

**Prince Housing & Development Corporation**  
**Meeting Minutes of the 2024 Annual General Shareholders' Meeting**

- I. Meeting Format: Physical AGM
- II. Time: 10:00 am, June 19 (Wednesday), 2024
- III. Place: No. 261, Nanmen Road, Tainan City  
1F, Grand Conference Hall, The Labor Recreation Center
- IV. Calling the Meeting to Order (report on the shares held by attending shareholders)

Total outstanding shares of the Company: 1,622,670,723 shares (the number of non-voting rights has been deducted: 655,424 shares).

Total shares represented by shareholders present in person or by proxy: 1,163,319,818 shares (including shareholders who exercise voting rights electronically: 308,027,828 shares).

Percentage of shareholding of the shareholders present in person or by proxy: 71.69%.

Present Directors:

Attendance of Directors:

Chih-Hsien Lo & Tsung-Ping Wu (Representative of Uni-President Enterprises Corp.)

Po-Ming Hou (Representative of Uni Yu Peng Inv. Co., Ltd.)

Chih-Yuan Hou (Representative of Uni Hsin Yung Hsing Inv. Co., Ltd.)

Chung-Ho Wu (Representative of Uni Young Yun Inv. Co., Ltd.)

Attendance of Independent Directors:

Tse Hsiang Ting

Jun-Shen Tseng

Attendance:

President Hung-Chun Lin

Lawyer Yu-Cheng Li

CPA Kuo-Hua Wang

Chairman:

Chih-Hsien Lo

Recorder:

Chun-Liang Lin

V. Chairman's Remarks

## Management Presentation

- I. 2023 Business Report, please review.  
Description: Please refer to Annex 1 for the 2023 Business Report (Handbook: Page 5).
- II. Audit Report of the 2023 Final Report by the Audit Committee, please review.  
Description: Please refer to Annex 2 for the Audit Report of the Audit Committee (Handbook: Page 6).
- III. Report of total amount of endorsements and guarantees in 2023:  
The details of endorsements and guarantees for investees by December 31, 2023 are as follows.

Expressed in thousand NT Dollars

Endorsed/guaranteed investee	Total amount of endorsements and guarantees at the end of the period	The amount of endorsements and guarantees actually disbursed.
The Splendor Hospitality International Co., Ltd.	1,800,000	1,700,000

- IV. Details of capital lending to others in 2023:  
The details of capital lending to others by December 31, 2023 are as follows, please review.

Expressed in thousand NT Dollars

Borrower	Amount and credit of lending	Ending balance of capital lending
Prince Industrial Corporation	100,000	0
Prince Chong-De Industrial Corp.	200,000	0
Cheng-Shi Construction Co., Ltd.	100,000	0

- V. Status Report on Corporate Bond Issuance:
  - (I) The first issuance of secured ordinary corporate bonds for fundraising in 2022, with a total amount of NT\$2 billion, was approved by Taipei Exchange (TPEX) on June 9, 2022 by Letter Zheng-Gui-Zhai No. 11100056491 and completed on June 16, 2022.
  - (II) The first issuance of secured ordinary corporate bonds for fundraising in 2023, with a total amount of NT\$2.5 billion, was approved by Taipei Exchange (TPEX) on June 9, 2023 by Letter Zheng-Gui-Zhai No. 11204003081 and completed on June 13, 2023.
- VI. 2023 Report of remuneration for employees and directors:
  - (I) In accordance with Article 32 of the Articles of Incorporation, the Company shall distribute a minimum of 2% of the profit made in the year as the reward for employees and a maximum of 3% as the reward

for directors. The reward for 2023 was thus appropriated in accordance with the Articles of Incorporation and in respect of the Company's operational performance:

- (1) Remuneration for employees at 8.80% of profits, NT\$65,366,051 in total.
- (2) Remuneration for directors at 2.99% of profits, NT\$22,237,934 in total.

(II) The reward for both employees and directors were distributed in cash.

## VII. Report on the amendment to the Rules of Procedure for Meetings of the Board of Directors:

Description: Please refer to Annex 3 for the comparison table of amendments to the Rules of Procedure for Meetings of the Board of Directors (Handbook: Page 7-11).

## VIII. Other matters

- (I) Related information of shareholders holding over one percent of the total number of issued shares of the Group.

Description: Referring to Article 172-1 of the Company Act:

“Shareholder(s) holding more than one percent (1%) of the total number of outstanding shares of a company may make a proposal for discussion at a general meeting of the shareholders.” The proposal acceptance date for the current AGM will be April 8-18, 2024. No proposal was submitted by shareholders during the said period.

## Ratifications

### Subject 1: Ratification of the 2023 Business Report and 2023 Financial Statements (Proposed by the Board of Directors).

Description: Ratification of the 2023 Final Report was approved by the 10<sup>th</sup> meeting of the 17<sup>th</sup> Board of Directors in 2024. The report has been submitted to the Audit Committee for audit. Please ratify. (Please refer to page 5 Annexes 1 and page 12-34 Annexes 4 & 5).

Resolution:

Total outstanding shares of the Company	1,163,319,818 shares
Approval votes	1,124,023,622 shares (including shareholders who exercise voting rights electronically of 270,896,912 shares) 96.62 % of total attendance
Disapproval votes	979,413 shares (including shareholders who exercise voting rights electronically of 979,413 shares) 0.08% of total attendance

Abstention votes / No votes	38,316,783 shares (including shareholders who exercise voting rights electronically of 36,151,503 shares) 3.3% of total attendance
Invalid votes	0 share
The above proposal was hereby approved as proposed.	

Subject 2: Ratification of the 2023 Earnings Distribution Proposal (Proposed by the Board of Directors).

Description: 1. The 2023 Earnings Distribution Proposal was approved by the 10<sup>th</sup> meeting of the 17<sup>th</sup> Board of Directors in 2024 and submitted to the Audit Committee for audit.

2. Cash dividends will be NT\$0.36 per share. The chairman shall be authorized to handle and adjusted changes in the dividend as a result of the impact on the number of shares circulated in the market due to share buyback; or transfer, conversion and cancellation of treasury shares, issuance of new shares for capitalization.

3. Please refer to the Profit Distribution Table for details regarding the profit distribution proposal for 2023.  
(Please refer to page 35 Annex 6)

Resolution:

Total outstanding shares of the Company	1,163,319,818 shares
Approval votes	1,125,260,870 shares (including shareholders who exercise voting rights electronically of 272,134,160 shares) 96.73 % of total attendance
Disapproval votes	992,424 shares (including shareholders who exercise voting rights electronically of 992,424 shares) 0.09% of total attendance
Abstention votes / No votes	37,066,524 shares (including shareholders who exercise voting rights electronically of 34,901,244 shares) 3.18% of total attendance
Invalid votes	0 share
The above proposal was hereby approved as proposed.	

## Discussions

Subject 1: Amendment to the Articles of Incorporation. Please refer to Annex 7 for the comparison table (page 36). Please vote (proposed by the Board).  
Resolution:

Total outstanding shares of the Company	1,163,319,818 shares
Approval votes	1,125,229,801 shares (including shareholders who exercise voting rights electronically of 272,103,091 shares) 96.72 % of total attendance
Disapproval votes	991,225 shares (including shareholders who exercise voting rights electronically of 991,225 shares) 0.09% of total attendance
Abstention votes / No votes	37,098,792 shares (including shareholders who exercise voting rights electronically of 34,933,512 shares) 3.19% of total attendance
Invalid votes	0 share
The above proposal was hereby approved as proposed.	

## Motions

Shareholder No. 274537: Two years ago, the Chairman said that Prince Housing & Development Corp. needed to be rectified as a whole. Two years have passed, I wonder what the future development will be.

Chairman: The word "rectified" is too serious. Maybe "reorganized" is a gentler word. Prince Housing & Development Corp. has two directions for future development. First, in terms of the construction industry, Taiwan's construction market has been treacherous in recent years, with many uncertainties. The Company's current reserve land is still sufficient, but what kind of houses should be built to meet future needs are still in discussion and careful internal evaluation. It may take three to five years from design to completed housing. Therefore, during this period, there is a very important developmental process. As I have mentioned in the past, the characteristics of the construction industry itself is a one-time construction project. Good properties will be gone when sold to clients, so I hope to continue this good relationship in the future.

Prince Housing & Development Corp. has subsidiaries in different industries, such as securities, construction and maintenance, which will have strong demand in the future society. We will organize these units one by one into an independent unit, which can play a role in the construction-

related service industry. , to help the Company create a stable source of profit. We also used these two years to revitalize assets that had not been processed in the past, such as abandoned offices, land, etc., so although there were no real estate to sell in these two years, the Company still maintained a considerable cash flow and stability. All the benefits are gained from management, and assets will continue to be activated in the future.

## **Adjournment**

10.26 am

## Business Report

### I. 2023 Business Report

Amidst a confluence of circumstances including inflation, interest rates, and the suboptimal post-epidemic economic performance in China, manufacturing operations have decelerated in a number of nations. Moreover, the ongoing conflict in the Middle East, the Russia-Ukraine war, and the US-China chip ban have all had an effect on social stability and global economic development. In Taiwan, the retail, tourism, and personnel transportation industries performed better than the previous year. However, the slowdown in global trade expansion has had an impact not only on Taiwan's exports and performance, but also on corporate investment.

In terms of real estate, due to continuous interest rate hikes, selective credit control, and the implementation of the Equalization of Land Rights Act, although housing prices did not fall significantly in the first half of 2023, the transaction volume was the lowest in recent years. Later, as the "New Youth's Housing Subsidy Program" launched by the government has a catalytic effect on the rigid demand, the housing market transactions will slowly recover in the second half of the year.

In 2023, in addition to housing sales, the Company's business model is no longer limited to land purchase and construction, but is committed to building a real estate-based business platform by integrating internal and external resources. To accomplish this, the Company divides its business territory into six major sectors: core construction, BOT projects, construction, property management, hotel operations, and re-investment. Each sector receives the resources it requires. In the core construction sector, efforts are being made to repurpose existing assets to generate revenue, optimize management systems, and advance ongoing projects. In addition to improving the operational performance of existing BOT projects, resources are allocated to develop new ones. The Company bid on BOT projects in Taichung City's Beitun and Dali districts, and was chosen as the preferred applicant, with long-term returns expected. In the construction industry, the Company uses its expertise to develop logistics parks and provide electrical and plumbing services to chain stores, generating revenue through professionalism while deepening its expertise for future growth. In property management, resources are directed toward key communities to establish flagship benchmarks, and the Company was awarded the "Excellent Award for Social Housing and Property Management Evaluation" by New Taipei City in 2023. In hotel operations, properties like W Hotel and Hotel Resonance have turned losses into profits as the tourism market recovers. The investment sector continues to provide steady returns. Each business unit has its own role to play, allowing the Company to grow steadily. In 2023, the amount of annual revenue and net income was NT\$1.172 billion and NT\$593 million respectively, and the amount of consolidated revenue and consolidated net income was NT\$8.485 billion and NT\$585 million respectively.

### II. Summary of the 2024 Business Plan

In 2024, the recovery of the global economy is not yet clear, and the macro environment is still full of many uncertainties; in terms of real estate, the amendment to the House Hoarding Tax 2.0 has been passed for the third reading. Fluctuations will inevitably occur. How much of the impact will be caused by the increase in the cost of ownership remains to be observed in the future.

In 2024, in addition to optimizing the business model of land purchase, construction, and housing sales to make them more efficient, the Company will integrate internal and external resources in BOT business, construction business, property management, hotel operation and reinvestment, etc. Utilize the synergy of team resources and diversify operations to actively create various revenues.

### **III. Future Development Strategy**

Adhering to the business philosophy of “good location, good design, good construction, and fair price”, and the spirit of "character, brand, and taste", we strive to carve out our core operations, expand diversified revenue channels, and expand into new markets. to create the growth momentum of Prince Housing & Development Corp. for the next 50 years. The future development strategy is to adhere to corporate governance, implement sustainable development, and build a century-old foundation, coupled with internal digital transformation and market diversification operations, in order to become a comprehensive developer with strong anti-risk capabilities and steady growth. The Board of Directors currently consists of 17 Directors, including 5 Independent Directors. The Board members come from a variety of professional backgrounds and have the knowledge, skills, and qualities required to carry out and expand diverse operations in a multifaceted market. They can also effectively supervise the management team to maximize value for shareholders, customers, society, and employees.

**Chairman:**  
**Chih-Hsien Lo**

**General Manager:**  
**Hung-Chun Lin**

**CAO:**  
**Ta-Chang Tai**

**Prince Housing & Development Corp.  
Audit Report by the Audit Committee**

This is to approve that

Among the 2023 Business Report, Financial Statements and Proposal for Earnings Distribution prepared by the Board of Directors, the 2023 Financial Statements have been approved by CPA Kuo-Hua Wang and CPA Chun-Kai Wang of PwC Taiwan. They have also issued an audit report. After auditing the aforementioned Business Report, Financial Statements, and Proposal for Earnings Distribution, this Committee found no issues of non-compliance and thus issued this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

The 2024 Annual General Meeting of Shareholders of Prince Housing and Development Corp.

Prince Housing & Development Corp.

