	3,803	-	3,173	-
Property, plant and equipment	4, 6, 8	43,086	1	43,650	1	Other non-current liabilities - others		605	-	605	-
Investment property, net	4, 5, 6, 8	288,727	5	290,306	5	<b>Total non-current liabilities</b>		<b>4,408</b>	<b>-</b>	<b>3,778</b>	<b>-</b>
Intangible assets	4, 6	506	-	740	-	<b>Total liabilities</b>		<b>2,859,837</b>	<b>48</b>	<b>2,509,663</b>	<b>47</b>
Deferred tax assets	4	715	-	715	-						
Other non-current assets		24,009	-	25,940	1						
Net defined benefit assets, non-current	4, 6	4,380	-	-	-						
<b>Total non-current assets</b>		<b>1,261,114</b>	<b>21</b>	<b>1,120,925</b>	<b>21</b>	<b>Equity attributable to the parent company</b>					
						<b>Share capital</b>					
						Ordinary share	4, 6	2,270,368	38	2,162,255	40
						<b>Additional paid-in capital</b>	6	1,346	-	1,346	-
						<b>Retained earnings</b>	6				
						Legal reserve		371,964	6	361,416	7
						Special reserve		9,733	-	9,733	-
						Unappropriated earnings		100,990	2	131,297	2
						<b>Total retained earnings</b>		<b>482,687</b>	<b>8</b>	<b>502,446</b>	<b>9</b>
						<b>Other equity</b>		<b>372,173</b>	<b>6</b>	<b>241,000</b>	<b>4</b>
						<b>Treasury stock</b>	4, 6	<b>(23,395)</b>	<b>-</b>	<b>(23,395)</b>	<b>-</b>
						<b>Total equity attributable to owners of parent</b>		<b>3,103,179</b>	<b>52</b>	<b>2,883,652</b>	<b>53</b>
						<b>Non-controlling interest</b>	4, 6	<b>3</b>	<b>-</b>	<b>27</b>	<b>-</b>
						<b>Total equity</b>		<b>3,103,182</b>	<b>52</b>	<b>2,883,679</b>	<b>53</b>
<b>Total assets</b>		<b>\$5,963,019</b>	<b>100</b>	<b>\$5,393,342</b>	<b>100</b>	<b>Total liabilities and equity</b>		<b>\$5,963,019</b>	<b>100</b>	<b>\$5,393,342</b>	<b>100</b>

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

English translation of consolidated financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD. AND SUBSIDIARIES  
Consolidated Statements of Comprehensive Income  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	For the years ended			
		December 31, 2024	%	December 31, 2023	%
<b>Operating revenues</b>	4, 6	\$684,936	100	\$478,477	100
<b>Operating costs</b>	4, 6	(522,184)	(76)	(380,978)	(80)
<b>Gross profit</b>		162,752	24	97,499	20
<b>Operating expenses</b>	6				
Selling and marketing expenses		(5,812)	(1)	(13,767)	(3)
Administrative expenses		(61,374)	(9)	(50,083)	(10)
<b>Total operating expenses</b>		(67,186)	(10)	(63,850)	(13)
<b>Operating income</b>		95,566	14	33,649	7
<b>Non-operating income and expenses</b>	4, 6				
Interest income		7,770	1	4,967	1
Other income		21,971	3	14,658	3
Other gains and losses, net		(1,622)	-	(586)	-
Finance costs, net		(3,034)	-	(1,845)	-
<b>Total non-operating income and expenses</b>		25,085	4	17,194	4
<b>Profit from continuing operations before income tax</b>		120,651	18	50,843	11
<b>Income tax expense</b>	4, 5, 6	(35,816)	(6)	(21,927)	(5)
<b>Net profit</b>		84,835	12	28,916	6
<b>Other comprehensive income</b>	4, 6				
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurements of defined benefit plans		3,495	1	(398)	-
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income		131,173	19	131,376	27
<b>Total other comprehensive income</b>		134,668	20	130,978	27
<b>Total comprehensive income</b>		\$219,503	32	\$159,894	33
<b>Net profit attributable to:</b>					
Owners of the parent company		\$84,859		\$28,935	
Non-controlling interests		(24)		(19)	
		\$84,835		\$28,916	
<b>Total comprehensive income attributable to:</b>					
Owners of the parent company		\$219,527		\$159,913	
Non-controlling interests		(24)		(19)	
		\$219,503		\$159,894	
<b>Earnings per share (in dollars)</b>	6				
Basic earnings per share					
Net profit		\$0.39		\$0.13	
Diluted earnings per share	6				
Net profit		\$0.39		\$0.13	

