

Stock Code: 2504

Goldsun Building Materials Co., Ltd.

2023 Annual General Meeting

# Meeting Manual

Time: 09:00 am, May 29, 2023 (Monday)

Location: No. 151, Section 5, Danjin Road, Tamsui District, New  
Taipei City

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# Goldsun Building Materials Co., Ltd.

## Agenda for 2023 Annual General Meeting

Meeting method: Physical venue

Time: 09:00 am, May 29, 2023 (Monday)

Location: No. 151, Section 5, Danjin Road, Tamsui District, New Taipei City

I. Chairperson's speech:

II. Matters to be reported:

(I) The Company's 2022 business report and financial report.

(II) Audit committee's review of the 2022 year-end report.

(III) 2022 distribution of employees' and directors' remuneration.

III. Ratification topics

(I) 2022 business report and financial statements.

(II) 2022 annual profit distribution.

IV. Discussion topics:

Amendments to provisions of the Articles of Incorporation.

V. Motions

VI. Meeting adjournment

## [Matters to be reported]

### I. The Company's 2022 business report and financial report

#### 2022 Business Report

The 2022 revenue was NT\$21,278,780 thousand, a decrease of NT\$522,919 thousand from NT\$21,801,699 thousand of 2021. The 2022 income after tax was NT\$4,236,108 thousand, increased by NT\$1,302,864 thousand from NT\$2,933,244 thousand of 2021. The EPS was NT\$3.51. The revenue of principle products is as follows:

#### (1) Ready-mixed concrete

Domestic: The 2022 sales volume and amount were 6,341,368m<sup>3</sup> and NT\$16,658,534 thousand. Compared with 2021, the sales volume reduced by 3.36%, or 220,563m<sup>3</sup>, and the amount increased by 3.52%, or NT\$565,948 thousand.

Suzhou: Due to the lockdown caused by the pandemic, the 2022 sales volume and amount were 1,217,421m<sup>3</sup> and NT\$2,432,235 thousand. Compared with 2021, the sales volume reduced by 32.17%, or 577,287m<sup>3</sup>, and the amount decreased by 38.06%, or NT\$1,494,609 thousand.

#### (2) Boards:

The 2022 sales volume and amount were 4,244,721 PU and NT\$1,032,314 thousand, respectively. Compared with 2021, the sales volume increased by 252,812 PU, or a growth rate of 6.36%, and the sales amount increased by NT\$141,173 thousand, or a growth rate of 15.84%.

#### (3) Other operating revenue (including construction, loading and unloading and others)

The other revenue for 2022 was NT\$1,155,697 thousand, an increase of NT\$264,569 thousand over 2021.

Chairman:

Executive Manager:

Principal Accounting Officer:

## **Independent Auditors' Report Translated from Chinese**

To GOLDSUN BUILDING MATERIALS CO., LTD.

### **Opinion**

We have audited the accompanying consolidated balance sheets of GOLDSUN BUILDING MATERIALS CO., LTD. and its subsidiaries (the "Group") as of December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter section), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and their consolidated financial performance and cash flows for the years ended December 31, 2022 and 2021, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Revenue Recognition

Revenue from contracts with customers that recognized by the Group amounted to NT\$20,281,965 thousand for the year ended December 31, 2022, and the main source of revenue is the sale of pre-mixed concrete, cement and calcium silicate board. The timing of sales was recognized when the performance obligations was satisfied that goods were delivered and accepted by the customers. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to:

1. Assessing the appropriateness of the accounting policy of revenue recognition and the process of generating and recognizing revenue; evaluating and testing the design and operating effectiveness of internal controls around revenue recognition.
2. Selecting samples to perform tests of details, performing tests of transaction detail which included reviewing vouchers of selected samples to confirm the performance obligations was satisfied.
3. Performing cutoff testing through periods before and after the balance sheet date by reviewing related documentation of selected samples.
4. Executing accounts receivable confirmation procedures to confirm with the Group's customers. Moreover, performing other alternative audit procedures if customers do not return confirmations.

We also consider the appropriateness of the disclosures of operating revenue. Please refer to Note 6.

## **Other Matter – Making Reference to the Audits of Component Auditors**

We did not audit the financial statements of certain consolidated subsidiaries, which statements reflected total assets in the amount of NT\$1,902,743 thousand and NT\$1,077,230 thousand, constituting 5% and 3% of consolidated total assets as of December 31, 2022 and 2021, respectively; and total operating revenues in the amount of NT\$506,094 thousand and NT\$421,044 thousand, constituting 2% and 2% of consolidated operation revenues for the years ended December 31, 2022 and 2021, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or

business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2022 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Others**

We have audited and expressed an unqualified opinion including an Other Matters paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2022 and 2021.

/s/Wang, Hsuan-hsuan

/s/ Liu, Hui-Yuan

Ernst & Young, Taiwan  
February 24, 2023

## **Notice to Readers**

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

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.  
CONSOLIDATED BALANCE SHEETS  
December 31, 2022 and December 31, 2021  
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>Current assets</b>					
Cash and cash equivalents	4 and 6	\$2,106,579	5	\$2,518,161	7
Financial assets at fair value through other comprehensive income, current	4,6 and 8	666,402	2	846,720	2
Financial assets at amortized cost, current	4,6 and 8	164,675	-	160,272	-
Notes receivable, net	4,5,6 and 7	1,416,809	5	1,657,211	5
Accounts receivable, net	4,5 and 6	6,443,088	16	5,415,224	15
Accounts receivable-related parties, net	4,5,6 and 7	13,006	-	27,521	-
Other receivables	6	489,203	1	59,547	-
Other receivables-related parties	7	21,219	-	22,899	-
Current tax assets	4	879	-	63	-
Inventories, net	4,6 and 8	843,867	2	653,756	2
Prepayments	7	489,665	1	595,683	2
Non-current assets held for sale, net	4 and 6	-	-	573,315	2
Other current assets		2,342	-	478	-
<b>Total current assets</b>		<b>12,657,734</b>	<b>32</b>	<b>12,530,850</b>	<b>35</b>
<b>Non-current assets</b>					
Financial assets at fair value through other comprehensive income, non-current	4,5,6 and 8	1,234,408	3	1,350,125	4
Financial assets at amortized cost, non-current	4,6 and 8	73,733	-	25,598	-
Investments accounted for under the equity method	4,5 and 6	860,569	2	838,758	2
Property, plant and equipment	4, 6, 7 and 8	12,242,233	32	9,793,259	27
Right-of-use assets	4,5 and 6	615,220	2	681,187	2
Investment property, net	4,5,6 and 8	5,492,361	14	3,428,091	10
Intangible assets	4,6 and 8	3,680,866	10	3,787,021	11
Deferred tax assets	4,5 and 6	735,670	2	803,314	2
Prepayment for equipment		59,819	-	56,297	-
Refundable deposits	8	51,047	-	38,192	-
Long-term receivable	4,5 and 6	1,245,160	3	2,425,436	7
Other assets, non-current		2,263	-	2,355	-
<b>Total non-current assets</b>		<b>26,293,349</b>	<b>68</b>	<b>23,229,633</b>	<b>65</b>
<b>Total assets</b>		<b>\$38,951,083</b>	<b>100</b>	<b>\$35,760,483</b>	<b>100</b>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.  
CONSOLIDATED BALANCE SHEETS  
December 31, 2022 and December 31, 2021  
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>Current liabilities</b>					
Short-term loans	4,6 and 8	\$2,645,000	7	\$900,000	3
Notes payable		733,433	2	1,182,997	3
Accounts payable		1,934,329	5	2,381,549	7
Accounts payable - related parties	7	106,268	-	135,109	-
Other payables	6	1,687,070	4	1,164,009	3
Other payables - related parties	7	26,811	-	16,175	-
Current tax liabilities	4 and 5	704,889	2	633,408	2
Lease liabilities, current	4 and 6	110,591	-	41,950	-
Other current liabilities		144,745	-	105,821	-
Advanced receipts	6	52,660	-	50,209	-
Current portion of long-term loans	4,6 and 8	920,750	3	526,625	2
<b>Total current liabilities</b>		<b>9,066,546</b>	<b>23</b>	<b>7,137,852</b>	<b>20</b>
<b>Non-current liabilities</b>					
Long-term loans	4,6 and 8	3,766,551	10	2,973,021	8
Provisions, non-current	4 and 6	11,497	-	11,497	-
Deferred tax liabilities	4,5 and 6	510,594	1	514,764	1
Lease liabilities, non-current	4 and 6	437,533	1	597,748	2
Net defined benefit liabilities, non-current	4,5 and 6	116,489	-	167,281	1
Long-term notes and bills payable	4,6 and 8	599,865	2	1,796,860	5
Guarantee deposits	7	43,117	-	55,613	-
Other non-current liabilities		1,835	-	-	-
<b>Total non-current liabilities</b>		<b>5,487,481</b>	<b>14</b>	<b>6,116,784</b>	<b>17</b>
<b>Total liabilities</b>		<b>14,554,027</b>	<b>37</b>	<b>13,254,636</b>	<b>37</b>
<b>Equity attributable to the parent</b>					
<b>Capital</b>	4 and 6				
Common stock		11,800,000	30	11,800,000	33
<b>Additional paid-in capital</b>		1,189,725	3	1,183,587	4
<b>Retained earnings</b>					
Legal reserve		2,228,195	6	1,945,291	5
Special reserve		1,874,430	5	1,874,430	5
Unappropriated earnings		6,281,390	16	4,562,598	13
<b>Other components of equity</b>		(103,470)	-	29,141	-
<b>Treasury stock</b>		(4,789)	-	(4,789)	-
<b>Total equity attributable to the parent company</b>		<b>23,265,481</b>	<b>60</b>	<b>21,390,258</b>	<b>60</b>
<b>Non-controlling interests</b>	6	1,131,575	3	1,115,589	3
<b>Total equity</b>		<b>24,397,056</b>	<b>63</b>	<b>22,505,847</b>	<b>63</b>
<b>Total liabilities and equity</b>		<b>\$38,951,083</b>	<b>100</b>	<b>\$35,760,483</b>	<b>100</b>

