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# SINYI REALTY

## 2022 ANNUAL REPORT



Sinyi Realty Inc.

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**Notice to readers**

**This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.**

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## Chapter One. A Letter to Shareholders

Dear Shareholders,

In 2022, the global pandemic gradually abated, and countries moved into a post-pandemic era. Economic activities slowly returned to normal. At the same time, the economy was impacted by negative factors such as the Russia-Ukraine war, global price increase in raw material and inflation, and significant interest rate hikes in various countries. The total number of building transactions for the year in Taiwan was 318,000, a decrease of 8.6% from the previous year. This was the first decline in nearly six years and also a new low in three years. As a result, the revenue of the brokerage business of Sinyi Realty has decreased by 23%, and that of the first-hand new house business has decreased by 34%. The overall environment has weakened the support for the real estate market. It is predicted that shortly, with weak economic performance, a cooling of inflation expectations, and policies to crack down on speculation, the outlook on housing prices will become more conservative, and self-use demand will become the mainstay of the real estate market.

Throughout its more than 40-year history, Sinyi Realty has always been committed to fulfilling its corporate social responsibility by striving for balanced interests among stakeholders. The Company has placed a long-standing emphasis on environmental aspects, corporate governance, and social inclusion. Being the leader in Taiwan's ESG, Sinyi Realty has been listed among the top 5% of companies in Taiwan Securities Exchange's "Corporate Governance Evaluation" for eight consecutive years and has won the Taiwan Corporate Sustainability Awards (TCSA) for the eighth time, as well as the Taiwan Top 10 Sustainability Exemplary Enterprises Award. Furthermore, Sinyi Realty has supported the "We are ONE" project, a community-building initiative, for 18 consecutive years.

### **I 、 Industrial environment and business performance**

According to the statistics of Sinyi House Price Index in 2022, the housing prices increase across Taiwan's six Special Municipalities ranged from 4% to 21%, continuing the upward trend from the previous year. However, many negative factors, such as economic recession, inflationary spikes, interest rate

hikes, and stock market fluctuations, have had a dampening effect on the housing market, leading to low buyer confidence and a decrease in demand. This has resulted in a convergence of housing prices in the fourth quarter of the year.

With a focus on putting people first, Sinyi Realty has been committed to property technology and innovation in digitization tools. The Company has launched "AI Intelligent Matching" in 2022, which uses big data to understand consumer needs and utilizes AI intelligent algorithm model to makes offline services and digital tools to complement each other, making the overall service more meticulous and more efficient. The sustainable development goals (SDGs) have been introduced to communities by Sinyi Realty, which has also been working on sustainable development. In the same year, 18 of its sustainable stores were carbon neutral. The business has additionally distinguished itself as the sole licensed agent in the real estate sector to receive the Net Zero Label.

The continuous government regulation policies of real estate market in Greater China and the impact of COVID-19 on consumer confidence have led to a nearly 50% annual decline in the sales of second-hand housing in Shanghai as well as a 36% annual revenue decline for the entire mainland Chinese real estate brokerage business of Sinyi Group.

Japan Sinyi continues to use intelligent technology to deliver high-quality services that satisfy the expectations of customers with emphasis on "innovation services" and "dual-brand Strategy." Together with operating a real estate business in Japan, Japan Sinyi also actively participates in environmental protection, carbon reduction, and community service projects, winning the trust of local clients. In the second half of the year, the gradual lifting the ban of the border of Japan and the depreciation of the yen spurred demand for real estate acquisitions. As a result, the revenue of Japan Sinyi climbed by 24% YoY, setting a record high even under theadverse effect of depreciated Japan yen.

The housing market is currently in a waiting-and-see state due to various government regulations on it and the Zero-Covid strategy on consumer confidence. With 30 units sold throughout the year and a cumulative sales rate of 67%, sales of Project"Shanshuijiating" in Wuxi have slowed. However, the Company's another subsidiary, Sinyi Development Inc., has started to deliver the houses of Project"Jiahe" in Taiwan, which brought in NT\$1,027 million that year. Another project, "Jiapin",which had already been sold out is scheduled to be delivered the houses by the beginning of 2025.Project "Jiapin"

leads other development projects in Taiwan by cooperating with the New Taipei City Government and the Institute for Information Industry to implement E-based energy-saving software and hardware, creating energy-efficient homes.

**The operating performances in Year 2022 and Year 2021 are summarized as below:**

**【Analyses on the financial revenues and expenditures and profitability】**

Expressed in Million New Taiwan Dollars

Items	Year	Year 2022	Year 2021
	Financial income/expenditure	Operation revenue	13,724
Operating income		1,577	3,132
Non-operating income (expense)		85	97
Consolidated income before tax		1,662	3,229
Income tax		426	859
Net income (attributable to owner of the Company)		1,223	2,350
Profitability	Return on total assets (%)	4%	8%
	Return on equity (%)	10%	20%
	Net income margin (%)	9%	13%
	Earnings per share (\$)	1.66	3.19

Note : The above table is prepared according to data in the consolidated financial statements.

## **II 、 External competitive, legal, macroeconomic environment, operating objectives and outlook**

### **The brokerage and relevant house service—**

Sinyi Realty actively promotes digital transformation and adopts PropTech in the real estate industry. Continuously researching pain points

that clients often face during property transactions, the Company has been launching innovative digital services to provide more diverse and considerate services with technology empowerment. Looking ahead to 2023, as “The Equalization of Land Rights Act” has been revised, market uncertainties will be reduced, but as the short-term rise in housing prices is high, the housing market is expected to enter a period of consolidation. In addition, Sinyi Realty is promoting a brand new trusted-based escrow system, which through the fund supervision of a bank trust account, provides more rigorous protection for real estate transactions and deepens customer trust.

### **Real estate development business-**

By recommending the quality and features of the project through referrals from existing customers and through the integration of offline and online marketing channels, the Project “Shanshuijiating” in WuXi is expected to sell out its remaining houses in 2023. The houses of the Project “Jiahe” has already been fully delivered at the end of February of 2023, with a recognized revenue of NT\$1,911 million in the same year. In addition to Project “Jiabin”, the Xinzhuang Fuduxin residential land which has obtained a building permit will incorporate sustainable elements in the design and is expected to launch in 2024. The residential land in Nanzih District of Kaohsiung will also integrate green building and energy-saving concepts with Sinyi Development's long-term community-development approach to create a favorable living environment.

### **Leisure and tourism industry –**

Mengalum Island is positioned as a zero-carbon island for the growth of tourism; this requires significant investment in related marine and island restoration efforts as well as extensive planning. Hence, in 2022, we acquired 25.545 hectare of property on the Sabah mainland in Malaysia to construct a five-star resort or hotel on that land. As the design, planning, and construction work got started in 2023, collaboration with well-known hotel



brands was looked into. With Mengalum Island across the water, potential tourism development may be possible.

### **Outlook –**

Running a business is not just about making a profit, rather it is a social movement to constantly improve this land. Sinyi Realty and its subsidiary companies view sustainable development as their responsibility and strive to enhance their internal management and governance abilities. We actively serve the community and meet the needs of residents, making the community and residents better. We are in line with the world, facing the challenges of global warming issues and sudden environmental crises together. We also have transformed the principle of "moving towards a sustainable net zero" into concrete actions, and set up goals to achieve zero emissions. The Company is fully implementing ESG, expecting not only to bring substantial returns to shareholders but also to bring values with significant impact to stakeholders.

## **Chapter Two. Company Profile**

I. Date of incorporation: January 21, 1987

II. Milestone:

Year	Event
Year 2022	<ul style="list-style-type: none"> <li>• The Company merged a wholly owned subsidiary Sinyi Real Estate Consulting Limited by means of short-form merger and the Company is the surviving company.</li> <li>• The Company has introduced "AI Smart Matching", which allows big data and machine learning to be applied in the matching of customer needs and case sources, to enhance the accuracy of decision-making.</li> <li>• The Company's subsidiary Zhancheng Tourism Development Sdn. Bhd. has obtained the right-of-use land in Malingsung in Papar County, Sabah, Malaysia. The land is expected to be developed and a five-star tourist hotel or resort shall be built.</li> <li>• The Company's subsidiary Sinyi Development Inc. accomplished Project "Sinyi Jiahe" which had already been sold out, and began to hand-over the completed property to its buyers.</li> </ul>
Year 2021	<ul style="list-style-type: none"> <li>• The Company has involved in Net Zero 2030/2050 alliance and make promises to realize zero carbon emission.</li> <li>• In response to the impact of the epidemic, the Company has launched a "contactless service" that can be performed online entrustment of selling houses, house viewing, real estate brochure review and signature and signing sale and purchase agreement.</li> <li>• The Project "ShanShuei Jiating" had started to hand-over the completed property to its buyers. During this period of 2021, we recognized a total amount of NT\$ 4 billion.</li> </ul>
Year 2019	<ul style="list-style-type: none"> <li>• The Company's subsidiary Sin Chiun Holding SDN. BHD. acquired the land's right of use assets on Mengalum Island in Sabah, Malaysia to develop overseas tourism business.</li> <li>• Mr. Hsueh Chien-Ping succeeds Mr. Chou Chun-Chi, the founder, as Chairperson of the Company's board of directors and Mr. Chou Chun-Chi remains a director of the board of directors.</li> <li>• The Company's subsidiary Sin Chiun Holding SDN. BHD. acquired the land's right of use assets on Mengalum Island in Sabah, Malaysia to develop overseas tourism business.</li> <li>• The Company takes the lead to announce "Timber Decay Protection Cover", including the prior "timber decay defects professional inspection" and the delivery of housing within six months up to a maximum of NT\$300 thousand for "Timber Decay Compensation Protection System."</li> </ul>
Year 2018	<ul style="list-style-type: none"> <li>• The Company's subsidiary, JiuXin Estate (Wuxi) Limited, commenced the construction of a new residential project "ShanShuei Jiating" in Wuxi City in October 2018.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>In addition to providing high-quality services to non-Japanese clients to find their desired property in Japan, the subsidiary, Sinyi Realty (Japan) Inc., will grow its local customers base with the whole new realty brand "SJ Home" mainly focusing on second-hand house market.</li> </ul>
Year 2017	<ul style="list-style-type: none"> <li>The Company took the initiative to establish the Nomination Committee as the third functional committee of the board of directors to further strengthen the functions of it.</li> <li>The Company's subsidiary Sinyi Development Co., Ltd., purchased a block of land located in Banqiao, New Taipei City for launching our second residential project in Taiwan.</li> <li>The residential Project "Sinyi Jiating" had started to hand-over the completed property to its buyers. During this period of 2017, we recognized a total amount of NT\$ 9.68 billion.</li> <li>Our overseas footprint in Malaysia, "Fidelity Property Consultant SDN. BHD.", officially opened for business since July, 2017. We will build up a service-chain in connection between Taiwan and Malaysia and bring our high-quality "Sinyi Service" to local market.</li> <li>The Company's overseas subsidiary, Sinyi Real Estate (HongKong) Limited, got a piece of land located in Wuxi City, Jiangsu Province for CNY 1.294 Billion dollars. The Company set up a new subsidiary in Wuxi City, "JiuXin Estate (Wuxi) Limited". The same as project "Sinyi Jiating", we will introduce the concept of community-development into the development of a piece of land.</li> </ul>
Year 2016	<ul style="list-style-type: none"> <li>In order to consolidate varied services and to respond to the advanced technology development in digital environment and internet, Sinyi Group launched its Platform Business as the vehicle.</li> <li>Yowoo Technology Inc., Sinyi's subsidiary, launched "Yowoo delivery platform" aiming at community economic services which provide the community residents with warm food delivery services.</li> <li>Sinyi Realty Inc. Japan, Sinyi's subsidiary, established Osaka branch, expanded its business from Kanto region to Kansai district in Japan.</li> </ul>
Year 2015	<ul style="list-style-type: none"> <li>Launch of the Sinyi O2O (Online to Offline) Platform with three integrated services, i.e. Home Anything and Everything, Home Services and Home Shopping Mall under a coordinated process to solve the customers' domestic affairs in their lives.</li> <li>Offering of 3D Interactive Shopping for Homes that allows a virtual experience of visiting without the limitation of time and space.</li> <li>Kick-off of another ten-year program "Nationwide Community Building" by investing a total of NT\$ 200 million.</li> </ul>
Year 2014	<ul style="list-style-type: none"> <li>As the leader among the industry, we launched innovative house seeing services "digital home deco" to enable customers to have the virtual view of the house after re-modeled.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>● Our Subsidiary Sinyi Development Inc. launched its first project for pre-sale "Sinyi Qian-Shi". Unlike the traditional markets, that program gave tag prices to create "online order for a house", where customers could look into floor plans, prices, sales status and updated information through website to safeguard consumers in their interests in an open and transparent manner.</li> </ul>
Year 2013	<ul style="list-style-type: none"> <li>● We incorporated Sinyi Real Estate (Shanghai) Limited, wherewith we were successfully awarded the tender for development and construction on a piece of land in Shanghai City to realize our community home concept. Besides, our another Subsidiary Sinyi Development Inc. (formerly known as Da-Chia Construction Co., Ltd.) was also awarded a piece of land in the precious area of Tianmu, Taipei City where we would build a high class intellectual housing products.</li> <li>● We integrated and extended the real estate brokerage agency services procedures and get officially verified for ISO9001 international certification as the first officially verified home brokerage services house.</li> </ul>
Year 2012	<ul style="list-style-type: none"> <li>● We took the leader among the industry in Taiwan in establishing "Ethics Director" and "Corporate Ethics Office", setting up a piece of landmark of "Faithful Ethics".</li> <li>● We set up Sinyi Real Estate (Hong Kong) Limited, through which we were awarded open tender for a piece of land in Shanghai area in China to boost the real estate construction its business.</li> </ul>
Year 2011	<ul style="list-style-type: none"> <li>● We took the leader among the industry provided "Worry-free warranty against suicide or murder involved houses.</li> </ul>
Year 2010	<ul style="list-style-type: none"> <li>● We set up the Remuneration Committee to further enhance the supervision power of the board of directors.</li> <li>● We established Qingdao Sinyi and Chengdu Sinyi to further expand business in China.</li> <li>● We initiated in entire Taiwan the "iPhone House-Review App", leading the real estate agent services into a mobile high technology era.</li> <li>● We took the lead in the real estate agent services in initiating "Home Staging House Furnishing in American Style" services.</li> </ul>
Year 2009	<ul style="list-style-type: none"> <li>● We founded the first enterprise university in real estate agent service fields, as an innovative platform combining theories and practices, with a total investment of NT\$150 million to positively cultivate human resources in the field.</li> <li>● Sinyi Realty Inc. took the lead to guide real estate agent services into a new milestone to publish the "Monthly Indices of Metropolitan Taipei Area" public, calculating the house price indices on a monthly basis.</li> <li>● Sinyi has its footprint into Japan by incorporating Sinyi Realty Inc. Japan</li> <li>● Sinyi Realty Inc. launched "One Family Sponsorship Program for Entire Communities" with NT\$100 million additional sponsorship fund.</li> </ul>
Year 2008	<ul style="list-style-type: none"> <li>● Sinyi expanded its business in China in a full spectrum, by means of "Sinyi Realty Inc." direct selling system and "Coldwell Banker" franchise system to further deepen the markets through the dual brand policy.</li> </ul>

