

Stock Code: 9946

Sanfar Property Limited

Handbook for the 2023 Annual Meeting of Shareholders

TIME: 9:30 a.m., May 29 (Monday), 2023

**PLACE: 16th Floor, No. 98, Yanchang Road, Xinyi District, Taipei
City (eslite hotel)**

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Sanfar Property Limited
2023 Regular Shareholders' Meetings Agenda

Meeting format: Face-to-face shareholders' meeting

Meeting time: May 29, 2023 (Monday) 9:30 a.m.

Meeting location: 16th Floor, No. 98, Yanchang Road, Xinyi District, Taipei City
(eslite hotel)

- I. Call the meeting to order
- II. Chair speech
- III. Report items
 - Proposal I The Company's 2022 Business Report.
 - Proposal II Audit Committee Report on the 2022 final accounting reports including the business report, financial statements and earnings distribution proposal
 - Proposal III Distribution of the Company's 2022 remuneration to directors and employees.
 - Proposal IV Distribution of the Company's 2022 cash dividends.
 - Proposal V The Company's 2022 offering and issuance of secured ordinary corporate bonds.
 - Proposal VI The Company's 2022 related party transactions.
- IV. Ratification
 - Proposal I The Company's 2022 Business Report and financial statements
 - Proposal II The Company's 2022 earnings distribution proposal
- V. Discussion:
 - Proposal I Amendments to certain provisions of the "Rules of Procedure for Shareholders' Meetings" of the Company
- VI. Motions
- VII. Meeting adjourned

Report Items

Proposal I

Subject: The Company's 2022 Business Report.

Note: For the Company's 2022 Business Report, please refer to Attachment I of this Handbook

Proposal II

Subject: Audit Committee Report on the 2022 final accounting reports including the business report, financial statements and earnings distribution proposal

Note: Please refer to Attachment II of this Handbook for the Audit Committee Report on the 2022 final accounting reports including the business report, financial statements and earnings distribution proposal

Proposal III

Subject: Distribution of the Company's 2022 remuneration to directors and employees.

Note: Please refer to Attachment III of this Handbook for distribution of the Company's 2022 remuneration to directors and employees.

Proposal IV

Subject: Distribution of the Company's 2022 cash dividends.

- Note:
1. In accordance with Article 23-2 of the Company's Articles of Incorporation, the Board of Directors shall resolve if the Company's earnings shall be distributed in cash, and report to the shareholders' meeting.
 2. The Board of Directors resolved on April 18, 2023 to distribute dividends to shareholders in the amount of NT\$ 139,677,070 from the accumulated earnings available for distribution in 2022, with NT\$0.427 per share to be distributed in cash, with fractional amounts less than NT\$1 rounded off and the sum of the fractional amounts less than NT\$1 included in other income of the Company.
 3. The chairperson is authorized to set the base date and payment date for dividend distribution and other related matters. If there is any change in the number of outstanding shares of the Company before the base date of earnings distribution, the chairperson is authorized to adjust the dividend distribution percentage.

Proposal V

Subject: The Company's 2022 offering and issuance of secured ordinary corporate bonds.

- Note:
1. On September 14, 2022, the Company issued its first secured ordinary corporate bonds with a maturity of 5 years for a total amount of NT\$1 billion in order to repay loans to financial institutions and to strengthen its capital structure.
 2. Date of approval by the competent authority and the document number: Letter Zheng-Gui-Zhai-Zi No. 11100101881 dated September 5, 2022 from the Taipei Exchange
 3. The circumstances of the offering and issuance are as follows:

Type of corporate bonds	Domestic 2022 1st secured ordinary corporate bonds
Issue (Processing) date	September 14, 2022
Par value	NT\$1,000,000
Place of issuance and transaction	Not applicable
Issue Price	Fully issued according to the par value
Total Amount	NTD one billion
Interest rate	Coupon rate: 1.70%
Tenor	Five years with maturity date on 2027.9.14
Guarantor	Agricultural Bank of Taiwan
Trustee	Land Bank of Taiwan
Underwriter	SinoPac Securities Corporation
Legal Counsel	Attorney at Law Ya-Wen Chiu from FAR EAST LAW OFFICE
Certified Public Accountant	KPMG CPAs Yi-Lien Han and Hsin-Ting Huang
Repayment	This corporate bond is a bullet bond
Outstanding	NT\$1 billion
Redemption or Early Repayment Clause	Not applicable
Restrictive clauses	None
Name of the credit rating company, rating date, the rating results of corporate bonds	Taiwan Ratings on 2022/4/27 twAAA
Other rights of bondholders	As of the date of this annual report, amount of converted (exchanged or warrant) common shares, ADRs or other securities. Not applicable

Type of corporate bonds		Domestic 2022 1st secured ordinary corporate bonds
	Issuance and Conversion (exchange or subscription) rules	For details, please refer to the Company's Measures for Issuance of the 1st Secured Ordinary Corporate Bonds in 2022
Dilution effect on existing shareholder equity, made by issuance and conversion, exchange or subscription, conditions of issuance.		Not applicable
Name of the Custodian		Not applicable

Proposal VI

Subject: The Company's 2022 related party transactions.

Note: Please refer to Attachment IV of this Handbook for the Company's
2022 related party transactions.

Ratification

Proposal I

(Proposed by the Board of Directors)

Subject: The Company's 2022 Business Report and financial statements are hereby presented for your ratification.

Note:

1. The Company has prepared 2022 Business Report and financial statements and CPAs Yi-Lien Han and Hsin-Ting Huang from KPMG has audited the financial statements and issued the independent auditors' report with an unqualified opinion and emphasis of matter paragraph. The business report and financial statements have been submitted to the Audit Committee for review and approved.
2. Please refer to Attachment I and Attachment V of this Handbook for the Business Report and financial statements, respectively.

Resolutions:

Proposal II

(Proposed by the Board of Directors)

Subject: The Company's 2022 earnings distribution proposal is hereby presented for your ratification.

Note: The Company's 2022 earnings distribution table is as follows:

Sanfar Property Limited
2022 earnings distribution table

Unit: NT\$

Item	Amount
Unappropriated earnings - beginning	2,206,759,794
Net income	139,677,070
Set aside 10% as legal reserve	(13,967,707)
Distributable earnings - ending	2,332,469,157
Distribution item:	
Cash dividends (NT\$0.427 per share)	(139,677,070)
Unappropriated earnings - ending	2,192,050,872

Description:

1. First to distribute 2022 earnings.
2. Cash dividends are calculated up to NT\$1, and the fractional amount less than NT\$1 is rounded off and included in other income of the Company.
3. The Chairperson is authorized to set another dividend base date, distribution date and other related matters. If there is any change in the number of outstanding shares of the Company before the base date of earnings distribution, the chairperson is authorized to adjust the dividend distribution percentage.

Chairperson: Ting-Chen Chung

Manager: Ting-Chen Chung

Accounting Officer: Hui-Chun Wang

Resolutions:

Discussion

Proposal I

(Proposed by the Board of Directors)

Subject: The amendments to certain provisions of the “Rules of Procedure for Shareholders’ Meetings” of the Company are hereby presented for your discussion.

Note:

1. The Company's "Rules of Procedure for Shareholders' Meetings" are amended in accordance with the Announcement Tai-Zheng-Zhi-Li-Zi No. 1120004167 of the Taiwan Stock Exchange dated March 17, 2023 on the amendments to certain provision of the “Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders’ meetings”.
2. Please refer to Attachment 6 of this Handbook for the comparison of current and amended provisions of the “Rules of Procedure for Shareholders’ Meetings” of the Company.
3. For your resolution.

Resolutions:

Motions

Meeting adjourned

Attachments

Attachment I: 2022 Business Report

Sanfar Property Limited

2022 Business Results

(I) Implementation results of 2022 business plan

Unit: NT\$ Thousand

Item	2022	2021	Increase or decrease
Operating income	2,273,704	1,715,968	557,736
Gross profit	386,993	418,717	(31,724)
Total profit and loss	133,377	264,938	(131,561)

The Company's operating revenue in 2022 increased by 32.50% compared to 2021, with the completion of the construction projects at Linkou Lilin Section, Fuduxin 235, Guanghua Section and Qiyan Section, and particularly the completion and sell-out of the new construction project in the Linkou Lilin Section and the sales of some remaining houses accounted for the majority of the increase in operating revenue. The housing market remained as warm as in 2021. The shortage of workers and materials continued to exist. In the second half of the year, the overall transaction volume shrank driven by interest rate increase due to inflation, but in general, although the central bank's interest rate increase added burdens to customers, the magnitude of interest rate increase was still under control. Housing prices remained stable due to factors such as the inelastic demand for self-occupancy and high costs pushing up housing prices. As the impact of the pandemic gradually fades and pace of interest rate hikes in the U.S. slows, the pressure of interest rate hikes in Taiwan gradually subsides, and the tourism and real estate industries recover after the unfavorable messages eased off. The Company steadily launches new projects, actively works off new houses and keeps track of the business dynamics. With the vision of "sustainable management" and "customer satisfaction", the Company continues to promote various plans to achieve growth in performance to meet the expectations of shareholders and investors.