Audit Committee Chairman Tse-Hsiang Ting

May 8, 2024

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Rules of Procedure for**  
**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
<b>Article 7</b> The Company shall submit following items to the Board of Directors for discussion: I. Corporate business plan. II. Signing or affixing the seal to the financial statements of Q1, Q2, and Q3 and the annual financial report by the chairpersons, officers, and CAO. III. Establishment or amendment of an internal control system in accordance with Article 14-1 of the Securities and Exchange Act, and evaluation of the effectiveness of the internal control system. IV. Establishment or amendment of the procedures for handling significant financial activities, such as acquisition or disposal of assets, engagement in derivatives transaction, capital lending, and provision of endorsements or guarantee for others in accordance with Article 36-1 of the Securities and Exchange Act. V. Offering, issuance, or private placement of any securities in the nature of equity. VI. The election or dismissal of the chairperson. VII. Appointment or dismissal of the financial, accounting, or internal audit officers. VIII. Major donations to related parties or non-related parties. Donations in the nature of charity given as emergency assistance and relief of major disasters may be recognized in the next Board of Directors	<b>Article 7</b> The Company shall submit following items to the Board of Directors for discussion: I. Corporate business plan. II. Signing or affixing the seal to the financial statements of Q1, Q2, and Q3 and the annual financial report by the chairpersons, officers, and CAO. III. Establishment or amendment of an internal control system in accordance with Article 14-1 of the Securities and Exchange Act, and evaluation of the effectiveness of the internal control system. IV. Establishment or amendment of the procedures for handling significant financial activities, such as acquisition or disposal of assets, engagement in derivatives transaction, capital lending, and provision of endorsements or guarantee for others in accordance with Article 36-1 of the Securities and Exchange Act. V. Offering, issuance, or private placement of any securities in the nature of equity. VI. The election or dismissal of the chairperson. VII. Appointment or dismissal of the financial, accounting, or internal audit officers. VIII. Major donations to related parties or non-related parties. Donations in the nature of charity given as emergency assistance and relief of major disasters may be recognized in the next Board of	I. Paragraph 4 is added with reference to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies and Affiliates. II. Previous Paragraph 4 has been transferred to Paragraph 5.

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Rules of Procedure for**  
**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
<p>meeting.</p> <p>IX. Any matters required by Article 14-3 of the Securities and Exchange Act or any other laws, regulations, or by-laws to be approved by resolution at a meeting of shareholders or a board meeting, or any such significant matter as may be prescribed by the competent authority.</p> <p>“Related Party” as claimed in the preceding paragraph refers to the “related party” defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. “Major donations to non-related parties” refers to the amount of each donation or the cumulative amount of donations to a single party within a year exceeding NT\$100 million or 1% of the net revenue stated in the CPA certified annual financial statement or 5% of the Company’s paid-in capital. The period “within a year” stated in the preceding paragraph refers to the retrospective period from the date of this Board of Directors meeting. Portions approved in previous Board of Directors’ meetings shall be discounted from the sum to be discussed in this meeting.</p> <p><u>If a foreign company’s stock has no par value or the par value per share is not NT\$10, the amount of 5% of the paid-in capital in Paragraph 2 shall be calculated based on 2.5% of the shareholders’ equity.</u></p> <p>At least one independent director shall attend each meeting in person. In case of a meeting concerning any matters required to be submitted for a resolution by the</p>	<p>Directors meeting.</p> <p>IX. Any matters required by Article 14-3 of the Securities and Exchange Act or any other laws, regulations, or by-laws to be approved by resolution at a meeting of shareholders or a board meeting, or any such significant matter as may be prescribed by the competent authority.</p> <p>“Related Party” as claimed in the preceding paragraph refers to the “related party” defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. “Major donations to non-related parties” refers to the amount of each donation or the cumulative amount of donations to a single party within a year exceeding NT\$100 million or 1% of the net revenue stated in the CPA certified annual financial statement or 5% of the Company’s paid-in capital. The period “within a year” stated in the preceding paragraph refers to the retrospective period from the date of this Board of Directors meeting. Portions approved in previous Board of Directors’ meetings shall be discounted from the sum to be discussed in this meeting.</p> <p>At least one independent director shall attend each meeting in person. In case of a meeting concerning any matters required to be submitted for a resolution by</p>	

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Rules of Procedure for**  
**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
Board of Directors under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. Objections or reservations expressed by Independent Directors shall be clearly recorded in the board meeting minutes. Should Independent Directors be unable to attend a board meeting to express their objections or reservations in person, unless a good cause is otherwise presented, such opinions shall be presented in writing in advance and clearly recorded in the board meeting minutes.	the Board of Directors under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. Objections or reservations expressed by Independent Directors shall be clearly recorded in the board meeting minutes. Should Independent Directors be unable to attend a board meeting to express their objections or reservations in person, unless a good cause is otherwise presented, such opinions shall be presented in writing in advance and clearly recorded in the board meeting minutes.	
<p><b>Article 10</b>  <u>If the board meeting is convened by the chairman, the chairman shall preside over the meeting.</u> However, the director receiving votes representing the largest portion of voting rights at the shareholders' meeting shall convene and chair the first meeting of each newly elected Board of Directors. If there are two or more Directors so entitled to convene the meeting, they shall choose one from themselves to chair the meeting. <u>When a majority of the Directors convenes the board meeting in accordance with Paragraph 4, Article 203 or Paragraph 3, Article 203-1 of the Company Act, one person shall be elected by the Directors from among themselves to chair the meeting.</u></p> <p>If the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall take up such duty. If there is</p>	<p><b>Article 10</b>  Unless the Company Act otherwise requires, the Chairperson of the board shall convene and chair the meeting of the Board of Directors. However, the director receiving votes representing the largest portion of voting rights at the shareholders' meeting shall convene and chair the first meeting of each newly elected Board of Directors. If there are two or more Directors so entitled to convene the meeting, they shall choose one from themselves to chair the meeting.</p> <p>If the chairperson of the board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall take up such</p>	<p>I. Amended the wording of Paragraph 1 in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p> <p>II. Added Paragraph 2 in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p> <p>III. Previous Paragraph 2 has been transferred to Paragraph 3.</p>

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Rules of Procedure for**  
**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, the chairperson may designate a director to take up his/her duty. If no designation is made, Directors may elect one of them to chair the meeting.	duty. If there is no vice chairperson or the vice chairperson also is on leave or for any reason is unable to act, the chairperson may designate a director to take up his/her duty. If no designation is made, Directors may elect one of them to chair the meeting.	

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Rules of Procedure for**  
**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
<p><b>Article 12</b>  When the meeting time has arrived and one half of all Directors are not present, the meeting chair may announce for a postponement of the meeting <u>on that day</u>. The number of postponements is limited to two. If the quorum is still not met after two postponements, the meeting chair may shall re-call the meeting following the procedures as stated in Article 3, paragraph 2.  “All Directors” as claimed in the preceding paragraph and in Article 17, paragraph 2, subparagraph 2 shall be calculated as the number of Directors then in office.</p>	<p><b>Article 12</b>  When the meeting time has arrived and one half of all Directors are not present, the meeting chair may postpone the meeting time for not more than two times. If the quorum is still not met after two postponements, the meeting chair may shall re-call the meeting following the procedures as stated in Article 3, paragraph 2.    “All Directors” as claimed in the preceding paragraph and in Article 17, paragraph 2, subparagraph 2 shall be calculated as the number of Directors then in office.</p>	<p>Amended the wording of Article 12 Paragraph 1 in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p>
<p><b>Article 13</b>  The Board of Directors meeting shall be conducted according to the scheduled agenda of the meeting notice. However, it may be changed with the approval of an affirmative vote of a majority represented by the attending Directors.  The chair may not declare the meeting adjourned without the approval of an affirmative vote of a majority represented by the attending Directors.  At any time during the course of a Board of Directors meeting, if the number of Directors sitting at the meeting does not constitute a majority of the attending Directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Paragraph 1 of the preceding article shall apply mutatis mutandis.  <u>Paragraph 3 of Article 10 shall apply to the appointment of proxies if the chair is unable to preside over the meeting or adjourns the</u></p>	<p><b>Article 13</b>  The Board of Directors meeting shall be conducted according to the scheduled agenda of the meeting notice. However, it may be changed with the approval of an affirmative vote of a majority represented by the attending Directors.  The chair may not declare the meeting adjourned without the approval of an affirmative vote of a majority represented by the attending Directors.  At any time during the course of a Board of Directors meeting, if the number of Directors sitting at the meeting does not constitute a majority of the attending Directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Paragraph 1 of the preceding article shall apply mutatis mutandis.</p>	<p>I. Paragraph 1 to 3 remain unchanged.  II. Added paragraph 4 in accordance with Article 13 of Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p>

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Rules of Procedure for**  
**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
<u>meeting without complying with the provisions of paragraph 2.</u>		
<p><b>Article 16</b>  If a director or the corporation (juristic person) he/she represents is an interested party to an agenda item at a board meeting, this director shall state the important aspects of the interested party relationship at that board meeting. If the relationship is likely to prejudice the interest of this Corporation, that director shall not participate in discussion or voting on that agenda item, shall recuse himself/herself from the discussion or the voting on the item, and shall not exercise the voting rights as a proxy for another director.  <u>If a director's spouse, second-degree relatives and other blood relatives, or a company with a controlling and subordinate relationship with the director has an interest in an item at the meeting of the preceding paragraph, it shall be deemed that the director has a conflict of interest in the matter.</u>  If a director is prohibited from exercising voting rights over a board resolution at a board meeting by the proceeding 2 paragraphs, the provisions of Article 180, paragraph 2, of the Company Act shall apply mutatis mutandis in accordance with Article 206, paragraph 4 of the same Act.</p>	<p><b>Article 16</b>  If a director or the corporation (juristic person) he/she represents is an interested party to an agenda item at a board meeting, this director shall state the important aspects of the interested party relationship at that board meeting. If the relationship is likely to prejudice the interest of this Corporation, that director shall not participate in discussion or voting on that agenda item, shall recuse himself/herself from the discussion or the voting on the item, and shall not exercise the voting rights as a proxy for another director.</p> <p>If a director is prohibited from exercising voting rights over a board resolution at a board meeting by the proceeding paragraph, the provisions of Article 180, paragraph 2, of the Company Act shall apply mutatis mutandis in accordance with Article 206, paragraph 4 of the same Act.</p>	<p>I. Paragraph 2 is added with reference to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies and Affiliates.</p> <p>II. Previous Paragraph 2 has been transferred to Paragraph 3.</p> <p>III. The wording of Paragraph 3 was amended in accordance with the addition of Paragraph 2.</p>
<p><b>Article 17</b>  The proceedings of the Board of Directors shall be recorded in the minutes containing the following details:  I. The session (or year), time and place of the meeting.  II. Name of the Chairperson.  III. The attendance status of</p>	<p><b>Article 17</b>  The proceedings of the Board of Directors shall be recorded in the minutes containing the following details:  I. The session (or year), time and place of the meeting.  II. Name of the Chairperson.  III. The attendance status of</p>	<p>I. Amended the Paragraph 1, Subparagraph 7 in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.</p> <p>II. Paragraph 2 to 5 remain</p>

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**Comparison Table of Amendments to the Rules of Procedure for**  
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After Amendment	Existing Laws and Regulations	Description
<p>Directors, including the names and numbers of Directors present, leave of absence, and absences.</p> <p>IV. The names and titles of the attendees.</p> <p>V. Names on record.</p> <p>VI. Management Presentation</p> <p>VII. Discussions: resolution methods and results of each proposal, summaries of speeches by Directors, experts and other personnel, names of Directors with interests involved in accordance with paragraph 1 of the preceding article, explanations of important details of the interests, and reasons for recusal or non-recusal , Avoidance, objections or qualified opinions with records or written statements and written opinions issued by Independent Directors in accordance with Article 7, Paragraph 5.</p> <p>VIII. Extemporaneous motion: name of proposer, method of resolution and result of proposal, summary of speeches made by Directors, experts and other persons, name of director Does not recusal reasons, circumstances of recusal, objections or qualified opinions and that there are records or written statements.</p> <p>IX. Other required information. The resolutions reached by the Board of Directors that fall under any of the following categories must be documented in the minutes of the meeting and announced and reported on the MOPS designated</p>	<p>Directors, including the names and numbers of Directors present, leave of absence, and absences.</p> <p>IV. The names and titles of the attendees.</p> <p>V. Names on record.</p> <p>VI. Management Presentation</p> <p>VII. Discussions: resolution methods and results of each proposal, summaries of speeches by Directors, experts and other personnel, names of Directors with interests involved in accordance with paragraph 1 of the preceding article, explanations of important details of the interests, and reasons for recusal or non-recusal , Avoidance, objections or qualified opinions with records or written statements and written opinions issued by Independent Directors in accordance with Article 7, Paragraph 4.</p> <p>VIII. Extemporaneous motion: name of proposer, method of resolution and result of proposal, summary of speeches made by Directors, experts and other persons, name of director Does not recusal reasons, circumstances of recusal, objections or qualified opinions and that there are records or written statements.</p> <p>IX. Other required information. The resolutions reached by the Board of Directors that fall under any of the following categories must be documented in the minutes of the meeting and announced and reported on the</p>	<p>unchanged.</p>

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**Meetings of the Board of Directors**

After Amendment	Existing Laws and Regulations	Description
<p>by the Financial Supervisory Commission within two days from the board meeting date:</p> <p>I. The independent director has dissenting or qualified opinions and there are records or written statements.</p> <p>II. In a company that has established an audit committee, no matter approved by the audit committee, it has been approved by more than two-thirds of all Directors.</p> <p>The Board of Directors' attendance book is an integral part of the minutes of the meeting and shall be properly kept during the existence of the company.</p> <p>The minutes must be signed or sealed by the chairperson and the minutes taker and distributed to all Directors within 20 days after the meeting. They shall be included in the important files of the Company and properly kept during the existence of the Company.</p> <p>The preparation and distribution of the minutes of meeting referred to in paragraph 1 may be made electronically.</p>	<p>MOPS designated by the Financial Supervisory Commission within two days from the board meeting date:</p> <p>I. The independent director has dissenting or qualified opinions and there are records or written statements.</p> <p>II. In a company that has established an audit committee, no matter approved by the audit committee, it has been approved by more than two-thirds of all Directors.</p> <p>The Board of Directors' attendance book is an integral part of the minutes of the meeting and shall be properly kept during the existence of the company.</p> <p>The minutes must be signed or sealed by the chairperson and the minutes taker and distributed to all Directors within 20 days after the meeting. They shall be included in the important files of the Company and properly kept during the existence of the Company.</p> <p>The preparation and distribution of the minutes of meeting referred to in paragraph 1 may be made electronically.</p>	

## Annex 4

### CPA Audit Report and 2023 Consolidated Financial Statement t

(113) Cai-Shen-Bao-Zi No. 232004048

Prince Housing and Development Corp.:

### **Audit Opinion**

We have audited the accompanying Consolidated Statement of Financial Position of Prince Housing & Development Corp. and subsidiaries (hereinafter called the “Group”) for the years ended December 31, 2023 and December 31, 2022, and the related Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Statement of Cash Flow, and the note (including a summary of important accounting policies) of the Consolidated Financial Statements during January 1-December 31, 2023 and January 1-December 31, 2022.