Year	Event
Year 2007	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. took the lead among the industry by initiating “Four Major Assurances” services against problems with cheap, unreliable concrete containing high percentage of sea sands, radiation-contaminated material, leakage and transaction insecurity, bringing added transaction security to customers.</li> <li>● Sinyi set up Audit Committee for strengthening in corporate governance and business development.</li> <li>● Sinyi’s headquarter moved into Sinyi Building and, meanwhile, signed memorandum with ORIX Group Japan, laying a firm cornerstone ready to march into the global market.</li> </ul>
Year 2006	<ul style="list-style-type: none"> <li>● Sinyi initiated the “e-digital reception services” to link digital and human preference to from a macro to micro reception. We assigned designated personnel to offer guide and service in all details.</li> </ul>
Year 2005	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. officially promulgated establishment of the brand name “Sinyi Shop” to sell Sinyi products and services, as the spearhead real estate agent service brand name in Taiwan.</li> <li>● Sinyi took the lead in launching “Online Interaction House Review” services with extraordinarily powerful interaction functions, enabling customers to review houses throughout anytime.</li> </ul>
Year 2004	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. promulgated “One Family Sponsorship Program for Entire Communities” to invest NT\$100 million fund in every five-year term to sponsor community programs, as the first spearhead community sponsorship program of the largest scale aiming to boost interpersonal interchanges to encourage stay in Taiwan..</li> <li>● Sinyi Realty Inc. set up a new subsidiary by the name of Beijing Sinyi and signed franchise contract with Chongqing Reality Co., Ltd. for franchise system in Chongqing area.</li> </ul>
Year 2003	<ul style="list-style-type: none"> <li>● Sinyi took the lead to issue “Sinyi Real Estate Commentary” as a bright lighthouse amidst the confused real estate information. Under our motto of feedback to the society to ensure sound industrial order and assure transparent information, we offer the results and findings yielded through the research efforts to the investment &amp; trust enterprises, investment consultation, banking, real estate and such research institutions.</li> <li>● We updated the Sinyi Realty Inc. website into a brand new one. By then, Sinyi owned as many as twelve service functions, known as Sinyi Living to render even more intimate services to customers.</li> </ul>
Year 2002	<ul style="list-style-type: none"> <li>● We promulgated brand new “humans-oriented” Corporate Identity System (CIS), as the new logo composed of “humans”, “housing” and “summit” to further enhance profound values and visions.</li> <li>● We got ahead of the industry with concrete acts to reform services, refurbishing all Sinyi service outlets of entire Taiwan and introducing to community image exhibition spaces to further enhance the relationship between Sinyi Realty Inc. and communities.</li> </ul>

Year	Event
Year 2002	<ul style="list-style-type: none"> <li>● We initiated the “Optimal Home Hunting Systems” as the new Sinyi service system, deepening the awareness of the consumer need in house buys, minimizing consumers’ hard work in house purchase and, in turn, boosting satisfaction approval level of house buyers.</li> <li>● We initiated the “online on-the-spot audiovisual house review software”. All Sinyi branches were additionally equipped with outdoor “housing information multimedia guiding system”, enabling consumers to hunt and view houses online 24 hours.</li> <li>● Sinyi teamed up with telecommunications to launch “entrepreneurial communications integration services” to offer omnifarious and comprehensive platforms including system networks, technological platforms, service content setup, mobile communications terminals to create 3-M technological platform environments and, in turn, boost the competitive edge for enterprises and brand names.</li> </ul>
Year 2001	<ul style="list-style-type: none"> <li>● Sinyi successfully upgraded from Taipei Exchange(TPEX) to Taiwan Stock Exchange Corporation (TSEC) listing, and officially got listed on the Taiwan Stock Exchange Corporation (TSEC). Sinyi Realty Inc. became the sole real estate agent service house listed on Taiwan Stock Exchange Corporation (TSEC).</li> <li>● Typhoon Toraji and Nari drastically hit Taiwan, in particular - Xinyi Township in Nantou County. Sinyi Realty Inc. established in that township “Sinyi Children Secured Schooling Program” to sponsor the children of the typhoon devastated families until they graduate from the senior high schools. There were a total of 77 beneficiary children in Xinyi Township under the Sinyi Children Secured Schooling Program.</li> </ul>
Year 2000	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. teamed up with National Chengchi University to set up “National Chengchi University CNCCU - SINYI Research Center for Real Estate” as one of the expertise academic research institutions in Taiwan on real estate expertise.</li> <li>● Where the children in the Xinyi Township of Nantou County were critically affected in schooling in the wake of Catastrophic Earthquake September 21, 1999, Sinyi Realty Inc. established in that township “Supreme Sinyi Fellowship”.</li> </ul>
Year 1999	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. created another new era for real estate logistics. On November 9 of the year, Sinyi Realty Inc. successfully passed the application in Taipei Exchange(TPEX) listing and became the first OTC listed real estate agent company in Taiwan.</li> <li>● Also in the year, Sinyi Realty Inc. obtained the sole and exclusive agency from the largest real estate brand name in the United States Coldwell Banker for the Greater Region of China wherewith Sinyi Realty Inc. would launch extensive real estate transactions among both sides of Taiwan Strait, Hong Kong and Macao.</li> </ul>
Year 1998	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. launched “Sinyi Real Estate Price Index”, the first of its like in Taiwan, serving consumers with more objective analysis on real estate market trends.</li> </ul>
Year 1997	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. launched NT\$170 million capital increase through cash injection and NT\$330 million capital increase through earnings, bringing the</li> </ul>

Year	Event
	aggregate total of the capital up to NT\$700 million. Sinyi Realty Inc. got approved from the Securities & Futures Commission, Ministry of Finance for issuance in public.
Year 1996	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. launched overall “Readily Available House Escrow” services, as the first one in Taiwan launching new transaction security system.</li> <li>● The aggregate total of Sinyi Realty Inc. branches throughout Taiwan hit one hundred.</li> </ul>
Year 1995	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. launched “Sinyi VISA” identification card, the first one presented in real estate agent services, lifetime free of membership fee. Sinyi VISA cardholders are privileged for multiple benefits for VISA cards, preferential discount and automatic public charity donation.</li> </ul>
Year 1993	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. was in overall giving “Overall Assurance System for House Purchases”, including pre-sale assurance on “ownership survey system”, amid-sale assurance “payment assurance system” and “Scrivener (Title Agent) verification system” and after-sale assurance “leak proof assurance system”.</li> </ul>
Year 1992	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. signed contract with China Productivity Center to set up logistic management implementation organization to unfold the initial year for quality in services.</li> </ul>
Year 1991	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. purchased the office mansion, with Sinyi Headquarters relocated into Tunrex Skyscraper Building on Dunhua S. Road, Taipei.</li> </ul>
Year 1989	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. produced “Real Estate Guide Book” as the spearhead among the entire real estate agent services to protect the safety of transactions for the customers.</li> </ul>
Year 1987	<ul style="list-style-type: none"> <li>● Sinyi Realty Inc. was officially approved for incorporation registry, with Ms. Chou Wang Mei-Wen serving as the Chairwoman of the First Session, taking the lead to launch “Ownership survey before transaction” to assure carefree transaction to consumers. Sinyi Realty Inc. introduced to Corporate Identity System (CIS) to enhance corporate image.</li> </ul>

### III. Highlights of Honors:

Year	Event
Year 2022	<ul style="list-style-type: none"> <li>• Won the "Green Leadership Award" and "Social Welfare Development Award" at the Asia Responsible Entrepreneurship Awards (AREA) for the fifth time.</li> <li>• Awarded the platinum awards of “Reputation Brands in Reader’ s Digest” by Reader’ s Digest for 15 years in a row.</li> <li>• Awarded the “Top 5%” of the corporate governance assessment by the Securities &amp; Exchange for 8 years in a row.</li> <li>• Awarded for the 16th time by 《Commonwealth Magazine》 “The Grand Award as the Commonwealth Model Citizen.”</li> <li>• Won the "Model Award of Outstanding Solution Education Promotion Group" at the CSR and ESG Corporate Social Responsibility Awards hosted by Global Views Magazine, and was awarded the Annual Honors Roll in the "ESG Integrated Performance" category for two consecutive years.</li> <li>•</li> <li>• Awarded as the sole winner among the entire real estate agent services by Commonwealth magazine for 28 years in a row.</li> <li>• Our Consignment Sales won the Gold Award of Taiwan Consignment Sales Evaluation.</li> <li>• Received the Net Zero label "Green Level" issued by Taiwan Institute for Sustainable Energy.</li> <li>• Awarded the “the Construction Building Category – Golden Award” of the 2022 Happy Corporate Award by 1111 Job Bank.</li> <li>• Won the "Top 10 Sustainable Model Enterprises Award - Service Industry Category", "Climate Leadership Award", "Innovation and Growth Leadership Award" and "Transparency and Integrity Leadership Award" of the TCSA Taiwan Business Sustainability Awards, and the sustainability report won the Platinum Level of Real Estate and Construction Category 1.</li> <li>• Won the GCSA Global Corporate Sustainability Award Best Case Award and Sustainability Report Award for five consecutive years.</li> <li>• Selected as “Taiwan Best-in-Class 100” by Taiwan Institute of Directors.</li> <li>• The Company’s subsidiary Shanghai Sinyi was awarded the "Magnolia Award".</li> <li>• The Company’s subsidiary Shanghai Sinyi was awarded the "Jinqiao Award".</li> <li>• The Company’s subsidiary JiuXin Estate (Wuxi) Limited was awarded the Top-quality Construction Award of “Taihu Cup” .</li> </ul>
Year 2021	<ul style="list-style-type: none"> <li>• Awarded the“the Best Video Innovation – Silver Award”, “the Best Video Innovation – Silver Award”, “the Best Content Entertainment – Silver Award”and “the Best AI Application – Silver Award”by 2021 Digital Singularity Awards.</li> <li>• Awarded in the fourth time by Asia Responsible Entrepreneurship Awards, of the award of “Invest in People Category “and “Corporate Governance Category “and the Company’s founder, Mr. Chou Chun-chi, was awarded“Responsible Business Leadership Category“.</li> </ul>



Year	Event
Year 2021	<ul style="list-style-type: none"> <li>• Awarded the “the Construction Building Category – Golden Award” of the 2021 Happy Corporate Award by 1111 Job Bank.</li> <li>• Awarded the platinum awards of “Reputation Brands in Reader’s Digest” by Reader’s Digest for 14years in a row.</li> <li>• Awarded the Corporate Governance Assessment CG6013 (2021) certification organized by the China Corporate Governance Association and obtained the highest level of "Outstanding" certification.</li> <li>• Awarded the “Top 5%” of the corporate governance assessment by the Securities &amp; Exchange for 7 years in a row.</li> <li>• Awarded for the 15th time by 《Commonwealth Magazine》 “The Grand Award as the Commonwealth Model Citizen.”</li> <li>• Awarded the "GCSA-Reporting Award" for “the global enterprise sustainability award” 4 years in a row and the "Top 10 Perpetual Model Award" of “the Taiwan enterprise sustainability award "for the seventh time.</li> <li>• Awarded the “Annual Honor Board of the CSR Award” by Global Views Magazine.</li> <li>• Selected to be one of “Top 100 of 200 outstanding enterprises that created V shaped growth” by CommonWealth magazine.</li> <li>• The film of “In Love We Trust” launched by the Company was awarded the “Grand Prix” by Cannes Entertainment Lions, the “Film Craft-Direction – Golden Award”, “Branded Viral Videos – Silver Award”, “PSA – Bronze Award” by 2021 AD STARS and the “Grand Prix” by The Association of Accredited Advertising Agents of Taipei.</li> <li>• The Company’s founder, Mr. Chou Chun-chi, was awarded “Taiwan Cultural Collaboration Medal” by Ministry of Culture.</li> <li>• The Company’s subsidiary, Sinyi Suzhou, was honored with the "A Class Enterprise in Suzhou Real Estate Association".</li> <li>• The Company’s subsidiary, Shanghai Chang Yuan, was awarded "the first prize of property management assessment in 2021 Jiading New City".</li> </ul>
Year 2020	<ul style="list-style-type: none"> <li>• Awarded the “Strategic Excellence Award” by Daily View.</li> <li>• Awarded the “the Best AI Application – Silver Award” and “the Best Product Innovation – Silver Award” by 2020 Digital Singularity Awards.</li> <li>• Awarded in the third times by Asia Responsible Entrepreneurship Awards, of the first award of “Green Leadership” and “Invest in People Category”.</li> <li>• Selected by 2019 《Facebook》 “Among the most Twenty-fifth Influential Brands in Taiwan”, as the sole winner among the entire real estate agent services.</li> <li>• Awarded “the Best Management Innovation – Silver Award” and “the Best Technical Innovation – Copper Award” by Future Commerce Awards.</li> <li>• Awarded the first place of real estate brokers in the “Survey of Ideal Brands in the Minds of Consumers” by Management Magazine for 27 years in a row.</li> <li>• Awarded the platinum awards of “Reputation Brands in Reader’s Digest” by Reader’s Digest for 13 years in a row.</li> <li>• Awarded the “Top 5%” of the corporate governance assessment by the</li> </ul>