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

GOLDSUN BUILDING MATERIALS CO., LTD.  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
For the years ended December 31, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	2022		2021	
		Amount	%	Amount	%
<b>Operating revenue</b>	4,5,6 and 7	\$21,278,780	100	\$21,801,699	100
<b>Operating costs</b>	6 and 7	(16,976,660)	(80)	(17,695,570)	(81)
<b>Gross profit</b>		<u>4,302,120</u>	<u>20</u>	<u>4,106,129</u>	<u>19</u>
<b>Operating expenses</b>	4,5,6 and 7				
Sales and marketing expenses		(179,849)	(1)	(171,505)	(1)
General and administrative expenses		(718,922)	(3)	(653,343)	(3)
Research and development expenses		(18,247)	-	(8,683)	-
Expected credit losses		(35,627)	-	(28,206)	-
Subtotal		<u>(952,645)</u>	<u>(4)</u>	<u>(861,737)</u>	<u>(4)</u>
<b>Operating income</b>		<u>3,349,475</u>	<u>16</u>	<u>3,244,392</u>	<u>15</u>
<b>Non-operating income and loss</b>	4,6 and 7				
Interest income		14,182	-	19,916	-
Other income		529,101	2	176,746	1
Other gains and losses		1,313,229	6	203,740	1
Finance costs		(89,503)	-	(84,642)	-
Share of profit or loss of associates and joint ventures		11,515	-	86,178	-
Subtotal		<u>1,778,524</u>	<u>8</u>	<u>401,938</u>	<u>2</u>
<b>Income before income tax</b>		<u>5,127,999</u>	<u>24</u>	<u>3,646,330</u>	<u>17</u>
<b>Income tax expense</b>	4,5 and 6	(891,891)	(4)	(713,086)	(3)
<b>Net income</b>		<u>4,236,108</u>	<u>20</u>	<u>2,933,244</u>	<u>14</u>
<b>Other comprehensive income</b>	4 and 6				
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurements of defined benefit plans		3,265	-	(26,044)	-
Unrealized (losses) gains on fair value through other comprehensive income equity instrument investment		(367,179)	(1)	211,684	1
Income tax related to items that will not be reclassified		(653)	-	5,209	-
<b>Items that may be reclassified subsequently to profit or loss</b>					
Exchange differences on translation of foreign operations		225,925	-	(81,500)	(1)
<b>Total other comprehensive (loss) income, net of tax</b>		<u>(138,642)</u>	<u>(1)</u>	<u>109,349</u>	<u>-</u>
<b>Total comprehensive income</b>		<u>\$4,097,466</u>	<u>19</u>	<u>\$3,042,593</u>	<u>14</u>
<b>Net income attributable to:</b>					
Shareholders of the parent		\$4,132,218		\$2,848,871	
Non-controlling interests		103,890		84,373	
		<u>\$4,236,108</u>		<u>\$2,933,244</u>	
<b>Comprehensive income attributable to:</b>					
Shareholders of the parent		\$3,993,085		\$2,957,678	
Non-controlling interests		104,381		84,915	
		<u>\$4,097,466</u>		<u>\$3,042,593</u>	
<b>Earnings per share (NT\$)</b>	6				
Basic earnings per share		<u>\$3.51</u>		<u>\$2.42</u>	
Diluted earnings per share		<u>\$3.49</u>		<u>\$2.41</u>	

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

GOLDSUN BUILDING MATERIALS CO., LTD.  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
For the years ended December 31, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars)

Description	Equity Attributable to the Parent Company									Non-Controlling Interests	Total Equity	
	Common Stock	Additional Paid-in Capital	Retained Earnings			Other Components of Equity			Treasury Stock			Total
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets at fair value through other comprehensive income					
<b>Balance as of January 1, 2021</b>	\$11,800,000	\$1,178,554	\$1,706,814	\$1,874,430	\$3,742,037	\$(552,128)	\$454,411	\$(4,789)	\$20,199,329	\$1,131,047	\$21,330,376	
Appropriations and distributions of 2020 unappropriated earnings												
Legal reserve	-	-	238,477	-	(238,477)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(1,770,000)	-	-	-	(1,770,000)	-	(1,770,000)	
Other changes in capital reserve												
Donated surplus	-	359	-	-	-	-	-	-	359	-	359	
Net income in 2021	-	-	-	-	2,848,871	-	-	-	2,848,871	84,373	2,933,244	
Other comprehensive (loss) income, net of tax in 2021	-	-	-	-	(21,377)	(81,500)	211,684	-	108,807	542	109,349	
Total comprehensive income	-	-	-	-	2,827,494	(81,500)	211,684	-	2,957,678	84,915	3,042,593	
Parent company's cash dividends received by subsidiaries	-	4,674	-	-	-	-	-	-	4,674	-	4,674	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	(1,782)	-	-	-	(1,782)	(18,218)	(20,000)	
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	(82,155)	(82,155)	
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	3,326	-	(3,326)	-	-	-	-	
<b>Balance as of December 31, 2021</b>	<u>\$11,800,000</u>	<u>\$1,183,587</u>	<u>\$1,945,291</u>	<u>\$1,874,430</u>	<u>\$4,562,598</u>	<u>\$(633,628)</u>	<u>\$662,769</u>	<u>\$(4,789)</u>	<u>\$21,390,258</u>	<u>\$1,115,589</u>	<u>\$22,505,847</u>	
<b>Balance as of January 1, 2022</b>	\$11,800,000	\$1,183,587	\$1,945,291	\$1,874,430	\$4,562,598	\$(633,628)	\$662,769	\$(4,789)	\$21,390,258	\$1,115,589	\$22,505,847	
Appropriations and distributions of 2021 unappropriated earnings												
Legal reserve	-	-	282,904	-	(282,904)	-	-	-	-	-	-	
Cash dividends	-	-	-	-	(2,124,000)	-	-	-	(2,124,000)	-	(2,124,000)	
Other changes in capital reserve												
Donated surplus	-	270	-	-	-	-	-	-	270	-	270	
Net income in 2022	-	-	-	-	4,132,218	-	-	-	4,132,218	103,890	4,236,108	
Other comprehensive (loss) income, net of tax in 2022	-	-	-	-	2,121	225,925	(367,179)	-	(139,133)	491	(138,642)	
Total comprehensive income	-	-	-	-	4,134,339	225,925	(367,179)	-	3,993,085	104,381	4,097,466	
Parent company's cash dividends received by subsidiaries	-	5,609	-	-	-	-	-	-	5,609	-	5,609	
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	259	-	-	-	-	-	-	259	(259)	-	
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	(88,136)	(88,136)	
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(8,643)	-	8,643	-	-	-	-	
<b>Balance as of December 31, 2022</b>	<u>\$11,800,000</u>	<u>\$1,189,725</u>	<u>\$2,228,195</u>	<u>\$1,874,430</u>	<u>\$6,281,390</u>	<u>\$(407,703)</u>	<u>\$304,233</u>	<u>\$(4,789)</u>	<u>\$23,265,481</u>	<u>\$1,131,575</u>	<u>\$24,397,056</u>	