In our opinion, with respect to our audit results and the reports (please refer to the Others section) of other independent accountants, the important issues in the said consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and that the international financial reporting standards, international accounting standards, interpretations and preparation of interpretation announcements are able to fairly disclose the consolidated financial position of Prince Housing and Development Corp. as of December 31, 2023 and December 31, 2022, and its consolidated financial performance and cash flows of Prince Housing and Development Corp. during January 1-December 31, 2023 and January 1-December 31, 2022.

### **Basis of Audit**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Generally Accepted Auditing Principles of the Republic of China. Under these standards, the accountants are responsible to further explain the accountability of the accountants on auditing the consolidated financial statements. In accordance with the independence requirements of the firm, we have required staff to maintained independence from Prince Housing Group and carried out their duties with respect to The Norm of Professional Ethics for Certified Public

Accountant of ROC. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinions.

## **Key Audit Items**

“Key Audit Items” refers to the professional judgement of auditing the most important items in the 2023 Consolidated Financial Statements of the Group. While such items have been addressed when auditing the overall consolidated financial statements and the formation opinions, we will not express opinions on any particular items.

The key audit items of the Group’s 2023 consolidated financial statements are as follows:

### **Recognition time point of realty sale revenue**

#### Description

Please refer to item (31) in Note 4 of the Consolidated Financial Statements for the accounting policy of sales income and item (24) in Note 6 of the Consolidated Financial Statements for the description of accounting items.

Sales revenues of the Group were recognized after transferring into costs and recognizing as profit/loss after the ownership transfer and the actual handover of property. As properties are sold to individual buyers, the accounting workflow often involves various handbook operating procedures including the transfer of ownership transfer and handover data among departments. This results in the inappropriate time point of recognition near the closing date of the financial report period. Hence, we have set the recognition time point of sales revenues as one of the important audit items.

#### Responsive Audit Procedures

In response to the said key audit items, we have implemented the following responsive procedures:

1. To discern and assess the internal control procedures for the management’s recognition of revenue from realty sale; and to test if the process of recognition time point of realty sale is effectively implemented, including cross-examining the dates of ownership transfer and handover and the accuracy of accounting time point.
2. A cut-off test was conducted on the realty sale conducted within a particular period before and after the closing date of near the end of the financial report period. The test included cross-examining evidence including the land and building registration transcripts, realty deeds, and handover agreements signed by customers to verify if the revenue from realty

sale was registered at the appropriate time.

## **Recognition of revenues from construction projects—Assessment of completion schedule**

### Description

Please refer to items (31) in Note 4 and (2) 5 of the Consolidated Financial Statements for the accounting policy for construction agreement and revenue recognition and items (24) in Note 6 of the Consolidated Financial Statements for the description of accounting items. The 2023 revenue from construction projects of the Group was NT\$4,227,820 thousand, commanding 49.83% of the consolidated revenue.

The revenues of the construction service offered by the Group are recognized according to the status of completion during the contract period. The status of completion has been calculated according to the percentage in the estimated total construction cost of the incurred cost by the closing date of financial report period of each project. The estimated total construction cost is based on the cost breakdown sheet produced according to the owner's master design drawings and in consideration of increase or decrease of construction quantity resulted from an engineering change and the construction price and cost indices to estimate the costs invested in an outsourced contract, including labor and materials.

Due to the complexity of items for estimating the said total costs and frequent subjective judgments, high uncertainties are common, and the estimation of the total cost will affect the status of completion and the recognition of revenue from construction. Hence, we have set the estimation of the status of completion as one of the important items for auditing the Group's revenue from construction.

### Responsive Audit Procedures

In response to the above key audit items, this CPA has implemented the following countermeasures:

1. To discern the nature of operations and industry of the Group; assess the fairness of the internal operating procedures for estimating the total construction cost, including the procedures for determining the labor and material costs of individual project items; and examine the consistency of the estimation method.
2. To assess and test the internal control procedures affecting the change in the estimation of the total cost, including cross-examining the evidence regarding the increase or decrease of project items and important project estimates.
3. To interview supervisors and other appropriate staff for projects still under progress during

the interview.

4. To obtain the profit and loss statement to implement related empirical procedures, including spot check of costs incurred in the period with the appropriate receipts (vouchers), spot check of the increase or decrease of project items with related evidence, and re-check of the percentage of project completion.

### **Others: Audits of other accountants**

The financial reports of some investments accounted for under the equity method included in the Group's Consolidated Financial Statement were audited by other accountants. Hence, the opinions we expressed in the said Consolidated Financial Statement for the amounts listed in the financial statements of such companies has been made in accordance with the audit reports of other accountants. The total amount of the said assets (including investments accounted for under the equity method) ended December 31, 2023 and December 31, 2022 was NT\$605,697 thousand and NT\$599,303 thousand, accounting for 1.31% and 1.25% of the total amount of consolidated assets, respectively. The net revenue for years ended December 31, 2023 and December 31, 2022 was NT\$44,019 thousand and NT\$44,638 thousand, accounting for 5.46% and 5.08% of the total amount of consolidated net revenue, respectively.

### **Others: Individual Financial Statements**

The Group has produced the Parent Company Only financial statements for 2023 and 2022. The reports have been audited and by CPAs with unqualified opinion and is on record.

### **Responsibility for the Consolidated Financial Statements of the Management and Governance Units**

It is management's responsibility to produce fairly expressed consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, international financial reporting standards, international accounting standards, interpretations, and interpretations recognized and presented for validation to the Financial Supervisory Commission and to maintain the necessary internal controls relating to the production of such consolidated financial statements in order to ensure that no significant, untrue expressions as a result of corruption or errors are found in the consolidated financial statements.

When producing consolidated financial statements, it is also the management's

responsibility to assess the Group's capacity to maintain business continuity, disclosure of related information, and choice of accounting basis for business continuity, except when the Group intends to liquidate or shut down operations, or there is no other feasible alternative other than liquidation or closure.

It is the responsibility of the Group's governance units (including the Audit Committee) to supervise the workflow of financial reporting.

### **Accountant's responsibility for auditing consolidated financial statements**

It is our responsibility to audit the Group's consolidated financial statements to provide reasonable assurance in an audit report that no significant, untrue expression as a result of corruption or errors is found in such consolidated financial statements. "Reasonable Assurance" refers to high assurance. However, the detection of significant, untrue expressions in the consolidated financial statements is not guaranteed when audits are implemented based on the Generally Accepted Auditing Principles of the Republic of China. Untrue expression as a result of corruption or errors Untrue expressions of individual amounts or sums are significant when they can reasonably affect the economic policy made by the users off consolidated financial statements.

When auditing based on the Generally Accepted Auditing Principles of the Republic of China, we have applied professional judgments and maintained professional doubts. Other tasks of accountants:

1. To identify and assess significant, untrue expressions of risks as a result of corruption or errors in consolidated financial statements; to plan and implement appropriate countermeasures for the risks assessed; and obtain adequate and appropriate audit evidence as the basis for making audit expressions. While corruption may involve collusions, forgeries, willful omissions, untrue declarations, or overstep of internal controls, it is not detected that the risk caused by significant, untrue expressions as a result of corruption is higher than that of errors.
2. To understand internal controls required for audits in order to design audit procedures appropriate to the situation of audit, provided that such an understanding does not intend to express opinions on the effectiveness of the Group's internal controls.
3. To assess the suitability of the accounting policy adopted by the management and the fairness of its accounting estimation and related disclosures.
4. To conclude if there are significant uncertainties regarding the suitability of the accounting

basis adopted by the management to maintain business continuity and the potential significant doubtful incidents or situations within the Group's capacity to maintain business continuity based on the obtained audit evidence. After determining that there are significant uncertainties in such incidents or situations, we shall remind in the audit report the users of such consolidated financial statements to pay attention to related disclosures in such consolidated financial statements, or shall we express a modified opinion where such disclosures are inappropriate. We have made conclusions based on the audit basis obtained by the audit report date. However, future incidents or situations may incapacitate the Group from business continuity.

5. To assess the overall expression, structure and contents of consolidated financial statements (including related notes) and the fair expression of related transactions and incidents in such consolidated financial statements.
6. To gather adequate and suitable audit evidence of the financial information of Parent Company Onlys within the Group to express opinions on the consolidated financial statements. We are responsible to instruct, supervise and implement the audit of the Group and conclude the audit opinions on the Group.

We have communicated the government units on items including the scope and time planned for the audit and important audit findings (including the significant defects identified through internal control during the audit).

We have also provided the governance units with the statement of independence of our staff made in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China. We have also communicated with the governance units on the relations and other items (including related protective measures) that may affect the independence of accountants.

We have determined the Group's 2023 Consolidated Financial Statements' key audit items based on the communication items with the governance units. We have also specified in the audit report that we will not communicate specific items in the audit report when there are reasons to believe that such communication may cause negative impacts more than positive public interest, except for specific items not allowed for disclosures by law or under extremely rare circumstances.

PwC Taiwan

Chun-Kai Wang

CPA

Kuo-Hua Wang

Financial Supervisory Commission

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1110349013

Formerly Securities and Futures Management Committee of  
the Ministry of Finance

Approval document: (87) Tai-Cai-Zheng-(VI) No. 68790

March 4, 2024

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Balance Sheet  
December 31, 2023 and December 31, 2022

Expressed in thousand NT Dollars

	Asset	Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
	<b>Current Assets</b>					
1100	Cash and cash equivalents	6(1)	\$ 8,350,801	18	\$ 9,999,828	21
1110	Financial assets at fair value through profit or loss - current	6(2) and 8	2,947,209	6	3,619,731	8
1136	Financial assets carried at cost-current	6(4) and 8	2,121,199	5	1,153,734	2
1140	Contract assets - current	6(24) and 7	536,541	1	511,183	1
1150	Notes receivable net	6(5)	42,048	-	19,372	-
1170	Accounts receivable net	6(5)	349,226	1	445,916	1
1180	Accounts receivable net - related parties	6(5) and 7	404,073	1	341,842	1
1200	Other receivables		15,345	-	4,374	-
1220	Current tax assets		358	-	7,262	-
130X	Inventories	6(6) and 8	6,569,320	14	6,839,811	14
1410	Pre-payments		61,023	-	66,399	-
1479	Other current assets - others		21,604	-	18,250	-
11XX	<b>Total current assets</b>		<u>21,418,747</u>	<u>46</u>	<u>23,027,702</u>	<u>48</u>
	<b>Non-current assets</b>					
1510	Financial assets at fair value through profit or loss - non-current	6(2) and 8	172,182	-	458,133	1
1517	Financial assets at fair value through other comprehensive profit or loss - non-current	6(3) and 8	2,815,770	6	2,318,365	5
1535	Financial assets carried at cost-non-current	6(4) and 8	659,176	2	636,504	1
1550	Investments accounted for under the equity method	6(7) and 8	1,919,512	4	1,907,292	4
1600	Property, plant and equipment	6(8) and 8	5,466,796	12	5,514,126	12
1755	Right-of-use assets	6(9) and 7	6,110,343	13	6,263,451	13
1760	Investment property amount net	6(11) and 8	5,326,909	12	5,399,644	11
1780	Intangible assets	6(12)	1,812,715	4	1,874,174	4
1840	Deferred tax assets	6(30)	279,699	1	321,421	1
1920	Refundable deposits	7	127,115	-	142,086	-
1990	Other non-current assets - others		141,888	-	90,916	-
15XX	<b>Total non-current assets</b>		<u>24,832,105</u>	<u>54</u>	<u>24,926,112</u>	<u>52</u>
1XXX	<b>Total assets</b>		<u>\$ 46,250,852</u>	<u>100</u>	<u>\$ 47,953,814</u>	<u>100</u>

(Cont'd)

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Balance Sheet  
December 31, 2023 and December 31, 2022

Expressed in thousand NT Dollars

Liabilities and Equity		Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
<b>Current liabilities</b>						
2100	Short-term loans	6(13) and 8	\$ 831,000	2	\$ 1,301,000	3
2130	Contract liability - current	6(24) and 7	516,298	1	622,708	1
2150	Notes payable		463	-	1,597	-
2170	Accounts payable	7	1,168,473	3	1,475,835	3
2200	Other payables	6(14)	602,047	1	779,359	2
2230	Current tax liabilities		33,866	-	54,644	
2280	Lease liabilities - Current	7	488,662	1	441,219	1
2310	Unearned receipts		43,356	-	32,323	-
2320	Long-term liabilities due within one year or one operating cycle	6(15)(16) and 8	700,000	2	5,880,000	12
2399	Other current liabilities - others		31,364	-	53,958	-
21XX	<b>Total current liabilities</b>		<u>4,415,529</u>	<u>10</u>	<u>10,642,643</u>	<u>22</u>
<b>Non-current liabilities</b>						
2530	Bonds payable	6(15)	4,500,000	10	2,000,000	4
2540	Long-term loans	6(16) and 8	3,320,000	7	1,120,000	2
2550	Provisions - non-current	6(17)	174,491	-	165,984	-
2570	Deferred tax liabilities	6(30)	279,650	1	279,965	1
2580	Lease liabilities – Non-current	7	6,373,358	14	6,566,017	14
2610	Long-term notes and accounts payable		808,301	2	808,301	2
2640	Defined benefit liabilities net - non-current		25,305	-	26,018	-
2645	Deposit received		181,559	-	164,977	-
2670	Other non-current liabilities - other	6(7)	196,127	-	195,562	1
25XX	<b>Total non-current liabilities</b>		<u>15,858,791</u>	<u>34</u>	<u>11,326,824</u>	<u>24</u>
2XXX	<b>Total liabilities</b>		<u>20,274,320</u>	<u>44</u>	<u>21,969,467</u>	<u>46</u>
<b>Equity attributed to the stockholders of the parent</b>						
	Share capital	6(19)				
3110	Common stock		16,233,261	35	16,233,261	34
	Additional paid-in capital	6(20)				
3200	Additional paid-in capital		2,260,513	5	2,260,513	5
	Retained earnings	6(21)				
3310	Legal reserve		2,536,541	6	2,387,299	5
3350	Unappropriated earnings		3,281,381	7	3,655,405	8
	Other components of equity	6(22)				
3400	Other components of equity		1,411,353	3	1,184,285	2
3500	Treasury stocks	6(19)	( 1,003)	-	( 1,003)	-
31XX	<b>Total equity attributed to the stockholders of the parent company</b>		<u>25,722,046</u>	<u>56</u>	<u>25,719,760</u>	<u>54</u>
36XX	<b>Non-controlling interest</b>	4(3)	<u>254,486</u>	<u>-</u>	<u>264,587</u>	<u>-</u>
3XXX	<b>Total equity</b>		<u>25,976,532</u>	<u>56</u>	<u>25,984,347</u>	<u>54</u>
	Significant or contingent liabilities and unrecognized commitments	9				
	Other material subsequent events	11				
3X2X	<b>Total liabilities and equity</b>		\$ 46,250,852	100	\$ 47,953,814	100