Year	Event
	<p>Securities &amp; Exchange for 6 years in a row.</p> <ul style="list-style-type: none"> <li>• The Company was awarded for the 14<sup>th</sup> time by 《Commonwealth Magazine》 "The Grand Award as the Commonwealth Model Citizen.</li> <li>• The Company was awarded the "GCSA-Reporting Award" for "the global enterprise sustainability award" 3 years in a row, the "Top 10 Perpetual Model Award" of "the Taiwan enterprise sustainability award " for the six time, and awarded "The English Report Award" , "the Social Inclusion Award", and "the Climate Leadership Award" for the second time. In addition, the Company was honored "the Gender Equality Award", "Real Estate and Construction Industry – Platinum Award", "Elderly Friendly – Together Good Project" and "New Idea of Green Housing" of the Best Case Award for the first time.</li> <li>• Awarded the first award of "CSR Survey - Service Group" by Global Views Magazine for 3 years in a row.</li> <li>• The Company was awarded by the Environmental Protection Administration, the Executive Yuan for the sixth time "Green Procurement Organization".</li> <li>• Our subsidiary, Sinyi Suzhou was honored with the "Outstanding Member in Suzhou Real Estate Association".</li> </ul>
Year 2019	<ul style="list-style-type: none"> <li>• Awarded the first place of real estate brokers in the "Survey of Ideal Brands in the Minds of Consumers" by Management Magazine for 26 years in a row.</li> <li>• Awarded the platinum awards of "Reputation Brands in Reader's Digest" by Reader's Digest for 12 years in a row.</li> <li>• Awarded the first place of real estate brokers in the "Survey of Ideal Brands of Businessmen" by Business Today for 12 years in a row.</li> <li>• Awarded the first place of "First Award of Service" by Next Weekly for 15 years in a row.</li> <li>• Awarded the first award of real estate broker category of "Five-Star Service Award" by Global Views Magazine for 3 years in a row.</li> <li>• Awarded the "Top 5%" of the corporate governance assessment by the Securities &amp; Exchange for 5 years in a row.</li> <li>• The Company was awarded for the 13<sup>th</sup> time by 《Commonwealth Magazine》 "The Grand Award as the Commonwealth Model Citizen.</li> <li>• Awarded the best management innovation award - silver award of 2019 "Future Commerce Awards - Innovation Commerce Award" by Top Agent APP high-efficient virtual mobile special assistant."</li> <li>• Awarded the "Best Employer Award" by HR Asia Magazine.</li> <li>• The Company was certified as "Taiwan I sports enterprise" by Sports Administration, Ministry of Education.</li> <li>• The Company won "Taiwan's Best CSR Excellence Award", "the Best Environmental Excellence Award", "the Empowering Women Award", "the Best Workplace Practice Award", "the Service Excellence Award" and "the Corporate Social Responsibility Leadership Award" of the 11th Global CSR Summit and Awards.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• 2 years in a row, the Company was awarded Asia Sustainability Reporting Award, ASRA from CSR Works International Pte. Ltd.</li> <li>• The Company was awarded the "GCSA-Reporting Award" for “the global enterprise sustainability award” 2 years in a row, the "Best Case Performance Award" for enterprise sustainability which is the highest honor of corporate sustainability, and for the fifth time. The Company was awarded the "Top 10 Perpetual Model Award" and "Best Annual Report Award"for the fifth time. In addition, the Company was honored “The English Report Award”, “the Social Inclusion Award”, “the Talent Development Award” and “the Climate Leadership Award” for the first time.</li> <li>• Awarded the first award of “SCR Survey - Service Group” by Global Views Magazine for 2 years in a row, and the first award of “Education Promotion Group” for the first time.</li> </ul>
Year 2018	<ul style="list-style-type: none"> <li>• For as astonishingly as 25 years in a row, the Company won the supreme honors of No. 1 among all realty service houses in the “Survey of Ideal Brand from View of Consumers” conducted by the 《Management Magazine》 .</li> <li>• The first place of “Trust Worthy brand” in realty agency industry from Readers Digest for 11 times in a row.</li> <li>• The Company was awarded No. 1 of “Top 50 of operation performance” by 《Commonwealth Magazine》</li> <li>• For 11 years in a row, the Company was awarded by 《Business Today》 First Place Honor in “Grand Survey of Ideal Brand Names in the Eyes of Merchants”</li> <li>• The Company was awarded by 《Global Views Monthly》 First Place Honor in “Five-Star Service in Housing agency” .</li> <li>• The Company has been awarded one of the world's most ethical companies by the Ethisphere Institute, making it the first Taiwanese company to receive the honor.</li> <li>• The Company was awarded Asia Sustainability Reporting Award, ASRA from CSR Works International Pte. Ltd.</li> <li>• The Company has been ranked in the top 5% of the listed companies in Taiwan for 4 years.</li> <li>• Sinyi Realty was honored by the Global Views Monthly Magazine for the first prize of “the CSR Grand Survey- Service Industry Group” and the Model of “Eco-Friendly Group” .</li> <li>• The Company was awarded for the 12<sup>th</sup> time by 《Commonwealth Magazine》 “The Grand Award as the Commonwealth Model Citizen.</li> <li>• Sinyi Realty was honored by TAISE for “2018 Global Corporate Sustainability Awards” and 4 times in a row obtain recognition for “Best Taiwan company Sustainability Awards”.</li> </ul>
	<ul style="list-style-type: none"> <li>• For as astonishingly as 24 years in a row, Sinyi won the supreme honors of No. 1 among all realty service houses in the “Survey of Ideal Brand from View of Consumers” conducted by the 《Management Magazine》 .</li> <li>• Our diligence in "One family in Community" project is honored with Presidential Cultural Award. For 13 years, we have been committed to</li> </ul>

Year	Event
Year 2017	<p>national-wide community building activities and provided hope to local residence who lack of resource.</p> <ul style="list-style-type: none"> <li>• Sinyi won “Five-star Service Award” granted by Global Views Monthly, as First Place in the realty agency.</li> <li>• Sinyi Realty has won the Best Corporate Sustainability Report Award for two years in a row. Also, Sinyi Realty has won 'The Most Prestigious Sustainability Awards-Top Ten', 'Best Performance of Transparency and Integrity Award', 'Best Performance of Social Inclusion Award', 'Best Performance of Climate Leadership Award', and 'Growth through Innovation Award'.</li> <li>• Sinyi won the 26th environmental awards by Environmental Protection Administration in Taiwan.</li> <li>• For 13 years in a row, Sinyi has won the first place of “Service Prize” in realty agency industry from Next magazine</li> <li>• We obtained certification by Taiwan Sport Administration for year 2017.</li> <li>• Sinyi was awarded for the 11th time by 《CommonWealth Magazine》 “The Grand Award as the CommonWealth Model Citizen”.</li> <li>• Sinyi has won the first place of “the most influence brand” in realty agency industry surveyed by MANAGER Today magazine</li> <li>• Our belief “cultivating corporation ethics and building up a sociality fulfilled with mutual trust and right things” honored at Asia Responsible Entrepreneurship Awards for 2 years in a row.</li> <li>• For three years in a row, Sinyi was ranked among the Top 5%” in the First Corporate Governance Appraisal by the Taiwan Stock Exchange Corporation (TWSE).</li> <li>• We are awarded by the first place of “2017 Golden Service Prize” in realty agency industry from common wealth magazine.</li> <li>• Our Subsidiary, Shanghai Sinyi Real Estate Inc. was awarded as “Credit Construction Enterprise” within the highest star as Five-Star Credit Enterprise in the real estate industry for eleven years in a row.</li> <li>• Our subsidiary, Shanghai Sinyi Real Estate Inc., was awarded among the “Top 30 Best Employers of Shanghai, China, 2017”.</li> <li>• Our Subsidiary, Shanghai Sinyi Real Estate Inc. become “best institution for statistics work”</li> <li>• Our subsidiary, Sinyi Shanghai Real Estate’s residential project "Sinyi Jiating" won The Magnolia award, the highest praise for Shanghai project.</li> <li>• The Company’s Subsidiary, Shanghai Sinyi Real Estate Inc. was awarded as “Credit Construction Enterprise” within the highest star as Five-Star Credit Enterprise in the real estate industry for 11 years in a row.</li> <li>• Our subsidiary, Sinyi’s Shanghai was honored with the "Outstanding Work in Shanghai Real Estate Pricing Survey."</li> <li>• Our subsidiary, Sinyi Suzhou was invited to participate in the editing the “Real Estate Brokerage Service Standards of Jiangsu Province”.</li> <li>• We won the 26th "Corporate Environmental Protection Award" issued by the Environmental Protection Administration of the Executive Yuan.</li> <li>• Our subsidiary, Sinyi Shanghai, was awarded among the “Top 30 Best</li> </ul>

Year	Event
	<p>Employers of Shanghai, China, 2017”</p> <ul style="list-style-type: none"> <li>• Our subsidiary, Sinyi Suzhou, was awarded among the “Top 10 Best Employers of Shanghai, China, 2017”.</li> <li>• The Sinyi Jiating Volunteer Community Empowerment Network organized by our subsidiary, Sinyi Real Estate, was assessed as the "Volunteer Base of Excellence", and the neighborhood station was assessed as the "Neighborhood Station of Excellence".</li> </ul>
Year 2016	<ul style="list-style-type: none"> <li>• For as astonishingly as 23 years in a row, the Company won the supreme honors of No. 1 among all realty service houses in the “Survey of Ideal Brand from View of Consumers” conducted by the 《Management Magazine》.</li> <li>• The Company was honorably awarded in twelve years in a row by Next Magazine “The Prime No. 1 Service Award”, as No. 1 among entire real estate agent services.</li> <li>• The Company was awarded in four times by 《Commonwealth Magazine》 “Grand Prize for Gold Medal Service” that suggests the supreme honors of First Prize in the entire realty damage indemnity.</li> <li>• For nine years in a row, the Company was awarded by 《Business Today》 First Place Honor in “Grand Survey of Ideal Brand Names in the Eyes of Merchants”.</li> <li>• The Company won the extraordinary honors of double championships from the 《30 Magazine》 in the “Young Generation Brand Survey” in the category of realty agent, i.e., the “Brand Favored Most” and “Brand Desired Most”.</li> <li>• The Company was awarded by the 《Taiwan Corporate Sustainability Awards, TCSA》 in the Categories of “The Most Prestigious Sustainability Awards-Top Ten Domestic Corporate”, “Co-Harmony Society Award”, “Talent Development” and “TOP50 Sustainable Enterprise Report Award in Realty &amp; Construction Categories”.</li> <li>• The Company was awarded Double Prime Awards by 《Global Views Monthly》in Session Twelve the “Corporate Social Responsibility Award” in the “Happiness Enterprise” and “Grand Annual CSR Survey in the group of service industries .</li> <li>• The Company was awarded as “Asia Responsible Entrepreneurship Awards 2016-Social Benefit Development” by the Enterprise Asia.</li> <li>• The Company was awarded for the tenth time by 《CommonWealth Magazine》 “The Grand Award as the CommonWealth Model Citizen”.</li> <li>• For two years in a row, the Company was ranked among the Top 5%” in the First Corporate Governance Appraisal by the Taiwan Stock Exchange Corporation (TWSE).</li> <li>• The Company’s Subsidiary, Shanghai Sinyi Real Estate Inc. was awarded as “Credit Construction Enterprise” within the highest star as Five-Star Credit Enterprise in the real estate industry for ten years in a row.</li> <li>• The Company’s Subsidiary, Sinyi Real Estate (Shanghai) Ltd. also was awarded the honor of “Annual Excellent Taiwan-Funded Enterprises” by the Association of Taiwan Investment Enterprises in Shanghai.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• The Company's Subsidiary, Shanghai Sinyi Real Estate Inc., was awarded among the "Top 30 Best Employers of Shanghai, China, 2016".</li> <li>• The Company's Subsidiary, Suzhou Sinyi Real Estate Inc., was awarded among the "Top 10 Best Employers of Suzhou, China, 2016".</li> <li>• The Company's Subsidiary, Sinyi Real Estate (Shanghai) Ltd., was awarded as "The Superior Enterprise of Social Construction 2016" in Jiading district of Shanghai.</li> </ul>
Year 2015	<ul style="list-style-type: none"> <li>• For as astonishingly as 22 years in a row, the Company won the supreme honors of No. 1 among all realty service houses in the "Survey of Ideal Brand from View of Consumers" conducted by the 《Management Magazine》.</li> <li>• The Company was honorably awarded by 《Infotimes》 Golden Awards of "Golden Finger Network Award XVI" for the sixth time.</li> <li>• For eight years in a row, the Company was awarded by 《Business Today》 First Place Honor in "Grand Survey of Ideal Brand Names in the Eyes of Merchants".</li> <li>• The Company was awarded by the Taiwan Institute for Sustainable Energy 《Award of Sustainable Taiwan Enterprise 2015》 in the Categories of "Co-Harmony Society Award", "Climate Leader Award" and "TOP50 Sustainable Enterprise Report Award in Realty &amp; Construction Categories".</li> <li>• The Company won "Five-star Service Award" granted by Global Views Monthly, as First Place in the realty agency, and Second Place in cross-business lines.</li> <li>• The Company was honorably awarded in eleven years in a row by Next Magazine "The Prime No. 1 Service Award", as No. 1 among entire real estate agent services.</li> <li>• The Company was awarded for the ninth time by 《CommonWealth Magazine》 "The Grand Award as the CommonWealth Model Citizen".</li> <li>• The Company was ranked among the Top 5%" in the First Corporate Governance Appraisal by the Taiwan Stock Exchange Corporation (TWSE).</li> <li>• The Company won for the third time the honors of A++ Grade Award in the information disclosure awarded by the "Securities &amp; Futures Institute".</li> <li>• The Company won the supreme "Reputable Brand" awarded by 《Reader's Digest》 for eight times in a row.</li> <li>• In the "The First Place of Revenues in House Broker Classification of Service Industry - Survey on Top Two Thousand Enterprises" conducted by 《CommonWealth Magazine》, the Company won the supreme honors as No. 1 among the real estate agent services in 21 years in a row.</li> <li>• The Company was acknowledged by 《Digital Era Business Next》 with the prominent honors of the "Award of Innovative Future Commerce" and "Award of the Best Customer Experience".</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• The Company was awarded Double Prime Awards by 《Global Views Monthly》 in Session Eleven the “Corporate Social Responsibility Award” in the “Grand Annual CSR Survey in the group of service and finance industries”, “Outstanding Proposal in group of public interest promotion task force” .</li> <li>• The Company was awarded for the third time by 《Commonwealth Magazine》 “Grand Prize for Gold Medal Service” that suggests the supreme honors of First Prize in the entire realty damage indemnity.</li> <li>• The Company won the extraordinary honors of double championships from the 《30 Magazine》 in the “Young Generation Brand Survey” in the category of realty agent, i.e., the “Brand Favored Most” and “Brand Desired Most”.</li> <li>• The Company won the Extraordinary Performance Award of 2015 Influence Brands” conducted by 《Manager Today》 .</li> <li>• The Company’s Subsidiary, Shanghai Sinyi Real Estate Inc., won the “Golden Bridge Award” of Session XIV as well as the “Top 20 Plus Real Estate Agencies” from the Shanghai Real Estate Trade Association (SRETA).</li> <li>• The Company’s Subsidiary, Shanghai Sinyi Real Estate Inc., was awarded among the “Top 30 Best Employers of China, 2015”.</li> <li>• The Company’s Subsidiary, Shanghai Sinyi Real Estate Inc., was awarded among the “Best Employer of China for three times in a row.</li> </ul>
Year 2014	<ul style="list-style-type: none"> <li>• For as astonishingly as 21 years in a row, Sinyi Realty Inc. won the supreme honors of No. 1 among all realty service houses in the “Survey of Ideal Brand from View of Consumers” conducted by the 《Management Magazine》 .</li> <li>• The Company was honorably awarded “Top Ten Sustainable Performance Models in Taiwan 2014”; “TOP50 Sustainable Performance Award – The Best Report Award of the Year”, “Common Harmonious Society Award” and “Supply Chain Management Award”.</li> <li>• For seven years in a row, the Company was awarded by 《Business Today》 First Place Honor in “Grand Survey of Ideal Brand Names in the Eyes of Merchants”.</li> <li>• The Company won the supreme No. 1 honors of the “Service Top Award” in the real estate agent services conducted by 《Next Magazine》 as the 10th time honors in a row.</li> <li>• For eight years in a row, the Company won the honors of “Best Corporate Citizen Award” from 《CommonWealth Magazine》 ; Fourth Place of “Great Enterprise Category Award”, the first time honors even for the real estate agent services.</li> <li>• The Company won for the second time the honors of A++ Grade Award in the information disclosure o awarded by the “Securities &amp; Futures Institute” .</li> <li>• The Company won the Premier Award in the Category of Real Estate conducted by 《Business Next》 in “Digital Service Benchmark Enterprises”.</li> <li>• The Company won the supreme “Reputable Brand” awarded by 《Reader’s Digest》 .</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• The Company won the “Best Customer Service Center Award” in the “2014 Taiwan Service Industry Assessment”” conducted by 《Commercial Times》 .</li> <li>• The Company won the “Work and Life Balance Award” in Session One from the Ministry of Labor.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• In the “The First Place of Revenues in House Broker Classification of Service Industry - Survey on Top Two Thousand Enterprises” conducted by 《CommonWealth Magazine》, the Company won the supreme honors as No. 1 among the real estate agent services in 20 years in a row. (In and before Year 2012, the event was conducted as the Survey on top 1,000 manufacturers and top 500 service houses.)</li> <li>• The Company won for the 8th time Award for “Corporation Hierarchy of responsibility toward the Society” in the 《Global Views Monthly》 Corporate Social Responsibility Award, the first time of such honors granted to real estate agent services in the category of the “Overall Performance” Model.</li> <li>• The Company for the 5th time accredited by 《Taiwan Corporate Governance Association》 in terms of corporate governance evaluation verification.</li> <li>• The Company won the Extraordinary Performance Award of 2014 Influence Brands conducted by 《Manager Today》 .</li> <li>• The Company won the Premier Honors of No. 1 Prize in 11 years in a row in the category of real estate in the “Healthy Brand Survey” conducted by 《CommonHealth Magazine》 .</li> <li>• The Company won the Premier Award as No. 1 in the category of real estate` in “Brand Desired Most” of “Young Generation Brand Survey” conducted by 《30 Magazine》 .</li> <li>• The Company won the “Award of Superior Service Channels in the "Green Brand Survey” conducted by 《Business Next》 for three years in a row.</li> <li>• The Group’s Subsidiary Suzhou Sinyi was awarded the “Best Service Faithful Brokers in Suzhou Real Estate Broker Industry 2014” from Soufun Holdings Limited.</li> <li>• The Group’s Subsidiary Shanghai Sinyi won the honorable title as “Five Star Faithfull Venture Enterprise” from the Shanghai Real Estate Trade Association (SRETA).</li> <li>• The Group’s Subsidiary Shanghai Sinyi won the “Golden Bridge Award” of Session XIII as well as the “Top 20 Plus Real Estate Agencies” from the Shanghai Real Estate Trade Association (SRETA).</li> <li>• The Group’s Subsidiary Suzhou Sinyi was awarded the honors among the “Top Best Employers in Suzhou, China, 2014” conferred by Zhi Lian Recruitment.</li> <li>• The Group’s Subsidiary Shanghai Sinyi was awarded the honors among the “Top Best 30 Plus Employers in Shanghai China, 2014” conferred by Zhi Lian Recruitment in concert with Peking University (PKU) Corporate Social Responsibility &amp; Employee Brand Name Communications Research Center.”.</li> </ul>