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

GOLDSUN BUILDING MATERIALS CO., LTD.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars)

Description	2022	2021
<b>Cash flows from operating activities:</b>		
Profit before tax from continuing operations	\$5,127,999	\$3,646,330
Net income before tax	5,127,999	3,646,330
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	613,821	484,927
Amortization	110,408	110,906
Syndicated loan amortization	405	405
Expected credit losses	35,627	28,206
Interest expense	89,503	84,642
Interest revenue	(14,182)	(19,916)
Dividend income	(69,629)	(105,855)
Gain on disposal of associate	-	(174,555)
Share of gain of associates and joint ventures	(11,515)	(86,178)
Gain on disposal of property, plant and equipment	350,943	(28,828)
Loss on disposal of investment property	261	-
Gain on disposal of non-current assets held for sale	(1,743,181)	-
Gain on disposal of financial assets at fair value through profit or loss	-	(11)
Impairment loss of investment property	20,020	-
Gain loss on lease modification	(1,883)	(231)
Changes in operating assets and liabilities:		
Notes receivable, net	240,450	7,516
Accounts receivable, net	(1,147,205)	264,243
Accounts receivable-related parties, net	14,515	(20,427)
Other receivables	(429,360)	336,152
Other receivables-related parties	1,680	(11,047)
Inventories, net	(192,724)	96,607
Prepayments	107,561	(93,700)
Other current assets	(1,864)	1,277
Long-term receivable	1,173,814	(826,192)
Notes payable	(449,564)	479,151
Notes payable - related parties	-	(235)
Accounts payable	(447,220)	136,210
Accounts payable - related parties	(28,841)	76,844
Other payables	573,552	255,621
Other payables - related parties	10,636	15,733
Other current liabilities	38,924	(34,930)
Advanced receipts	2,451	7,494
Net defined liabilities, non-current	(48,180)	(25,313)
Other non-current liabilities	1,835	-
Cash inflow generated from operations	3,929,057	4,604,846
Interest received	14,145	19,915
Interest paid	(72,410)	(75,065)
Income tax paid	(891,891)	(713,086)
Net cash provided by operating activities	2,978,901	3,836,610
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of financial assets at fair value through profit or loss	-	998
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	31,296
Acquisition of financial assets at fair value through other comprehensive income	(28,788)	(75,671)
Capital deducted by cash of financial assets at fair value through other comprehensive income	-	8,540
Increase in financial assets at amortized cost, current	(4,403)	(15,209)
Increase in financial assets at amortized cost, non-current	(48,135)	(3,120)
Acquisition of investments accounted for under the equity method	-	(15,488)
Proceeds from disposal of subsidiaries	83,639	317,712
Proceeds from disposal of property, plant and equipment	132,086	93,657
Acquisition of property, plant and equipment	(3,156,906)	(1,122,912)
Disposal of non-current Assets held for sale	2,316,496	-
Disposal of investment property	50	-
Acquisition of investment property	(2,110,880)	(62,024)
Disposal of intangible assets	92	-
Acquisition of intangible assets	(3,132)	(22,824)
Increase in prepayment for equipment	(76,018)	(67,884)
(Increase) decrease in refundable deposits	(12,855)	9,534
Decrease in other non-current assets	92	137
Dividends received	69,629	113,630
Net cash used in investing activities	(2,839,033)	(809,628)
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans	1,745,000	(400,000)
Increase in long-term loans	3,540,000	750,000
Decrease in long-term loans	(2,352,750)	(1,470,000)
Increase in long-term notes and bills payable	1,903,005	5,598,564
Decrease in long-term notes payable	(3,100,000)	(5,550,000)
(Decrease) increase in guarantee deposits	(12,496)	1,252
Cash payments for the principal portion of the lease liability	(198,752)	(104,868)
Cash dividends paid	(2,124,000)	(1,770,000)
Donated surplus	591	730
Changes in non-controlling interests	(259)	(11,000)
Net cash used in financing activities	(599,661)	(2,955,322)
Effect of exchange rate changes on cash and cash equivalents	48,211	(38,868)
Net (decrease) increase in cash and cash equivalents	(411,582)	32,792
Cash and cash equivalents at beginning of year	2,518,161	2,485,369
Cash and cash equivalents at end of year	\$2,106,579	\$2,518,161

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

## **Independent Auditors' Report Translated from Chinese**

To GOLDSUN BUILDING MATERIALS CO., LTD.

### **Opinion**

We have audited the accompanying parent company only balance sheets of GOLDSUN BUILDING MATERIALS CO., LTD. (the "Company") as of December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2022 and 2021, and notes to the parent company only financial statements, including the summary of significant accounting policies (together "the parent company only financial statements").

In our opinion, based on our audits and the reports of other auditors (please refer to the Other Matter – Making Reference to the Audits of Component Auditors section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and cash flows for the years ended December 31, 2022 and 2021, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Revenue Recognition**

Revenue from contracts with customers that recognized by the Company amounted to NT\$16,658,534 thousand for the year ended December 31, 2022, and the main source of revenue is the sale of pre-mixed concrete. The timing of sales was recognized when the performance obligations was satisfied that goods were delivered and accepted by the customers. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to:

1. Assessing the appropriateness of the accounting policy of revenue recognition and the process of generating and recognizing revenue; evaluating and testing the design and operating effectiveness of internal controls around revenue recognition.
2. Selecting samples to perform tests of details, performing tests of transaction detail which included reviewing vouchers of selected samples to confirm the performance obligations was satisfied.
3. Performing cutoff testing through periods before and after the balance sheet date by reviewing related documentation of selected samples.
4. Executing accounts receivable confirmation procedures to confirm with the Company's customers. Moreover, performing other alternative audit procedures if customers do not return confirmations.

We also consider the appropriateness of the disclosures of operating revenue. Please refer to Note 4 and 6.

#### **Other Matter – Making Reference to the Audits of Component Auditors**

We did not audit the financial statements of certain associates, which statements reflected investments accounted for under the equity method of NT\$1,629,284 thousand and NT\$1,012,051 thousand, representing 5% and 3% of the total assets as of December 31, 2022 and 2021, respectively. The related shares of (loss) gain from the associates and joint ventures under the equity method amounted to NT\$(8,690) thousand and NT\$70,175 thousand, representing 0% and 2% of the net income before income tax for the years ended December 31, 2022 and 2021, respectively; and the related shares of other comprehensive loss from the associates and joint ventures under the equity method amounted to NT\$0 thousand and NT\$0 thousand, representing 0% and 0% of the comprehensive (loss) gain for the years ended December 31, 2022 and 2021, respectively. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the audit reports of the other auditors.