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars  
(except for EPS expressed in NTD)

	Item	Note	2023		2022	
			Amount	%	Amount	%
4000	Revenues	6(24) and 7	\$ 8,485,229	100	\$ 12,768,778	100
5000	Operating costs	6(6)(12)				
		(29)	( 5,981,704)	( 70)	( 8,826,908)	( 69)
5900	Gross margin		2,503,525	30	3,941,870	31
	Operating expenses	6(12)				
		(29)				
6100	Marketing expenses		( 117,262)	( 1)	( 253,524)	( 2)
6200	Administrative expenses		( 1,758,601)	( 21)	( 1,715,237)	( 14)
6450	Losses on expected credit impairments	12(2)	( 45)	-	( 511)	-
6000	Total operating expenses		( 1,875,908)	( 22)	( 1,969,272)	( 16)
6900	Income from operations		627,617	8	1,972,598	15
	Non-operating income and expenses					
7100	Interest revenue	6(25)	82,704	1	20,283	-
7010	Others	6(3)(26)	244,901	3	393,680	3
7020	Other gains and losses	6(2)(27)	16,890	-	( 589,198)	( 5)
7050	Financial costs	6(6)(28)				
		and 7	( 347,708)	( 4)	( 330,533)	( 2)
7060	Share of profit or loss of associates and joint ventures accounted for under the equity method	6(7)	101,161	1	101,570	1
7000	Total non-operating income and expenses		97,948	1	( 404,198)	( 3)
7900	<b>Net income before tax</b>		725,565	9	1,568,400	12
7950	Income tax expenses	6(30)	( 140,578)	( 2)	( 126,244)	( 1)
8200	<b>Net income</b>		\$ 584,987	7	\$ 1,442,156	11

(Cont'd)

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars  
(except for EPS expressed in NTD)

Item		Note	2023		2022	
			Amount	%	Amount	%
<b>Other comprehensive income</b>						
<b>Items that will not be re-classified into profit and loss</b>						
8311	Re-measurement of defined benefit plans	6(18)	(\$ 6,141)	-	\$ 16,108	-
8316	Unrealized profit and loss on the equity instrument investments at fair value through other comprehensive income	6(3)(22)	227,068	3	( 575,934)	( 4)
8320	Share of other comprehensive income of affiliates and joint ventures accounted for under the equity method-Items that will not be re-classified into income		80	-	( 2,654)	-
8349	Income tax relating to Items that will not be re-classified	6(30)	325	-	( 913)	-
8310	Items that will not be reclassified into profit or loss		221,332	3	( 563,393)	( 4)
8300	<b>Other comprehensive profit or loss (net)</b>		<u>\$ 221,332</u>	<u>3</u>	<u>(\$ 563,393)</u>	<u>( 4)</u>
8500	<b>Total comprehensive profit or loss</b>		<u>\$ 806,319</u>	<u>10</u>	<u>\$ 878,763</u>	<u>7</u>
Profit attributable:						
8610	Stockholders of the parent company		\$ 592,617	7	\$ 1,475,037	11
8620	Non-controlling interest		( 7,630)	-	( 32,881)	-
			<u>\$ 584,987</u>	<u>7</u>	<u>\$ 1,442,156</u>	<u>11</u>
Total comprehensive income attributed to:						
8710	Stockholders of the parent company		\$ 813,949	10	\$ 911,674	7
8720	Non-controlling interest		( 7,630)	-	( 32,911)	-
			<u>\$ 806,319</u>	<u>10</u>	<u>\$ 878,763</u>	<u>7</u>
EPS						
9750	Basic	6(31)	\$ 0.37		\$ 0.91	
9850	Diluted		\$ 0.36		\$ 0.90	

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements.  
Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Statement of Changes in Equity  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars

		Equity attributed to the stockholders of the parent									
		Retained earnings				Other components of equity					
							Unrealized profit and loss on the financial assets at fair value through other comprehensive profit and loss				
	Note	Common stock	Additional paid-in capital	Legal reserve	Unappropriated earnings	The exchange difference in the conversion of financial statements of foreign business institutions		Treasury stocks	Total	Non-controlling interest	Total equity
<u>2022</u>											
		\$ 16,233,261	\$ 2,260,513	\$ 2,232,892	\$ 3,129,052	(\$ 48 )	\$ 1,765,082	(\$ 1,003 )	\$ 25,619,749	\$ 147,498	\$ 25,767,247
	6(31)	-	-	-	1,475,037	-	-	-	1,475,037	( 32,881 )	1,442,156
	6(3)(22)	-	-	-	12,571	-	( 575,934 )	-	( 563,363 )	( 30 )	( 563,393 )
		-	-	-	1,487,608	-	( 575,934 )	-	911,674	( 32,911 )	878,763
Appropriation and distribution of retained earnings in 2021:											
		-	-	154,407	( 154,407 )	-	-	-	-	-	-
	6(21)	-	-	-	( 811,663 )	-	-	-	( 811,663 )	-	( 811,663 )
Equity instrument measured at fair value through disposition of other comprehensive income											
		-	-	-	4,815	-	( 4,815 )	-	-	-	-
	4(3)	-	-	-	-	-	-	-	-	150,000	150,000
		\$ 16,233,261	\$ 2,260,513	\$ 2,387,299	\$ 3,655,405	(\$ 48 )	\$ 1,184,333	(\$ 1,003 )	\$ 25,719,760	\$ 264,587	\$ 25,984,347
<u>2023</u>											
		\$ 16,233,261	\$ 2,260,513	\$ 2,387,299	\$ 3,655,405	(\$ 48 )	\$ 1,184,333	(\$ 1,003 )	\$ 25,719,760	\$ 264,587	\$ 25,984,347
	6(31)	-	-	-	592,617	-	-	-	592,617	( 7,630 )	584,987
	6(3)(22)	-	-	-	( 5,736 )	-	227,068	-	221,332	-	221,332
		-	-	-	586,881	-	227,068	-	813,949	( 7,630 )	806,319
Appropriation and distribution of retained earnings in 2022:											
		-	-	149,242	( 149,242 )	-	-	-	-	-	-
	6(21)	-	-	-	( 811,663 )	-	-	-	( 811,663 )	-	( 811,663 )
		-	-	-	-	-	-	-	-	( 2,471 )	( 2,471 )
		\$ 16,233,261	\$ 2,260,513	\$ 2,536,541	\$ 3,281,381	(\$ 48 )	\$ 1,411,401	(\$ 1,003 )	\$ 25,722,046	\$ 254,486	\$ 25,976,532

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1-December 31, 2023 and January 1-December 31, 2022

	Note	Expressed in thousand NT Dollars	
		2023	2022
<u>Cash flows from operating activities</u>			
Profit before tax		\$ 725,565	\$ 1,568,400
Adjustments			
Income charges (credits)			
Financial assets at fair value through profit or loss, net (income) loss	6(2)(27)	( 19,880 )	616,019
Losses on expected credit impairments	12(2)	45	511
Share of profit of associates and joint ventures accounted for under the equity method	6(7)		
Losses (gains) from the disposal and scrapping of property, plant and equipment	6(27)	( 101,161 )	( 101,570 )
Disposition expenses of property, plant and equipment		2,202	( 27,829 )
Gain on lease payment change from rent concessions	6(9)	1,390	850
Gain on lease modification	6(9)	-	( 3,731 )
Depreciation expense	6(8)(9)	( 18 )	( 49 )
	(11)(29)	750,167	759,572
Amortization expense	6(12)		
	(29)	62,229	62,898
Interest expense	6(28)	346,480	329,333
Interest revenue	6(25)	( 82,704 )	( 20,283 )
Dividend revenue	6(3)(26)	( 75,267 )	( 215,755 )
Changes in assets/liabilities related to operating activities			
Changes in assets relating to operating activities net			
Financial assets at fair value through profit or loss - current		708,387	( 465,590 )
Contract assets - current		( 25,358 )	( 4,756 )
Notes receivable		( 22,676 )	9,980
Accounts receivable		96,645	276,951
Accounts receivable-related parties		( 62,231 )	( 335,382 )
Other receivables		( 10,800 )	54,679
Inventories		259,081	4,482,211
Pre-payments		14,534	50,653
Other current assets - others		( 3,354 )	( 15,706 )
Other non-current assets - others		( 54,607 )	( 16,565 )
Changes in liabilities relating to operating activities net			
Contract liability - current		( 106,410 )	( 719,625 )
Notes payable		( 1,134 )	1,263
Accounts payable		( 307,362 )	( 230,447 )
Other payables		( 186,614 )	70,553
Unearned receipts		11,033	3,271
Other current liabilities - others		( 22,594 )	( 46,512 )
Provisions - non-current		8,507	29,480
Defined benefit liabilities net - non-current		( 6,854 )	( 12,854 )
Other non-current liabilities - other		176	156
Operating cash flow		1,897,417	6,100,126
Interest receivable		82,704	20,283
Dividends receivable		164,407	260,557
Interest payable		( 346,364 )	( 319,697 )
Income tax payable		( 112,867 )	( 249,311 )
Operating cash flow net		1,685,297	5,811,958

(Cont'd)

Prince Housing & Development Corp. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars

	Note	2023	2022
<u>Operating Cash Flow</u>			
Financial assets measured at amortized cost - increase in current		( \$ 967,465 )	( \$ 387,816 )
Financial assets measured at fair value through profit or loss - non-current		269,966	117,531
Financial assets measured at fair value through disposition of other comprehensive profit and loss – non-current		( 270,162 )	( 139,603 )
Financial assets at fair value through disposition of other comprehensive profit and loss – non-current		-	27
Financial assets at fair value through other comprehensive profit and loss - non-current refund of handling charge		71	-
Increase in financial assets carried at cost- non-current		( 22,672 )	( 2,514 )
Acquisition of property, plant and equipment	6(8)	( 134,053 )	( 48,678 )
Disposition proceeds of property, plant and equipment		310	31,660
Increase in intangible assets	6(12)	( 770 )	( 585 )
Refundable deposits reduction		<u>14,971</u>	<u>14,902</u>
Net outward cashflow from investing activities		( <u>1,109,804</u> )	( <u>415,076</u> )
<u>Fundraiser Cash Flow</u>			
Short-term debt (decreases) increases	6(33)	( 470,000 )	25,140
Reduction in short-term notes and bills payable	6(33)	-	( 250,000 )
Bond repayment	6(33)	( 2,500,000 )	( 2,000,000 )
Issuance of bonds	6(33)	2,500,000	2,000,000
Repayment of long-term loans	6(33)	( 3,380,000 )	( 1,241,624 )
Raising long-term loans	6(33)	2,900,000	300,000
Increase in deposit received	6(33)	16,582	435
Repayments of lease principal	6(33)	( 476,968 )	( 449,986 )
Release of cash dividend	6(21)	( 811,663 )	( 811,663 )
Changes in non-controlling interest	4(3)	( <u>2,471</u> )	<u>150,000</u>
Outward fundraising cash flow net		( <u>2,224,520</u> )	( <u>2,277,698</u> )
Increase/(Reduction) in cash and cash equivalents		( 1,649,027 )	3,119,184
Balance of cash and cash equivalents, beginning of year		<u>9,999,828</u>	<u>6,880,644</u>
Balance of cash and cash equivalents, end of year		<u>\$ 8,350,801</u>	<u>\$ 9,999,828</u>

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

## CPA Audit Report and 2023 Parent Company Only Financial Statements

(113) Cai-Shen-Bao - Zi No. 23003201

Prince Housing and Development Corp.:

**Audit Opinion**

We have audited the accompanying Parent Company Only Statements of Financial Position of Prince Housing and Development Corp. for the years ended December 31, 2023 and December 31, 2022, and the related Parent Company Only Statement of Comprehensive Income, Parent Company Only Statement of Changes in Equity, and Parent Company Only Statement of Cash Flow, and the note (including a summary of important accounting policies) of the Parent Company Only Financial Statements during January 1-December 31, 2023 and January 1-December 31, 2022.

In our opinion, with respect to our audit results and the reports (please refer to the Others section) of other independent accountants, the important issues in the said Parent Company Only financial statements were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers can fairly disclose the Parent Company Only financial position of Prince Housing and Development Corp. for the years ended December 31, 2023 and December 31, 2022, and the Parent Company Only financial performance and cash flows of Prince Housing & Development Corp. for the years January 1-December 31, 2023 and January 1-December 31, 2022.

**Basis of Audit**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Generally Accepted Auditing Principles of the Republic of China. Under these standards, the accountants are responsible to further explain the accountability of the accountants on auditing the consolidated financial statements. In accordance with the independence requirements of the firm, we have required staff to maintained independence from Prince Housing and Development Corp. and carried out their duties with respect to The Norm of Professional Ethics for Certified Public Accountant of the Republic of China. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinions.