Year	Event
Year 2013	<ul style="list-style-type: none"> <li>• The Company was honorably awarded 《Taiwan Institute for Sustainable Energy》 “Taiwan Top 50 Enterprise Sustainable Report on Services” and “Transparent Faithful Performance Model”.</li> <li>• The Company was awarded by the Taipei City Government for six years in a row for Outstanding Performance as “Green Procurement Enterprise and Group”.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• The Company was awarded by Taipei City Government Department of Labor for two years in a row for the “Certification Label for Hiring Mentally and Physically Handicapped People.</li> <li>• The Company was awarded by the Environmental Protection Administration, the Executive Yuan for the fourth time “Green Procurement Organization”.</li> <li>• The Company was awarded for the seventh time by 《CommonWealth Magazine》 “The Grand Award as the CommonWealth Model Citizen” .</li> <li>• The Company was honorably rated by Securities &amp; Futures Institute of the Republic of China “A++Enterprise”, among the top 20 Plus among all firms listed on the Taiwan Stock Exchange or Over-the-Counter Securities Exchange.</li> <li>• The Company was honorably awarded by 《Manager Today》 with Premier Award among real estate agent services in the “Survey on Most Influential Brand Names 2013”.</li> <li>• The Company was honorably awarded by 《30 Magazine》 with extraordinarily double champions as the “Most Popular Brand Name in Use” and “Brand Name Best Desired to Own” in the “Survey on Young Era Brand Names”</li> <li>• The Subsidiary Shanghai Sinyi was awarded for the 11<sup>th</sup> time the 20-Plus Golden Bridge Award in Shanghai City.</li> <li>• Subsidiary of the Company Zhejiang Sinyi was honored as the “Most Satisfactory Real Estate Agent Services Brand in Zhejiang Markets.</li> <li>• The Subsidiary Suzhou Sinyi was awarded “Golden Tripod Award among Suzhou Real Estate Industry 2012, with Extraordinary Contribution by House 365.</li> <li>• The Subsidiary Suzhou Sinyi was awarded “Best Employer in Suzhou” and “Golden Neighborhood Award for Best Continuation in Gusu Area”.</li> </ul>
Year 2012	<ul style="list-style-type: none"> <li>• For the second time, the Company was honorably awarded 《CommonWealth Magazine》 “Grand Award for Golden Brand Services” as No. 1 among all real estate agent services.</li> <li>• For the 7<sup>th</sup> time, the Company was honorably awarded by 《Global Views Monthly》 “Award for Corporate Responsibility toward Society”.</li> <li>• The Company was honorably awarded by Industrial Development Bureau, Ministry of Economic Affairs “The Twenty-Plus of Innovative Enterprises in the Grand Survey on Innovative Enterprises in Taiwan 2012”</li> <li>• The Company was honorably awarded for the third time by 《Global Views Monthly》 as Outstanding Service Award as No. 1 in the real estate agent services.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• The Company was honorably awarded by 《Commercial Times》 the Prime Golden Brand in the “Grand Evaluation of Service Industry Throughout Taiwan”.</li> <li>• The Company was honorably awarded in two years in a row by 《Business Next》 in the Premier Award as “Landmark Enterprise in Digital Services”.</li> <li>• The Company was honorably awarded 《Taiwan Institute for Sustainable Energy》 “The Golden Award of Sustainable Performance Report among Enterprises in Taiwan 2012”, “Best CSR Website Information Disclosure”.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• The Company was honorably awarded by Department of Labor, Taipei City Government “Remarkable Mechanical Engineering of Blind Massagers in Taipei City in 2012”.</li> <li>• The Company was honorably awarded by Department of Labor, Taipei City Government with Certificate Badge of “Full Employment of Mentally and Physically Handicapped People”.</li> <li>• The Subsidiary Shanghai Sinyi was awarded “Four-Star Faithful Innovative Organization”, as the first enterprise among real estate agent services in entire Shanghai City.</li> </ul>
Year 2011	<ul style="list-style-type: none"> <li>• The Company was honorably selected among the Top 100 Brand Names in Taiwan” in celebration of the centennial for the founding of the Republic of China, as the sole one among the real estate agent services.</li> <li>• The Company was honorably awarded by 《CommonWealth Magazine》 the “Best Corporate Citizen”, as No. 5 among the huge enterprise category.</li> <li>• The Company was honorably awarded by the Industrial Development Bureau, Ministry of Economic Affairs “Among the Top 100 Innovative Enterprises”.</li> <li>• The Company was honorably awarded by the Ministry of Economic Affairs Outstanding Performance Award in “Innovative Enterprises Innovative Service Category”.</li> <li>• The Company was honorably awarded by the Industrial Development Bureau, Ministry of Economic Affairs “The Touching Story in Faithful Undertaking among Enterprises in Taiwan”.</li> <li>• The Company was honorably awarded by 《Department of Labor, Taipei City Government》 “Three-Star Award of Blessed Enterprise” as the sole one awarded among real estate agent services...</li> <li>• The Company was honorably awarded for the fourth time by 《Reader’s Digest》 “Trustworthy Brand Name”, “Platinum Award in Real Estate Brokerage Agency”.</li> <li>• Four shop heads of the Company were awarded by 《Taiwan Chain Stores and Franchise Association》 “Outstanding Shop Heads among All Shops of the Entire Country, XIV”, as the sole awardee among entire real estate agent services.</li> <li>• The Company was honorably awarded by 《Taiwan Institute for Sustainable Energy》 “Best Sustainable Performance Report 2011: for the large scale service cases.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• The Company was awarded by the Taiwan Stock Exchange Corporation (TSEC) “Award for Outstanding Performance in Disclosure of Social Responsibility Reports among Giants Listed on the Taiwan Stock Exchange and Over-the-Counter Securities Exchange”.</li> <li>• The Company was honorably awarded by Taiwan Corporate Governance Association for “CG6006 Advanced Level Certification”, with such honors in four years in a row (CG6003~CG6006).</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• The Company was honorably awarded by the Ministry of Economic Affairs for two years in a row “Best Innovative Contribution Award”, as the sole winner among entire real estate agent services.</li> <li>• The Company was honorably awarded by《CommonHealth Magazine》for eight years in a row, No. 1 among the entire real estate agent services.</li> <li>• The Company was honorably awarded by 《Business Next》 “A piece of landmark Enterprises in Digital Services in Session One”, as No. 1 among entire real estate agent services.</li> <li>• The Company was honorably awarded by 《Infotimes》 with three Golden Awards in “Golden Finger Network Award XII”, including “iPad House Review APP” to win “Network Application Programs ( Web App ) Commerce Award” and “Best Web App Program Award of the Year ( Web App ) ”, as well as “I Present Best Housing” Web amidst “Web Advertisement Golden Award” among other awards, including “iPad House Review APP” which the Cross-Industry Grand Award of the Year.</li> <li>• The Company was selected by 《Cheers Magazine》 among the Top 100 Best Admired Enterprises, as the sole winner among the entire real estate agent services.</li> <li>• The Company was selected by 《Management Magazine》 “Among the Fifteen Best Desired Employers in the Eyes of University Students.</li> </ul>
Year 2010	<ul style="list-style-type: none"> <li>• The Company was honorably awarded by 《Infotimes, PChome Online》 three Golden Awards of “Golden Finger Network Award XI”, including “Integrated Marketing Category – Architectural Decoration”, “Web Service Category -the Contents”, “Cell Phone Application Program Category -Best Content Award”.</li> <li>• The Company was honorably awarded by Workforce Development Agency, Ministry of Labor for three years in a row “TTQS Training Quality Evaluation System”,Golden Brand Level Enterprise Award.</li> <li>• The Company was honorably awarded by 《Department of Commerce, MOEA》 “Outstanding Brand Award in Commercial Services in Taiwan III”.</li> <li>• The Company was honorably awarded by 《 Environmental Protection Administration, Executive Yuan》 “Best Shop Award 2010”.</li> <li>• The Company was honorably awarded by Ministry of Economic Affairs “Outstanding Award of Industrial Technology Development”.</li> <li>• The Company was honorably awarded by 《Ministry of Culture》 “Warm Literature Award X”, with Golden Award and Best Talent Cultivation Award.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>• The Company was honorably awarded in four years in a row by 《CommonWealth Magazine》 “CommonWealth Citizen Award” as No. 1 among backbone enterprises.</li> <li>• The Company was honorably awarded by 《Cheers》 Magazine and 《Global Views Monthly》 【The Best Responsible Entrepreneur】 Top5, 【The Top 100 General Managers】 at Top 12.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• The Company was honorably awarded in two years in a row by 《Global Views Monthly》 “Five-Star Award in the Grand Survey on Corporate Social Responsibility” .</li> <li>• The Company was honorably awarded in seven years in a row by Next Magazine “The Prime No. 1 Service Award”, as No. 1 among entire real estate agent services.</li> <li>• The Subsidiary Zhejiang was awarded the name of the “Best Satisfactory Brand Name in Quality in Zhejiang” and the “Model Enterprise of Real Estate Agency Services in Hangzhou”.</li> <li>• Subsidiary Beijing Sinyi won the title of “Grade I Real Estate Agent Services in Beijing City 2009”.</li> <li>• Subsidiary Shanghai Sinyi won the title of “One-Star Level Trustworthy Enterprise”</li> </ul>
Year 2009	<ul style="list-style-type: none"> <li>• The Company was honorably awarded by Workforce Development Agency, Ministry of Labor in two years in a row “National Training Quality Scoring Card TTQS” Golden Brand Level Certification, and was conferred upon TTQS Landmark Enterprise Award.</li> <li>• The Company was honorably awarded by Council of Labor Affairs (currently known as Ministry of Labor) “Human Resources Innovation Award V”, as the sole enterprise having been awarded the honors twice..</li> <li>• The Company was honorably awarded by CommonHealth Magazine for six years in a row “Best Health Brand Name Survey” as No. 1 among real estate agent services.</li> </ul>
Year 2008	<ul style="list-style-type: none"> <li>• Sinyi Website was honorably awarded for Golden Finger Network Award IX with “Web Advertising Key Word Advertising Category–Gold”, “Other Categories–Copper Award”, “Enterprises &amp; Products Category–Real Estate–Silver Award”, “Activity &amp; Web Category Real Estate/Decoration Category–Silver Award, Copper Award, Best Award”; Media and Service Categories–Others–Best Award” among numerous other honors.</li> </ul>
Year 2007	<ul style="list-style-type: none"> <li>• The Company was honorably awarded by CommonWealth Magazine in thirteen years in a row “Top 100 Service Giants”; No. 1 among real estate agent services real estate brokerage (1995~2007)</li> <li>• The Company e-Digital Reception Service was honorably awarded by the Republic of China Information Month “Outstanding Information Application Product Award”.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>The Company Web was honorably awarded “Golden Finger Network Award VIII”, “Best Web of the Year Award”, “Website Real Estate/Decoration Category/Golden Finger Award, Silver Finger Award, Best Award”, “Web Advertising Category – Others” among lots of other honors.</li> </ul>
Year 2006	<ul style="list-style-type: none"> <li>Online House Review, peripheral information search and such characteristics information services. The Company Website was awarded by Department of Commerce, Ministry of Economic Affairs and Institute for Information Industry as the sole one of the entire country awarded e21 Golden Web Award.</li> <li>The Company was honorably awarded by CHEERS Happy Worker Magazine the Best Employer. Among 42 keen candidates competing for the Best Employer Award, the Company along with five others significantly stood out, as the representative landmark to best encourage talented human resources and to cultivate happy employee momentum.</li> <li>The Company was honorably awarded by ASiAMONEY Magazine “The Best Management Enterprise in Taiwan 2005”.</li> <li>The Company became highly approved in the performance in Chinese markets, and was conferred by The State Council, The People’s Republic of China “the First Runner-up among 100 Brokers in China.</li> <li>The Company was honorably awarded jointly by Shanghai Trademark Association, Shanghai Real Estate Trade Association (SRETA) and Shanghai Consumer Council “Best Concerned Brand Name in Shanghai”.</li> </ul>
Year 2005	<ul style="list-style-type: none"> <li>The Company was evaluated as the extraordinary performance by Department of Commerce, MOEA in concert with Taiwan Chain Franchise Association Headquarters.</li> <li>The Company was honorably awarded Outstanding Service Award by Commonwealth Magazine “2005 while Commonwealth Magazine evaluated all enterprises about innovative services. The Company won such honors with” Readily Available House Escrow in Full Mark Services”.</li> <li>The Company was honorably awarded by Executive Yuan (the Cabinet) in the National Quality Award in Session XVI, in the customer satisfaction level survey, where the Company was rated as high above par enterprises, with “full-rate system” to strive for full-mark services, as the sole winner for such honors after the financing industry.</li> <li>The Company was honorably awarded by Council of Labor Affairs in Human Resources Innovation Award in Session One, as the sole one of the national level for the human resources development, as the supreme honors in the human resources world.</li> <li>The Company was ranked No. 1 in the real estate agent services with “Strategic Service Award” pursuant to the grand survey conducted by the Global Views Monthly over 87 service giants.</li> <li>The Company provided 360-degree interacting house viewing services and won the “Best Enterprise Award” and “Best Web Technology Application Award” of Golden Finger Network Award VII jointly conferred upon by the China Times and PC Home.</li> </ul>