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

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

In preparing the parent company only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

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

/s/Wang, Hsuan-hsuan

/s/Liu, Hui-Yuan

Ernst & Young, Taiwan

February 24, 2023

**Notice to Readers**

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

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

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2022 and December 31, 2021  
(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of			
		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>Current assets</b>					
Cash and cash equivalents	4 and 6	\$780,390	3	\$898,100	3
Financial assets at fair value through other comprehensive income, current	4,5,6 and 8	635,311	2	806,400	3
Financial assets at amortized cost, current	4,6 and 8	92,775	-	118,872	-
Notes receivable, net	4,5 and 6	1,024,245	3	1,161,314	4
Accounts receivable, net	4,5 and 6	4,863,695	14	4,790,171	16
Accounts receivable - related parties, net	4,5,6 and 7	37,210	-	26,234	-
Other receivables		18,712	-	16,641	-
Other receivables - related parties	7	47,713	-	40,876	-
Inventories, net	4,5,6 and 8	625,989	2	475,726	2
Prepayments	7	351,577	1	467,176	1
Non-current assets held for sale, net	4 and 6	-	-	573,315	2
<b>Total current assets</b>		<u>8,477,617</u>	<u>25</u>	<u>9,374,825</u>	<u>31</u>
<b>Non-current assets</b>					
Financial assets at fair value through other comprehensive income, non-current	4,5,6 and 8	695,741	2	715,561	2
Financial assets at amortized cost, non-current	4,6 and 8	-	-	2,891	-
Investments accounted for under the equity method	4,5,6 and 8	12,186,995	36	11,442,852	37
Property, plant and equipment	4,6,7 and 8	7,371,389	21	5,289,935	17
Right-of-use assets	4,6 and 7	322,856	1	449,291	2
Investment property, net	4,5,6 and 8	4,386,703	13	2,333,527	8
Intangible assets	4 and 6	9,538	-	12,501	-
Deferred tax assets	4,5 and 6	680,359	2	748,866	2
Prepayment for equipment		5,644	-	7,537	-
Refundable deposits	7	28,546	-	18,255	-
Long-term receivable	4,5 and 6	15,555	-	22,092	-
Prepayments for investments, non-current	6	-	-	194,070	1
<b>Total non-current assets</b>		<u>25,703,326</u>	<u>75</u>	<u>21,237,378</u>	<u>69</u>
<b>Total assets</b>		<u>\$34,180,943</u>	<u>100</u>	<u>\$30,612,203</u>	<u>100</u>

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

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.  
PARENT COMPANY ONLY BALANCE SHEETS  
December 31, 2022 and December 31, 2021  
(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	As of			
		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>Current liabilities</b>					
Short-term loans	4,6 and 8	\$2,630,000	8	\$900,000	3
Notes payable		179,211	1	297,093	1
Accounts payable		1,225,563	4	1,598,517	5
Accounts payable - related parties	7	345,854	1	286,328	1
Other payables		1,273,529	4	856,248	3
Other payables - related parties	7	482,429	1	400,000	1
Current tax liabilities	4,5 and 6	630,309	2	580,415	2
Lease liabilities, current	4,6 and 7	97,380	-	94,109	-
Other current liabilities		121,832	-	103,694	-
Advanced receipts		8,768	-	16,321	-
Current portion of long-term loans	4,6 and 8	812,000	2	470,000	2
<b>Total current liabilities</b>		<u>7,806,875</u>	<u>23</u>	<u>5,602,725</u>	<u>18</u>
<b>Non-current liabilities</b>					
Long-term loans	4,6 and 8	2,188,000	6	1,280,000	4
Provisions, non-current	4 and 6	6,900	-	6,900	-
Deferred tax liabilities	4,5 and 6	1,029	-	4,697	-
Lease liabilities, non-current	4,6 and 7	182,222	1	340,372	1
Long-term notes and bills payable	6 and 8	599,865	2	1,796,860	6
Net defined benefit liabilities, non-current	4,5 and 6	109,078	-	158,436	1
Guarantee deposits	7	21,493	-	31,955	-
<b>Total non-current liabilities</b>		<u>3,108,587</u>	<u>9</u>	<u>3,619,220</u>	<u>12</u>
<b>Total liabilities</b>		<u>10,915,462</u>	<u>32</u>	<u>9,221,945</u>	<u>30</u>
<b>Equity attributable to the parent</b>					
<b>Capital</b>					
Common stock	4 and 6	11,800,000	35	11,800,000	39
<b>Additional paid-in capital</b>	6	1,189,725	3	1,183,587	4
<b>Retained earnings</b>	6				
Legal reserve		2,228,195	7	1,945,291	6
Special reserve		1,874,430	5	1,874,430	6
Unappropriated earnings		6,281,390	18	4,562,598	15
<b>Total Retained earnings</b>		<u>10,384,015</u>	<u>30</u>	<u>8,382,319</u>	<u>27</u>
<b>Other components of equity</b>	6	(103,470)	-	29,141	-
<b>Treasury stock</b>	6	(4,789)	-	(4,789)	-
<b>Total equity</b>		<u>23,265,481</u>	<u>68</u>	<u>21,390,258</u>	<u>70</u>
<b>Total liabilities and equity</b>		<u>\$34,180,943</u>	<u>100</u>	<u>\$30,612,203</u>	<u>100</u>

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

GOLDSUN BUILDING MATERIALS CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME  
For the years ended December 31, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Item	Notes	2022		2021	
		Amount	%	Amount	%
<b>Operating revenue</b>	4,5,6 and 7	\$16,984,058	100	\$16,361,670	100
<b>Operating costs</b>	6 and 7	(13,335,946)	(79)	(12,848,618)	(79)
<b>Gross profit</b>		3,648,112	21	3,513,052	21
<b>Operating expenses</b>	4,5,6 and 7				
Sales and marketing expenses		(112,151)	(1)	(106,123)	(1)
General and administrative expenses		(473,988)	(3)	(405,083)	(2)
Research and development expenses		(19,447)	-	(9,483)	-
Expected credit losses		(12,001)	-	(43,199)	-
Subtotal		(617,587)	(4)	(563,888)	(3)
<b>Operating income</b>		3,030,525	17	2,949,164	18
<b>Non-operating income and loss</b>	4,6 and 7				
Interest income		4,001	-	5,733	-
Other income		84,963	1	108,773	-
Other gains and losses		1,695,663	10	13,205	-
Finance costs		(56,774)	-	(54,200)	-
Share of profit or loss of associates and joint ventures		190,385	1	450,629	3
Subtotal		1,918,238	12	524,140	3
<b>Income before income tax</b>		4,948,763	29	3,473,304	21
<b>Income tax expense</b>	4,5 and 6	(816,545)	(5)	(624,433)	(4)
<b>Net income</b>		4,132,218	24	2,848,871	17
<b>Other comprehensive income</b>	4 and 6				
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Remeasurements of defined benefit plans		2,020	-	(27,418)	-
Unrealized (loss) gains on fair value through other comprehensive income equity instrument investment		(219,697)	(1)	177,052	1
Remeasurements of defined benefit plans of subsidiaries and associates		505	-	557	-
Unrealized (loss) gains from investments in equity instruments measured at fair value through other comprehensive income of subsidiaries and associates		(147,482)	(1)	34,632	-
Income tax related to items that will not be reclassified		(404)	-	5,484	-
<b>Items that may be reclassified subsequently to profit or loss</b>					
Exchange differences on translation of foreign operations		225,925	1	(81,500)	-
<b>Total other comprehensive (loss) income, net of tax</b>		(139,133)	(1)	108,807	1
<b>Total comprehensive income</b>		\$3,993,085	23	\$2,957,678	18
<b>Earnings per share (NT\$)</b>	6				
Basic earnings per share		\$3.51		\$2.42	
Diluted earnings per share		\$3.49		\$2.41	

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

English Translation of Financial Statements Originally Issued in Chinese

GOLDSUN BUILDING MATERIALS CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY  
For the years ended December 31, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars)