**Key Audit Items**

Key audit items refer to the professional judgment of auditing the most important items in the 2023 Parent Company Only Financial Statements of Prince Housing and Development Corp.. While such items have been addressed when auditing the overall Parent Company Only

financial statements and the formation opinions, we will not express opinions on any particular items.

The key audit items of the 2023 Parent Company Only financial statements of Prince Housing and Development Corp. are as follows:

### **Recognition time point of realty sale revenue**

#### Description

Please refer to item (30) in Note 4 of the Parent Company Only Financial Statements for the accounting policy of sales income and item (23) in Note 6 of the Parent Company Only Financial Statements for the description of accounting items.

Sales revenue of Prince Housing and Development Corp. was recognized after transferring into costs and recognizing as profit/loss after the ownership transfer and the actual handover of property. As property of Prince Housing and Development Corp. are sold to individual buyers, the accounting workflow often involves various handbook operating procedures including the transfer of ownership transfer and handover data among departments. This results in the inappropriate time point of recognition near the closing date of the financial report period. Hence, we have set the recognition time point of sales revenues as one of the important audit items.

#### Responsive Audit Procedures

In response to the said key audit items, we have implemented the following responsive procedures:

1. To discern and assess the internal control procedures for the management's recognition of revenue from realty sale; and to test if the process of recognition time point of realty sale is effectively implemented, including cross-examining the dates of ownership transfer and handover and the accuracy of accounting time point.
2. A cut-off test was conducted on the realty sale conducted within a particular period before and after the closing date of near the end of the financial report period. The test included cross-examining evidence including the land and building registration transcripts, realty deeds, and handover agreements signed by customers to verify if the revenue from realty sale was registered at the appropriate time.

**Investments accounted for under the equity method: The income from construction projects is recognized by assessing the percentage of completion of projects undertaken by Ta Chen Construction and Engineering Corporation, a subsidiary in possession of**

## **subsidiary Cheng-Shi Investment Holdings Co., Ltd.**

### Description

Please refer to item (14) of Note 4 of the Parent Company Only Financial Statements for the accounting policy of investments accounted for under the equity method and item (7) of Note 6 for the description of accounting items.

While Ta Chen Construction and Engineering Corporation is an important subsidiary of Prince Housing and Development Corp. invested via subsidiary Cheng-Shi Investment Holdings Co., Ltd., the financial performance of Ta Chen Construction and Engineering Corporation has important influence on the financial statements of Prince Housing and Development Corp..

The revenue of the construction service offered by Ta Chen Construction and Engineering Corporation is recognized according to the status of completion during the contract period. The status of completion has been calculated according to the percentage in the estimated total construction cost of the incurred cost by the closing date of financial report period of each project. The estimated total construction cost is based on the cost breakdown sheet produced according to the owner's master design drawings and in consideration of increase or decrease of construction quantity resulted from an engineering change and the construction price and cost indices to estimate the costs invested in an outsourced contract, including labor and materials.

Due to the complexity of items for estimating the said total costs and frequent subjective judgments, high uncertainties are common, and the estimation of the total cost will affect the status of completion and the recognition of revenue from construction. Hence, we have set the estimation of the status of completion as one of the important items for auditing the revenue from construction of Ta Chen Construction and Engineering Corporation.

### Responsive Audit Procedures

In response to the said key audit items, we have implemented the following responsive procedures:

1. To discern the nature of operations and industry of Ta Chen Construction and Engineering Corporation; assess the fairness of the internal operating procedures for estimating the total construction cost, including the procedures for determining the labor and material costs of individual project items; and examine the consistency of the estimation method.
2. To assess and test the internal control procedures affecting the change in the estimation of the total cost of Ta Chen Construction and Engineering Corporation, including cross-

examining the evidence regarding the increase or decrease of project items and important project estimates.

3. To interview supervisors and other appropriate staff of Ta Chen Construction and Engineering Corporation for projects still under progress during the interview.
4. To obtain the profit and loss statement of Ta Chen Construction and Engineering Corporation to implement related empirical procedures, including spot check of costs incurred in the period with the appropriate receipts (vouchers), spot check of the increase or decrease of project items with related evidence, and re-check of the percentage of project completion.

### **Others: Audits of other accountants**

The financial reports of investments accounted for under the equity method included in the Parent Company Only Financial Statement of Prince Housing and Development Corp. not audited by this firm were audited by other accountants. Hence, the opinion we express in the said Parent Company Only Financial Statement for the amounts listed in the financial statements of such companies has been made in accordance with the audit reports of other accountants. The total amount of the said investments accounted for under the equity method for years ended December 31, 2023 and December 31, 2022 was NT\$758,877 thousand and NT\$752,483 thousand, accounting for 2.26% and 2.17% of the total amount of Parent Company Only assets respectively. The comprehensive profit and loss recognized by the same company in 2023 and 2022 was NT\$44,019 thousand and NT\$44,638 thousand, accounting for 5.41% and 4.90% of the total amount of comprehensive income, respectively.

### **Responsibility for the Parent Company Only Financial Statements of the Management and Governance Units**

It is the management's responsibility to produce fairly expressed Parent Company Only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and to maintain the necessary internal controls related to the production of such Parent Company Only financial statements in order to ensure that no significant, untrue expression as a result of corruption or errors is found in Parent Company Only financial statements.

When producing Parent Company Only financial statements, it is also the management's responsibility to assess the capacity to maintain business continuity, disclosure of related information, and choice of accounting basis for business continuity of Prince Housing and Development Corp., except when Prince Housing and Development Corp. intends to liquidate or shut down operations, or there is no other feasible alternative other than liquidation or closure.

It is the responsibility of the governance units (including the Audit Committee) of Prince Housing and Development Corp. to supervise the workflow of financial reporting.

### **Accountant's responsibility for auditing Parent Company Only financial statements**

It is our responsibility to audit the Parent Company Only financial statements of Prince Housing and Development Corp. to provide reasonable assurance in an audit report that no significant, untrue expression as a result of corruption or errors is found in such Parent Company Only financial statements. "Reasonable Assurance" refers to high assurance. However, the detection of significant, untrue expressions in the consolidated financial statements is not guaranteed when audits are implemented based on the Generally Accepted Auditing Principles of the Republic of China. Untrue expression as a result of corruption or errors Untrue expressions of Parent Company Only amounts or sums are significant when they can reasonably affect the economic policy made by the users off consolidated financial statements.

When auditing based on the Generally Accepted Auditing Principles of the Republic of China, we have applied professional judgments and maintained professional doubts. Other tasks of accountants:

1. To identify and assess significant, untrue expressions of risks as a result of corruption or errors in Parent Company Only financial statements; to plan and implement appropriate countermeasures for the risks assessed; and obtain adequate and appropriate audit evidence as the basis for making audit expressions. While corruption may involve collusions, forgeries, willful omissions, untrue declarations, or overstep of internal controls, it is not detected that the risk caused by significant, untrue expressions as a result of corruption is higher than that of errors.
2. To understand internal controls required for audits in order to design audit procedures appropriate to the situation of audit, provided that such an understanding does not intend to express opinions on the effectiveness of the internal controls of Prince Housing and Development Corp..
3. To assess the suitability of the accounting policy adopted by the management and the fairness of its accounting estimation and related disclosures.
4. To conclude if there are significant uncertainties regarding the suitability of the accounting basis adopted by the management to maintain business continuity and the potential

significant doubtful incidents or situations within the capacity to maintain business continuity of Prince Housing and Development Corp. based on the obtained audit evidence. After determining that there are significant uncertainties in such incidents or situations, we shall remind in the audit report the users of such Parent Company Only financial statements to pay attention to related disclosures in such Parent Company Only financial statements, or shall we express a modified opinion where such disclosures are inappropriate. We have made conclusions based on the audit basis obtained by the audit report date. However, future incidents or situations may incapacitate Prince Housing and Development Corp. from business continuity.

5. To assess the overall expression, structure and contents of Parent Company Only financial statements (including related note) and the fair expression of related transactions and incidents in such Parent Company Only financial statements.
6. To gather adequate and suitable audit evidence of the financial information of Parent Company Onlys within Prince Housing and Development Corp. to express opinions on the Parent Company Only financial statements. We are responsible to instruct, supervise and implement the audit of Prince Housing and Development Corp. and conclude the audit opinions on the company.

We have communicated the government units on items including the scope and time planned for the audit and important audit findings (including the significant defects identified through internal control during the audit).

We have also provided the governance units with the statement of independence of our staff made in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China. We have also communicated with the governance units on the relations and other items (including related protective measures) that may affect the independence of accountants.

We have determined the key audit items of the 2023 Parent Company Only Financial Statements of Prince Housing and Development Corp. based on the communication items with the governance units. We have also specified in the audit report that we will not communicate specific items in the audit report when there are reasons to believe that such communication may cause negative impacts more than positive public interest, except for specific items not allowed for disclosures by law or under extremely rare circumstances.

PwC Taiwan

Chun-Kai Wang

CPA

Kuo-Hua Wang

Financial Supervisory Commission

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1110349013

Formerly Securities and Futures Management Committee of  
the Ministry of Finance

Approval document: (87) Tai-Cai-Zheng-(VI) No. 68790

March 4, 2024

Prince Housing & Development Corp.  
Parent Company Only Statement of Financial Position  
December 31, 2023 and December 31, 2022

Expressed in thousand NT Dollars

Assets			December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current Assets						
1100	Cash and cash equivalents	6(1)	\$ 6,671,877	20	\$ 8,440,159	24
1110	Financial assets at fair value through profit or loss - current	6(2)	1,990,737	6	2,268,463	7
1136	Financial assets carried at cost-current	6(4)	953,068	3	-	-
1150	Notes receivable net	6(5)	42,004	-	19,323	-
1170	Accounts receivable net	6(5)	2,345	-	3,621	-
1200	Other receivables		10,887	-	914	-
130X	Inventories	6(6), 7 and 8	6,161,869	18	6,434,334	19
1410	Pre-payments		38,382	-	40,655	-
11XX	Total current assets		15,871,169	47	17,207,469	50
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2) and 8	81,285	-	80,317	-
1517	Financial assets at fair value through other comprehensive profit or loss - non-current	6(3), 7 and 8	2,544,896	8	2,077,331	6
1535	Financial assets carried at cost-non-current	6(4) and 8	432,877	1	486,679	2
1550	Investments accounted for under the equity method	6(7) and 8	6,166,751	18	6,358,157	18
1600	Property, plant and equipment	6(8) and 8	467,700	1	471,285	1
1755	Right-of-use assets	6(9) and 7	183,078	1	89,517	-
1760	Investment property amount net	6(11) and 8	5,335,517	16	5,408,671	16
1780	Intangible assets	6(12)	1,810,416	6	1,871,669	5
1920	Refundable deposits		7,603	-	7,672	-
1990	Other non-current assets - others	7	636,640	2	636,640	2
15XX	Total non-current assets		17,666,763	53	17,487,938	50
1XXX	Total assets		\$ 33,537,932	100	\$ 34,695,407	100

(Cont'd)

Prince Housing & Development Corp.  
Parent Company Only Statement of Financial Position  
December 31, 2023 and December 31, 2022

Expressed in thousand NT Dollars

Liabilities and Equity		Note	December 31, 2023		December 31, 2022	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term loans	6(13) and 8	\$ 811,000	2	\$ 1,271,000	4
2130	Contract liability - current	6(23)	76,953	-	96,682	-
2150	Notes payable		-	-	963	-
2170	Accounts payable		163,813	1	317,416	1
2180	Accounts payable - Related parties	7	4,453	-	7,313	-
2200	Other payables		208,573	1	397,950	1
2230	Current tax liabilities		15,011	-	23,309	-
2280	Lease liabilities - Current	7	30,865	-	13,509	-
2310	Unearned receipts		42,601	-	31,807	-
2320	Long-term liabilities due within one year or one operating cycle	6(14)(15) and 8	700,000	2	2,930,000	9
2399	Other current liabilities - others		21,329	-	46,456	-
21XX	Total current liabilities		2,074,598	6	5,136,405	15
Non-current liabilities						
2530	Bonds payable	6(14)	4,500,000	13	2,000,000	6
2540	Long-term loans	6(15) and 8	420,000	1	1,120,000	3
2550	Provisions - non-current	6(16)	174,491	1	165,984	1
2580	Lease liabilities – Non-current	7	159,028	-	81,420	-
2640	Defined benefit liabilities net - non-current	6(17)	26,732	-	27,428	-
2645	Deposit received		171,177	1	154,667	-
2670	Other non-current liabilities - other	6(7)	289,860	1	289,743	1
25XX	Total non-current liabilities		5,741,288	17	3,839,242	11
2XXX	Total liabilities		7,815,886	23	8,975,647	26
Equity						
	Share capital	6(18)				
3110	Common stock		16,233,261	48	16,233,261	47
	Additional paid-in capital	6(19)				
3200	Additional paid-in capital		2,260,513	7	2,260,513	6
	Retained earnings	6(20)				
3310	Legal reserve		2,536,541	8	2,387,299	7
3350	Unappropriated earnings		3,281,381	10	3,655,405	11
	Other components of equity	6(21)				
3400	Other components of equity		1,411,353	4	1,184,285	3
3500	Treasury stocks	6(18)	( 1,003)	-	( 1,003)	-
3XXX	Total equity		25,722,046	77	25,719,760	74
	Significant or contingent liabilities and unrecognized commitments	9				
	Other material subsequent events	11				
3X2X	Total liabilities and equity		\$ 33,537,932	100	\$ 34,695,407	100

The Note to Parent Company Only Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

Prince Housing & Development Corp.  
Parent Company Only Statement of Comprehensive Profit and Loss  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars  
(except for EPS expressed in NTD)