Year	Event
	<ul style="list-style-type: none"> <li>The Company received renewed approval for performance in Chinese markets, and was awarded “2004~2005 Best Franchise Brand name in China”.</li> </ul>
Year 2003	<ul style="list-style-type: none"> <li>In the 【e-21 Golden Net Award】 jointly sponsored by the Department of Commerce, Ministry of Economic Affairs and Institute for Information Industry, the Company won the Outstanding Award, as the sole winner among the entire real estate agent companies.</li> </ul>
Year 2001	<ul style="list-style-type: none"> <li>In “e-Value Grand Survey over 100” conducted by eCommonWealth Magazine , the Company was the sole one selected among all real estate agent companies.</li> </ul>
Year 1998	<ul style="list-style-type: none"> <li>The Company was honorably awarded in two years in a row by CommonWealth Magazine as a piece of landmark enterprise for the enterprise goodwill survey.</li> </ul>
Year 1996	<ul style="list-style-type: none"> <li>“Real Estate Guide Book” produced by the Company was awarded as the Outstanding Quality Program VII for the remarkable production procedures.</li> </ul>
Year 1995	<ul style="list-style-type: none"> <li>The Company was honorably awarded by CommonWealth Magazine the Supreme Honor of No. 1 in the brokerage service category in the “Survey over Top 1000 manufacturers and Top 500 Service Houses”.</li> </ul>
Year 1989	<ul style="list-style-type: none"> <li>The Company was rated No. 1 in the “Scoring Survey in Marketing Power of the Top Nine Lines” conducted by Harvard Management Services, Inc.</li> </ul>

IV. Merger and acquisition activities and strategic investments in affiliated enterprises with respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report:

1. Merger and acquisition activities: Nil.
2. Strategic investments in affiliated enterprises: Please refer to Chapter 9 for more information.

V. Corporate reorganization with respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report: Nil.

VI. Instances in which a major quantity of shares belonging to directors, supervisors, or shareholders holding greater than a 10 percent stake in the Company is transferred or otherwise changes hands or any change in managerial control with respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report: Nil.

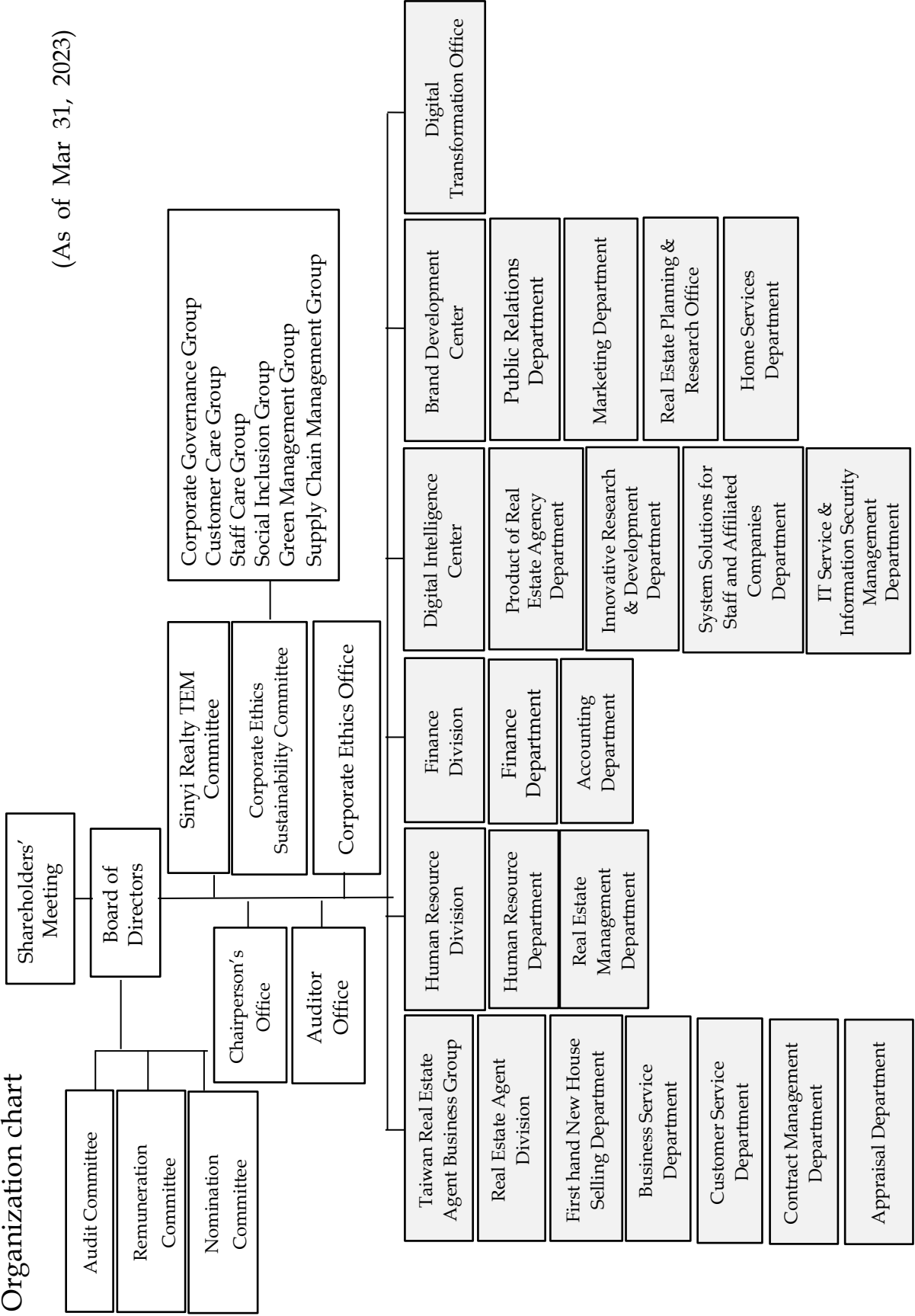
VII. Material change in operating methods or type of business with respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report: Nil.

VIII. Any other matters of material significance that could affect shareholders' equity with respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report: Nil.

I. Organization

(1) Organization chart

(As of Mar 31, 2023)



(II) Business operation of a variety of departments:

Departments	Contents of duties
Chairperson’s Office	Implement the major decisions resolved in the board of directors and guide the managers to enact major policymaking process. Coordination and integration of the resource and the teamwork in the group.
Auditor Office	Help the board of directors and the managers to inspect, review and evaluate the effectiveness of the internal control system, measure the effectiveness and efficiency of operations, and provide timely improvement suggestions so as to assure that the internal control system could be implemented in an effective way as the grounds for review and amendment of the internal control system.
Corporate Ethics Office	Assume the responsibility for putting into implementation thoroughly of “faithfulness, ethics” philosophy, setting up moral ethics norms and creating corporate moral culture.
Real Estate Agent Division	Coordinate the development of real estate agency business, plan the overall operation strategy, support and promote transformation projects, cultivate real estate agency business management talents, optimize service content to meet customer needs, and achieve organizational vision and short-term, medium-term, and long-term business plans.
First-hand New House Selling Department	Provide customers with domestic and first-hand sluggish sales and integrate its marketing channels with branch stores of Real Estate Agent Division through “Sinyi comprehensive real estate platform” to expand brokerage services.
Digital Transformation Office	Responsible for the strategic planning and promotion of digital transformation, through cross-unit resource coordination and collaboration, to ensure that the transformation plan is advanced to achieve the vision and goals.
Business Service Department	Support the operation promotion of Real Estate Agent Division, analyze and plan business execution projects, host organization and supervisor meetings, integrate and optimize internal communication, train branch secretaries to support district store work; assist branch stores to conduct community activities, plan customer membership activities, and Community Help APP to promote operations; assist branch stores to digitize object images, and shoot and promote featured characters and events.
Customer Service Department	Assume the responsibility for customer consultation, customer services, enhancing customer satisfaction and solve legal issues or disputes with customers, if any. Also, maintain the client relationship.
Contract Management Department	Assume the responsibility for coordination and providing the guide for the cooperation between our land administration agents and each branch stores so as to assist in the services related to realty estate transfer and the property collateral mortgage.
Appraisal Department	Assume the responsibility for the Company's entrusted case before the sale of the



Departments		Contents of duties
		property right review and the implementation of the Company's various transaction security related control point control, the production of real estate brochures, and provide brokers to explain to customers during sales.
Human Resources Division	Human Resources Department	Assume the responsibility for development on human resources and personnel management into sound development and management of fringe benefit systems for employees and planning and implementation of employee physical and mental health management and launch solicitation and educational & training programs for employees, as well as the administrative and general affairs, large-scale unified procurement services with assistance in branches to open and relocate stores and such general affairs.
	Real Estate Management Department	Assume the responsibility for management and leasehold of the premises of Sinyi Headquarters.
Division of Finance	Finance Department	Assume the responsibility for tracking and evaluating the business performance of the group, and assistance in the matters of Corporate Governance.
	Accounting Department	Assume the responsibility for funding management, financing planning, cashier affairs, dealing with financial product and hedge. Assume the responsibility for accounting , tax matters, budgeting, analysis and tracking.
	Real Estate Agent Product Department	Assume the responsibility for the promotion of Real Estate Agent Division in Taiwan and the effectiveness of branch operations, as well as product development and maintenance of external customer service applications. Supplemented by data insight and intelligent technology, digital channels are operated to strengthen potential customer diversion; and cross-platform digital tools are integrated to connect offline physical services to enhance business service value and market competitiveness.
Digital Intelligence Center	Innovation R&D Department	Assume the responsibility for integrating the group's innovative R&D resources, conducting customer and data integration research, developing innovative AI and data service products, constructing information core engineering structures, deepening the training of digital talents, and accelerating the group's digital development.
	Affiliated Enterprise Staff Service Department	Assume the responsibility for the design, development, and maintenance of the information system of the group's affiliated enterprises and staff units, assisting in the improvement of information capabilities, accelerating digital development, and integrating staff resources to provide group innovation services.
	IT Services and	Assume the responsibility for the planning and implementation of the group's

Departments	Contents of duties
Information Security Management Department	information security policy, the establishment and maintenance of the information basic platform, the software and hardware procurement and management, and the handling and advice of staff service issues, to create a safe, stable and efficient information infrastructure and services to support the development of the group.
Public Relations Department	Assume the responsibility for promotion of public benefits related programs.
Marketing Department	Map out a variety of operating & marketing plans for the long-term and short-term goals ,develop the brand's internal and external communication issues, set up a variety of policies and measures to satisfy customers.
Real Estate Planning & Research Office	Carry out analyses on real estate markets and businesses, provide business management decision-making and real estate agent business service reference information and launch interchanges with business, academic celebrities in interactions.
Brand Development Division	Create a residential ecosystem service with a new digital business model, and strictly select excellent partners with ISO9001 quality certification to provide consumers with "safe, caring, professional, and convenient" home life services which include various cleaning, moving services, interior design and home repairs, etc., focusing on the related fields of "home" as the core, collaboratively developing Sinyi's "sustainable good life" blueprint.