(II) Budget execution

In accordance with the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the Company is not required to prepare financial forecasts for 2022.

(III) Financial income and expenditure

Unit: NT\$ Thousand

Item	2022	2021
Net operating income	175,148	220,888
Non-operating income and	(29,881)	(5,768)
Net profit before tax from	145,267	215,120
Net income	139,677	222,278
Total profit and loss	133,377	264,938

(IV) Profitability analysis

Item		2022	2021
Return on assets (%)		1.77	2.40
Return on equity (%)		2.15	3.40
As a percentage of paid-in capital (%)	Operating profit	5.36	6.76
	Net income before tax	4.45	6.59
Net profit rate (%)		6.14	12.95
Basic earnings per share (NT\$)		0.43	0.68

(V) Research and Development

1. Key development projects:

Projects at Yongxing Section, Chengde Section, Lioujiading Section, Fuduxin Section No. 18, Xingzuan Section, Xingbang Section, Wukuaicuo Section

2. Sustainable management and customer satisfaction:

The Company's core philosophy of sustainable management is to integrate the concept of sustainability into its buildings, starting with the four major directions of energy saving and carbon reduction, pollution reduction, increased green coverage, and air purification, etc. With forward thinking, we deal with the ecological environment in a friendly manner and attach importance to management and communication with consumers. In addition, we will continue to improve the quality of our products to meet the needs and expectations of consumers in new projects, deliver our financial and

non-financial performance, and effectuate our vision of sustainable management in the spirit of "building with courage, building with water, and building with no leaks.

3. Market research and development:

We keep good track of the information on actual price registration of real estate transactions, collect statistics on the number of floor areas and prices of new house projects in the regional land market in recent years to analyze the products preferred by each region and understand the changes in market demand and consumer mentality, which will serve as the basis for our product positioning, product design, customer experience and marketing strategies to achieve the goal of increasing sales rates.

4. Refine construction method and project management:

Through construction quality management, building materials assurance and strict selection of quality vendors, we achieve structural safety of buildings, and the introduction of third-party verification mechanism helps enhance the quality of buildings and market value and ensure the competitiveness of products and construction site safety.

Attachment II: Audit Committee Report

Sanfar Property Limited

Audit Committee Report

The Board of Directors of the Company prepared the Business Report, financial statements and earnings distribution table for the year ended December 31, 2022, which have been audited and completed by CPAs Yi-Lien Han and Hsin-Ting Huang from KPMG and the independent auditors' report has been issued. The above reports including the business report, the earnings distribution proposal and the financial statements have been reviewed and determined to be accurate by the Audit Committee. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is hereby presented for your examination.

Sanfar Property Limited 2023 Regular Shareholders' Meetings

Convener of Audit Committee: Chin-Chang Wu

April 18, 2023

Attachment III:

Distribution of remuneration to directors and employees for 2022

Sanfar Property Limited

Distribution of remuneration to directors and employees for 2022

- I. If there is any remaining balance from the Company's pre-tax net profit for the current year before distributing remuneration to employees and directors and after making up for losses, the Company shall set aside no more than five percent and not less than one percent of the remaining balance as remuneration to employees, which include employees of subordinate companies who meet certain criteria set by the Board of Directors, in the form of cash or stock. The distribution of remuneration to employees in the form of stock or cash shall be resolved by the Board of Directors with the presence of at least two-thirds of the directors and the approval of a majority of the directors present and reported to the shareholders' meeting.
- II. The amounts of the Company's 2022 remuneration to directors and employees approved by the Board of Directors were as follows:
The distribution of the Company's 2022 remuneration to directors and employees was approved by the Board of Directors at its meeting on February 22, 2023, as follows:
It was resolved to distribute remuneration to directors by NT\$1,422,761; remuneration to employees by NT\$1,422,761.

Unit: NT\$

Distribution category	The amount to be distributed approved by the Board of Directors ①	The amount estimated in the year in which expenses were recognized ②	Difference①-②	Reasons and adjustments
Remuneration to directors (Cash)	1,422,761	1,422,761	0	None
Remuneration to employees (Cash)	1,422,761	1,422,761	0	

Attachment IV: Related party transactions in 2022

Sanfar Property Limited

Related party transactions in 2022

Time of Meeting	Description of related party transactions	Implementation status
September 6, 2022 14th meeting of the 13th Audit Committee Board of Directors	The Company participated in the capital increase of its subsidiary, Jing Fu Xiang Construction Co., Ltd., by cash of NT\$140 million	The capital change registration was completed on September 19, 2022 after the approval of the Audit Committee and the Board of Directors.
	The Company's new construction project "Xingzuan Project" was contracted to its subsidiary, Jing Fu Xiang Construction Co., Ltd. for NT\$1.05 billion .	After the approval of the Audit Committee and the Board of Directors, the contracting process was processed accordingly.

Attachment V: Independent auditors' report and 2022 financial statements



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Independent Auditors' Report

To the Board of Directors of San Far Property Limited:

Opinion

We have audited the financial statements of San Far Property Limited("the Company"), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' 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 Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

As mentioned in note 12 (b) of the parent-company-only financial statements, the Ministry of Justice Investigation Bureau, Kaohsiung City has conducted an investigation in the Company on February 17, 2022 and seized its subsidiary ledgers, as well as all the contracts entered into with, and the vouchers of commission paid to, the related three advertising companies, Yueteng Advertising Co., Ltd., Dage Advertising Co., Ltd., and Hong Tai Advertising Co., Ltd., within 2014 to 2020. Please refer to note 12 (b) for information related to the above transactions. We did not revise the review opinion.

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(m) for the Company's individual financial statement on revenue recognition, and 6(q) for detailed contract revenue from customers.

Description of key audit matter:

A major income of the Company is from selling the real estate, and the risk of material misrepresentation lies in the authenticity of income. Since operating income involves the operating performance of the management, a possible risk of material misstatement may occur if the management does not recognize the income at the right point of time in accordance with the regulations. Therefore, the recognition of sales revenue is one of the most important evaluation in performing our audit procedures.

Audit procedures performed:

- Test on the control of sales and payments received, evaluate and eliminate any possible misstatement or fraud recognized;
- Test on the appropriateness of the time income is recognized; randomly select samples to check whether the contract and relevant documents are transferred between the Company and customers; check the documents in the selling systems and general ledger to evaluate whether the Company's revenue recognition policy is in accordance with relevant regulations.

2. Inventory valuation

Please refer to note 4(f) of individual financial statement for detailed inventory valuation policy, and to note 6(c) for assumptions and uncertainties.

Description of key audit matter:

The key asset of the Company is its inventories, with a portion of 74% of the total assets. Inventory evaluation of the Company is in accordance with International Accounting Standards for Report No. 2. There may be a misstatement of financial report when the net realizable value is inappropriate. The real estate for sale is compared with the latest nearby transaction price or the contract price of the recent sale, and the uncertainty of the future investment cost of the land for construction and the land under construction is higher, and it is difficult to obtain a comparable sales price. Therefore, the judgment of net realizable value of the land for construction and the land under construction depends on the subjective judgment or estimation of the management. Thus, the valuation of the land for construction and the land under construction is one of the most important valuation in performing our audit procedures.

Audit procedures performed:

Through reviewing the recent selling price of the premises, or by inquiring the selling price of premises nearby from the "Actual Selling Price of Real Estate" website.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yilien Han and Hsin-Ting Huang.

KPMG

Taipei, Taiwan (Republic of China)

February 22, 2023

Notes to Readers

The accompanying parent company only financial statements are intended only to present the statement of financial position, financial performance and its cash flows in accordance with the 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.

The auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SAN FAR PROPERTY LIMITED

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 2,262,432	15	2,097,346	14	2100	Short-term borrowings (notes 6(i) and 8)	\$ 4,366,060	28	4,967,892	33
1150	Notes receivable, net (note 6(q))	-	-	30	-	2110	Short-term transaction instrument payables (notes 6(h), (q) and 9)	-	-	140,000	1
1170	Accounts receivable, net	100	-	-	-	2130	Current contract liabilities (notes (k), (q) and 9)	354,081	2	418,521	3
1320	Inventories (for construction business), net (notes 6(c), 7 and 8)	11,345,441	74	11,815,464	77	2151	Notes payable	101,659	1	44,998	-
1410	Prepayment	79,602	-	57,628	-	2161	Notes payable to related parties (note 7)	36,336	-	115,704	1
1476	Other financial assets-current (notes 6(k) and 8)	109,678	1	187,559	1	2170	Accounts payable (note 11)	43,166	-	28,694	-
1479	Other current assets, others	16,872	-	17,681	-	2180	Total accounts payable to related parties (note 7)	145,919	1	91,750	-
1480	Current assets recognised as incremental costs to obtain contract with customers (note 6(d))	<u>123,423</u>	<u>1</u>	<u>128,927</u>	<u>1</u>	2200	Other payables (note 7)	84,839	1	106,402	1
		<u>13,937,548</u>	<u>91</u>	<u>14,304,635</u>	<u>93</u>	2230	Current tax liabilities (note 6(n))	-	-	105	-
						2321	Current Portion of puttable bonds (notes 6(j) and 8)	-	-	999,808	7
	Non-current assets:					2399	Other current liabilities, others	<u>9,691</u>	<u>-</u>	<u>10,333</u>	<u>-</u>
1510	Total non-current financial assets at fair value through profit or loss	4,914	-	4,429	-			<u>5,141,751</u>	<u>33</u>	<u>6,924,207</u>	<u>46</u>
1517	Non-current financial assets at fair value through other comprehensive income (note 6(b))	117,280	1	122,580	1						
1550	Investments accounted for using equity method, net (note 6(e))	325,681	2	181,083	1	2530	Bonds payable (notes 6(j) and 8)	3,794,540	25	1,798,644	12
1600	Property, plant and equipment (notes 6(f) and 8)	75,789	-	76,501	1	2600	Total other non-current liabilities	<u>2,462</u>	<u>-</u>	<u>1,138</u>	<u>-</u>
1760	Investment property (notes 6(g) and 8)	115,799	1	91,568	1			<u>3,797,002</u>	<u>25</u>	<u>1,799,782</u>	<u>12</u>
1780	Intangible assets	339	-	716	-			<u>8,938,753</u>	<u>58</u>	<u>8,723,989</u>	<u>58</u>
1840	Deferred tax assets (note 6(n))	132,733	1	111,531	1		Total liabilities				
1920	Guarantee deposits paid	2,108	-	3,338	-	3100	Equity attributable to owners of parent(note 6(o)):				
1980	Other non-current financial assets (note 8)	680,090	4	371,583	2	3200	Common stock	3,265,542	21	3,265,542	21
1990	Other non-current assets, others	<u>2,363</u>	<u>-</u>	<u>596</u>	<u>-</u>	3300	Capital surplus	185,955	1	185,955	1
		<u>1,457,096</u>	<u>9</u>	<u>963,925</u>	<u>7</u>	3400	Total retained earnings	2,949,314	20	3,031,694	20
							Other equity (note 6(b))	55,080	-	61,380	-
								<u>6,455,891</u>	<u>42</u>	<u>6,544,571</u>	<u>42</u>
Total assets		<u>\$ 15,394,644</u>	<u>100</u>	<u>15,268,560</u>	<u>100</u>	Total liabilities and equity		<u>\$ 15,394,644</u>	<u>100</u>	<u>15,268,560</u>	<u>100</u>

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SAN FAR PROPERTY LIMITED

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (note 6(q))	\$ 1,977,670	100	1,438,415	100
5000	Operating cost (Note 6(m))	<u>1,658,053</u>	<u>84</u>	<u>1,065,646</u>	<u>74</u>
5900	Gross profit from operations	<u>319,617</u>	<u>16</u>	<u>372,769</u>	<u>26</u>
6100	Selling expenses (Notes 6(d), 7 and 11)	92,359	5	74,938	5
6200	Administrative expenses (Notes 6(m), (r) and 7)	<u>76,359</u>	<u>4</u>	<u>83,708</u>	<u>6</u>
		<u>168,718</u>	<u>9</u>	<u>158,646</u>	<u>11</u>
6900	Net operating income	<u>150,899</u>	<u>7</u>	<u>214,123</u>	<u>15</u>
7000	Non-operating income and expenses:				
7100	Total interest income	5,279	-	3,425	-
7010	Other income (Notes 6(l) and 7)	4,633	-	3,982	-
7020	Other gains and losses	(1,160)	-	(134)	-
7050	Finance costs, net (Note 6(s))	(38,016)	(2)	(18,001)	(1)
7070	Share of profit of associates and joint ventures accounted for using equity method, net	<u>17,795</u>	<u>1</u>	<u>8,686</u>	<u>1</u>
		<u>(11,469)</u>	<u>(1)</u>	<u>(2,042)</u>	<u>-</u>
7900	Profit from continuing operations before tax	139,430	6	212,081	15
7950	Less: Income tax expenses (profits) (Note 6(n))	<u>(247)</u>	<u>-</u>	<u>(10,197)</u>	<u>(1)</u>
	Profit	<u>139,677</u>	<u>6</u>	<u>222,278</u>	<u>16</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized (losses)gains from investments in equity instruments measured at fair value through other comprehensive income (note 6(o))	(6,300)	-	42,660	3
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8300	Other comprehensive income	<u>(6,300)</u>	<u>-</u>	<u>42,660</u>	<u>3</u>
	Total comprehensive income	<u>\$ 133,377</u>	<u>6</u>	<u>264,938</u>	<u>19</u>
	Basic earnings per share (Note 6(p))				
	Basic earnings per share(NT dollars)	<u>\$ 0.43</u>		<u>0.68</u>	
	Diluted earnings per share(NT dollars)	<u>\$ 0.43</u>		<u>0.68</u>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SAN FAR PROPERTY LIMITED**Statements of Changes in Equity****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars)**

	Ordinary shares	Capital surplus	Legal reserve	Retained earnings		Total other equity interest	Treasury shares	Total equity
				Unappropriated retained earnings	Total retained earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
Balance at January 1, 2021	\$ 3,309,030	196,752	575,954	2,618,211	3,194,165	18,720	(178,324)	6,540,343
Profit (loss)	-	-	-	222,278	222,278	-	-	222,278
Other comprehensive income	-	-	-	-	-	42,660	-	42,660
Total comprehensive income	-	-	-	222,278	222,278	42,660	-	264,938
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	18,290	(18,290)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(93,301)	(93,301)	-	-	(93,301)
Stock dividends of ordinary share	155,502	-	-	(155,502)	(155,502)	-	-	-
Other changes in capital surplus:								
Purchase of treasury share	-	-	-	-	-	-	(167,409)	(167,409)
Retirement of treasury share	(198,990)	(10,797)	-	(135,946)	(135,946)	-	345,733	-
Balance at December 31, 2021	3,265,542	185,955	594,244	2,437,450	3,031,694	61,380	-	6,544,571
Profit (loss)	-	-	-	139,677	139,677	-	-	139,677
Other comprehensive income	-	-	-	-	-	(6,300)	-	(6,300)
Total comprehensive income	-	-	-	139,677	139,677	(6,300)	-	133,377
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	8,633	(8,633)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(222,057)	(222,057)	-	-	(222,057)
Balance at December 31, 2022	\$ 3,265,542	185,955	602,877	2,346,437	2,949,314	55,080	-	6,455,891

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SAN FAR PROPERTY LIMITED

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 139,430	212,081
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	3,113	2,255
Amortization expense	664	496
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(485)	79
Interest expense	38,016	18,001
Interest income	(5,279)	(3,425)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	(17,795)	(8,686)
Total adjustments to reconcile profit (loss)	18,234	8,720
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	30	(30)
(Increase) decrease in accounts receivable	(100)	44
Decrease (increase) in inventories	572,734	(4,449,717)
Increase in prepayments	(21,974)	(26,696)
Decrease (increase) in other current assets	1,630	(6,015)
(Increase) decrease in other financial assets	(82,125)	34,387
Decrease (increase) in assets recognised as incremental costs to obtain contract with customers	5,504	(54,798)
Total changes in operating assets	475,699	(4,502,825)
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(64,440)	189,254
(Decrease) increase in notes payable	(22,707)	103,096
Increase in accounts payable	68,641	64,789
(Decrease) increase in other payable	(29,952)	21,242
(Decrease) increase in other current liabilities	(1,494)	4,720
Total changes in operating liabilities	(49,952)	383,101
Total changes in operating assets and liabilities	425,747	(4,119,724)
Total adjustments	443,981	(4,111,004)
Cash inflow (outflow) generated from operations	583,411	(3,898,923)
Interest paid	(156,475)	(114,816)
Income taxes paid	(21,881)	(62,022)
Net cash flows from (used in) operating activities	405,055	(4,075,761)

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SAN FAR PROPERTY LIMITED**Statements of Cash Flows (CONT'D)****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars)**