	Common Stock	Additional Paid-in Capital	Retained Earnings			Other Components of Equity		Treasury Stock	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or Loss on Financial Assets at fair value through other comprehensive income		
<b>Balance as of January 1, 2021</b>	\$11,800,000	\$1,178,554	\$1,706,814	\$1,874,430	\$3,742,037	\$(552,128)	\$454,411	\$(4,789)	\$20,199,329
Appropriations and distributions of 2020 unappropriated earnings									
Legal reserve	-	-	238,477	-	(238,477)	-	-	-	-
Cash dividends	-	-	-	-	(1,770,000)	-	-	-	(1,770,000)
Other changes in capital reserve									
Donated surplus	-	359	-	-	-	-	-	-	359
Net income in 2021 (note)	-	-	-	-	2,848,871	-	-	-	2,848,871
Other comprehensive (loss) income, net of tax in 2021	-	-	-	-	(21,377)	(81,500)	211,684	-	108,807
Total comprehensive income	-	-	-	-	2,827,494	(81,500)	211,684	-	2,957,678
Parent company's cash dividends received by subsidiaries	-	4,674	-	-	-	-	-	-	4,674
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	-	-	-	(1,782)	-	-	-	(1,782)
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	3,326	-	(3,326)	-	-
<b>Balance as of December 31, 2021</b>	<u>\$11,800,000</u>	<u>\$1,183,587</u>	<u>\$1,945,291</u>	<u>\$1,874,430</u>	<u>\$4,562,598</u>	<u>\$(633,628)</u>	<u>\$662,769</u>	<u>\$(4,789)</u>	<u>\$21,390,258</u>
<b>Balance as of January 1, 2022</b>	\$11,800,000	\$1,183,587	\$1,945,291	\$1,874,430	\$4,562,598	\$(633,628)	\$662,769	\$(4,789)	\$21,390,258
Appropriations and distributions of 2021 unappropriated earnings									
Legal reserve	-	-	282,904	-	(282,904)	-	-	-	-
Cash dividends	-	-	-	-	(2,124,000)	-	-	-	(2,124,000)
Other changes in capital reserve									
Donated surplus	-	270	-	-	-	-	-	-	270
Net income in 2022	-	-	-	-	4,132,218	-	-	-	4,132,218
Other comprehensive (loss) income, net of tax in 2022	-	-	-	-	2,121	225,925	(367,179)	-	(139,133)
Total comprehensive income	-	-	-	-	4,134,339	225,925	(367,179)	-	3,993,085
Parent company's cash dividends received by subsidiaries	-	5,609	-	-	-	-	-	-	5,609
The differences between the fair value of the consideration paid or received from acquiring or disposing subsidiaries and the carrying amounts of the subsidiaries	-	259	-	-	-	-	-	-	259
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(8,643)	-	8,643	-	-
<b>Balance as of December 31, 2022</b>	<u>\$11,800,000</u>	<u>\$1,189,725</u>	<u>\$2,228,195</u>	<u>\$1,874,430</u>	<u>\$6,281,390</u>	<u>\$(407,703)</u>	<u>\$304,233</u>	<u>\$(4,789)</u>	<u>\$23,265,481</u>

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

Note: Profit sharing bonus to employees and compensation to directors and supervisors are both NT\$110,850 and NT\$157,939 thousand for the years ended December 31, 2021 and 2022, which have already been excluded from Income Statement.

GOLDSUN BUILDING MATERIALS CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
For the years ended December 31, 2022 and 2021  
(Expressed in Thousands of New Taiwan Dollars)

Description	2022	2021
<b>Cash flows from operating activities:</b>		
Profit before tax from continuing operations	\$4,948,763	\$3,473,304
Net income before tax	4,948,763	3,473,304
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	353,385	327,628
Amortization	6,775	7,436
Expected credit losses	12,001	43,199
Interest expense	56,774	54,200
Interest revenue	(4,001)	(5,733)
Dividend income	(58,789)	(88,351)
Share of gain of subsidiaries and associates	(190,385)	(450,629)
Gain on disposal of property, plant and equipment	(4,392)	(2,792)
Loss on disposal of investment property	261	-
Impairment loss on investment property	20,020	-
Gain on disposal of non-current assets held for sale	(1,743,181)	-
Other income	1,232	-
Gain on lease modification	(1,883)	(1,530)
Changes in operating assets and liabilities:		
Notes receivable, net	137,266	(115,557)
Accounts receivable, net	(79,000)	(579,398)
Accounts receivable - related parties, net	(10,976)	(3,647)
Other receivables	(2,071)	2,771
Other receivables - related parties	(6,837)	(19,341)
Inventories, net	(150,263)	134,590
Prepayments	66,615	(132,074)
Long-term receivable	(185)	(7,292)
Notes payable	(117,882)	297,093
Accounts payable	(372,954)	368,751
Accounts payable - related parties	59,526	62,978
Other payables	445,194	206,518
Other current liabilities	29,886	(75,631)
Advanced receipts	(7,553)	(1,760)
Net defined liabilities, non-current	(47,742)	(24,871)
Cash inflow generated from operations	3,339,604	3,469,862
Interest received	4,001	5,733
Interest paid	(52,258)	(52,442)
Income tax paid	(713,560)	(315,142)
Net cash provided by operating activities	2,577,787	3,108,011
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(28,788)	(75,671)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	31,296
Capital deducted by cash of financial assets at fair value through other comprehensive income	-	8,540
Decrease (increase) in financial assets at amortized cost	28,988	(18,100)
Acquisition of investments accounted for under the equity method	(611,306)	(56,488)
Cash returns from capital reduction of subsidiaries	-	828,514
Proceeds from disposal of property, plant and equipment	11,774	5,102
Acquisition of property, plant and equipment	(2,272,978)	(989,906)
Proceeds from disposal of investment property	50	-
Acquisition of investment property	(2,098,593)	(59,335)
Proceeds from disposal of non-current assets held for sale	2,316,496	-
Proceeds from disposal of intangible assets	92	-
Acquisition of intangible assets	(2,693)	(5,865)
Decrease (increase) in prepayment for equipment	682	(42,088)
(Increase) decrease in refundable deposits	(10,291)	9,637
Decrease (increase) in prepayments for investments	194,070	(194,070)
Dividends received	200,250	842,070
Net cash (used in) provided by investing activities	(2,272,247)	283,636
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans	1,730,000	(400,000)
Increase in other payables - related parties	50,000	20,000
Increase in long-term loans	3,290,000	550,000
Decrease in long-term loans	(2,040,000)	(1,300,000)
Increase in long-term notes and bills payable	-	5,598,564
Decrease in long-term notes payable	(1,196,995)	(5,550,000)
(Decrease)increase in guarantee deposits	(10,462)	3,798
Cash payments for the principal portion of the lease liability	(121,734)	(123,372)
Cash dividends paid	(2,124,000)	(1,770,000)
Donated surplus	(59)	(22)
Net cash used in financing activities	(423,250)	(2,971,032)
Net (decrease) increase in cash and cash equivalents	(117,710)	420,615
Cash and cash equivalents at beginning of year	898,100	477,485
Cash and cash equivalents at end of year	\$780,390	\$898,100

## II. Audit committee's review of the 2022 year-end report.

### Audit Committee Report

The board of directors has prepared the Company's 2022 business report, financial statements (including the consolidated financial statements) and proposals for profits distribution. The accounting firm Ernst & Young, Taiwan is commissioned to audit the Company's financial statements, and an audit report with an unqualified opinion has been issued. The business report, financial statements, and profit distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee. According to relevant requirements of the Securities and Exchange Act and the Company Act, we hereby submit this report.

For

The 2023 Annual General Meeting

Goldsun Building Materials Co., Ltd.

Convener of the Audit Committee: Wen-Che Tseng

February 24, 2023

### III. 2022 distribution of employees' and directors' remuneration.

According to the board resolution dated February 24, 2023, NT\$157,939,238 will be distributed as employees' remuneration, and NT\$157,939,238 will be distributed as directors' remuneration, all of which will be paid in cash.