	Item	Note	2023		2022	
			Amount	%	Amount	%
4000	Revenues	6(23) and 7	\$ 1,171,918	100	\$ 6,761,955	100
5000	Operating costs	6(6)(11) (28) and 7	( 419,203)	( 36)	( 4,463,405)	( 66)
5900	Gross margin		<u>752,715</u>	<u>64</u>	<u>2,298,550</u>	<u>34</u>
	Operating expenses	6(28) and 7				
6100	Marketing expenses		( 3,350)	-	( 144,981)	( 2)
6200	Administrative expenses		( 663,762)	( 57)	( 816,985)	( 12)
6450	Losses on expected credit impairments	12(2)	( 6)	-	-	-
6000	Total operating expenses		( 667,118)	( 57)	( 961,966)	( 14)
6900	Income from operations		<u>85,597</u>	<u>7</u>	<u>1,336,584</u>	<u>20</u>
	Non-operating income and expenses					
7100	Interest revenue	6(24)	52,230	5	9,699	-
7010	Others	6(25)	187,097	16	240,753	3
7020	Other gains and losses	6(2)(26)	25,949	2	47,581	1
7050	Financial costs	6(6)(27)	( 166,447)	( 14)	( 154,773)	( 2)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(7)	<u>470,563</u>	<u>40</u>	<u>115,029</u>	<u>2</u>
7000	Total non-operating income and expenses		<u>569,392</u>	<u>49</u>	<u>258,289</u>	<u>4</u>
7900	<b>Net income before tax</b>		<u>654,989</u>	<u>56</u>	<u>1,594,873</u>	<u>24</u>
7950	Income tax expenses	6(29)	( 62,372)	( 6)	( 119,836)	( 2)
8000	<b>Net income from continuing operation</b>		<u>592,617</u>	<u>50</u>	<u>1,475,037</u>	<u>22</u>
8200	<b>Net income</b>		<u>\$ 592,617</u>	<u>50</u>	<u>\$ 1,475,037</u>	<u>22</u>
	<b>Other comprehensive income</b>					
	<b>Items that will not be re-classified into profit and loss</b>					
8311	Re-measurement of defined benefit plans	6(17)	( \$ 4,380)	-	\$ 10,627	-
8316	Unrealized profit and loss on the equity instrument investments at fair value through other comprehensive income	6(3)(21)	197,474	17	( 445,140)	( 7)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method- Items that will not be re-classified into income	6(21)	<u>28,238</u>	<u>2</u>	<u>( 128,850)</u>	<u>( 2)</u>
8310	Items that will not be reclassified into profit or loss		<u>221,332</u>	<u>19</u>	<u>( 563,363)</u>	<u>( 9)</u>
8300	<b>Other comprehensive profit or loss (net)</b>		<u>\$ 221,332</u>	<u>19</u>	<u>( \$ 563,363)</u>	<u>( 9)</u>
8500	<b>Total comprehensive profit or loss</b>		<u>\$ 813,949</u>	<u>69</u>	<u>\$ 911,674</u>	<u>13</u>
	EPS	6(30)				
9750	Basic		<u>\$</u>	<u>0.37</u>	<u>\$</u>	<u>0.91</u>
9850	Diluted		<u>\$</u>	<u>0.36</u>	<u>\$</u>	<u>0.90</u>

The Note to Parent Company Only Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

Prince Housing & Development Corp.  
Individual Statement of Changes in Equity  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars

		Retained earnings			Other components of equity				
	Note	Common stock	Additional paid-in capital	Legal reserve	Unappropriated earnings	The exchange difference in the conversion of financial statements of foreign business institutions Translation of financial statements exchange difference	Unrealized profit and loss on the financial assets at fair value through other comprehensive profit and loss	Treasury stocks	Total equity
<u>2022</u>									
Balance as of January 1, 2022		\$ 16,233,261	\$ 2,260,513	\$ 2,232,892	\$ 3,129,052	(\$ 48 )	\$ 1,765,082	(\$ 1,003 )	\$ 25,619,749
Net income of 2022		-	-	-	1,475,037	-	-	-	1,475,037
Other comprehensive profit or loss in 2022	6(3)(17)(21)	-	-	-	12,571	-	( 575,934 )	-	( 563,363
Total comprehensive profit or loss		-	-	-	1,487,608	-	( 575,934 )	-	911,674
Appropriation and distribution of retained earnings in 2021:									
Legal reserve		-	-	154,407	( 154,407 )	-	-	-	-
Cash dividends	6(20)	-	-	-	( 811,663 )	-	-	-	( 811,663
Equity instrument measured at fair value through disposition of other comprehensive income	6(3)(21)	-	-	-	4,815	-	( 4,815 )	-	-
Balance as of December 31, 2022		\$ 16,233,261	\$ 2,260,513	\$ 2,387,299	\$ 3,655,405	(\$ 48 )	\$ 1,184,333	(\$ 1,003 )	\$ 25,719,760
<u>2023</u>									
Balance as of January 1, 2023		\$ 16,233,261	\$ 2,260,513	\$ 2,387,299	\$ 3,655,405	(\$ 48 )	\$ 1,184,333	(\$ 1,003 )	\$ 25,719,760
Net income of 2023		-	-	-	592,617	-	-	-	592,617
Other comprehensive profit or loss in 2023	6(3)(17)(21)	-	-	-	( 5,736 )	-	227,068	-	221,332
Total comprehensive profit or loss		-	-	-	586,881	-	227,068	-	813,949
Appropriation and distribution of retained earnings in 2022:									
Legal reserve		-	-	149,242	( 149,242 )	-	-	-	-
Cash dividends	6(20)	-	-	-	( 811,663 )	-	-	-	( 811,663
Balance as of December 31, 2023		\$ 16,233,261	\$ 2,260,513	\$ 2,536,541	\$ 3,281,381	(\$ 48 )	\$ 1,411,401	(\$ 1,003 )	\$ 25,722,046

The Note to Parent Company Only Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

Prince Housing & Development Corp.  
Parent Company Only Statement of Cash Flow  
January 1-December 31, 2023 and January 1-December 31, 2022

	Note	Expressed in thousand NT Dollars	
		2023	2022
<u>Cash flows from operating activities</u>			
Profit before tax		\$ 654,989	\$ 1,594,873
Adjustments			
Income charges (credits)			
Financial assets at fair value through profit or loss, net income	6(2)(26)	( 25,978 )	( 18,914 )
Share of other profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(7)	( 470,563 )	( 115,029 )
Losses (gains) from the disposal and scrapping of property, plant and equipment	6(26)	31	( 28,710 )
Disposition expenses of property, plant and equipment		10	-
Depreciation expense	6(8)(9)(11)(28)	137,865	134,563
Amortization expense	6(12)(28)	61,253	61,253
Interest expense	6(27)	166,447	154,773
Interest revenue	6(24)	( 52,230 )	( 9,699 )
Dividend revenue	6(3)(25)	( 51,509 )	( 118,784 )
Changes in assets/liabilities related to operating activities			
Changes in assets relating to operating activities net			
Financial assets at fair value through profit or loss - current		302,736	558,334
Notes receivable	(	22,681 )	8,063
Accounts receivable		1,276	31,813
Other receivables	(	9,973 )	55,448
Inventories		261,055	4,301,822
Pre-payments	(	1,277 )	13,543
Changes in liabilities relating to operating activities net			
Contract liability - current	(	19,729 )	( 695,084 )
Notes payable	(	963 )	963
Accounts payable	(	153,603 )	( 229,491 )
Accounts payable - Related parties	(	2,860 )	3,860
Other payables	(	198,576 )	32,155
Unearned receipts		10,794	3,040
Other current liabilities - others	(	25,127 )	( 89,104 )
Provisions - non-current		8,507	29,480
Defined benefit liabilities net - non-current	(	5,076 )	( 11,065 )
Operating cash flow		564,818	5,668,103
Interest receivable		52,230	9,699
Dividends receivable		891,833	181,779
Interest payable	(	157,248 )	( 148,787 )
Income tax payable	(	70,670 )	( 204,130 )
Operating cash flow net		<u>1,280,963</u>	<u>5,506,664</u>

(Cont'd)

Prince Housing & Development Corp.  
Parent Company Only Statement of Cash Flow  
January 1-December 31, 2023 and January 1-December 31, 2022

Expressed in thousand NT Dollars

	Note	2023	2022
<u>Operating Cash Flow</u>			
Financial assets measured at amortized cost - increase in current		( \$ 953,068 )	\$ -
Financial assets measured at fair value through disposition of other comprehensive profit and loss – non-current		( 270,162 )	( 139,603 )
Financial assets at fair value through disposition of other comprehensive profit and loss – non-current		-	27
Financial assets at fair value through other comprehensive profit and loss - non-current refund of handling charge		71	-
(Increase) Reduction of financial assets at amortized cost-non-current		53,802	( 27,152 )
Acquisition of investments accounted for under the equity method	6(7)	( 150,000 )	( 750,000 )
Acquisition of property, plant and equipment	6(8)	( 13,259 )	( 21,846 )
Disposition proceeds of property, plant and equipment		302	31,646
Refundable deposits reduction		69	124
Net outward cashflow from investing activities		( 1,332,245 )	( 906,804 )
<u>Fundraiser Cash Flow</u>			
Short-term debt (decreases) increases	6(32)	( 460,000 )	190,140
Increase in short-term notes and bills payable	6(32)	-	( 100,000 )
Bond repayment	6(32)	( 2,500,000 )	( 2,000,000 )
Issuance of bonds	6(32)	2,500,000	2,000,000
Repayment of long-term loans	6(32)	( 430,000 )	( 1,141,624 )
Raising long-term loans	6(32)	-	300,000
Increase (reduction) in deposit received	6(32)	16,510	( 917 )
Repayments of lease principal	6(32)	( 31,847 )	( 31,479 )
Release of cash dividend	6(20)	( 811,663 )	( 811,663 )
Outward fundraising cash flow net		( 1,717,000 )	( 1,595,543 )
Increase/(Reduction) in cash and cash equivalents		( 1,768,282 )	3,004,317
Balance of cash and cash equivalents, beginning of year		8,440,159	5,435,842
Balance of cash and cash equivalents, end of year		\$ 6,671,877	\$ 8,440,159

The Note to Parent Company Only Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: Chih-Hsien Lo

General Manager: Hung-Chun Lin

CAO: Ta-Chang, Tai

# Prince Housing & Development Corp.

## Earnings Distribution Table

January 1-December 31, 2023

(expressed in thousand NTD)

I. Available distribution	
1. Beginning unappropriated earnings	2,694,499,308
2. Add: 2023 net profit after tax	592,617,653
3. Less: Re-measurement of defined benefit plans	(5,736,561)
4. Less: Legal reserve	<u>(58,688,109)</u>
5. Distributable net profit	3,222,692,291
II. Distribution items	
Cash dividend (NT\$0.36 per share)	(584,397,413)
III. Accumulated unappropriated earnings	2,638,294,878

### Note:

1. Unappropriated earnings at the end of 2023 will first be distributed.
2. The fractional shares held by shareholders after profit distribution will be transferred to the employee welfare committee of this company.

**Chairman: Chih-Hsien Lo    General Manager: Hong-Chun Lin    CAO: Ta-Chang Tai**

## Prince Housing & Development Corp. Comparison Table of Amendments to the Articles of Incorporation

Before Amendment		After Amendment		Description
Article 2	<p>The scope of business of this Company is as follows:</p> <ol style="list-style-type: none"> <li>1. The development, operation, lease, and sale of farms, forests, and animal and aquaculture farms.</li> <li>2. Commissioned construction, management, lease, and sale of public housing and commercial buildings, tourisms hostels, tourism and recreational industries (children's theme parks and water parks), indoor and outdoor sports facilities, car parks and multistory car parks, supermarkets, harbor and inland bag or bulk warehouses.</li> <li>3. Development, operations, lease and sale of industrial parks and residential areas.</li> <li>4. Manufacture and trading of construction materials, and agency and promotion of construction technologies.</li> <li>5. Estate lease and sale agent.</li> <li>6. Distribution, import, manufacture, and trading to sports equipment.</li> <li>7. Commissioned zoning.</li> <li>8. E201010 Landscape Engineering</li> <li>9. I503010 Landscape and Interior Designing</li> <li>10. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</li> </ol>	Article 2	<p>The scope of business of this Company is as follows:</p> <ol style="list-style-type: none"> <li>1. <u>H701010 Residence and Buildings Lease Construction and Development.</u></li> <li>2. <u>H701020 Industrial Factory Development and Rental.</u></li> <li>3. <u>H701040 Specific Area Development.</u></li> <li>4. <u>H701050 Investment, Development and Construction in Public Construction.</u></li> <li>5. <u>H701060 New County and Community Construction and Investment.</u></li> <li>6. <u>H701070 Process Zone Expropriation and Urban Land Readjustment Agency</u></li> <li>7. <u>H701080 Urban Renewal Reconstruction.</u></li> <li>8. <u>H702010 Construction Manager.</u></li> <li>9. <u>H703090 Real Estate Business.</u></li> <li>10. <u>H703100 Real Estate Rental and Leasing.</u></li> <li>11. <u>H703110 Senior Citizen Residence.</u></li> <li>12. <u>J701040 Recreational Activities Venue.</u></li> <li>13. <u>J901020 Regular Hotel.</u></li> <li>14. <u>E801010 Building Maintenance and Upholstery.</u></li> <li>15. <u>D401010 Thermal Energy Supply.</u></li> <li>16. <u>F199990 Other Wholesale Trade.</u></li> <li>17. <u>F501030 Beverage Shops.</u></li> <li>18. <u>F501060 Restaurants.</u></li> <li>19. <u>G202010 Parking Area Operators.</u></li> <li>20. <u>E201010 Landscape Engineering</u></li> <li>21. <u>I503010 Landscape and Interior Designing</u></li> <li>22. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.</li> </ol>	Adapting business activities to changes in business item codes
Article	These Articles of Incorporation	Article	These Articles of Incorporation were	Date of

**Prince Housing & Development Corp.**  
**Comparison Table of Amendments to the Articles of Incorporation**

<b>Before Amendment</b>		<b>After Amendment</b>		<b>Description</b>
36	were established on August 23, 1973,....., all amendments are implemented with the resolution of the meeting of shareholders.	36	established on August 23, 1973, ... , <u>the 39<sup>th</sup> amendment was made on June 19, 2024.</u> All amendments are implemented with the resolution of the meeting of shareholders.	amendment

## **Rules of Procedure for the Board Meeting**

- Article 1 To establish a strong governance system and sound supervisory capabilities for the meeting of shareholders of this Corporation, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies.
- Article 2 The rules of procedures for the meeting of shareholders of this Corporation, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 3 Unless the laws and regulations otherwise require, the meeting of shareholders of this Corporation shall be convened by the Board of Directors.
- This Corporation shall prepare an electronic version of the notice of meeting of shareholders and the proxy form, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of Directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general meeting of shareholders (AGM) or 15 days before the date of a provisional meeting of shareholders. This Corporation shall prepare an electronic version of the handbook of meeting of shareholders and supplemental meeting materials and upload them to MOPS 21 days before the date of the AGM or 15 days before the date of a provisional meeting of shareholders. In addition, 15 days before the date of the shareholders meeting, this Corporation shall prepare the handbook of a meeting of shareholders and supplemental meeting materials and made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.
- The reasons for convening a meeting of shareholders shall be specified in the meeting notice and public announcement. With the consent of the addressee, such can be made electronically.
- Election or dismissal of Directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by Directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or spin-off of the corporation or any matter under paragraph 1, Article 185, of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be listed and essential description shall be stated in the reasons for convening column of the notice of shareholders' meeting. None of the above matters may be raised by an extraordinary motion.
- Where re-election of all Directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting, such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
- A shareholder holding 1% or more of the total number of issued shares may make one proposal to this Company for discussion at the AGM. No other proposals will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the final date of the stock transfer before an AGM is held, this Company shall announce the acceptance of the shareholder's proposal, the accepted formats (written or electronic) of proposals, and the place and period of acceptance for a minimum of 10 days.