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

English translation of consolidated financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD. AND SUBSIDIARIES  
Consolidated Statements of Changes in Equity  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Item	Equity attributable to owners of parent							Non-controlling interests	Total equity	
	Share capital	Capital surplus	Retained earnings			Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Treasury stock			Total
			Legal reserve	Special reserve	Unappropriated retained earnings					
Balance as of January 1, 2023	\$2,162,255	\$1,346	\$358,822	\$9,733	\$28,408	\$186,575	\$(23,393)	\$2,723,746	\$39	\$2,723,785
Appropriation and distribution of 2022 retained earnings :										
Legal reserve appropriated	-	-	2,594	-	(2,594)	-	-	-	-	-
Net income for 2023	-	-	-	-	28,935	-	-	28,935	(19)	28,916
Other comprehensive income for 2023	-	-	-	-	(398)	131,376	-	130,978	-	130,978
Total comprehensive income for 2023	-	-	-	-	28,537	131,376	-	159,913	(19)	159,894
Changes in ownership interests in subsidiaries	-	-	-	-	(5)	-	(2)	(7)	7	-
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	76,951	(76,951)	-	-	-	-
Balance as of December 31, 2023	2,162,255	1,346	361,416	9,733	131,297	241,000	(23,395)	2,883,652	27	2,883,679
Appropriation and distribution of 2023 retained earnings :										
Legal reserve appropriated	-	-	10,548	-	(10,548)	-	-	-	-	-
Stock dividends of ordinary share	108,113	-	-	-	(108,113)	-	-	-	-	-
Net income for 2024	-	-	-	-	84,859	-	-	84,859	(24)	84,835
Other comprehensive income for 2024	-	-	-	-	3,495	131,173	-	134,668	-	134,668
Total comprehensive income for 2024	-	-	-	-	88,354	131,173	-	219,527	(24)	219,503
Balance as of December 31, 2024	\$2,270,368	\$1,346	\$371,964	\$9,733	\$100,990	\$372,173	\$(23,395)	\$3,103,179	\$3	\$3,103,182

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

English translation of consolidated financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Item	For the years ended	
	December 31, 2024	December 31, 2023
Cash flows used in operating activities :		
Net profit before tax	\$120,651	\$50,843
Adjustments :		
Income and expenses		
Depreciation expense	2,143	2,117
Amortization expense	234	186
Interest expense	3,034	1,845
Interest revenue	(7,770)	(4,967)
Dividend revenue	(19,761)	(11,928)
Changes in operating assets and liabilities :		
Increase in inventories	(390,585)	(527,201)
Increase in prepayments	(25,984)	(14,614)
Increase in other current assets	(29,991)	(61,185)
Increase in current assets recognised as incremental costs to obtain contract with customers	(35,586)	(6,605)
Increase in net defined benefit assets	(254)	-
(Decrease) increase in contract liabilities	(286,999)	210,066
(Decrease) increase in notes payables	(50,117)	79,239
Increase in accounts payables	33,837	31,878
Increase in other payables	966	5,076
(Decrease) increase in other current liabilities, others	(2,466)	2,344
Decrease in net defined benefit liabilities, non-current	(1)	(2,319)
Cash outflow generated from operations	(688,649)	(245,225)
Interest received	7,783	5,002
Income tax paid	(22,058)	(522)
Net cash flows used in operating activities	(702,924)	(240,745)
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(8,944)	(1,579)
Disposal of financial assets at fair value through other comprehensive income	-	181,617
Acquisition of property, plant and equipment	-	(343)
Acquisition of intangible assets	-	(571)
Decrease (increase) in other non-current assets	1,931	(15,095)
Dividend received	19,761	11,928
Net cash flows from investing activities	12,748	175,957
Cash flows from financing activities :		
Increase in short-term loans	952,342	381,230
Decrease in short-term loans	(361,987)	(224,300)
Increase in short-term notes and bills payable	640,000	70,000
Decrease in short-term notes and bills payable	(590,000)	-
Decrease in other non-current liabilities, other	-	(151)
Interest paid (including capitalized interests)	(32,469)	(21,103)
Net cash flows from financing activities	607,886	205,676
Net (decrease) increase in cash and cash equivalents	(82,290)	140,888
Cash and cash equivalents at beginning of period	454,551	313,663
Cash and cash equivalents at end of period	\$372,261	\$454,551

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

English Translation of Auditors' Report Originally Issued in Chinese

**Report of Independent Auditors**

To SUNFON CONSTRUCTION CO., LTD.