## [Ratification Topics]

I.Summary: Present the Company's 2022 business report and financial statements for ratification. (Proposed by the board of directors)

Description: The Company's 2022 financial statements have been audited and validated by accountants Wang, Hsuan-hsuan and Liu, Hui-Yuan of Ernst & Young, Taiwan. The financial statements and the business report have been reviewed and approved by the Company's audit committee, and are submitted to the shareholder meeting for ratification (please refer to pp. 2-20 for the business report and financial statements).

Resolution:

II.Summary: Present the Company's 2022 profit distribution for ratification. (Proposed by the board of directors)

Description: (I) To be handled in accordance with Article 26 of the Company's Articles of Incorporation.

(II) Cash dividends at NT\$2 per share have been proposed and will be distributed to the nearest ones. The sum of the odd amounts shall be allocated to the Company's "Other Revenue." The distribution of retained earnings of 2022 will be prioritized for this year.

(III) The resolution of the shareholders' general meeting this year will authorize the Chairman to set the ex-dividend and payment dates, and further announcements will be made.

(IV) The chairman shall be authorized to handle and adjust changes in the dividend as a result of the impacts on the number of shares circulating in the market due to share repurchase; or transfer or cancellation of treasury shares; or capital reduction or issuance of new shares for capitalization.

(V) The profit distribution table for 2022 is shown as follows:

Goldsun Building Materials Co., Ltd.  
2022 Annual Profit Distribution Table

Unit: NTD

Item	Amount
Beginning undistributed earnings	2,155,694,887
Less: Gain on disposal of equity instruments at fair value through other comprehensive income transferred to retained earnings	(8,642,649)
Add: 1. Net income for the year	4,132,217,501
2. Other comprehensive income (Actuarial income of defined benefit plans)	2,121,049
Earnings available for distribution	<u>6,281,390,788</u>

Distributions:	
1. Legal reserve allocated	(412,569,590)
2. Cash dividends (NT\$2 per share)	<u>(2,360,000,000)</u>
Total of distribution items	<u>(2,772,569,590)</u>
Undistributed earnings at the end of the period	<u><u>3,508,821,198</u></u>

Chairman:

Executive Manager:

Principal Accounting Officer:

Resolution:

[Discussion Topics]

Summary: Present amendments to provisions of the Company’s Article of Incorporation for discussion. (Proposed by the board of directors)

Description: (I)To comply with the laws and regulations and meet the current needs of the Company’s operations, it is proposed to amend provisions of the Company’s Article of Incorporation.

(II)The comparison table of the amendment to the Company’s Articles of Incorporation is as follows:

Amended Version	Current Version	Explanation
<p>Article 18 The board members shall elect one person among themselves to be the chairman, <u>and</u> the same method may be applied to the election of the vice-chairman.</p>	<p>Article 18 The board members shall elect one person among themselves to be the chairman, and the same method may apply to the election of the vice-chairman.</p>	<p>Text revision</p>
<p>Article 26 In addition to first paying tax contributions and making up for previous annual losses, the profits from annual final accounts shall have 10% allocated for legal reserve and special reserve according to law. Exception can be made if the legal reserve has reached the Company’s <u>paid-in</u> capital. The accumulated beginning undistributed profits and the undistributed profits of the current year are added as the profits available for distribution. The board prepares a proposal for dividend distribution and submits it to the shareholders’ meeting for approval, and the dividends are distributed according to the shareholding proportion. The Company is in a mature industry, and the dividend distribution policy takes into consideration the Company’s profitability, capital needs for future operating plan, shareholders’ interests, balanced dividends and long-term financial planning. <u>The</u></p>	<p>Article 26 In addition to first paying tax contributions and making up for previous annual losses, the profits from annual final accounts shall have 10% allocated for legal reserve and special reserve according to law. Exception can be made if the legal reserve has reached the Company’s paid-in capital. The accumulated beginning undistributed profits and the undistributed profits of the current year are added as the profits available for distribution. The board prepares a proposal for dividend distribution and submits it to the shareholders’ meeting for approval, and the dividends are distributed according to the shareholding proportion. The Company is in a mature industry, and the dividend distribution policy takes into consideration the Company’s profitability, capital needs for future operating plan, shareholders’ interests, balanced dividends and long-term financial planning. <u>Dividends</u></p>	<p>1.Amended in accordance with Article 237 of the Company Act 2.Reinforce corporate governance and clarify dividend policy</p>

<u>dividends distributed shall not be less than 30% of the current year's net income less the amount to make up for losses, the legal reserve and the special reserve, and the cash dividends shall not be less than 10% of the current year's dividends.</u>	<u>can be distributed in the cash or stocks. The cash dividend shall not be less than 10% of the total shareholders' dividends, and the rest is distributed in stock dividends.</u>	
Article 28 The 55th amendment is made on May 29, 2023, and the rest is the same as the original article.	Article 28 <u>The 54th amendment was made on May 31, 2022,</u> and the rest is the same as the original article.	Added the date of the 55th amendment

Resolution:

[Extraordinary Motions]

End of Meeting

[Appendix 1]

## Goldsun Building Materials Co., Ltd. Rules of Procedure for Shareholders Meetings

Amended and passed by the general meeting of shareholders held on May 31, 2022

I. The shareholders' meeting should be handled according to the Rules unless otherwise stated by the law.

II. The Company shall have the attending shareholders turn in their attendance cards or report their shareholding on the teleconferencing platform as to sign in.

The number of shares in attendance is counted based on the submitted attendance cards and the shareholding reported on the teleconferencing platform, together with the shares with the written or electronic voting rights. Attendance at meetings of shareholders shall be calculated based on number of shares.

Check in to the teleconferencing platform of the shareholder meeting should be completed at least 30 minutes before the meeting starts. Those who complete the check-in are considered to have attended the meeting in person. The Company shall upload the meeting manual, annual report and other relevant information to the teleconferencing platform of the shareholder meeting, and keep them disclosed until the end of the meeting.

Shareholders who would like to attend the teleconferencing of shareholder meeting should register with the Company at least two days before the shareholder meeting.

III. Shareholder meetings should be held at the Company's location or the place convenient for the shareholders and suitable for the meeting occasion.

The meeting should not be earlier than 9am or later than 3pm.

If the shareholder meeting is held by teleconferencing, it is not subject to the restriction on the venue as specified in the preceding paragraph.

IV. If a meeting of shareholders is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the

powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director acting as chair as referred to in the preceding paragraph shall have held that position for six months or more and understand the financial and business conditions of the Company. The same shall apply to a representative of a juristic person director that serves as chair.

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

- V. The chairman shall call the meeting to order at the appointed meeting time, however, if the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, providing that no more than two such postponements, and for a combined total of no more than one hour may be made. If after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, a tentative resolution may be adopted according to Article 175, Paragraph 1 of the Company Act.

Prior to the conclusion of the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a resolution by the meeting of shareholders according to Article 174 of the Company Act.

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

For the shareholder meetings held by teleconferencing, the Company shall retain records of the shareholders' registration, login, check-in, questioning, voting and vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire meeting.

The Company shall properly retain the above-mentioned materials and audio and video recordings during the period of existence, and they shall be provided to those who are entrusted with handling teleconferencing tasks.

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

For the shareholder meetings held by teleconferencing, the Company shall retain records of the shareholders' registration, login, check-in, questioning, voting and vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire meeting.

The Company shall properly retain the above-mentioned materials and audio and video recordings during the period of existence, and they shall be provided to those who are entrusted with handling teleconferencing tasks.

- VIII. If a meeting of shareholders is convened by the board of directors, the meeting agenda shall be made by the board of directors. Related proposals shall be voted. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the meeting of shareholders. Any changes to the convening of a shareholder meeting shall be resolved in a board meeting, which should be completed at the latest before the notice of the shareholder meeting is sent.

The regulations of the preceding paragraph may be applied to a meeting of shareholders convened by a party that is not the board of directors.

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

If the chairman declares the meeting adjourned in violation of the rules of procedure, a new chairman of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting. After the said meeting is adjourned, shareholders shall not elect another chairman to hold another meeting at the same or any other place.

- IX. Before speaking, the attending shareholders should first fill out speech notes clearly stating the purpose, account number (or the attendance pass number) or account name and allow the chair to determine the order to give the speech.