	<u>2022</u>	<u>2021</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(1,000)	(4,508)
Acquisition of investments accounted for using equity method	(140,000)	-
Acquisition of property, plant and equipment	(398)	(422)
Increase in refundable deposits	1,230	8
Acquisition of intangible assets	(287)	(320)
Increase in other financial assets	(148,501)	(231,303)
Interest received	5,279	3,425
Dividends received	<u>13,197</u>	<u>3,810</u>
Net cash flows from (used in) investing activities	<u>(270,480)</u>	<u>(229,310)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	410,460	4,878,770
Decrease in short-term loans	(1,012,292)	(1,451,088)
Decrease(increase) in short-term notes and bills payable	(140,000)	140,000
Proceeds from issuing bonds	1,994,787	599,155
Repayments of bonds	(1,000,000)	-
Increase in other non-current liabilities	396	358
Cash dividends paid	(222,057)	(93,301)
Payments to acquire treasury shares	-	(167,409)
Lease liability principal repayment	<u>(783)</u>	<u>(293)</u>
Net cash flows from (used in) financing activities	<u>30,511</u>	<u>3,906,192</u>
Net increase (decrease) in cash and cash equivalents	165,086	(398,879)
Cash and cash equivalents at beginning of period	<u>2,097,346</u>	<u>2,496,225</u>
Cash and cash equivalents at end of period	<u>\$ 2,262,432</u>	<u>2,097,346</u>



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Independent Auditors' Report

To the Board of Directors of San Far Property Limited:

Opinion

We have audited the financial statements of San Far Property Limited("the Company"), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' 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 Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

As mentioned in note 12 (b) of the parent-company-only financial statements, the Ministry of Justice Investigation Bureau, Kaohsiung City has conducted an investigation in the Company on February 17, 2022 and seized its subsidiary ledgers, as well as all the contracts entered into with, and the vouchers of commission paid to, the related three advertising companies, Yueteng Advertising Co., Ltd., Dage Advertising Co., Ltd., and Hong Tai Advertising Co., Ltd., within 2014 to 2020. Please refer to note 12 (b) for information related to the above transactions. We did not revise the review opinion.

Key Audit Matters

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

1. Revenue recognition

Please refer to note 4(m) for the Company's individual financial statement on revenue recognition, and 6(q) for detailed contract revenue from customers.

Description of key audit matter:

A major income of the Company is from selling the real estate, and the risk of material misrepresentation lies in the authenticity of income. Since operating income involves the operating performance of the management, a possible risk of material misstatement may occur if the management does not recognize the income at the right point of time in accordance with the regulations. Therefore, the recognition of sales revenue is one of the most important evaluation in performing our audit procedures.

Audit procedures performed:

- Test on the control of sales and payments received, evaluate and eliminate any possible misstatement or fraud recognized;
- Test on the appropriateness of the time income is recognized; randomly select samples to check whether the contract and relevant documents are transferred between the Company and customers; check the documents in the selling systems and general ledger to evaluate whether the Company's revenue recognition policy is in accordance with relevant regulations.

2. Inventory valuation

Please refer to note 4(f) of individual financial statement for detailed inventory valuation policy, and to note 6(c) for assumptions and uncertainties.

Description of key audit matter:

The key asset of the Company is its inventories, with a portion of 74% of the total assets. Inventory evaluation of the Company is in accordance with International Accounting Standards for Report No. 2. There may be a misstatement of financial report when the net realizable value is inappropriate. The real estate for sale is compared with the latest nearby transaction price or the contract price of the recent sale, and the uncertainty of the future investment cost of the land for construction and the land under construction is higher, and it is difficult to obtain a comparable sales price. Therefore, the judgment of net realizable value of the land for construction and the land under construction depends on the subjective judgment or estimation of the management. Thus, the valuation of the land for construction and the land under construction is one of the most important valuation in performing our audit procedures.

Audit procedures performed:

Through reviewing the recent selling price of the premises, or by inquiring the selling price of premises nearby from the "Actual Selling Price of Real Estate" website.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yilien Han and Hsin-Ting Huang.

KPMG

Taipei, Taiwan (Republic of China)

February 22, 2023

Notes to Readers

The accompanying parent company only financial statements are intended only to present the statement of financial position, financial performance and its cash flows in accordance with the 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.

The auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SAN FAR PROPERTY LIMITED

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 2,262,432	15	2,097,346	14	2100	Short-term borrowings (notes 6(i) and 8)	\$ 4,366,060	28	4,967,892	33
1150	Notes receivable, net (note 6(q))	-	-	30	-	2110	Short-term transaction instrument payables (notes 6(h), (q) and 9)	-	-	140,000	1
1170	Accounts receivable, net	100	-	-	-	2130	Current contract liabilities (notes (k), (q) and 9)	354,081	2	418,521	3
1320	Inventories (for construction business), net (notes 6(c), 7 and 8)	11,345,441	74	11,815,464	77	2151	Notes payable	101,659	1	44,998	-
1410	Prepayment	79,602	-	57,628	-	2161	Notes payable to related parties (note 7)	36,336	-	115,704	1
1476	Other financial assets-current (notes 6(k) and 8)	109,678	1	187,559	1	2170	Accounts payable (note 11)	43,166	-	28,694	-
1479	Other current assets, others	16,872	-	17,681	-	2180	Total accounts payable to related parties (note 7)	145,919	1	91,750	-
1480	Current assets recognised as incremental costs to obtain contract with customers (note 6(d))	<u>123,423</u>	<u>1</u>	<u>128,927</u>	<u>1</u>	2200	Other payables (note 7)	84,839	1	106,402	1
		<u>13,937,548</u>	<u>91</u>	<u>14,304,635</u>	<u>93</u>	2230	Current tax liabilities (note 6(n))	-	-	105	-
	Non-current assets:					2321	Current Portion of puttable bonds (notes 6(j) and 8)	-	-	999,808	7
1510	Total non-current financial assets at fair value through profit or loss	4,914	-	4,429	-	2399	Other current liabilities, others	<u>9,691</u>	<u>-</u>	<u>10,333</u>	<u>-</u>
1517	Non-current financial assets at fair value through other comprehensive income (note 6(b))	117,280	1	122,580	1			<u>5,141,751</u>	<u>33</u>	<u>6,924,207</u>	<u>46</u>
1550	Investments accounted for using equity method, net (note 6(e))	325,681	2	181,083	1	Non-Current liabilities:					
1600	Property, plant and equipment (notes 6(f) and 8)	75,789	-	76,501	1	2530	Bonds payable (notes 6(j) and 8)	3,794,540	25	1,798,644	12
1760	Investment property (notes 6(g) and 8)	115,799	1	91,568	1	2600	Total other non-current liabilities	<u>2,462</u>	<u>-</u>	<u>1,138</u>	<u>-</u>
1780	Intangible assets	339	-	716	-		Total liabilities	<u>8,938,753</u>	<u>58</u>	<u>8,723,989</u>	<u>58</u>
1840	Deferred tax assets (note 6(n))	132,733	1	111,531	1	Equity attributable to owners of parent(note 6(o)):					
1920	Guarantee deposits paid	2,108	-	3,338	-	3100	Common stock	3,265,542	21	3,265,542	21
1980	Other non-current financial assets (note 8)	680,090	4	371,583	2	3200	Capital surplus	185,955	1	185,955	1
1990	Other non-current assets, others	<u>2,363</u>	<u>-</u>	<u>596</u>	<u>-</u>	3300	Total retained earnings	2,949,314	20	3,031,694	20
		<u>1,457,096</u>	<u>9</u>	<u>963,925</u>	<u>7</u>	3400	Other equity (note 6(b))	55,080	-	61,380	-
							Total equity	<u>6,455,891</u>	<u>42</u>	<u>6,544,571</u>	<u>42</u>
Total assets		<u>\$ 15,394,644</u>	<u>100</u>	<u>15,268,560</u>	<u>100</u>	Total liabilities and equity		<u>\$ 15,394,644</u>	<u>100</u>	<u>15,268,560</u>	<u>100</u>