## II. Directors and Management Team:

### (1) Information on Directors

Title	Nationality or the venue of registry	Name	Sex	Age		Date of on Board (mm/dd/yy)	Term (mm/dd/yy)	Date of on Board for the first time (mm/dd/yy)	Shareholding When on Board		Shareholding for the Time Being		Shareholding of the Spouse, Underage Children for the Time Being		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in the Company and Other Companies at present	Other Managers, Directors or Supervisors that Have Spoused Relationship or are within the Second Degree of Kinship with the Concerned Director/Supervisor				
				31 to 50	Over 50				Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation		
		Sinyi Co., Ltd. (Note 2)	-	-	-				210,238,285	28.53%	210,238,285	28.53%	-	-	-	-	-	-	-	-	-	-	-
Chairperson	Taiwan, R.O.C.	Representative: Liu Yuan-Chih	male	✓	05/19/2022	05/18/2025	04/03/1998	-	-	-	-	10,525	-	-	-	-	Director of the Company's affiliated enterprise(Note 4)	-	-	-	-	-	-
Vice Chairperson	Taiwan, R.O.C.	Chou Kem-Yu	male	✓	05/19/2022	05/18/2025	05/19/2022	-	20,307,354	2.76%	20,307,354	2.76%	-	-	-	-	Chief Transformation Officer of the Company Head of the Company's Digital Intelligence Center Chairperson or director of the Company's affiliated enterprise(Note 4)	Director	Chou Chun-Chi	Father and Son	-	-	
Director	Taiwan, R.O.C.	Chou Chun-Chi	male	✓	05/19/2022	05/18/2025	01/21/1987	9,378,622	1.27%	9,378,622	1.27%	3,613,239	0.49%	-	-	-	Chairperson or director of the Company's affiliated enterprises (Note 4) Managing Director of Commerce Development Research Institute Director of Prospect Hospitality Co., Ltd. Director of Chinese Television System Corp. Chairperson of Sinyi Culture Foundation Director of Taiwan Regional Revitalization foundation	Vice Chairperson	Chou Kem-Yu	Father and Son	-	-	
Independent Director	Taiwan, R.O.C.	Jhan Hong-Chih	male	✓	05/19/2022	05/18/2025	05/20/2016	-	-	-	-	-	-	-	-	-	Chairperson of PChome online Inc. Chairperson of PChome InterPay Inc. Chairperson of PChome Store Inc. Chairperson of PChome eBay Co., Ltd. Chairperson of Linktel Inc. Independent Director of Asmedia Technology Inc. Independent Director of Lion Travel Service Co., Ltd. Chairperson of Rakuya International Info. Co., Ltd. Chairperson of Shang Shan Human Culture Foundation	-	-	-	-	-	
Independent Director	Taiwan, R.O.C.	Yen Lou-Yu	male	✓	05/19/2022	05/18/2025	05/26/2017	-	-	-	-	-	-	-	-	-	Chairperson of Entrepreneurs Co-Creation Platform Independent Director of Qisla Corp. Director of Alibaba Entrepreneurs Fund (Taiwan) Director of Taiwan Regional Revitalization Foundation Director of the Reporter Foundation Director of the Vision Project Foundation	-	-	-	-	-	-

March 31, 2023

Title	Nationality or the venue of registry	Name	Sex	Age		Date of on Board (mm/dd/yy)	Term (mm/dd/yy)	Date of on Board for the First Time (mm/dd/yy)	Shareholding When on Board		Shareholding for the Time Being		Shareholding of the Spouse, Undeage Children for the Time Being		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in the Company and Other Companies at present	Other Managers, Directors or Supervisors that Have Spousal Relationship or are within the Second Degree of Kinship with the Concerned Director/Supervisor			
				31 to 50	51 to 70				Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation	
Independent Director	Taiwan, R.O.C.	Lee Yi-Li	female	✓		05/19/2022	05/18/2025	05/24/2019										Senior Vice President of Standard Chartered Bank (Taiwan) Limited, Global Enterprise Division Vice President of Credit Agricole Corporate and Investment Bank Manager of Citi Taiwan Ltd. Master of Business Administration Rutgers University President Class at Harvard Business School	Vice Chairperson of Myovafa Co. Ltd Chairperson of PhytoHealth Corp. Chairperson and CEO of AmCad BioMed Corp. Chairperson of BroadSound Corp. Director of Myovafa Cosmetics (Shanghai) Ltd. Director of Taiwan Incubator SME Development Corporation Director of Lutina Corporation Supervisor of The Taiwan Bio Industry Organization			
Independent Director	Taiwan, R.O.C.	Wu Chih-Wei	male	✓		05/19/2022	05/18/2025	05/19/2022										CEO of Credit Suisse (Taiwan) Executive chairperson of Standard Chartered Bank Taiwan General manager of Hsinchu International Bank Minister of Business Administration, California State University	Chairperson of Chih-Wei Investment Co. Ltd Director of Longchen Paper & Packaging Co., Ltd. Director of Hematech Biotechnology Inc. Independent Director of Imolox Corp. Independent Director of Jiatay Real Estate Development Co., Ltd. Independent Director of Lesephants Co. Ltd. Supervisor of Taiwan Farm Industry Co., Ltd. Independent Director of Preferred Bank			

Note 1: During the aforementioned period, the Company's directors have never served with the Certified Public Accountant Office in charge of the Company's audit or affiliated enterprises thereof.  
Note 2: Directors as representatives of juristic-person shareholders: For more details regarding major shareholders of the juristic-person shareholders and major shareholders of the juristic-person shareholders as juristic-persons, please refer to the ensuing page (II), descriptions under the list of major shareholders.  
Note 3: The chairperson of the board of directors and the general manager or the person of an equivalent post (the highest level manager) of the Company is not the same person, spouses, or relatives within the first degree of kinship.  
Note 4: Please refer to the relevant information and data of the affiliated enterprises (page 8-10-8-21).  
Note 5: On May 19, 2022, the general meeting of shareholders re-elected all directors, Sinyi Co., Ltd., Mr. Chou Chun-Chi were newly appointed as new directors; Mr. Yen Lou-Yu, Ms. Lee Yi-Li and Mr. Wu Chih-Wei were newly appointed independent directors.

(II) Name list of major shareholders

1. Where the directors were juristic-person shareholders, the shareholding ratio held by such juristic-person shareholders to the top ten shareholders, the names and percentages

March 31, 2023

Names of the Juristic-person Shareholders	Major Shareholders of Juristic-person Shareholders	Shareholding Ratio
Sinyi Co., Ltd.	Yu Heng Co., Ltd.	100.00%

2. Where the major shareholders of juristic-person shareholders among those on the aforementioned list, the shareholding ratio held by such juristic-person shareholders to the top ten shareholders, the names and percentages

March 31, 2023

Names of the Juristic - Person	Major Shareholders of the Juristic-Person	Shareholding Ratio
Yu Heng Co., Ltd.	Chou Chun-Chi	70.06%
	Chou Ken-Yu	9.99%
	Chou Chun-Hao	9.99%
	Chou Chun-Heng	9.96%
	Chou Wang Mei-Wen	0.00%

(III) Disclosure of the professional qualifications of directors and the independence of independent directors

March 31, 2023

Name	Terms	Professional qualifications and experience (Note 1)	Independence Information (Note 2)	Number of the Other Public Companies in Which the Concerned Director Acts Concurrently as an Independent Director
Representative of Sinyi Co., Ltd.: Liu Yuan-Chih		(1) He used to be the deputy general manager of the company's home services department, the general manager of related companies, and the general manager of the company. He was responsible for formulating various business plans and inter-departmental coordination and integration according to market conditions and competition conditions. (2) There are none of the situations in Article 30 of the Company Act.	NA	-
Chou Ken-Yu		(1) He had served as the business staff of the Company's real estate brokage business, the project manager of the Human Resources Department, the senior manager of the Data Application Development Department, the senior manager of Real Estate Agent Division, and currently served as of the Company's chief transformation officer and the head of the Digital Intelligence Center, mainly responsible for the implementation of the Company's digital transformation. (2) There are none of the situations in Article 30 of the Company Act.	NA	-

Chou Chun-Chi	<p>(1) He, the founder of the Group, led the Company to gradually develop into Sinyi Enterprise Group by expanding its business and business territory. He continues to assist in giving professional advice to the overall development and layout of the Group.</p> <p>(2) There are none of the situations in Article 30 of the Company Act.</p>	NA	-
Jhan Hong-Chih	<p>(1) Being the member of the Company's Audit Committee, he graduated from Dept. of Economic, National Taiwan University. In addition to being a famous Taiwanese writer, editor and publisher, he is also the founder of PChome Online &amp; Publishing Group and Cite publishing Group and the president of PChome Online Inc., leading PChome Online Inc. to become the leading integrated network service provider group in Taiwan, which provide online services such as e-commerce, online financial services and portals.</p> <p>(2) There are none of the situations in Article 30 of the Company Act.</p>	<p>The Company, when appointing independent directors, fills out a qualification checklist item by item to review their professional qualifications and related work experience. All independent directors meet the independence standards of Article 3 of the "Regulations Governing the Appointment and Compliance Matters of Independent Directors of Public Companies" both two years before their appointment and during their tenure:</p> <ol style="list-style-type: none"> <li>1. None of themselves, their spouse or relatives within the second degree have served as directors, supervisors, or employees of the company or its affiliates.</li> </ol>	2
Yen Lou-Yu	<p>(1) Being the member of the Company's Audit Committee, he had served as a partner of Deloitte &amp; Touche, the general manager of Athur Anderson Management Consulting, the partner of Deloitte China Client and Marketing, and the general manager of Huahong Venture Capital Group. He is a Certified Public Accountant in the State of Illinois and the Republic of China. He is expert at corporate strategy, corporate operations framework planning, electronic solution design and introduction, and corporate organizational restructuring and change promotion.</p> <p>(2) There are none of the situations in Article 30 of the Company Act.</p>	<ol style="list-style-type: none"> <li>2. None of themselves, their spouse or relatives within the second degree hold ordinary shares of the Company, nor holding in the name of another person.</li> <li>3. None have served as directors, supervisors, or employees under items 5 to 8 of paragraph 1 of Article 3 of the "Regulations Governing the Appointment and Compliance Matters of Independent Directors of Public Companies".</li> <li>4. In the past two years, none have received compensation amounts for providing business, legal, financial, accounting, or other services to the Company or its affiliates.</li> </ol>	1

Lee Yi-Li	<p>(1) Being the member of the Company's Audit Committee and graduated from National Taiwan University as bachelor degree in Finance and the Master of Business Administration of Rutgers University, she has many years of rigorous risk management experience in foreign banks and has business operation practices, helping the Company to be more diversified and innovative and young thinking.</p> <p>(2) There are none of the situations in Article 30 of the Company Act.</p>		-
Wu Chih-Wei	<p>(1) Being the member of the Company's Audit Committee and, served as the CEO of Credit Suisse (Taiwan), the executive chairperson of Standard Chartered Bank Taiwan and the general manager of Hsinchu International Bank for many years, and served as an independent director of Cathay Real Estate Development Co., Ltd. He has many years of financial management and operation practice, and also has supervision experience in real estate development, and can provide board supervision and professional advice.</p> <p>(2) There are none of the situations in Article 30 of the Company Act.</p>		3

Note1 : Professional qualifications and experience: state the professional qualifications and experience of individual directors. If they are members of the audit committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated, and whether there is no any violations of the paragraphs of Article 30 of the Companies Act.

Note2 : Independent directors shall state their independence, including but not limited to whether they, their spouse, or relatives within the second degree are the directors, supervisors or employees of the Company or its affiliated companies; The number and proportion of the Company's shares held in the name of another person; whether to serve as a director, supervisor or employees of a company that has a specific relationship with the Company (refer to the provisions of Article 3, Subparagraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment of Independent Directors and Matters to be Obeyed by Public Offering Companies). In addition, the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years should be disclosed as well.

For the board diversity policy, please refer to pages 3-58 to 3-61.

For the independence situation of the board:

The current (14th) Board of Directors of the Company is composed of 7 directors, all of whom have rich experience and professionalism in the fields of law, finance, accounting, digital technology information, marketing, industry, and business management. Among the 7 directors, 4 are independent directors, accounting for 57% of the total director seats, exceeding half of the total directors. Among all the directors (7) of the Company, there are 2 who have spousal and second-degree or closer kinship relationships (Director Mr. Chou Chun-Chi and Vice Chairperson Mr. Chou Ken-Yu, who have a father-son relationship between them), so the Company complies with the provisions of Article 26-3, Paragraph 3 and Page 4 of the "Securities and Exchange Act". Based on the rich experience and professional background of the directors in various fields, and through the guidance and supervision of external independent directors who hold more than half of the total director seats from an objective perspective, the Company is committed to continuously ensuring the independence of the board of directors and effectively enhancing corporate governance efficiency.

## (IV) Information on General Manager, Vice General Managers, Senior Managers and the Mangers of Each Department and Branch

March 31, 2023

Title	Nationality	Name	Gender	Date of on Board (mm/yy/dd)	Shareholding		Shareholding of the Spouse and Underage Children		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in Other Companies at Present	Other Managers that Have Spousal Relationship or are Degree of Kinship with the Concerned Person	
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name
General Manager	Taiwan, R.O.C.	Chen Li-Hsin (Note 3)	female	06/21/2022	511,446	0.07%	-	-	-	-	Vice General Manager of Digital Intelligence Center Vice General Manager of Real Estate Agent Division of the Company Senior Manager of Management Information System (MIS) Department of the Company EMBA, Institute of Business Administration, National Chung Hsing University	(Note2)	-	-
Chief Transformation Officer and head of Digital Intelligence Center, concurrently	Taiwan, R.O.C.	Chou Ken-Yu	male	01/01/2020	20,307,354	2.76%	-	-	-	-	Senior Manager of Data Application and Development Department of the Company Senior Manager of Real Estate Agent Division of the Company Master of Entertainment Technology Center, Carnegie Mellon University	(Note2)	Director	Chou Chun-Chi Father and son
Ethics Director and Chief Human Resources Officer, concurrently	Taiwan, R.O.C.	Yang Pai-Chuan	male	08/01/2014	79,170	0.01%	-	-	-	-	Associate Professor, Dept. of Business Administration, Fu Jen Catholic University PhD, College of Management, Fu Jen Catholic University	Nil	-	-
Vice General Manager of General Manager's Office	Taiwan, R.O.C.	Chou Chuang-Yun	male	01/01/2010	365,566	0.05%	22,094	-	-	-	Strategy Chief of the company Senior manager, Marketing Department of the Company Master of College of Management, National Taiwan University	(Note2)	-	-
Auditor-General	Taiwan, R.O.C.	Chou Su-Hsiang	female	08/01/2014	812,981	0.11%	-	-	-	-	CFO of the Company EMBA, Business Administration- Advanced Finance Class, National Chengchi University Bachelor of Dept. of Land Economics, National Chengchi University	Nil	-	-
Chief Financial Officer	Taiwan, R.O.C.	Chen Chih-Huan (Note 4)	male	06/21/2022	47,762	0.01%	-	-	-	-	Senior Manager of Finance Department and Head of Corporate Governance Manager of Audit Dept., Deloitte Touche Tohmatsu Limited Master of Dept. of Accounting, Soochow University	(Note2)	-	-
Vice General Manager of Public Affairs Department	Taiwan, R.O.C.	Lin Jun-An	male	11/01/2018	-	-	-	-	-	-	Vice General Manager of Apple Daily Publication Development Limited Bachelor of Science of Mechanical and Material, Far East University	Nil	-	-
Vice General Manager of Brand Development Division	Taiwan, R.O.C.	Su Shou-Jen (Note 5)	male	04/01/2018	196,302	0.03%	583,094	0.08%	-	-	Vice General Manager of First-hand New House Selling Department of the Company Vice General Manager of Real Estate Agent Division of the Company Bachelor of Dept. of Mathematics, Tamkang University	(Note2)	-	-
Vice General Manager	Taiwan, R.O.C.	Hsin Hung-	male	07/01/2016	529	-	16,773	-	-	-	General manager of Shanghai Sinyi Real Estate Inc., the	Nil	-	-