**Opinion**

We have audited the accompanying parent only balance sheets of Sunfon Construction Co., Ltd. (the "Company") as of December 31, 2024, and 2023, and the related parent only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2024, and 2023, and notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion, based on our audits, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and financial performance and its cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

**Basis for Opinions**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, 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 judgment, were of most significance in our audit of 2024 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Recognition of income from sales of real estate

The Company recognized operating income in the amount of NTD 685,056 thousand for the year ended December 31, 2024. Its main operating income was from the sales of real estate. Due to the large number of counterparties in real estate transactions, we consider that the correct timing of income recognition is material to parent company only financial statements. Therefore, it was determined to be one of the key audit matters for the year ended December 31, 2024.

Our audit procedures include (but are not limited to) understanding, evaluating and testing the effectiveness of internal controls related to the income from the sales of real estate, including testing the controls where the sales staff review the contract and relevant purchase and sale elements, and when performing substantive procedures at the end of the period, checking the contract of the sale and purchase of real estate and reviewing the ownership transfer registration documents of land and houses, hand over bills of the house and checking the payment collection records to confirm the time when the performance obligations are met; in addition, we will review whether there are any restrictive clauses in the contract of the sale and purchase of real estate to confirm the correctness of the timing of revenue recognition.

The accountant has considered the disclosure appropriateness of the operating income of the Company in Notes 4 and 6 to the parent company only financial statements.

### Valuation of Inventories

The Company mainly engages in the construction of residential and commercial buildings. The inventories of Company consist principally of land held for construction site, construction in progress, and land and buildings held for sale. As of December 31, 2024, the net inventories amounted to NTD 3,734,613 thousand, accounting for 61% of the parent company's total assets and was considered material to the parent company only financial statements. In addition, the real estate market is subject to influences such as politics, general economy, market prospect, and property tax system reforms, which added to the difficulties and risks in management's assessment over the value of the inventories. As the valuation of inventories had significant impact on the parent company only financial statements, we considered this a key audit matter.

For the valuation of inventories, we have conducted audit procedures including but not limited to obtaining the appraisal reports concerning net realizable value of inventories, projected profit-and-loss statement, and analysis of the land development, to evaluate and test the reasonableness of net realizable value estimated by management. In addition, we analyzed the report based on the industry development trends and also inquired the most recent closing prices and transaction prices of similar construction projects in nearby areas (including public information from the Ministry of Interior and real estate agents), in order to evaluate the reasonableness of allowance for inventory price decline.

The accountant has considered the disclosure appropriateness of the inventory valuation of the Company in Notes 5 and 6 to the parent company only financial statements.

### **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 requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, 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 audit committee, are responsible for overseeing the financial reporting process of the Company.

### **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of 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 Standards on Auditing of 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 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 internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2024 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chang Chiao-Ying

Wang Yahn-Jyun

Ernst & Young, Taiwan

February 26, 2025

Taipei, Taiwan

Republic of China

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English translation of parent company only financial statements originally issued in Chinese

SUNFON CONSTRUCTION CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2024 and December 31, 2023  
(Expressed in Thousands of New Taiwan Dollars)