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SAN FAR PROPERTY LIMITED

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenue (note 6(q))	\$ 1,977,670	100	1,438,415	100
5000	Operating cost (Note 6(m))	<u>1,658,053</u>	<u>84</u>	<u>1,065,646</u>	<u>74</u>
5900	Gross profit from operations	<u>319,617</u>	<u>16</u>	<u>372,769</u>	<u>26</u>
6100	Selling expenses (Notes 6(d), 7 and 11)	92,359	5	74,938	5
6200	Administrative expenses (Notes 6(m), (r) and 7)	<u>76,359</u>	<u>4</u>	<u>83,708</u>	<u>6</u>
		<u>168,718</u>	<u>9</u>	<u>158,646</u>	<u>11</u>
6900	Net operating income	<u>150,899</u>	<u>7</u>	<u>214,123</u>	<u>15</u>
7000	Non-operating income and expenses:				
7100	Total interest income	5,279	-	3,425	-
7010	Other income (Notes 6(l) and 7)	4,633	-	3,982	-
7020	Other gains and losses	(1,160)	-	(134)	-
7050	Finance costs, net (Note 6(s))	(38,016)	(2)	(18,001)	(1)
7070	Share of profit of associates and joint ventures accounted for using equity method, net	<u>17,795</u>	<u>1</u>	<u>8,686</u>	<u>1</u>
		<u>(11,469)</u>	<u>(1)</u>	<u>(2,042)</u>	<u>-</u>
7900	Profit from continuing operations before tax	139,430	6	212,081	15
7950	Less: Income tax expenses (profits) (Note 6(n))	<u>(247)</u>	<u>-</u>	<u>(10,197)</u>	<u>(1)</u>
	Profit	<u>139,677</u>	<u>6</u>	<u>222,278</u>	<u>16</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized (losses)gains from investments in equity instruments measured at fair value through other comprehensive income (note 6(o))	(6,300)	-	42,660	3
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8300	Other comprehensive income	<u>(6,300)</u>	<u>-</u>	<u>42,660</u>	<u>3</u>
	Total comprehensive income	<u>\$ 133,377</u>	<u>6</u>	<u>264,938</u>	<u>19</u>
	Basic earnings per share (Note 6(p))				
	Basic earnings per share(NT dollars)	<u>\$ 0.43</u>		<u>0.68</u>	
	Diluted earnings per share(NT dollars)	<u>\$ 0.43</u>		<u>0.68</u>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SAN FAR PROPERTY LIMITED**Statements of Changes in Equity****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings					Total other equity interest	Treasury shares	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total retained earnings	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
Balance at January 1, 2021	\$ 3,309,030	196,752	575,954	2,618,211	3,194,165	18,720	(178,324)	6,540,343
Profit (loss)	-	-	-	222,278	222,278	-	-	222,278
Other comprehensive income	-	-	-	-	-	42,660	-	42,660
Total comprehensive income	-	-	-	222,278	222,278	42,660	-	264,938
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	18,290	(18,290)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(93,301)	(93,301)	-	-	(93,301)
Stock dividends of ordinary share	155,502	-	-	(155,502)	(155,502)	-	-	-
Other changes in capital surplus:								
Purchase of treasury share	-	-	-	-	-	-	(167,409)	(167,409)
Retirement of treasury share	(198,990)	(10,797)	-	(135,946)	(135,946)	-	345,733	-
Balance at December 31, 2021	3,265,542	185,955	594,244	2,437,450	3,031,694	61,380	-	6,544,571
Profit (loss)	-	-	-	139,677	139,677	-	-	139,677
Other comprehensive income	-	-	-	-	-	(6,300)	-	(6,300)
Total comprehensive income	-	-	-	139,677	139,677	(6,300)	-	133,377
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	8,633	(8,633)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(222,057)	(222,057)	-	-	(222,057)
Balance at December 31, 2022	\$ 3,265,542	185,955	602,877	2,346,437	2,949,314	55,080	-	6,455,891

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SAN FAR PROPERTY LIMITED

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 139,430	212,081
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	3,113	2,255
Amortization expense	664	496
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(485)	79
Interest expense	38,016	18,001
Interest income	(5,279)	(3,425)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	(17,795)	(8,686)
Total adjustments to reconcile profit (loss)	18,234	8,720
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in notes receivable	30	(30)
(Increase) decrease in accounts receivable	(100)	44
Decrease (increase) in inventories	572,734	(4,449,717)
Increase in prepayments	(21,974)	(26,696)
Decrease (increase) in other current assets	1,630	(6,015)
(Increase) decrease in other financial assets	(82,125)	34,387
Decrease (increase) in assets recognised as incremental costs to obtain contract with customers	5,504	(54,798)
Total changes in operating assets	475,699	(4,502,825)
Changes in operating liabilities:		
(Decrease) increase in contract liabilities	(64,440)	189,254
(Decrease) increase in notes payable	(22,707)	103,096
Increase in accounts payable	68,641	64,789
(Decrease) increase in other payable	(29,952)	21,242
(Decrease) increase in other current liabilities	(1,494)	4,720
Total changes in operating liabilities	(49,952)	383,101
Total changes in operating assets and liabilities	425,747	(4,119,724)
Total adjustments	443,981	(4,111,004)
Cash inflow (outflow) generated from operations	583,411	(3,898,923)
Interest paid	(156,475)	(114,816)
Income taxes paid	(21,881)	(62,022)
Net cash flows from (used in) operating activities	405,055	(4,075,761)

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SAN FAR PROPERTY LIMITED**Statements of Cash Flows (CONT'D)****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars)**

	<u>2022</u>	<u>2021</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(1,000)	(4,508)
Acquisition of investments accounted for using equity method	(140,000)	-
Acquisition of property, plant and equipment	(398)	(422)
Increase in refundable deposits	1,230	8
Acquisition of intangible assets	(287)	(320)
Increase in other financial assets	(148,501)	(231,303)
Interest received	5,279	3,425
Dividends received	<u>13,197</u>	<u>3,810</u>
Net cash flows from (used in) investing activities	<u>(270,480)</u>	<u>(229,310)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	410,460	4,878,770
Decrease in short-term loans	(1,012,292)	(1,451,088)
Decrease(increase) in short-term notes and bills payable	(140,000)	140,000
Proceeds from issuing bonds	1,994,787	599,155
Repayments of bonds	(1,000,000)	-
Increase in other non-current liabilities	396	358
Cash dividends paid	(222,057)	(93,301)
Payments to acquire treasury shares	-	(167,409)
Lease liability principal repayment	<u>(783)</u>	<u>(293)</u>
Net cash flows from (used in) financing activities	<u>30,511</u>	<u>3,906,192</u>
Net increase (decrease) in cash and cash equivalents	165,086	(398,879)
Cash and cash equivalents at beginning of period	<u>2,097,346</u>	<u>2,496,225</u>
Cash and cash equivalents at end of period	<u>\$ 2,262,432</u>	<u>2,097,346</u>

Attachment VI:

Comparison of current and amended provisions of the “Rules of Procedure for Shareholders’ Meetings”.

Sanfar Property Limited

Comparison of current and amended provisions of the “Rules of Procedure for Shareholders’ Meetings”.

Article No.	Amended Article	Current Article	Note
Article 3	<p>Unless otherwise provided by law, the Company’s shareholders’ meetings shall be convened by the Board of Directors.</p> <p><u>The Company shall convene a shareholders' meeting by video means, unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, as set forth in the Articles of Incorporation and by a resolution of the Board of Directors with the presence of at least two-thirds of the directors and the approval of a majority of the directors present.</u></p> <p>Changes in the format of the Company's shareholders' meetings shall be resolved by the Board of Directors and</p>	<p>Unless otherwise provided by law, the Company’s shareholders’ meetings shall be convened by the Board of Directors.</p> <p>Changes in the format of the Company's shareholders' meetings shall be resolved by the Board of Directors and shall be made at the latest prior to the mailing of the notice of the shareholders' meeting.</p> <p>(Hereinafter omitted)</p>	<p>As the Company holds the shareholders' meetings in video means, shareholders are not able to attend the meeting in a face-to-face manner and can only participate in shareholders' meetings by video means, which has more restrictions on shareholders' rights and interests. In order to protect the rights and interests of shareholders, it is stipulated that the Company shall convene a shareholders' meeting by video means, unless otherwise</p>

Article No.	Amended Article	Current Article	Note
	<p>shall be made at the latest prior to the mailing of the notice of the shareholders' meeting. (Hereinafter omitted)</p>		<p>provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, as set forth in the Articles of Incorporation and by a resolution of the Board of Directors with the presence of at least two-thirds of the directors and the approval of a majority of the directors present. (i.e., a supermajority resolution).</p>
<p>Article 6-1</p>	<p>The Company shall specify the following in the shareholders' meeting notice if the shareholders' meeting shall be held by video means: I. The way shareholders participate in the video conference and exercise their rights. II. The handling of obstacles to the video conferencing platform or video participation due</p>	<p>The Company shall specify the following in the shareholders' meeting notice if the shareholders' meeting shall be held by video means: I. The way shareholders participate in the video conference and exercise their rights. II. The handling of obstacles to the video conferencing platform</p>	<p>In the event a natural disaster, event or other force majeure as stipulated in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company may convene a</p>