Title	Nationality	Name	Gender	Date of on Board (mm/yy/dd)	Shareholding		Shareholding of the Spouse and Underage Children		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in Other Companies at Present	Other Managers that Have Spousal Relationship or are within the Second Degree of Kinship with the Concerned Person			
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation	
of Real Estate Agent Division	R.O.C.	Chun														
Vice General Manager of Real Estate Agent Division	Taiwan, R.O.C.	Feng Chi-Yi	male	01/01/2010	2,088	-	-	-	-	-	Company's subsidiary 5-year junior college of Electronic Data Processing, Tamsui Oxford University College	Nil	-	-	-	
Vice General Manager of First-hand New House Selling Department	Taiwan, R.O.C.	Lee Shao-Kang	male	01/01/2011	12,373	-	186,996	0.03%	-	-	General manager of Beijing Sinyi Real Estate Ltd., the Company's subsidiary EMBA, Institute of Automation Technology and Management, National Taipei University of Technology	Nil	-	-	-	
Senior Manager of Human Resource Department	Taiwan, R.O.C.	Feng Chang-Chun (Note 4)	male	01/01/2023	-	-	-	-	-	-	Vice General Manager of Real Estate Agent Division of the Company	Nil	-	-	-	
Senior Manager of Customer Service Department	Taiwan, R.O.C.	Liu Wei-Te	male	03/01/2012	460	-	-	-	-	-	EMBA, Graduate School of Business Administration, National Taiwan University of Science and Technology	Nil	-	-	-	
Senior Manager of Accounting Department	Taiwan, R.O.C.	Wu Hsiao-Chen (Note 4)	female	07/26/2022	17,437	-	-	-	-	-	Senior Manager of Human Development Department of Tsann Kuen Enterprise Co., Ltd.	(Note2)	-	-	-	
Senior Manager of Business Service Department	Taiwan, R.O.C.	Chang Ching-Chih	female	01/01/2014	89,713	0.01%	-	-	-	-	Master, Dept. of Hospitality Management, Michigan State University	Nil	-	-	-	
Senior Manager of Human Resource Division	Taiwan, R.O.C.	Chang Shu (Note 6)	male	02/01/2018	-	-	262,899	0.04%	-	-	Attorney, Huang & Partners Law Firm	(Note2)	-	-	-	
Senior Manager of Real Estate Planning & Research Office	Taiwan, R.O.C.	Su Chi-Rong	male	01/01/2017	24,938	-	-	-	-	-	Bachelor of Dept. of Law, National Taiwan University	Nil	-	-	-	
Senior Manager of Digital Intelligence Center	Taiwan, R.O.C.	Lin Lung-Cheng	male	02/15/2023	1,000	-	-	-	-	-	Accounting Manager of the company	Nil	-	-	-	
Senior Manager of Digital Intelligence Center	Taiwan, R.O.C.	Chiang Yuan-Chi (Note 5)	male	10/01/2006	249,958	0.03%	-	-	-	-	Bachelor of Dept. of International Trade, Tamkang University	Nil	-	-	-	
Senior Manager of IT Services and Information Security Management Department	Taiwan, R.O.C.	Hsu Chien-Hao	male	01/01/2020	-	-	-	-	-	-	Bachelor of Dept. of Business Administration, China College of Technology	Nil	-	-	-	

Title	Nationality	Name	Gender	Date of on Board (mm/yy/dd)	Shareholding		Shareholding of the Spouse and Underage Children		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in Other Companies at Present	Other Managers that Have Spousal Relationship or are within the Second Degree of Kinship with the Concerned Person		
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation
Senior Manager of Affiliated Enterprise & Staff Service Department	Taiwan, R.O.C.	Tso Hsin-Chiang	male	01/01/2020	1,000	-	-	-	-	-	System Analyst of Eversun Science and Technology Limited Master of Dept. of Information Management, Yuan Ze University	Nil	-	-	-
Senior Manager of Marketing Department	Taiwan, R.O.C.	Liu Ta-Cheng	male	01/30/2020	-	-	-	-	-	-	Founder of Yuanyuan Interactive Co., Ltd. EMBA, National Yang Ming Chiao Tung University Master of Dept. Information Communication, Yuan Ze University	Nil	-	-	-
Executive manager of Innovation R&D Department	Taiwan, R.O.C.	Shih Min-Yao	male	10/01/2021	3,000	-	-	-	-	-	Product Manager of SYSTEX Corporation Master of Dept. of Bioinformatics, Asia University	Nil	-	-	-
Executive manager of Real Estate Agent Product Department	Taiwan, R.O.C.	Wen Chia-Cheng	male	10/01/2021	-	-	-	-	-	-	Manager of CTBC Bank Co., Ltd. Master of Dept. of Information Management, Tatung University	Nil	-	-	-
Senior Manager of Appraisal Department	Taiwan, R.O.C.	Chiu Chien-Hui (Note 4)	female	09/01/2022	82,958	0.01%	-	-	-	-	Senior Manager of Sinyi Real Estate Consulting Co., Ltd. Chief Director of Sinyi Real Estate Appraisers United Firm Vice President of The Real Estate Appraisers of Taipei City Master of Dept. Land Economics, National Chengchi University	Nil	-	-	-
Senior Manager of Contract Management Department	Taiwan, R.O.C.	Chang, Ai-Ling (Note 4)	female	10/01/2022	-	-	-	-	-	-	Director of Sinyi Land Registry Office Bachelor of Dept. Land Economics, National Chengchi University	Nil	-	-	-
Senior Manager of Transformation Office	Taiwan, R.O.C.	Tsai, Cheng-Liang (Note 4)	male	05/01/2022	-	-	25,508	-	-	-	Senior Manager of Sinyi Realty Malaysia HR Assistant Project Manager of Prudential Life Insurance of Taiwan Master of Department of Statistics, National Cheng Kung University	Nil	-	-	-
Senior Manager of Business Service Department	Taiwan, R.O.C.	Chen Shih-Ciang (Note 6)	male	02/01/2016	20,267	-	-	-	-	-	Senior Manager of Real Estate Agent Division of the Company Bachelor of Dept. of Architecture, National Cheng Kung University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Hung Cheng-Lung (Note 6)	male	01/01/2021	-	-	-	-	-	-	Senior Manager of Real Estate Agent Division of the Company Bachelor of Dept. of Architecture, National Cheng Kung University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Lin Wu-Hstung	male	10/01/2005	11,988	-	927	-	-	-	Bachelor of Dept. of Microbiology, Soochow University	Nil	-	-	-
Senior Manager of Transformation Office	Taiwan, R.O.C.	Chen Yu-Li	male	03/06/2017	6,000	-	5,100	-	-	-	Senior Manager of Real Estate Agent Division of the Company Bachelor of Department of Environmental Engineering	Nil	-	-	-

Title	Nationality	Name	Gender	Date of on Board (mm/yy/dd)	Shareholding		Shareholding of the Spouse and Underage Children		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in Other Companies at Present	Other Managers that Have Spousal Relationship or are Degree of Kinship with the Concerned Person		
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Lee Ming-Shan	male	10/01/2017	1,000	-	-	-	-	-	Senior Manager of Real Estate Agent Division of the Company	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chen Shih-Yao	male	04/01/2012	-	-	7,139	-	-	-	Bachelor of Department of Spanish, TamKang University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Wang Hui-Ping	male	01/01/2008	116,000	0.02%	-	-	-	-	EMBA, National Chengchi University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chang Teng-Lai	male	04/01/2008	107,690	0.01%	-	-	-	-	5-year junior college of Industrial Engineering and Management, Minghsin Junior College of Institute Technology (present name: Minghsin University of Science and Technology)	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chou Chun-Jung	male	10/01/2006	129,860	0.02%	27,312	-	-	-	Bachelor of Dept. of Industrial Engineering, Tunghai University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Liu Yu-Rong	male	05/07/2019	91,991	0.01%	43,695	0.01%	-	-	Vice General Manager of Yowoo Technology EMBA, National Chengchi University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Su Shang-Yao	male	09/01/2010	1,016	-	-	-	-	-	Bachelor of Dept. of Business Administration, Fu Jen Catholic University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chen Chin-Tang	male	07/01/2011	21,595	-	-	-	-	-	Bachelor of Dept. of Cooperative Economics, Feng Chia University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chang Chia-Jung	male	01/01/2012	46,711	0.01%	262	-	-	-	Bachelor of Dept. of Civil Engineering, National Chiayi University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chang Wei-Hsiang	male	01/01/2012	61,988	0.01%	-	-	-	-	Master of graduate institute of technology management, National Taiwan University of Science and Technology	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Hung Chien-Huan	male	10/01/2012	-	-	8,386	-	-	-	General manager of Beijing Sinyi Real Estate Ltd. 5-year junior college of Newspaper Administration, Shih Hsin College of Journalism	(Note2)	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Yu Ho-An	male	04/01/2014	93,723	0.01%	65,985	0.01%	-	-	5-year junior college of Textile, Nan Ya College of Industry	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Liu Tung-Yuan	male	08/01/2014	1,147	-	14,558	-	-	-	Bachelor of Dept. of Environmental Engineering and Science, Feng Chia University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Ye Zong-Fu	male	02/01/2016	62,005	0.01%	-	-	-	-	Bachelor of Dept. of Leisure and Tourism Management, Shu-Te University	Nil	-	-	-

Title	Nationality	Name	Gender	Date of on Board (mm/yy/dd)	Shareholding		Shareholding of the Spouse and Underage Children		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in Other Companies at Present	Other Managers that Have Spousal Relationship or are within the Second Degree of Kinship with the Concerned Person		
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chang Jun-Da	male	01/01/2017	3,976	-	-	-	-	-	Bachelor of Department of Business Administration, Ming Chuan University.	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Ho In-Yu	male	06/16/2017	440,000	0.06%	4,824	-	-	-	First-hand New House Selling Department Senior Manager Bachelor of Department of Land Economic, National Chung Hsing University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Hsu Ling-Ling (Note 6)	female	04/01/2018	4,664	-	-	-	-	-	Senior Manager of Real Estate Agent Division of the Company EMBA, National Taiwan University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chen Chien-Yu	male	04/01/2018	-	-	-	-	-	-	Bachelor of Department of Industrial Engineering and Management, Da Yeh University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Wu Kuo-Chun	male	08/01/2018	-	-	-	-	-	-	Bachelor of Department of Fashion Design, Shih Chien University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Lin Kwn-Hung	male	01/01/2019	-	-	7,000	-	-	-	Bachelor of Department of Accounting, Ming Chuan University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Fang Hao-Chuan	male	01/01/2019	-	-	-	-	-	-	Master of Marketing and Logistics, Southern Taiwan University of Science and Technology	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Kuo Li-Wei	male	06/01/2019	389	-	-	-	-	-	Bachelor of Department of Agronomy, National Chung Hsing University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Wei Shi-Fang	male	07/01/2019	-	-	-	-	-	-	EMBA, National Chung Hsing University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Wang Sheng-Xian	male	04/01/2018	-	-	-	-	-	-	Master of Institute of Creative Industries Design, National Cheng Kung University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Hsu Shun-Chi	male	01/01/2020	4,000	-	-	-	-	-	Bachelor of Department of Business Administration, National Chung Cheng University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chiu Chia-Ling	female	01/01/2021	-	-	-	-	-	-	Bachelor of Department of International Business, I-shou University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chen Hung-Ming	male	01/01/2021	-	-	524	-	-	-	Master of Department of Urban Planning, National Cheng Kung University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Cheng Bao-Tsung	male	01/01/2021	-	-	2,000	-	-	-	Bachelor of Department of Information Science, Chinese Culture University	Nil	-	-	-

Title	Nationality	Name	Gender	Date of on Board (mm/yy/dd)	Shareholding		Shareholding of the Spouse and Underage Children		Shareholding Held in the Name of a Third Party		Main Experience/Educational Background (Note 1)	Concurrent Positions in Other Companies at Present	Other Managers that Have Spousal Relationship or are within the Second Degree of Kinship with the Concerned Person		
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relation
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Wang Hsien-Cheng	male	01/01/2021	28,210	-	-	-	-	-	Master of Dept. Information Communication, Yuan Ze University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Lu Han-Pao	male	07/01/2021	66,846	0.01%	-	-	-	-	5-year junior college of Dept. of Engineering, Tunghan Junior College of Institute Technology (present name: Tunghan University)	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chen Yu-Hsiao (Note 6)	female	01/01/2022	-	-	-	-	-	-	Senior Manager of Living Development Department Bachelor of Dept. of Economic, National Taipei University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Lin Chia-Cheng	male	01/01/2022	-	-	166,978	0.02%	-	-	Bachelor of Department of Industrial Management, Chung Hua University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chang Chia-Yang	male	01/01/2022	436,342	0.06%	16	-	-	-	Bachelor of Dept. of Electronic Engineering, Asia Eastern University of Science and Technology	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chan Chih-Wei	male	01/01/2022	-	-	-	-	-	-	Bachelor of Dept. of Medical technology, Chung Shan Medical University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Hung Chen-Yu	male	01/01/2022	-	-	-	-	-	-	Bachelor of Dept. of Horticulture, National Taiwan University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Lin Ching-Lung	male	01/01/2022	-	-	-	-	-	-	Bachelor of Dept. of Information Management, National Yunlin University of Science and Technology	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chou Ching-Yuan	male	01/01/2022	-	-	-	-	-	-	Bachelor of Dept. of Safety Health and Environmental Engineering, Chung Hwa University of Medical Technology	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Yang Ching-Yuan (Note 4)	male	07/01/2022	2,930	-	-	-	-	-	Bachelor of Dept. Physics, National Sun Yat-sen University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Chiu Hsiang-Kuo (Note 6)	female	08/01/2022	-	-	-	-	-	-	General Manager of Yi Shang Shanghai Real Estate Management Consulting Inc. (Original name as Ke Wei Shanghai Real Estate Management Consulting Inc.), the Company's subsidiary Master of Antai College of Economics & Management, Shanghai Jiao Tong University	Nil	-	-	-
Senior Manager of Real Estate Agent Division	Taiwan, R.O.C.	Li Chia-Yu (Note 4)	female	01/01/2023	382	-	-	-	-	-	Bachelor of Dept. Journalism, Hsuan Chuang University	Nil	-	-	-

Note 1: The aforementioned personnel and the relevant experiences linked up with current positions, during the aforementioned period, they have never served with the Certified Public Accountant Office in charge of the Company's audit or affiliated enterprises thereof.

Note 2: Please refer to the relevant information and data of the affiliated enterprises (page8-10-8-21) regarding serving as the Company's directors or supervisors

Note 3: General Manager Mr. Liu Yuan-Chih was elected as the representative appointed by the chairman of the company, Sinyi Co., Ltd. on May 19, 2012, and Vice General Manager Ms. Chen Li-Hsin took over as the general manager of the company.