	Notes	December 31, 2024		December 31, 2023			Notes	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets</b>						<b>Current liabilities</b>					
Cash and cash equivalents	4, 6, 9	\$219,117	4	\$408,765	8	Short-term loans	4, 6, 8	\$1,453,876	24	\$893,521	17
Current tax assets	4	-	-	100	-	Short-term notes and bills payable, net	4, 8	90,000	1	40,000	1
Inventory	4, 5, 6, 8, 9	3,734,613	61	2,892,387	55	Contract liabilities, current	4, 6	970,140	16	1,257,139	24
Prepayments		41,400	1	7,462	-	Notes payable		5,920	-	7,706	-
Other current assets	6, 9	671,283	11	643,133	12	Accounts payable		1,513	-	7,450	-
Current assets recognised as incremental costs to obtain contract with customer	4, 6	206,892	3	171,306	3	Accounts payable - related parties	7	398,949	7	138,400	3
<b>Total current assets</b>		<b>4,873,305</b>	<b>80</b>	<b>4,123,153</b>	<b>78</b>	Other payables		12,039	-	11,839	-
						Current tax liabilities	4	35,089	1	21,420	-
						Other current liabilities - others		3,827	-	6,352	-
						<b>Total current liabilities</b>		<b>2,971,353</b>	<b>49</b>	<b>2,383,827</b>	<b>45</b>
<b>Non-current assets</b>						<b>Non-current liabilities</b>					
Financial assets at fair value through other comprehensive income, non-current	4, 6, 8	899,691	15	759,574	14	Investments accounted for using the equity method in credit	4, 6	623	-	-	-
Investments accounted for using equity method	4, 6	-	-	82,107	2	Other non-current liabilities - others		342	-	342	-
Property, plant and equipment	4, 6, 8	42,851	1	43,347	1	<b>Total non-current liabilities</b>		<b>965</b>	<b>-</b>	<b>342</b>	<b>-</b>
Investment property, net	4, 5, 6, 8	231,374	4	232,652	4						
Intangible assets	4, 6	116	-	235	1	<b>Total liabilities</b>		<b>2,972,318</b>	<b>49</b>	<b>2,384,169</b>	<b>45</b>
Other non-current assets		23,780	-	25,841	-						
Net defined benefit assets, non-current	4, 6	4,380	-	912	-	<b>Equity</b>					
<b>Total non-current assets</b>		<b>1,202,192</b>	<b>20</b>	<b>1,144,668</b>	<b>22</b>	<b>Share capital</b>					
						Ordinary shares	4, 6	2,270,368	37	2,162,255	41
						<b>Additional paid in capital</b>	6	1,346	-	1,346	-
						<b>Retained earnings</b>	6				
						Legal reserve		371,964	6	361,416	7
						Special reserve		9,733	-	9,733	-
						Unappropriated earnings		100,990	2	131,297	2
						<b>Total retained earnings</b>		<b>482,687</b>	<b>8</b>	<b>502,446</b>	<b>9</b>
						<b>Other equity</b>		<b>372,173</b>	<b>6</b>	<b>241,000</b>	<b>5</b>
						<b>Treasury stock</b>	4, 6	<b>(23,395)</b>	<b>-</b>	<b>(23,395)</b>	<b>-</b>
						<b>Total equity</b>		<b>3,103,179</b>	<b>51</b>	<b>2,883,652</b>	<b>55</b>
<b>Total assets</b>		<b>\$6,075,497</b>	<b>100</b>	<b>\$5,267,821</b>	<b>100</b>	<b>Total liabilities and equity</b>		<b>\$6,075,497</b>	<b>100</b>	<b>\$5,267,821</b>	<b>100</b>

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

English translation of parent company only financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended Decemebrr 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	For the years ended			
		December 31,2024	%	December 31,2023	%
<b>Operating revenues</b>	4, 5, 6	\$685,056	100	\$478,597	100
<b>Operating costs</b>	4, 6	(453,108)	(66)	(327,783)	(68)
<b>Gross profit</b>		231,948	34	150,814	32
<b>Operating expenses</b>	6				
Selling and marketing expenses		(5,812)	(1)	(13,767)	(3)
Administrative expenses		(48,725)	(7)	(37,199)	(8)
<b>Total operating expenses</b>		(54,537)	(8)	(50,966)	(11)
<b>Operating income</b>		177,411	26	99,848	21
<b>Non-operating income and expenses</b>	4, 6				
Interest income		7,575	1	4,754	1
Other income		19,848	3	12,374	3
Other gains and losses, net		(1,143)	-	(209)	-
Finance costs, net		(5)	-	(7)	-
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method, net		(83,011)	(12)	(65,898)	(14)
<b>Total non-operating income and expenses</b>		(56,736)	(8)	(48,986)	(10)
<b>Profit from continuing operations before income tax</b>		120,675	18	50,862	11
<b>Income tax expense</b>	4, 5, 6	(35,816)	(5)	(21,927)	(5)
<b>Net income</b>		84,859	13	28,935	6
<b>Other comprehensive income</b>	4, 6				
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurements of defined benefit plans		3,214	-	(490)	-
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income		131,173	19	131,376	27
Share of other comprehensive income of subsidiaries, associate and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		281	-	92	-
<b>Total other comprehensive income</b>		134,668	19	130,978	27
<b>Total comprehensive income</b>		\$219,527	32	\$159,913	33
<b>Earnings per share (in dollars)</b>	6				
Basic earnings per share					
Net income		\$0.39		\$0.13	
Diluted earnings per share	6				
Net income		\$0.39		\$0.13	

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

English translation of parent company only financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