Each proposal submitted by shareholders shall not exceed 300 words. Proposals longer than 300 words will not be listed in the handbook for discussion. Shareholders making proposals shall be present in person or represented by a proxy at the general meeting of shareholders and take part in proposal discussion.

Prior to the date of issuance of a meeting notice, this Corporation shall inform shareholders who have submitted proposals of the results of proposal processing and shall list in the meeting notice proposals conforming with the provisions of this article. At the meeting of shareholders, the Board of Directors shall explain the exclusion of any shareholder proposals in the handbook.

Article 4 Shareholders may appoint a proxy to represent them in a meeting by submitting the proxy form issued by this Corporation and by stating the scope of authorization for the proxy.

Each shareholder shall deliver to this Corporation one proxy form for one proxy only five days prior to a meeting of shareholders. When more than one proxy forms are received, only the earliest one will be accepted, except with a declaration to relieve the previous proxy.

After a proxy form is delivered to this Corporation, should a shareholder intend to attend the meeting in person or to exercise its voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation 2 business days before the meeting date. Should the cancellation notice be delivered after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 A meeting of shareholders shall be held in the region where this Corporation is located or a venue that can be easily accessed by shareholders and suitable for a meeting of shareholders. The meeting shall be held between 9:00 am and 3:00 pm. Full consideration shall be given to the opinions expressed by Independent Directors with respect to the place and time of the meeting.

Article 6 This Corporation shall specify in meeting notice the check in time, registration location and related notices to inform shareholders.

The said shareholder check in time shall begin at least 30 minutes before the meeting commences. The registration shall be readily identified, and sufficient competent staff shall be assigned to process shareholder registration.

Shareholders or their proxies (collectively called "shareholders") shall attend the meeting of shareholders with an admission pass, check-in pass, or other admission documents. Under no circumstances shall this Corporation arbitrarily add requirements for other documents grating admission to a meeting of shareholders. Those recruiting proxy forms shall also bring their identity cards for verification.

This Corporation shall furnish a registry for shareholders check in or shareholders the meeting may hand in a check-in card to substitute check-in procedure.

This Corporation shall provide a AGM handbook, annual report, admission pass, speech note, vote, and other meeting materials for shareholders attending AGM, and a ballot for election, if any.

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

Article 7 If a meeting of shareholders is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the board. Should the chairperson of the board be on leave or unable to exercise the powers of a chairperson for whatever reasons, the vice chairperson shall take its place to chair the meeting. Should there be no vice chairperson or the vice chairperson be on leave or unable to exercise the powers of a chairperson for whatever reasons, the chairperson shall appoint a managing director represent him/her or a director shall be when there is no managing director. Should no representative is appointed by the chairperson, managing Directors or Directors may elect one of them chair the meeting.

When a managing director or director is assigned to chair a meeting of shareholders, this managing director or director must have worked at this Corporation for a minimum of six months and must understand the financial status of this Corporation. The same shall apply to an institutional representative.

It is advisable that a meeting of shareholders convened by the Board of Directors shall be chaired by the chairperson of the board in person and attended by majority Directors and at least one member of each functional committee. Their attendances shall be recorded in the meeting minutes.

If a meeting of shareholders is convened by a party with convening power other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall select a chair from among themselves. This Corporation may appoint its attorneys at law, certified public accountants, or related staff to attend a meeting of shareholders.

Article 8 This Corporation shall maintain a full video and audio recordings of the meeting starting from the check-in and registration, during the meeting and the election. The said audiovisual data shall be retained for at least one year. Should a law suit be filed according to Article 189 of the Company Act, the said audiovisual data shall be retained until the end of the suit.

Article 9 Attendance of the meeting of shareholders shall be calculated based on numbers of shares. The number of shares for voting in writing or electronically shall be calculated based on shares shown in the check-in register or the check-in pass.

The chair shall call the meeting to order at the appointed meeting time and announce the information covering the number of shares without voting rights and the number of shares present at the meeting.

However, when the shareholders in attendance do not represent over half of the total number of issued shares, the chair may announce a postponement, provided that not more than two such postponements are allowed, and the total length of postponements shall not exceed one hour. If the quorum does is not met after two postponements and the shareholders in attendance still represent less than one third of the total number of issued shares, the chair shall adjourn the meeting.

If the quorum is not met after two postponements mentioned in the preceding paragraph, but the number of shares represented by shareholders in attendance commands at one third or more of the total number of issued shares, a tentative resolution may be adopted in accordance with paragraph 1, Article 175, of the Company Act. All shareholders shall be notified of the tentative resolution and another meeting of shareholders shall be convened within one month.

Should the number of shareholders in attendance represent over half of the total number of issued shares, the chair may resubmit the tentative resolution for voting at the meeting of shareholders according to Article 174 of the Company Act.

Article 10 The Board of Directors shall plan the agenda for the meetings of shareholders it convenes, vote for each proposal (including motions and amendments to the original proposals), shall proceed with such meetings as planned. Under no circumstances shall the Board of Directors alter the agenda without the resolution of the shareholders' meeting.

The provisions in the preceding paragraph shall apply mutatis mutandis to meetings of shareholders convened by parties other than the Board of Directors.

Unless a resolution is otherwise made, under no circumstances shall the chairperson adjourn a meeting of shareholders without going through the entire agenda (including extraordinary motions). Should the chairperson violate this rule, other board members shall assist shareholders in attendance to immediately elect a new chairperson with their majority consent according to the statutory procedures.

A meeting chair shall grant ample opportunities for the full explanation and discussion of proposals and amendments or extraordinary motions put forward by the shareholders. The meeting chair may end the discussion and call for a vote of sufficiently discussed proposals and arrange sufficient time for voting.

Article 11 Before speaking, a shareholder in attendance of shareholders must specify on a speaker's slip the subject matter of the speech, his/her shareholder account number (or admission pass number), and account name. The order in which shareholders speak will be set by the chairperson.

A shareholder in attendance who does not speak after submitting a speaker's slip is considered as silent. Should the content of a speech does not correspond to the subject matter in the speaker's slip, the speech content shall prevail.

Except with the consent of the chairperson, a shareholder shall speak more than twice in the same proposal, and each speech shall not exceed five minutes. Should a shareholder make a speech in violation of related rules or irrelevant to the subject matter, the chairperson may request such a shareholder to terminate the speech.

Except with the approval of the chairperson or the speaking shareholder, under no circumstances shall other shareholders interrupt the speech of a shareholder at the meeting.

When an institutional shareholder appoints two or more representatives to attend a meeting of shareholders, only one of such representatives may speak for the same proposal.

After a shareholder finishes a speech, the chairperson may personally or direct relevant staff to respond to such a speech.

Article 12 Voting at a meeting of shareholders shall be calculated based the number of shares. With respect to the resolutions made by the meeting of shareholders, the stake of a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

Should a shareholder be a stakeholder of a handbook item and should such a relationship prejudice the interest of this Corporation, that shareholder shall neither vote on that item nor exercise the voting rights as proxy for any other shareholders. The number of shares not allowed for excising the voting rights according to the preceding paragraph will not be considered in the voting shares of shareholders in attendance.

Except for a trust enterprise or a shareholder services agent approved by the securities competent authority, when a person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by such a proxy shall not exceed 3% of the voting rights represented by the total number of issued shares, and the percentage of

voting rights exceeding such a limit will not be considered.

Article 13 Each shareholder is entitled to one vote for each share held, except for restricted shares or non-voting shares under paragraph 2, Article 179, of the Company Act.

When holding a meeting of shareholders, this Corporation may allow shareholders to exercise voting rights by correspondence or electronically, provided that the methods of voting shall be specified in the meeting notice. When exercising voting rights by correspondence or electronically, a shareholder shall be deemed as present in the meeting personally. However, such a shareholder shall be considered as a waiver when voting for extraordinary motions and amendments to original proposals. It is therefore advisable that this Corporation shall avoid extraordinary motions and amendments to original proposals at the meeting.

A shareholder intending to exercise voting rights by correspondence or electronically under the preceding paragraph shall deliver a written declaration of intent to this Corporation two days before the date of the meeting of shareholders. When repeat declarations of intent are delivered, the one received earliest shall prevail, except for a declaration made to revoke the previous declaration of intent.

A shareholder wishing to attend a meeting of shareholders after exercising voting rights by correspondence or electronically shall deliver a notice to retract the said voting rights made with the same method as exercising the voting rights in writing two business days before the date of the meeting of shareholders. The voting rights exercised by correspondence or electronically shall prevail for failure to make retraction by the said deadline. When a shareholder exercises voting rights both by correspondence or electronically and by appointing a proxy to attend a meeting of shareholders, the voting rights exercised by the proxy in the meeting shall prevail. Except the Company Act and the articles of incorporation of this Corporation otherwise require, a proposal shall be passed by an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, the chairperson or staff the chairperson designates shall first announce the total number of voting rights represented by the attending shareholders of each proposal before allowing for shareholders to vote. The outcomes of voting, including the number of votes in favor and against, and the number of abstentions shall be posted on MOPS on the same day after the meeting is adjourned.

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

The chairperson shall appoint staff to supervise and count the votes if a proposal, provided that the appointed person shall be a shareholder of this Corporation.

Vote counting for proposals or elections in a meeting of shareholders shall be conducted in a common area of the meeting venue. The outcomes, including the statistical tallies of the numbers of votes shall be announced immediately after counting is completed, and records shall be maintained.

Article 14 Directorial elections shall be implemented in accordance with the related election and appointment rules established by this Company, and the voting results shall be announced on-site immediately, including the list of Directors elect and the number of votes with which they were elected, and the list of Directors not elected and the number of votes they acquired.

The ballots for the election referred to in the preceding paragraph shall be sealed with

the signatures of the supervising person and retained properly for at least one year. Should a law suit be filed according to Article 189 of the Company Act, the said audiovisual data shall be retained until the end of the suit.

- Article 15 Resolutions made by the meeting of shareholders shall be maintained in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting and a copy distributed to each shareholder within 20 days after meeting adjournment. The meeting minutes may be produced and distributed electronically. This Corporation may distribute the meeting minutes mentioned in the preceding paragraph positing it on MOPS.
- The meeting minutes shall contain the accurate year, month, day, and place of the meeting, the full name of the chairperson, the methods by which resolutions were made, a summary of the deliberations and their results, and the results of voting (including the number of voting rights). If there is a directorial election, the number of votes of each candidate shall be disclosed. Meeting minutes shall be retained permanently during the Company's existence.
- Article 16 On the day of a meeting of shareholders, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the meeting of shareholders. If matters put to a resolution at a meeting of shareholders constitute material information under applicable laws or regulations or under the regulations specified by Taiwan Stock Exchange Corporation, this Corporation shall upload the content of such resolution to MOPS by the deadline.
- Article 17 Staff handling the administrative affairs of a meeting of shareholders shall wear an identification card or an armband.
- The chair may direct proctors or security guards to help maintain order at the meeting place. When maintaining order at the meeting place, proctors or security guards shall wear an identification card or armband bearing the word "Proctor."
- Should a shareholder attempt to speak through devices other than the public-address equipment prepared by this Company in a meeting, the chairperson may stop such a shareholder.
- When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructs the proceedings and refuses to heed calls to stop, the chairperson may direct proctors or security guards to escort that shareholder to leave the meeting.
- Article 18 The chairperson may announce a break, where appropriate, in the middle of the meeting. The chairperson may also temporarily hold the meeting for force majeure or an act of God and resume the meeting wherever the situation allows.
- Should the meeting venue be no longer available for continued use and not all items (including extraordinary motions) in the meeting handbook are addressed, the meeting of shareholders may adopt a resolution to continue the meeting at another venue. Shareholders may postpone or continue the meeting within five days through resolution in accordance with Article 182 of the Company Act.
- Article 19 Matters not provided for in these Rules shall be handled in accordance with the Company Act, the related regulations of the competent authorities, and the articles of incorporation of this Company.
- Article 20 These Rules, and any amendments hereto, shall be implemented after adoption by meeting of shareholders.