Article No.	Amended Article	Current Article	Note
	<p>to natural disasters, events or other force majeure circumstances shall include at least the following:</p> <p>(I) The time when the aforementioned obstacles continue and cannot be removed, and the date when the meeting shall be postponed or reconvened</p> <p>(II) Shareholders who have not registered to participate in the original meeting by video conference may not participate in the postponed or reconvened meeting.</p> <p>(III) If a video-assisted shareholders' meeting cannot be reconvened by video conference, the shareholders' meeting shall continue if the total number of shares present reaches the legal quota for the shareholders' meeting after deducting the number of shares attending the shareholders' meeting by video conference, and the number of shares attending the shareholders' meeting by</p>	<p>or video participation due to natural disasters, events or other force majeure circumstances shall include at least the following:</p> <p>(I) The time when the aforementioned obstacles continue and cannot be removed, and the date when the meeting shall be postponed or reconvened</p> <p>(II) Shareholders who have not registered to participate in the original meeting by video conference may not participate in the postponed or reconvened meeting.</p> <p>(III) If a video-assisted shareholders' meeting cannot be reconvened by video conference, the shareholders' meeting shall continue if the total number of shares present reaches the legal quota for the shareholders' meeting after deducting the number of shares attending the</p>	<p>shareholders' meeting by video means within a period of time as announced by the Ministry of Economic Affairs in lieu of such provisions in the Articles of Incorporation. In view of the need to provide the necessary supporting measures in accordance with the prevailing circumstances at the time, a new proviso is hereby added to Paragraph 3, specifying that the latter part of Paragraph 3 shall not apply in the event of the occurrence of the circumstances specified in Paragraph 6 of Article 44-9.</p>

Article No.	Amended Article	Current Article	Note
	<p>video conference shall be counted in the total number of shares present for the shareholders' meeting, and shall be deemed abstain from all motions for that shareholders' meeting.</p> <p>(IV) In the event that the results of all motions have been announced and no extempore motion has been made, the handling method.</p> <p>III. The Company shall, when convening a video shareholders' meeting, state the appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video means. <u>Except for the circumstances specified in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall, at a minimum, provide shareholders with connection equipment and necessary assistance, and set forth</u></p>	<p>shareholders' meeting by video conference, and the number of shares attending the shareholders' meeting by video conference shall be counted in the total number of shares present for the shareholders' meeting, and shall be deemed abstain from all motions for that shareholders' meeting.</p> <p>(IV) In the event that the results of all motions have been announced and no extempore motion has been made, the handling method.</p> <p>III. The Company shall, when convening a video shareholders' meeting, state the appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video means.</p>	

Article No.	Amended Article	Current Article	Note
	<p><u>the period during which shareholders may apply to the Company for such assistance and other relevant matters to be noted.</u></p>		
<p>Article 18-3</p>	<p>If a shareholders' meeting is held by video means, the Company may provide a simple connection test for shareholders before the meeting and provide relevant services immediately before and during the meeting to assist in handling technical problems of communication. (Hereinafter omitted)</p> <p>The Company shall, when convening a video shareholders' meeting, provide the appropriate alternative measures for shareholders who have difficulties attending the shareholders' meeting by video means. <u>Except for the circumstances specified in Paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall, at a minimum, provide shareholders with connection equipment and necessary</u></p>	<p>If a shareholders' meeting is held by video means, the Company may provide a simple connection test for shareholders before the meeting and provide relevant services immediately before and during the meeting to assist in handling technical problems of communication. (Hereinafter omitted)</p>	<p>The reason for the amendment is the same as Article 6-1</p>

Article No.	Amended Article	Current Article	Note
	<u>assistance, and set forth the period during which shareholders may apply to the Company for such assistance and other relevant matters to be noted.</u>		
Article 19	<p>These Rules shall be effective upon approval by the shareholders' meeting and the same applies to amendments.</p> <p>The “Rules of Procedures for Shareholders’ meetings” was enacted on May 20, 1999.</p> <p>The 1st amendment was made on June 18, 2001.</p> <p>The 2nd amendment was made on June 8, 2002.</p> <p>The 3rd amendment was made on June 15, 2006.</p> <p>The 4th amendment was made on June 25, 2010.</p> <p>The 5th amendment was made on May 25, 2012.</p> <p>The 6th amendment was made on May 31, 2013.</p> <p>The 7th amendment was made on June 2, 2015.</p> <p>The 8th amendment was made on May 22, 2017.</p> <p>The 9th amendment was made on June 24, 2019.</p> <p>The 10th amendment was made on June 29, 2020.</p> <p>The 11th amendment was made on June 30, 2022.</p> <p><u>The 12th amendment was made on May 29, 2023.</u></p>	<p>These Rules shall be effective upon approval by the shareholders' meeting and the same applies to amendments.</p> <p>The “Rules of Procedures for Shareholders’ meetings” was enacted on May 20, 1999.</p> <p>The 1st amendment was made on June 18, 2001.</p> <p>The 2nd amendment was made on June 8, 2002.</p> <p>The 3rd amendment was made on June 15, 2006.</p> <p>The 4th amendment was made on June 25, 2010.</p> <p>The 5th amendment was made on May 25, 2012.</p> <p>The 6th amendment was made on May 31, 2013.</p> <p>The 7th amendment was made on June 2, 2015.</p> <p>The 8th amendment was made on May 22, 2017.</p> <p>The 9th amendment was made on June 24, 2019.</p> <p>The 10th amendment was made on June 29,</p>	

Regular Shareholders' meetings Agenda Handbook

Article No.	Amended Article	Current Article	Note
		2020. The 11th amendment was made on June 30, 2022.	

Appendices

Appendix I: Articles of Incorporation

Sanfar Property Limited

Articles of Incorporation

Approved by the shareholders' meeting on June 30, 2022.

Chapter I General Principles

Article I The company is organized in accordance with the Company Act and is named "SAN FAR PROPERTY LIMITED."

Article II The businesses operation of the company is as follows:

- I. H701010 Residential and building development, lease, and sale business
- II. H701020 Industrial factories development, lease, and sale business
- III. H701040 Specific professional zones development business
- IV. H701050 Public construction investment business
- V. H701060 New towns and communities development business
- VI. H701070 Sectional expropriation and municipal rezoning agency business
- VII. H701080 Urban renewal and reconstruction business
- VIII. H702010 Construction management business
- IX. H703090 Real estate trading business
- X. H703100 Real estate leasing business
- XI. H703110 Seniors home business
- XII. E801010 Interior decoration business
- XIII. F106020 Daily necessities wholesale business
- XIV. F111090 Building materials wholesale business
- XV. F113010 Machinery wholesale business
- XVI. F211010 Building materials retail business
- XVII. F213080 Machinery appliance retail business
- XVIII. F301010 Department store business
- XIX. F301020 Supermarket business
- XX. F501060 Restaurant business

- XXI. G202010 Parking lot business
- XXII. I102010 Investment consulting business
- XXIII. I103060 Management consulting business
- XXIV. I301010 Information software service business
- XXV. I503010 Landscape and interior design business
- XXVI. J503010 Radio broadcasting production business
- XXVII. J503020 TV programs production business
- XXVIII. J503030 Radio broadcasting and television program distribution business
- XXIX. J503040 Radio broadcasting and television advertising business
- XXX. 20. J503050 Video tape business
- XXXI. J701020 Amusement park business
- XXXII. J701040 Entertainment square business
- XXXIII. J801010 Golf course business
- XXXIV. J901020 General hotel business
- XXXV. JD01010 Industrial and commercial credit check service business
- XXXVI. D401010 Thermal energy supply business
- XXXVII. F199990 Other wholesale businesses
- XXXVIII. F501030 Beverage store business
- XXXIX. F401010 International trade business
- XL. F113050 Computer and office machinery and equipment wholesale business
- XLI. F213030 Computer and office machinery and equipment retail business
- XLII. E605010 Computer equipment installation business
- XLIII. IE01010 Telecommunications service and phone number agency business
- XLIV. F113070 Telecommunications equipment wholesale business
- XLV. F213060 Telecommunications equipment retail business
- XLVI. F119010 Electronic materials wholesale business
- XLVII. I401010 General advertising services business
- XLVIII. J301010 Newspaper business
- XLIX. J303010 Magazine (periodical) publishing business
- L. ZZ99999 All business items that are not prohibited or

restricted by law, except those that are subject to special approval

Article III The company's head office is located in Taipei City. If necessary, the company may establish branches domestically and abroad through a resolution of the board of directors, so is the investment in Taiwan and abroad. When being a shareholder with limited responsibility, the total investment is not subject to the restriction of not exceeding 40% of the paid-in as stated in Article 13 of the Company Act

Article III-I The company may make external guarantees for business needs, and it is to be handled in accordance with the company's "Regulations Governing Making Endorsements/Guarantees."

Article IV Deleted

Chapter II Shares

Article V The total capital of the Company is set at NT\$4,500 million, divided into 450 million shares, all of which are common shares with NT\$10 each, and the unissued portion is authorized to be issued by the Board of Directors in installments. One million shares are reserved for the issuance of warrants, preferred stocks with warrants, or corporate bonds with warrants to exercise the stock options; also, the board of directors is authorized to issue stock shares in installments. The company may have stock shares transferred to employees at an average price lower than the actual purchase price or may issue employee stock warrant for a subscription price lower than market price in a meeting with the attendance of shareholders who represent more than half of the total number of issued shares, and shall be executed with the approval of more than two-thirds of the voting rights of the shareholders present.