The attending shareholders are considered to offer no statement if they only provide speech notes without giving statements. In the event where the content of the statement is inconsistent with the speech note, the content of the statement should prevail.

When an attending shareholder is making a statement, other shareholders shall not speak unless permitted by the chairman and the speaking shareholder. Violators shall be halted by the chairman.

Each shareholder shall not make more than two statements for the same proposals without the chairman's agreement, and each statement shall not exceed five minutes. If a shareholder's statement violates the rules or exceeds the scope of the issue, the chairman shall halt the statement.

If a shareholder's statement violates the rules or exceeds the scope of the issue, the chairman shall halt the statement.

For the shareholder meetings held by teleconferencing, the shareholders who attend the meeting by teleconferencing may raise their questions in text form on the teleconferencing platform after the chair announces the start of the meeting and before the chair announces the ending of the meeting. A shareholder may not raise their questions more than twice for a single motion, and each question is limited to 200 words. These do not apply to the requirements of Paragraphs 1 to 5.

The abovementioned questions which do not violate the rules or do not

exceed the scope of the motion should be disclosed on the teleconferencing platform as public knowledge.

- X. Where the shareholder is a government agency or corporate entity, more than one proxy may attend the shareholders' meeting. When a corporate person is entrusted to attend as proxy, it may designate only one person to represent it in the meeting.

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

- XI. After an attending shareholder speaks, the chairman shall personally answer or designate a person to answer.

The chair is to stop the discussion and announce a vote for the motion close to the level to be decided by votes.

- XII. Shareholders may exercise voting rights in writing or using electronic methods for the Company's shareholder meetings.

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

The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes. The passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, unless otherwise stipulated in the Company Act and in the Articles of Incorporation of the Company.

For the shareholder meetings held by teleconferencing, the votes shall be counted once after the chair announces the close of voting, and the results of the voting and election will be announced.

For the shareholder meetings also held by teleconferencing, shareholders, solicitors or entrusted proxies who have already registered to attend the meetings by teleconferencing in accordance with the provisions of Article 2 but wish to attend the physical meetings shall take the procedures same as the registration to cancel their registration at least two days before the

meeting. Those who fail to cancel the registration on time can only attend the meetings by teleconferencing.

Those who exercise their voting rights by correspondence or by electronic means without retracting their voting rights already exercised and participate in shareholder meetings by teleconferencing shall not exercise their voting rights on the original motion, propose an amendment to the original motion or exercise their voting rights on the revision of the original motion, except for extraordinary motions.

- XIII. For the amendment or substitute of the same motion, the chair is to combine it with the original motion to determine the vote order. If one of the proposals has been passed, the other proposals are denied, and no more voting will be conducted.
- XIV. The chair is to direct proctors (or security guards) to help maintain order of the meeting. The proctors (or security personnel) who help maintain order at the meeting place shall wear an armband bearing the word "Proctor."
- XV. During the meeting, the chair shall announce recess at set times.
- XVI. The above Rules shall take effect once approved during a shareholder meeting.

[Appendix 2]

# Goldsun Building Materials Co., Ltd.

## Articles of Incorporation

Amended and passed by the general meeting of shareholders held on May 31, 2022

### Chapter 1 General Provisions

- Article 1 The Company is incorporated in accordance with the Company Act, and is named Goldsun Building Materials Co., Ltd.
- Article 2 The Company is engaged in the following business activities:
1. A102080 Horticultural services.
  2. B601010 Quarrying.
  3. C901040 Manufacture of Ready-mix Concrete.
  4. C901050 Cement and concrete products manufacturing.
  5. C901990 Other non-metallic mineral products manufacturing.
  6. E801010 Indoor decoration
  7. F111090 Wholesale of building materials.
  8. F211010 Retail sale of building materials.
  9. F401010 International trade.
  10. F301010 Department stores.
  11. F301020 Supermarkets
  12. F501030 Beverage Shops.
  13. F501050 Bars.
  14. F501060 Restaurants.
  15. G202010 Parking area operators
  16. H701010 Housing and building development and rental
  17. H703090 Real estate business
  18. H703100 Real estate leasing.
  19. I401010 General Advertisement Service.
  20. J801030 Athletics and recreational sports stadium.
  21. J901020 Regular hotels.
  22. JB01010 Conference and exhibition services.
  23. JZ99080 Beauty and hairdressing services.
  24. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company may provide external guarantees for the needs of business or investees, and the board is authorized to formulate the relevant measures.
- Article 4 The total amount of the Company's investment in affiliates is not subject to limitations specified in Article 13 of the Company Act.
- Article 5 The head office of the Company is located in Taipei City. If necessary, branch offices may be established by the resolution of the board of directors.
- Article 6 Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Company Act.

### Chapter 2 Shares

- Article 7 The Company has an authorized capital of twenty billion New Taiwan Dollars in

two billion shares. Each share has a face value of ten New Taiwan Dollars. For unissued shares, the board of directors is authorized to raise share capital in multiple issues.

Article 8 The share certificates of the Company shall be name-bearing, and signed or stamp-sealed by the directors representing the Company and then numbered, and they are issued upon the authentication by the issuing and registration institution approved by the government authority.

Shares of the Company are exempted from actual printing, and the same applies to other negotiable securities, but shall all be registered with the Taiwan Depository and Clearing Corporation.

Article 9 All share administration-related matters shall proceed according to Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority.

Article 10 Transfer of share ownership shall be suspended during the 60 days prior to an annual general meeting and during the 30 days prior to an extraordinary shareholder meeting, and during the 5 days prior to the date of record of any dividend, bonus or rights distribution.

### Chapter 3 Shareholder Meeting

Article 11 There are two types of shareholder meetings in the Company, and they are general meetings and extraordinary general meetings. General meetings are held at least once a year and shall be convened by the board within six months after the end of each fiscal year. Extraordinary general meetings, when necessary, are held in accordance with the provisions of the relevant laws and regulations.

The shareholder meetings may be held by teleconferencing or other means announced by the Ministry of Economic Affairs.

Article 12 Each shareholder shall be notified of the date, location and reasons for convening shareholders meetings at least 30 days before the general meetings or 15 days before the extraordinary meetings. Shareholders with less than 1000 registered shares may be notified by the Market Observation Post System.

Article 13 Unless otherwise provided by laws and regulations, the standard of one share, one vote shall apply to every shareholder.

Shareholders unable to attend the meeting may offer to show the proxy form issued by the Company that specifies the scope of authorization and entrust their proxy to attend the meeting, and the form should be delivered to the Company five days before the shareholder meeting. Each shareholder may issue one proxy form and delegate one proxy only. In cases where multiple proxy forms are sent, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw from the previous proxy arrangement.

Except for the trusts or securities agencies approved by the authorities, a person representing more than two shareholders as a proxy cannot have the shares exceeding three percent of the total voting shares. The exceeded voting rights will not be counted.

Article 14 Unless otherwise specified by law, the chairman is to chair shareholder meetings. In the absence of the chairman, the vice chairman shall act on his/her behalf. In the event where the chairman and the vice chairman are both absent, the chairman

delegates one director to act as his representative. If the chairman does not delegate anyone, the directors are to recommend one person from the board.

Article 15 Unless otherwise specified by the relevant regulations, shareholder meetings shall have the attendance of shareholders with more than majority of the issued shares and the resolutions shall be represented by more than majority of the attending shareholders.

Article 16 The voted resolutions should be made into a resolution record to be distributed to each shareholder. The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various motions. Minutes are to be signed or sealed by the chairperson, and retained together by the Company with the sign-in registration of the attending shareholders and the form of proxy presented by the proxies in accordance with the Company Act.

The distribution of the aforementioned meeting minutes can be entered into Market Observation Post System to be publicly announced.

#### Chapter 4 Directors and Audit Committee

Article 17 The Company has nine to twelve seats of directors who are elected based on their capacity to act. The term of service is three years, and they can be re-elected to continue their service. .