	Share capital	Capital surplus	Retained earnings			Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Treasury stock	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings			
Balance as of January 1, 2023	\$2,162,255	\$1,346	\$358,822	\$9,733	\$28,408	\$186,575	\$(23,393)	\$2,723,746
Appropriation and distribution of 2022 retained earnings :								
Legal reserve appropriated	-	-	2,594	-	(2,594)	-	-	-
Net income for 2023	-	-	-	-	28,935	-	-	28,935
Other comprehensive income for 2023	-	-	-	-	(398)	131,376	-	130,978
Total comprehensive income for 2023	-	-	-	-	28,537	131,376	-	159,913
Changes in ownership interests in subsidiaries	-	-	-	-	(5)	-	(2)	(7)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	76,951	(76,951)	-	-
Balance as of December 31, 2023	2,162,255	1,346	361,416	9,733	131,297	241,000	(23,395)	2,883,652
Appropriation and distribution of 2023 retained earnings :								
Legal reserve appropriated	-	-	10,548	-	(10,548)	-	-	-
Stock dividends of ordinary share	108,113	-	-	-	(108,113)	-	-	-
Net income for 2024	-	-	-	-	84,859	-	-	84,859
Other comprehensive income for 2024	-	-	-	-	3,495	131,173	-	134,668
Total comprehensive income for 2024	-	-	-	-	88,354	131,173	-	219,527
Balance as of December 31, 2024	\$2,270,368	\$1,346	\$371,964	\$9,733	\$100,990	\$372,173	\$(23,395)	\$3,103,179

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

English translation of parent company only financial statements originally issued in Chinese  
SUNFON CONSTRUCTION CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2024 and 2023  
(Expressed in Thousands of New Taiwan Dollars)

Item	For the years ended	
	December 31,2024	December 31,2023
Cash flows used in operating activities :		
Net profit before tax	\$120,675	\$50,862
Adjustments:		
Income and expense		
Depreciation expense	1,774	1,777
Amortization expense	119	120
Interest expense	5	7
Interest revenue	(7,575)	(4,754)
Dividend revenue	(19,761)	(11,928)
Share of profit or loss of associates and joint ventures	83,011	65,898
Changes in operating assets and liabilities :		
Increase in inventories	(812,492)	(409,835)
Increase in prepayments	(33,938)	(3,952)
Increase in other current assets	(28,163)	(61,348)
Increase in other current assets recognised as incremental costs to obtain contract with customers	(35,586)	(6,605)
Increase in net defined benefit assets	(254)	(1,402)
(Decrease) increase in contract liabilities	(286,999)	210,066
(Decrease) increase in notes payables	(1,786)	3,594
Decrease in accounts payables	(5,937)	(2,655)
Increase in accounts payables - related parties	260,549	66,324
(Decrease) increase in other payables	(12)	4,162
(Decrease) increase in other current liabilities, others	(2,525)	2,425
Decrease in net defined benefit liabilities, non-current	-	(917)
Cash outflow generated from operations	<u>(768,895)</u>	<u>(98,161)</u>
Interest received	7,588	4,784
Income tax paid	(22,047)	(507)
Net cash flows used in operating activities	<u>(783,354)</u>	<u>(93,884)</u>
Cash flows from investing activities :		
Acquisition of financial assets at fair value through other comprehensive income	(8,944)	(1,579)
Disposal of financial assets at fair value through other comprehensive income	-	181,617
Acquisition of investments accounted for using equity method	-	(50,000)
Decrease (increase) in other non-current assets	2,061	(15,064)
Dividend Received	19,761	11,928
Net cash flows from investing activities	<u>12,878</u>	<u>126,902</u>
Cash flows from financing activities :		
Increase in short-term loans	746,342	351,230
Decrease in short-term loans	(185,987)	(224,300)
Increase in short-term notes and bills payable	400,000	85,000
Decrease in short-term notes and bills payable	(350,000)	(45,000)
Decrease in other non-current liabilities, others	-	(150)
Interest paid (Including capitalized interests)	(29,527)	(19,277)
Net cash flows from financing activities	<u>580,828</u>	<u>147,503</u>
Net (decrease) increase in cash and cash equivalents	(189,648)	180,521
Cash and cash equivalents at beginning of period	408,765	228,244
Cash and cash equivalents at end of period	<u>\$219,117</u>	<u>\$408,765</u>

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

**Sunfon Construction Co., Ltd.**  
**2024 Earnings Distribution Table**

Item	Amount (NT\$)
Undistributed earnings at the beginning of the period	12,633,241
Add: Current Period Changes in Remeasurement of Defined Benefit Plans	3,495,505
Add: profit after tax for the period	84,858,928
Less: Appropriation for Legal Reserve	(8,835,443)
Distributable Earnings	92,152,231
Less: distribution items	
Shareholders' Dividends – Stock Dividends of NT\$0.4 per share	(90,814,730)
Undistributed earnings at the end of the period	1,337,501

Note: The Company's earnings distribution principle prioritizes the distribution of distributable earnings from 2024.

Chairperson:  
Don Tai Development  
Co., Ltd.  
Representative: Hung, Min-Fu

Managerial  
officer:  
Lan, Li-Hua

Chief Accounting  
Officer:  
Shih, Shu-Ying