Article VI The company's stocks are all ordered that are signed or sealed by the directors and issued after being attested by the competent authority or the issuance and registration agency authorized by the competent authority. The stock shares issued by the company may be exempted from printing certificates. They should be registered with the centralized securities depository enterprises and proceed in accordance with the regulations of such institutions.

- Article VII The book closure date for the transfer of the stock shares is scheduled 60 days prior to the regular shareholders' meeting, 30 days prior to the extraordinary shareholders' meeting, or 5 days prior to the company's distributing dividends, bonuses, and other benefits.
- Chapter III Shareholders' meeting
- Article VIII There are two types of shareholders' meetings: regular shareholders' meeting and extraordinary shareholders' meeting. The regular shareholders' meeting shall be convened at least once a year and shall be convened within six months after the end of each fiscal year. An extraordinary meeting will be convened lawfully, when necessary.
- Article IX A shareholders' meeting is convened by the board of directors and chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, one of the directors shall be appointed to act as chair in accordance with Article 208 of the Company Act. If the shareholders' meeting is convened by a party with the power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- Article IX-I The shareholders' meeting may be held by video or other means announced by the Ministry of Economic Affairs.
- Article X A shareholder who cannot attend the shareholders' meeting for reasons may have the company's proxy form issued with the scope of authorization detailed and signed or sealed for the agent to attend the meeting instead.
- Article XI The company's shareholders shall be entitled to one vote for each share held. However, those subject to the restrictions as stated in Article 179 of the Company Act have no voting rights.
- Article XII Unless otherwise provided by the Company Act, the resolutions of the shareholders' meeting shall be with the attendance of shareholders who represent more than half of the total number of issued shares and shall be executed with the approval of more than half of the voting rights of the shareholders present. According to the regulations of the competent authority, the

company's shareholders may exercise their voting rights electronically. A shareholder exercising voting rights by electronic means will be deemed to have attended the meeting in person, and related matters are handled in accordance with law and regulations.

Article XIII Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed by an announcement. The meeting minutes must detail the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberation and the voting results. The meeting minutes must be retained indefinitely. The minutes of the proceedings should be kept in the company together with the signature book of the shareholders present and the proxy attendance letter.

Chapter IV Directors and Audit Committee

Article XIV The Company shall have seven to nine directors, and the actual number of directors to be elected is authorized to be decided by the Board of Directors. The election of directors shall be based on the candidate nomination system under Article 192-1 of the Company Act, and shareholders shall elect the candidates from the list of director candidates. The matters related to the nomination and announcement of the director candidates shall be handled in accordance with the Company Act, Securities Exchange Act, and relevant law and regulations. The term of office of directors is three years, and they may be re-elected. Among the number of directors in the preceding paragraph, there should be at least three independent directors (at least one independent director should have accounting or financial expertise) and no less than one-fifth of the number of directors. The election of independent and non-independent directors may be conducted together, and the number of people elected is calculated separately. The company has established an Audit Committee in accordance

with the provisions of the Securities Exchange Act, which is composed of all independent directors.

Article XV The board of directors is organized by directors with the attendance of two-thirds of the directors and the approval of the majority of the directors present. The chairman is selected among the directors who shall represent the company externally.

The board of directors may decide to appoint a vice chairman when necessary, and the vice chairman is to be selected among the directors as stated in the preceding paragraph.

Article XVI The Board of Directors' meetings shall be convened by giving seven days' notice to the directors, stating the reasons for convening the meetings. But a meeting can be called at any time when there is an emergency. The meeting notice in the preceding paragraph can be made in writing, e-mail, or fax. A director participating a meeting by video conference will be deemed to have attended the meeting in person.

The board of directors, except for the first board meeting of each term to be convened in accordance with Article 203 of the Company Act, shall be convened by the chairman of the board and serve as chairman at the same time; unless otherwise provided by the company, the resolutions must be reached with the attendance of more than half of all directors and with the consent of more than half of the directors present. If a director is unable to attend the board meeting for reasons, he/she may issue a proxy to entrust other directors to attend the meeting in accordance with Article 205 of the Company Act, but it is limited to only one proxy.

Article XVII Deleted

Article XVIII The resolution reached in the board meeting must be included in the meeting minutes that shall be signed or sealed by the chairperson for distribution to each director within 20 days after the conclusion of the meeting. The meeting minutes shall accurately record the time, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and the voting results. The meeting minutes should be kept in the company together with the signature book of the shareholders present and the proxy attendance letter.

- Article XIX When the chairman of the board asks for leave or is unable to exercise his/her powers for some reason, his/her agency shall be handled in accordance with Article 208 of the Company Act.
- Article XX In case no re-election of directors is effected after expiration of the term of office of original directors, the term of office of original directors shall be extended until the time new directors have been elected and assumed their office.
- Article XX -I In performing the business of the Company, directors shall be paid salaries and attendance fees at the usual rate in the industry, regardless of the profit or loss of the Company.
- Article XX-II The Company may purchase liability insurance for directors who are legally liable for compensation during their term of office for the scope of business they perform.
- Chapter V Managers
- Article XXI The company has several managers, whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.
- Chapter VI Accounting
- Article XXII The Board of Directors of the Company shall prepare the following reports at the end of each fiscal year and submit them to the Audit Committee for review 30 days prior to the regular shareholders' meeting and submit them to the regular shareholders' meeting for ratification.
1. Business report
 2. Financial statements
 3. Proposal for the distribution of earnings and appropriation for making up losses
- Article XXIII If the company's current net income before tax without taking into account the remuneration to employees and directors and after being applied to make up for losses is with a positive balance, it is necessary to appropriate an amount not more than 5% of the balance as remuneration to directors and an amount not less than 1% of the balance as remuneration to employees accordingly. The aforementioned employee remuneration is to be paid in the form of stock shares or cash, including employees of affiliated companies who meet certain conditions that are to be

stipulated by the board of directors. The decision of paying employee remuneration in the form of stock shares or cash is to be resolved in the board meeting with the attendance of two-thirds of the shareholders and with the consent of the majority of the directors present; also, it must be reported to the shareholders' meeting.

Article XXIII-I The company may have the net income, if any, distributed in the following order:

- (I) Applied to pay taxes;
- (II) Applied to make up for the losses;
- (III) Appropriate 10% of the amount as legal reserve; But when the legal reserve equals the paid-in capital, it is not subject to this requirement.
- (IV) Appropriate or reverse special reserve lawfully or for business operation.
- (V) The board of directors will resolve to have the balance amount, if any, and the unappropriated earnings of previous years retained or distributed dividends to shareholders depending on the capital status and economic development of the current year, which shall be submitted to the shareholders' meeting for approval.

The company, for sustainable and stable business development and considering capital needs and long-term financial planning, formulates dividend policies; also, comprehensively considers retained earnings and future profitability to determine the distributable amount each year. Dividends are distributed in the form of stock dividends and cash dividends. The distribution of cash dividends shall not be less than 10% of the current year's total dividends. However, when the cash dividend is less than NT\$0.5/share, stock dividends may be distributed instead.

Article XXIII-II The Company's earnings distribution in cash, shall be resolved by the Board of Directors in accordance with Paragraph 5, Article 240 of the Company Act and reported to the shareholders' meeting without the need for the ratification by the shareholders' meeting.

Article XXIII-III If there is not any earnings available for distribution, of the amount in earnings is much lower than the actual earnings previously distributed by the company, or according to the

consideration of the company's financial, business, and operating aspects, the earnings may be distributed entirely or partially in accordance with law or regulations or the requirements of the competent authority. The earnings distribution that is paid in cash is to be handled by the board of directors in accordance with Article 241 of the Company Act and reported to the shareholders' meeting, but it is unnecessary to have it presented to the shareholders' meeting for approval.

Chapter VII Annex

Article XXIV Matters not specified in the Articles of Incorporation shall be handled in accordance with the provisions of the Company Act.

Article XXV The Articles of Incorporation was enacted on September 1, 1993.
The 1st amendment was made on September 16, 1993.
The 2nd amendment was made on April 10, 1998.
The 3rd amendment was made on May 16, 1998.
The 4th amendment was made on May 20, 1999.
The 5th amendment was made on July 2, 1999.
The 6th amendment was made on November 8, 1999.
The 7th amendment was made on April 8, 2000.
The 8th amendment was made on August 17, 2000.
The 9th amendment was made on October 20, 2000.
The 10th amendment was made on November 13, 2000.
The 11th amendment was made on June 6, 2001.
The 12th amendment was made on June 8, 2002.
The 13th amendment was made on June 20, 2004.
The 14th amendment was made on June 20, 2004.
The 15th amendment was made on June 20, 2005.
The 16th amendment was made on June 15, 2006.
The 17th amendment was made on June 21, 2007.
The 18th amendment was made on May 13, 2008.
The 19th amendment was made on June 19, 2009.
The 20th amendment was made on June 25, 2010.
The 21st amendment was made on May 27, 2011.
The 22nd amendment was made on May 25, 2012.
The 23rd amendment was made on May 31, 2013.
The 24th amendment was made on June 2, 2015.
The 25th amendment was made on June 27, 2016.