The total shareholding of all directors shall follow the regulations of the securities regulatory agency. Among the abovementioned directors, there should be at least 3 independent directors, accounting for no less than 1/5 of the board seats. The professional qualifications, shareholding, part-time restrictions, nominations and other rules to be followed regarding the election of independent directors shall be handled in accordance with laws and regulations of the securities authority.

The election of the Company's directors has adopted the candidate nomination approach, in which shareholders make their election choices from a list of candidates. The nomination method complies with the provisions of Article 192-1 of the Company Act. The election of independent and non-independent directors should be held together, and the number of people elected is counted separately.

The Company establishes an audit committee in accordance with the provisions of Article 14-4 of the Securities and Exchange Act, and the committee shall be composed of all independent directors.

Article 18 The board members shall elect one person among themselves to be the chairman, and the same method may apply to the election of the vice-chairman.

Article 19 The chairman represents the Company, and acts as the chairperson when convening board meetings. If the chairman is on leave or for any reason unable to perform duties of the chairperson, the vice chairman shall act in place of the chairman; if the vice chairman is also on leave or for any reason unable to perform duties of the vice chairman, the chairman shall appoint one of the directors to act as the chairperson. Where the chairman does not make such a delegation, the directors shall select from among themselves one person to serve as the chairperson.

Article 20 The first board meeting of every batch is convened in accordance with Article 203 of the Company Act. The rest of the meetings of the batch is convened by the chairman. The notice of the convening of the board meeting can be made in

writing, e-mail or fax.

Unless otherwise specified by relevant laws and regulations, resolutions can only be made with the attendance of more than half of the directors and the consent of more than half of the attending directors. When directors have their own personal interests, which may harm the Company's interests, they may not participate in voting or act as proxies for other directors to exercise voting rights. Directors shall attend board meetings in person. If they are unable to attend the board meeting for some reason, they shall entrust other directors in writing to act as proxies. Each director can only act as one proxy.

The minutes of the abovementioned board meetings shall bear the signature or seal of the chair, and then be kept in the Company together with the attendance register and power of attorney of the proxies. The meeting minutes shall be distributed to each director within 20 days after the meeting. The production and the distribution of the resolution record can be made electronically.

If video conferencing is used in a board meeting, directors who participate in the meeting via video conferencing are considered in attendance in person.

Article 21 The composition, powers, rules of procedures and other rules to be followed regarding the audit committee shall be handled in accordance with the laws and regulations of the securities authority.

Article 22 The Company may purchase liability insurance for its directors during the term of their services in accordance with the law.

The remuneration of directors is authorized at board meetings based on their level of participation in and contribution to the Company's operation. The remuneration follows the standard among the industry peers.

## Chapter 5 Manager

Article 23 The Company shall establish positions of managerial officers, and the appointment, dismissal and remuneration shall comply with Article 29 of the Company Act.

## Chapter 6 Accounting

Article 24 The Company stipulates that the fiscal year starts from January 1 and ends on December 31 every year. At the end of each fiscal year, the board shall prepare the list of documents shown below, submit them to the shareholder general meeting for ratification.

I. Business reports.

II. Financial statements.

III. Motions for profit distribution or making up for losses.

Article 25 If the Company is profitable in the fiscal year, 3% of the profit shall be allocated as bonuses for employees, and no more than 3% of the profit shall be allocated as remuneration for directors. However, if the Company still has accumulated losses, an amount shall be reserved in advance to make up for the losses.

Article 26 In addition to first paying tax contributions and making up for previous annual losses, the profits from annual final accounts shall have 10% allocated for legal reserve and special reserve according to law. Exception can be made if the legal reserve has reached the Company's paid-in capital. The accumulated beginning undistributed profits and the undistributed profits of the current year are added as

the profits available for distribution. The board prepares a proposal for dividend distribution and submits it to the shareholders' meeting for approval, and the dividends are distributed according to the shareholding proportion.

The Company is in a mature industry, and the dividend distribution policy takes into consideration the Company's profitability, capital needs for future operating plan, shareholders' interests, balanced dividends and long-term financial planning. Dividends can be distributed in the cash or stocks. The cash dividend shall not be less than 10% of the total shareholders' dividends, and the rest is distributed in stock dividends.

## Chapter 7 Supplementary Articles

Article 27 Any outstanding issues not specified in the Articles of Incorporation are to be handled in accordance with the Company Act and the relevant regulations.

Article 28 The Articles of Incorporation were formulated on October 1, 1954; the 1st amendment was made on July 4, 1955; the 2nd amendment was made on April 1, 1958; the 3rd amendment was made on October 1, 1958; the 4th amendment was made on September 16, 1961; the 5th amendment was made on April 25, 1964; the 6th amendment was made on February 18, 1965; the 7th amendment was made on April 12, 1967; the 8th amendment was made on April 24, 1968; the 9th amendment was made on May 9, 1969; the 10th amendment was made on May 12, 1970; the 11th amendment was made on May 8, 1971; the 12th amendment was made on May 20, 1972; the 13th amendment was made on May 30, 1973; the 14th amendment was made on May 25, 1974; the 15th amendment was made on May 21, 1975; the 16th amendment was made on May 10, 1976; the 17th amendment was made on May 7, 1977; the 18th amendment was made on December 17, 1977; the 19th amendment was made on May 23, 1978; the 20th amendment was made on May 24, 1979; the 21st amendment was made on May 27, 1980; the 22nd amendment was made on June 2, 1983; the 23rd amendment was made on April 27, 1984; the 24th amendment was made on May 25, 1985; the 25th amendment was made on May 2, 1986; the 26th amendment was made on May 14, 1987; the 27th amendment was made on May 3, 1988; the 28th amendment was made on May 10, 1989; the 29th amendment was made on April 14, 1990; the 30th amendment was made on April 23, 1991; the 31st amendment was made on May 18, 1992; the 32nd amendment was made on June 21, 1993; the 33rd amendment was made on April 27, 1994; the 34th amendment was made on April 27, 1995; the 35th amendment was made on April 26, 1996; the 36th amendment was made on May 24, 1997; the 37th amendment was made on May 24, 1997; the 38th amendment was made on May 28, 1998; the 39th amendment was made on May 24, 2000; the 40th amendment was made on May 29, 2001; the 41st amendment was made on June 26, 2002; the 42nd amendment was made on June 25, 2004; the 43rd amendment was made on June 14, 2005; the 44th amendment was made on June 23, 2006; the 45th amendment was made on June 28, 2007; the 46th amendment was made on June 13, 2008; the 47th amendment was made on June 19, 2009; the 48th amendment was made on June 18, 2010; the 49th amendment was made on June 12, 2012; the 50th amendment was made on June 11, 2013; the 51st amendment was made on June 11, 2014; the 52nd amendment was made on June 9, 2015; the 53rd amendment was made on June

13, 2016; the 54th amendment was made on May 31, 2022. The Articles of Incorporation come into effect after being amended and approved at the shareholder meeting.

[Appendix 3]

## Goldsun Building Materials Co., Ltd. Directors' Shareholding Position

Book closure date: March 31, 2023

Title	Name	Number of shares
Chairman	Lan-Ying Hsu	966,832
Vice Chairman	Representative of Yuan Hsin Investment Co., Ltd.: Vincent Lin	17,458,250
Director	Representative of Taiwan Secom Co., Ltd.: Yu- Fang Lin	77,705,747
	Cheng Hsin Investment Co., Ltd.	31,626,689
	Sheng-Hung Wang	13,811,720
	Chiung Ming Development & Trading Co., Ltd.	11,747,263
	Representative of Hongxiu Investment Co., Ltd.: Hsiu-Liang Lin	10,400,000
	Representative of Shang Jing Investment: Hong- Jun Lin	5,928,563
Independent Director	Wen-Che Tseng	0
	Tai-Jen Chen	0
	Yin-Wen Chan	0
	Chi-Te Hung	0
<b>Overall Directors' Shareholding Position</b>		<b>169,645,064</b>

Note: 1. Shares already issued by the Company: 1,180,000,000 shares.

2. The legal minimum number of shares of all board members: 32,000,000 shares