## **Articles of Incorporation**

### **Chapter 1. General Provisions**

- Article 1:** This Company is incorporated as a company limited by shares in accordance with the Company Act in the name of 太子建設開發股份有限公司 in Chinese or Prince Housing & Development Corp. in English.
- Article 2:** The scope of services of this Company is as follows:
1. The development, operation, lease, and sale of farms, forests, and animal and aquaculture farms.
  2. Commissioned construction, management, lease, and sale of public housing and commercial buildings, tourisms hostels, tourism and recreational industries (children's theme parks and water parks), indoor and outdoor sports facilities, car parks and multistory car parks, supermarkets, harbor and inland bag or bulk warehouses.
  3. Development, operations, lease and sale of industrial parks and residential areas.
  4. Manufacture and trading of construction materials, and agency and promotion of construction technologies.
  5. Estate lease and sale agent.
  6. Distribution, import, manufacture, and trading to sports equipment.
  7. Commissioned zoning.
  8. E201010 Landscape Engineering
  9. I503010 Landscape and Interior Designing
  10. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3:** This Company may invest in other industries for business needs and is not subject to the restriction set forth in Article 13 of the Company Act that the total investment shall not exceed 40% of the company's paid-up capital
- Article 4:** This Company is headquartered in Tainan City, Republic of China. With resolution made by the Board of Directors, this Company may establish branches and factories anywhere inside and outside the territory of the Republic of China. They shall apply to the withdrawal or relocation of such.
- Article 5:** This Company shall disclose information in accordance with Article 28 of the Company Act.

## Chapter 2 Shares

- Article 6: The total authorized capital of this Company is NT\$20 billion divided into 2 billion shares with a par value at NT\$10 each. The Board of Directors is authorized to issue such shares serially.
- Article 7: After being approved for establishment or registration change, shares of this Company are issued in registered stocks signed or stamped by Directors representing the Company and certified by competent authorities or the organizations for stock issuance and registration designated by such authorities. When issuing shares publicly, this Company may exempt from printing the stocks for such shares or print stocks combining with the total number of shares issued, provided registration to the centralized securities depository enterprises shall be made.
- Article 8: This Company shall handle stock affairs in accordance with the regulations of competent authorities and the relevant laws and regulations.
- Article 9: No change of records in the shareholders roster is allowed within 60 days prior to an annual general meeting of shareholders, within 30 days prior to a provisional meeting of shareholders, or within 5 days prior to the base date for distributing dividends, bonuses, or other benefits.
- Article 10: This Company may charge the printing fee and pay the stamp tax for renewal or reissuance of new stocks.

## Chapter 3. Meeting of Shareholders

- Article 11: Meetings of shareholders include the general meeting of shareholders and the provisional meeting of shareholders. The former shall be held at least once a year within six months after the end of each accounting year; and the latter shall be held by law as necessary.
- Article 12: A shareholder unable to attend a meeting of shareholders may appoint a proxy to attend the meeting in accordance with Article 177 of the Company Act. Unless the Company Act otherwise requires, proxy appointments shall be made in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by competent authorities.
- Article 13: Unless required by other regulations under the Company Act, the chairperson of this Company shall chair a meeting of shareholders. The chairperson who is absent with apologies or unable to carry out his duties

for some reason shall appoint a proxy in accordance with Article 208 of the Company Act.

Article 14: Unless the law otherwise requires, resolutions of a meeting of shareholders shall be made with the approval of over half of shareholders in a meeting attended by shareholders representing over half of the total number of shares issued.

This Company shall include electronic voting as a way to exercise voting rights in a meeting of shareholders, and exercising voting rights by correspondence may also be accepted.

Article 15: Each shareholder of this Company is entitled to one vote for each share held, except for restricted shares or non-voting shares under the Company Act.

Article 16: Resolutions made in a shareholders' meeting shall be taken in the meeting minutes that contain the year, month, day, and place of the meeting, the full name of the chairperson, the methods by which resolutions are made, and a summary of the deliberations and their results. The meeting minutes shall be signed or sealed by the chairperson and a copy distributed to each shareholder within 20 days after meeting adjournment. The meeting minutes may be distributed by means of an announcement. The meeting minutes, the shareholder attendance list, and the power of attorney shall all be retained by this Company for reference and recording.

#### Chapter 4. Board of Directors and Audit Committee

Article 17: The Board of Directors of this company consists of 9-18 Directors, including 4 Independent Directors. When the number of Directors is over 15, there will be no less than 5 Independent Directors. The candidate nomination system is adopted to elect competent shareholders. Each director holds a term of 3 years and is valid for re-election. The total number of shares held by all Directors shall be handled in accordance with the regulations of the securities management authority. In a directorial election, each share is entitled to voting rights in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple candidates. Those candidates receiving more voting rights shall be elected as Directors.

The professional qualifications, stake, concurrent job limitation, nomination, election, and other matters relating to independent shareholders shall be subject to the related regulations of the securities competent authority.

The Board of Directors is authorized to determine the compensation,

honorarium, and administrative expense of Directors with respect to their involvement in organizational operations and contributions and the standard in the business. However, Article 32 of the Company Act shall also apply to the compensation for Directors.

Article 18: The Board of Directors shall be formed by Directors. The chairperson is elected with the approval of over half of Directors in a board meeting attended by over two thirds of all Directors. The same method shall apply to elect a vice president. The chairperson represents this Company externally and administer the Company in the assistance of the vice chairperson in accordance with related laws and regulations and the resolutions made by the meeting of shareholders. Should the chairperson be absent or unable to carry out his/her duties for some reasons, the proxy shall be appointed in accordance with the Company Act.

Article 19: The chairperson shall chair a board meeting. The chairperson who is absent with apologies or unable to carry out his or her duties for some reason shall appoint a proxy in accordance with Article 208 of the Company Act.

Article 20: Directors shall attend a board meeting in person. A director who is absent with apologies may assign another director to represent him in a board meeting by issuing a power of attorney specifying the scope of authorization. One on one representation shall apply.

A board meeting may be implemented by a conference call. Directors attending a board meeting by conference call are considered as present.

Article 21: The roles and responsibilities of a board are as follows: 1. Review and determine various rules for business operations. 2. Determine business orientation. 3. Review annual budgets. 4. Draw up profit distribution and profit compensation plans. 5. Draw up capital increase and reduction plans. 6. Determine the appointment and dismissal of important staff. 7. Implement resolutions made by the meeting of shareholders. 8. Discuss and determine external investments. 9. Assume other responsibilities under the law and assigned by the meeting of shareholders. Except for the above matters and matters to be resolved by the meeting of shareholders as specified by the Company Act, all matters shall be implemented with the board resolutions.

Article 22: A board meeting shall be held at least once per quarter. Unless the law otherwise requires, the chairperson shall convene a board meeting, specify the purpose of meeting, and notify all Directors 7 days in advance. Provisional board meetings may be convened at any time in case of an emergency.

The meeting notice of the said meetings may be made by correspondence, by fax or electronically.

Article 23: The chairperson shall carry out the resolutions on all business affairs

made by the board meeting. Unless the Company Act otherwise requires, resolutions shall be made by over half of Directors in a board meeting attended by over half of the Directors. The minutes, the sign-in list and power of attorney of a board meeting shall all be retained by this Company for reference and recording.

- Article 24: This Company establishes an audit committee with all Independent Directors in accordance with the Securities and Exchange Act. The organization, roles and responsibilities, rules of procedures and other duties of the audit committee shall be subject to the regulations promulgated by the securities competent authority.
- Article 25: The roles and responsibilities of supervisors under the Company Act, Securities and Exchange Act and other related laws and regulations shall apply mutatis mutandis to the audit committee as of the day of committee establishment.
- Article 26: This Company may establish other functional committees with articles of organization established by the board of director according to related laws and regulations.
- Article 27: This Company may purchase liability insurance for Directors and other important staff during their term through the Board of Directors.

## Chapter 5. Managers and Employees

- Article 28: The appointment, dismissal and compensation of managers shall be subject to Article 29 of the Company Act. The Board of Directors shall resolve the responsibility and authority and their scope of managers subject to the functions and duties of individual departments.

## Chapter 6 Accounting

- Article 29: The accounting year of this Company commences on January 1 and ends on December 31 each year. This Company shall prepare a final account report at the end of each accounting year.
- Article 30: At the end of each accounting year, the Board of Directors shall prepare the following reports and submit them to the meeting of shareholders for recognition.
1. Business report.
  2. Financial statements.
  3. Profit distribution and deficit compensation proposals.
- Article 31: The industry in which this Company operates has entered the mature period with keep competitions. When drawing up profit distribution

proposals, the Board of Directors shall consider the capital expenditure and budget and capital needs in the future and measure the need to fulfill the capital needs with earnings before determining the percentage of capital reserve and profit distribution and the amount of dividends or bonuses distributed in cash.

Should there be net profit after the account is closed of every accounting year, apart from paying the business income tax and compensating for the deficits in previous years, the Company shall first appropriate ten per cent (10%) as the legal reserve, except when the accumulated amount of legal reserve equals the amount of the paid-up capital. Then, after appropriating or reversing the special reserve by law, the remaining amount will be the distributed earnings. By adding up the cumulative earnings of the previous years, the sum will be the cumulative distributable earnings. The dividend and bonuses of shareholders can be appropriated with the cumulative distributable earnings, with a minimum of 20% of distributable earnings of the year and the minimum cash dividend of 30% of the total amount appropriated for dividends and bonuses for the shareholders of the year. In addition to dividends, the Board of Directors shall draw up a proposal for profit distribution and submit it to the meeting of shareholders for resolution before distribution.

Article 32: This Company shall distribute a minimum of 2% of the profits in a year as compensation for employees and a minimum of 3% as compensation for Directors. However, cumulative deficits, if any, shall be compensated for first.

Compensation for employees can be distributed in the form of stocks or in cash and such employees may include employees of subsidiaries complying with the related requirements.

The status of annual profit in paragraph 1 refers to the profit after deducting the compensation for employees and Directors from the profit before tax in the year.

The distribution of compensation for employees and Directors shall be resolved by over half of Directors in a board meeting attended by over two thirds of all Directors and reported to the meeting of shareholders.

## Chapter 7 Addenda

Article 33: The charter of organization and rules for business operations of this Company shall be determined by the Board of Directors separately.

- Article 34: This Company may provide endorsements and guarantees for third parties for business purposes.
- Article 35: Matters not provided for in these Articles of Incorporation shall be handled in accordance with the Company Act and other laws and regulations.
- Article 36: These Articles of Incorporation were established on August 23, 1973; the 1st amendment was made on November 20, 1974; the 2nd amendment was made on February 10, 1976; the 3rd amendment was made on March 8, 1977; the 4th amendment was made on April 28, 1980; the 5th amendment was made on May 2, 1981; the 6th amendment was made on November 4, 1982; the 7th amendment was made on May 16, 1984; the 8th amendment was made on April 26, 1986; the 9th amendment was made on April 3, 1989; the 10th amendment was made on December 27, 1990; the 11th amendment was made on June 18, 1991; the 12th amendment was made on April 23, 1992; the 13th amendment was made on May 7, 1993; the 14th amendment was made on May 10, 1994; the 15th amendment was made on June 5, 1995; the 16th amendment was made on May 24, 1996; the 17th amendment was made on June 17, 1997; the 18th amendment was made on May 19, 1998; the 19th amendment was made on June 9, 1999; the 20th amendment was made on June 9, 2000; the 21st amendment was made on June 20, 2002; the 22nd amendment was made on June 26, 2003; the 23rd amendment was made on June 15, 2004; the 24th amendment was made on June 27, 2005; the 25th amendment was made on June 14, 2006; the 26th amendment was made on June 15, 2007; the 27th amendment was made on June 13, 2008; the 28th amendment was made on June 19, 2009; the 29th amendment was made on June 24, 2010; the 30th amendment was made on June 17, 2011; the 31st amendment was made on June 20, 2012; the 32nd amendment was made on June 18, 2013; the 33rd amendment was made on June 20, 2014; the 34th amendment was made on June 17, 2015; the 35th amendment was made on June 21, 2016; the 36th amendment was made on June 22, 2017; the 37th amendment was made on June 17, 2022; the 38th amendment was made on June 20, 2023. All amendments are implemented with the resolution of the meeting of shareholders.

Prince Housing & Development Corp.

Chairman: Chih-Hsien Lo

### Stake of Directors

Job Title	Name	The number of shares held as of the deadline for stock transfer	Remarks
Chairman	Chih-Hsien Lo	162, 743, 264	Representative of Uni-President Enterprises Corporation
Director	Tsung-Ping Wu		
Director	Chih-Yuan Hou	26, 471, 128	Representative of Xin Yong Xing Investment Co., Ltd.
Director	Chao-Mei Wu Tseng	42, 956, 030	
Director	Shih-Hung Chuang	2, 346, 491	Representative of Hong Yao Investment Co., Ltd.
Director	Shiow-Ling Kao	68, 464, 308	Representative of Kao Chuan Investment Co., Ltd.
Director	Po-Ming Hou	1, 169, 975	Representative of Yu Peng Investment Co., Ltd.
Director	Po-Yi Hou	2, 086, 986	Representative of Sheng Yuan Investment Co., Ltd.
Director	Chung-Ho Wu	16, 201, 463	Representative of Yong Yuan Investment Co., Ltd.
Director	Ying-Chih Chuang	47, 584, 139	Representative of Jui Hsing International Investment Co., Ltd.
Director	Chien-Te Wu	116, 730, 587	Representative of Tai Bo Investment Co., Ltd.
Director	Ping-Chih Wu		
Independent Director	Tse-Hsiang Ting	0	
Independent Director	Peng-Ling Nie	16, 954	
Independent Director	Meng-Hsiu Chen	0	
Independent Director	Cheng-Ming Chang	0	
Independent Director	Jun-Shen Tseng	0	
Total of Directors		486, 771, 325	

With respect to Article 26 of the Securities and Exchange Act:

The minimum stake of all Directors is 38,959,827 shares.

## **Impact of Stock Dividend Issuance on Business Performance, EPS, and ROE:**

There will be no impact on business performance, EPS, and ROE as no stock dividend was issued this year.