The 26th amendment was made on May 22, 2017.

The 27th amendment was made on June 29, 2020.

The 28th amendment was made on July 27, 2021.

The 29th amendment was made on June 30, 2022.

Appendix II: Rules of Procedure for Shareholders' Meetings

Sanfar Property Limited

Rules of Procedures for Shareholders' meeting

The date of amendment: Approved by the shareholders' meeting on June 29, 2021

Article I

For establishing sound shareholders' meeting governance, improving the supervision function, and promoting sound development, these rules of procedures is formulated in accordance with Article 5 of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and shall be followed.

Article II

The rules of procedures for this Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be ruled as provided in these Rules.

Article III

Unless otherwise provided by law or regulation, this Company's shareholders' meetings shall be convened by the board of directors.

Changes to how this Company convenes its shareholders' meeting shall be resolved by the board of directors, and shall be made no later than the mailing of the shareholders' meeting notice.

The company shall prepare electronic versions of the shareholders' meeting notice and proxy forms and the origins of explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of a regular shareholders' meeting or 15 days before the date of an extraordinary shareholders' meeting. The company shall prepare electronic versions of the shareholders' meeting agenda handbook and supplemental meeting materials to be uploaded to the MOPS 21 days before the regular shareholders' meeting or 15 days before the date of the extraordinary shareholders' meeting. The company shall have prepared the shareholders' meeting agenda handbook and supplemental meeting materials available for shareholders 15 days before the shareholders' meeting date. The

meeting agenda handbook and supplemental materials shall also be displayed at the company and the professional shareholder services agent designated and distributed on-site at the meeting place.

This Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholder's meeting:

1. For physical shareholders' meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
3. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

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

Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the cease of a public offering, approval of competing with the company by directors, profit distributed in the form of new shares, additional paid-in capital distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 should be detailed in the meeting notice instead of being proposed in motions; also, the proposal contents should be published on the network designated by the securities authorities or the company and the network information must be stated in the meeting notice.

Where the election of board directors and the inauguration date is stated in the meeting notice, the inauguration date may not be altered by a motion or any other way upon the completion of the election in the same meeting.

A shareholder holding 1% or more of the total number of issued shares may submit to the company a written proposal for discussion at a regular shareholders' meeting. However, the number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. However, if the shareholders' proposal is to urge the company to promote the public interest or fulfill its social responsibilities, the board of directors may still include it in the agenda. The Board of Directors may disregard shareholder proposals if the proposed agendas exhibit any of the conditions described in Paragraph 4, Article 172-1 of the Company Act.

The company, before holding a regular shareholders' meeting, shall announce accepting the proposal of shareholders, proposal filing in person or in an electronic form, and place and time of accepting the proposals prior to the book closure date; also, the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The proposing shareholder shall attend the regular shareholders' meeting in person or by proxy and take part in discussing the proposal.

The company shall inform the proposal screening results to the proposing shareholders prior to the meeting notice date and shall list in the meeting notice the proposals that conform to this Article's provisions. The board of directors shall explain the reason for excluding any shareholder proposals not included in the agenda at the shareholders' meeting.

Article IV

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and mandate only one proxy for any given shareholders' meeting. The proxy form shall be delivered to the company five days before the shareholders' meeting date and the proxy received the earliest shall prevail. Unless a written notice of proxy cancellation has been submitted to the company.

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

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

Article V

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

The preceding restrictions on the place of the meeting shall not apply when this Company convenes a virtual-only shareholders' meeting.

Article VI

This Company shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed to have attended the shareholders' meeting in person.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

When the government or a juristic person is a shareholder, it may be represented by a number of representatives equivalent to the number of directors (including independent directors) elected currently. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with this Company two days before the meeting date.

In the event of a virtual shareholders' meeting, this Company shall upload the meeting agenda book, annual report, and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article VI-I

To convene a virtual shareholders' meeting, this Company shall include the following particulars in the shareholders' meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (1) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (2) Shareholders not having registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session
 - (3) In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders, meeting.
 - (4) Actions to be taken if the outcome of all proposals has been announced and an extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.

Article VII

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson. When the chairperson is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

An acting director or a director who serves as chair as stated in the preceding paragraph shall have held the office for more than six months and understand the financial conditions of the company. A corporate director that serves as chair shall meet the aforementioned conditions.

The chairman of the board of directors should chair the shareholders' meeting convened by the board of directors, and the majority of the directors should attend such meeting. At least one Audit Committee member, and at least one representative of each functional committee; also, the attendance should be documented in the meeting minutes.

If the meeting of shareholders is convened by an authorized party other than the board of directors, the convening party shall chair the meeting. If there are two or more convening parties, they shall select one party to chair among themselves.

The company may appoint its attorneys, certified public accountants, or related personnel to attend the shareholders' meeting.

Article VIII

This Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The audio and video recording referred to in the preceding paragraph shall be safe kept for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, such material shall be retained until the conclusion of the litigation.

Where a shareholders' meeting is held online, this Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders' meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article IX

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

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and 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 one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

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

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

Article X

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda), 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 an authorized party other than the board of directors.

The chair may not declare the meeting adjourned prior to the completion of deliberation on the meeting agenda of the preceding two paragraphs (including motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other board directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the voting rights represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or motions put forward by the shareholders; when the chair believes that a proposal has been discussed sufficiently and ready for voting, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article XI

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

An attending shareholder who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken

content shall prevail.

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

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

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

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

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable that the questions be disclosed to the public at the virtual meeting platform.

Article XII

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

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

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

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

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article XIII

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

When the company holds a shareholder meeting, it shall adopt voting rights by electronic means and may adopt voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, the motion and the amendment to the original proposal of the shareholders' meeting shall be deemed as a waiver. Therefore, the company shall avoid the submission of motions and amendments to original proposals.

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

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

Unless otherwise provided in the Company Act and the company's Articles of Incorporation, the passage of a proposal requires an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of voting, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders for each proposal, followed by a poll of the shareholders. The number of votes for and against each proposal and the waiver should be announced on the MOPS upon the conclusion of the shareholders' meeting.

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 for voting in an orderly manner. When any proposal among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.

The chair shall appoint the monitoring and counting personnel for the voting on a proposal; provided that all monitoring personnel shall be shareholders of the company.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. The voting results, including the statistical votes, shall be announced on-site at the meeting, with a record made immediately upon the completion of the vote counting.

When the Company convenes a virtual shareholders' meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders' meeting, if shareholders, solicitors and proxies who have registered to attend the meeting online in accordance with Article 6, decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extraordinary motions, they will not

exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article XIV

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

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

Article XV

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 chairman of the meeting and shall be distributed to all shareholders of the company within twenty days after the close of the meeting. The meeting minutes may be produced and distributed in an electronic form.

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

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

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholders' meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.

Article XVI

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable law or regulations or under the regulations of Taiwan Stock Exchange Corporation (or TPEX), the company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article XVII

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

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

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

When a shareholder violates the rules of procedure and defies the chair's

correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article XVIII

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

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

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

Article XVIII-I

In the event of a virtual shareholders' meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article XVIII-II

When the Company convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article XVIII-III

In the event of a virtual shareholders' meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders' meeting, when the chair declares the

meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights, and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

When the company convenes a virtual shareholders' meeting, it shall provide appropriate alternative measures for shareholders who have difficulty attending the shareholders' meeting by virtual.

Article XIX

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

Appendix III: Shareholding by the entire bodies of directors

Sanfar Property Limited

Shareholding of all the board directors

Base date: March 31, 2023, Unit: Shares

Job title	Name	Shareholder Registry on the book closure date Number of shares booked
Director	Shang Shan Co., Ltd. Representative: Ting-Chen Chung, Ming-Hsien Kao, Ting-Hsin Chung	13,183,004
Director	Cheng-nan Huang	0
Independent Director	Chin-Chang Wu	0
Independent Director	Hsu-hui Hsu	0
Independent Director	Yanfend Wu	0
Shareholding of all the directors		13,183,004

Note: The Company's paid-in capital as of March 31, 2023 was \$3,265,541,500 with 326,554,150 shares in issuance. According to the provisions of Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies:" the shareholding of the company's board directors has met the specifications.

1. The number of shares legally required to be held by the entire bodies of directors of the Company is 13,062,166, and the actual number of shares held by the entire bodies of directors is 13,183,004.
2. The company has set up an Audit Committee in accordance with the Securities and Exchange Act; therefore, the company is not subject to the requirement that the supervisor's shareholding may not be less than a specific ratio.