- Note 4: Mr. Chen Chih-Huan, was promoted to Chief Financial Officer in June, 2022. Mr. Tsai Cheng-Liang, was promoted to Senior Manager of Transformation Office in May, 2022. Mr. Yang Ching-Yuan was promoted to Senior Manager of Real Estate Agent Division in July, 2022. Ms. Wu Hsiao-Chen, was promoted to Senior Manager of Accounting Department in July, 2022. Ms. Chiu Chien-Hui, was promoted to Senior Manager of Appraisal Department in September, 2022. Ms. Chang Ai-Ling, was promoted to Senior Manager of Contract Management Department in October, 2022. Mr. Feng Chang-Chun, was promoted to Senior Manager of Human Resource Department in January, 2023. Ms. Li Chia-Yu, was promoted to Senior Manager of Real Estate Agent Division in January, 2023.
- Note 5: Mr. Su Shou-jen, Vice General Manager of Innovation& Integration Business Group, concurrently serves as the Head of Brand Development Center.
- Note 6: Ms. Chen Yu-Hsiao, Ms. Hsu Ling-Ling, Ms. Chiu Hsiang-Kuo and Mr. Hung Cheng-Lung, were transferred to Real Estate Agent Division; Mr. Chang Shu was transferred to Human Resource Division; Mr. Chen Shih-Ciang was transferred to Business Service Department.
- Note 7: Mr. Hsueh Chien-Ping, the former CEO of the Group's platform business, retired in 2022 and was dismissed; Mr. Su Chun-Pin, the former general manager of Innovation& Integration Business Group, Mr. Wang Chun-Yen, the former CFO all resigned in 2022 and were dismissed; Mr. Chen Cheng-Chao, the former senior manager of Home Services Department, resigned in 2022 and was dismissed and Mr. Su Shou-jen, the vice general manager of Brand Development Division, holds the position temporarily; Mr. Lin San-Chih, the former vice senior manager, discharged from the position of manager for the transferring to the Company's subsidiary. Mr. Su Yi-je, the former vice general manager of the Chairperson's Office, Ms. Chang Ya-Xi, the former executive manager of Digital Process Development Department, Ms. Huang Chiao-Yun, Mr. Chen Yu-Hsiao, and Mr. Chen Hsu-Chieh who were senior managers of Real Estate Agent Division all discharged from the positions of managers for their reassignment. Mr. Wang Mao-Sang, the former senior managers of Real Estate Agent Division, discharged from the position of manager for the transferring to the Company's subsidiary. Mr. Wang Chih-Nan, Mr. Liao Ching-Chou, Mr. Huang Mao-Shu, Mr. Wang Chih Wei, Mr. Hua Chih-Hsien, and Ms. Lin Chiu-Chin all discharged from the positions of managers for their reassignment.
- Note 8: The General Manager or the equivalent position title (top Level of Management) is not the same person as; spouse or blood relatives within the first degree of kinship to the chairperson of BOD.

(V) Remuneration Paid to Directors, General Manager and Managers in 2022

i. Remuneration for Directors and Independent Directors

Title	Name	Expressed in Thousands of New Taiwan Dollars						Whether Receiving Remuneration from any Companies Invested by the Company Other Than the Subsidiaries of the Company or Not				
		Remuneration for Directors			Remuneration Received by Concurrent Employees							
		Compensation (A)	Pension (B)	Remuneration (C) (Note 1)	Fees for Performance of Business (D) (Note 2)	The total amount of A, B, C and D Ratio(%) of the Aggregate Amount of A, B, C and D to the Net Income After Tax	Wages, Bonus and Special Disbursement, etc. (E) (Note 2 and 3)	Pension (F)	Employee Remuneration (G) (Note 4)	Number of Shares Granted under the Share Subscription Warrants for Employees (H)	Number of the Restricted Shares for Employees (I)	The total amount of A, B, C, D,E,F and G & Ratio (%) of the Aggregate Amount of A, B, C, D, E, F and G to the Net Income After Tax (Note 5)
		The Company	The Company	The Company	The Company	The Company	The Company	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company
Chairperson	Sinyi Co., Ltd.	-	-	2,077	-	2,077	-	-	-	-	-	2,077
	Representative of Sinyi Co., Ltd.: Liu Yuan-Chih	-	-	-	-	-	9,037	240	10	-	-	9,287
Vice Chairperson	Chou Ken-Yu	-	-	433	-	433	4,327	108	10	-	-	4,878
	Chou Chun-Chi	-	-	-	1,691	1,691	-	-	-	-	-	1,691
Independent Director	Jhan Hong-Chih	1,200	-	700	55	1,955	-	-	-	-	-	1,955
	Yen Lou-Yu	1,200	-	700	65	1,965	-	-	-	-	-	1,965
Independent Director	Lee Yi-Li	1,200	-	700	60	1,960	-	-	-	-	-	1,960
	Wu Chih-Wei	743	-	433	45	1,221	-	-	-	-	-	1,221
Independent Director	Sinyi Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-
	Representative of Sinyi Co., Ltd.: Hsueh Chien-Ping(Note 8)	-	-	-	-	-	4,944	153	-	-	-	5,097
Former Chairperson	Sinyi Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-
	Representative of Sinyi Co., Ltd.: Chou Ken-Yu(Note 8)	-	-	-	-	-	-	-	-	-	-	-
Former Director	Sinyi Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-
	Chou Ken-Yu	-	-	-	-	-	-	-	-	-	-	-

Title	Name	Remuneration for Directors				Remuneration Received by Concurrent Employees				The total amount of A, B, C and D		The total amount of A, B, C, D, E, F and G & Ratio (%) of the Aggregate Amount of A, B, C, D, E, F and G to the Net Income After Tax (Note 5)		Whether Receiving Remuneration from any Companies Invested by the Company Other Than the Subsidiaries of the Company or Not
		Compensation (A)	Pension (B)	Remuneration (C) (Note 1)	Fees for Performance of Business (D) (Note 2)	Ratio(%) of the Aggregate Amount of A, B, C and D to the Net Income After Tax	Wages, Bonus and Special Disbursement, etc. (E) (Note 2 and 3)	Pension (F)	Employee Remuneration (G) (Note 4)	Number of Shares Granted under the Share Subscription Warrants for Employees (H)	Number of the Restricted Shares for Employees (I)	The Company	All Companies Specified in the Financial Statements	
Former Independent Director	Hong San-Xiong (Note 8)	460	-	267	20	747 0.06%	-	-	The Company	-	-	747 0.06%	747 0.06%	Nil
Total		4,803	-	5,310	1,936	12,049 0.98%	18,308	501	The Company	-	-	30,878 2.52%	32,181 2.63%	2,077

Note 1: As officially resolved by the Board of Directors Meeting on February 22, 2023, the remuneration to directors for 2022 was NT\$5,310 million dollars. The resolution will be reported in the general shareholders' meeting on May 18, 2023.

Note 2: The aforementioned expenses include rental or depreciation expense, fuel expense and maintained expense of the cars used by the Company's Non-Independent Directors.

Note 3: The aforementioned expenses include rental, fuel expense and maintenance expense of the cars used by the Company's Director concurrent employee and house rental provided to him.

Note 4: Employee Remuneration allocated to the director who is a concurrent employee is one part of employee remuneration resolved by the Board of Directors Meeting on February 22, 2023. The resolution shall be reported in the general shareholders' meeting on May 18, 2023.

Note 5: The term "net profit after tax" as set forth herein denotes the net profit after tax as shown through the individual financial statements 2022.

Note 6: The aforementioned expenses include the relevant remuneration NT\$1,439 thousand dollars (including general manager) paid to the chauffeurs to the Company's Non-Independent Directors.

Note 7: Other than those disclosures above, remuneration granted to a director(s) of the Company for rendering services within the contents of the financial statements (e.g., serving as a consultant other than an employee of the company/all companies of the financial report/subsidiaries): Nil.

Note 8: On May 19, 2022, the general meeting of shareholders re-elected all directors, Sinyi Co., Ltd., Mr. Chou Ken-Yu and Mr. Chou Chun-Chi were newly appointed as new directors; Mr. Jhan Hong-Chih, Mr. Yen Lou-Yu, Ms. Lee Yi-Li and Mr. Wu Chih-Wei were newly appointed independent directors.

Note 9: Independent directors' remuneration policy, system, standards and structure, and descriptions of the inter-relevance to the amount of remuneration according to the responsibilities, risks, time invested and other factors:

Here at the Company, the independent directors' remuneration is mainly divided into directors' remuneration, directors' payment and expenses for business execution. To an independent director, the directors' remuneration has been duly determined with reference to the level of the independent directors' participation in the Company's business operation, the value of their contribution and the normal standards/criteria prevalent in other listed companies, in an amount of NT\$100,000 dollars per month for an independent director, as an amount duly determined by the board of directors with the powers duly bestowed thereupon. Where the normal standards/criteria prevalent in other listed companies have little to do with the Company's profitability, the level of remuneration granted to the Company's independent directors is believed at a rational level. As expressly provided for in the Company's Articles of Incorporation, upon end of a fiscal year, the remuneration shall be granted to directors pro rata below the specified ratio of the Company's profitability in that year. The remuneration to the independent directors has been further judged with reference to the overall salary and pay levels prevalent in other listed companies (including the remuneration to directors and pay to directors) as well as the level of their participation in the board of directors and functional committees. The salary on business implementation was granted at NT\$5,000 traffic allowance for each attendance in the board of directors meeting, paid based on the substantial fact.



### Remuneration Listed by Range of Directors

Range of the Remuneration Paid to the Company's Directors		2022		Aggregate Amount of A, B, C, D, E, F and G All Companies Specified in the Financial Statements (J)
		The Company	All Companies Specified in the Financial Statements (I)	
Below \$1,000,000		Hong San-Xiong, Chou Ken-Yu、Representative of Sinyi Co., Ltd. : Hsueh Chien-Ping Representative of Sinyi Co., Ltd.: Liu Yuan-Chih		Hong San-Xiong
\$1,000,000 (inclusive)~\$2,000,000 (exclusive)		Jhan Hong-Chih, Yen Lou-Yu, Lee Yi-Li, Wu Chih-Wei, Chou Chun-Chi		Jhan Hong-Chih, Yen Lou-Yu, Lee Yi-Li, Wu Chih-Wei, Chou Chun-Chi
\$2,000,000 (inclusive)~\$3,500,000 (exclusive)		Sinyi Co., Ltd.		Sinyi Co., Ltd.
\$3,500,000 (inclusive)~\$5,000,000 (exclusive)		-		Chou Ken-Yu
\$5,000,000 (inclusive)~\$10,000,000 (exclusive)		-		Representative of Sinyi Co., Ltd. : Hsueh Chien-Ping Representative of Sinyi Co., Ltd.: Liu Yuan-Chih
\$10,000,000 (inclusive)~ \$15,000,000 (exclusive)		-		-
15,000,000 (inclusive)~ \$30,000,000 (exclusive)		-		-
\$30,000,000 (inclusive)~\$50,000,000 (exclusive)		-		-
\$50,000,000 (inclusive)~ \$100,000,000 (exclusive)		-		-
Above \$100,000,000		-		-
Total (Note)		10		10

Note1: The Company has 7 directors, in aggregate total of 10 directors, with respective disclosure remuneration of the Company's juristic-person director, Sinyi Co., Ltd., and its representative. As well as one independent director and one director who resigned when the directors were re-elected on May 19, 2022.

## Remuneration for General Manager and Vice General Managers

Expressed in Thousands of New Taiwan Dollars

Title	Name	Wages (A)		Pension (B)		Bonus and Special Disbursement, etc. (C) (Note 1)		Employee Remuneration (D) (Note 2)				The total amount of A, B, C and D & Ratio(%) of the Aggregate Amount of A, B, C and D to the Net Income After Tax(Note 3)		Amount of the Share Subscription Warrants for Employees Received		Number of the Restricted Shares for Employees		Whether Receiving Remuneration from any Companies Invested by the Company Other Than the Subsidiaries of the Company or Not	
		The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company		All Companies Specified in the Financial Statements		The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements		
								Cash Bonus	Share Bonus	Cash Bonus	Share Bonus								
General Manager	Chen Li-Hsin (Note 5)																		
Chief Transformation Officer and Head of Digital Intelligent Center, concurrently	Chou Ken-Yu																		
Ethics Director	Yang Pai-Chuan																		
Chief Human Resource Officer, concurrently	Yang Pai-Chuan																		
Vice General Manager of General Manager's Office	Chou Chuang Yun																		
Auditor-General	Chou Su-Hsiang																		
Chief Financial Officer	Chen Chih-Huan (Note 6)																		
Vice General Manager of Public Affairs Department	Lin Jun-An																		
Vice General Manager of Brand Development Division	Su Shou-Jen	45,275	45,432	2,777	2,777	38,744	39,889	124	-	124	-	86,919	88,222	7.11%	7.21%	-	-	-	2,077
Vice General Manager of Real Estate Agent Division	Hsin Hung-Chun																		
Vice General Manager of Real Estate Agent Division	Feng Chi-Yi																		
Vice General Manager of Selling Agency Division	Lee Shao-Kang																		
Former General Manager	Liu Yuan-Chih (Note 5)																		
Former CEO of Group Platform	Hsueh Chien-Ping (Note 7)																		
Former General Manager of Innovation & Integration Business Group	Su Jyun-Bin (Note 7)																		
Former Chief Financial Officer	Wang Jun-Yen (Note 6)																		
Former Vice General Manager of Real Estate Agent Division	Lin San-Chih (Note 8)																		

Note 1: The aforementioned expenses include rental, fuel expense and maintenance expense of the cars used by CEO of Group Platform Business and General Manager. House rental for CEO of Group Platform Business is included as well.

Note 2: Employee Remuneration allocated to the Company's General Manager and vice General Managers is one part of the amount NT\$15,260 thousand dollars of employee remuneration resolved by the Board of Directors Meeting on February 22, 2023. The resolution shall be reported in the general shareholders' meeting on May 18, 2023.

Note 3: The term "net profit after tax" as set forth herein denotes the net profit after tax as shown through the individual financial statements for 2022.

Note 4: The remuneration to the General Manager's chauffeurs of the Company was already disclosed in the note of remuneration to directors.

Note 5: On May 19, 2022, General Manager Mr. Liu Yuan-Chih was elected as the representative appointed by the chairman of the company, Sinyi Co., Ltd., and on June 21, 2022, Vice General Manager Ms. Chen Li-Hsin was appointed as the general manager of the company.

Note 6: Chief Financial Officer Mr. Wang Jun-Yen resigned in May 2022, and Mr. Chen Chih-Huan, the senior manager of the Finance Department, took over as the company's chief financial officer on June 21, 2022.

Note 7: Mr. Hsueh Chien-Ping, CEO of Group Platform, retired in January 2023, and Mr. Su Jyun-Bin, general manager of Innovation & Integration Business Group, resigned in December 2022.

Note 8: Mr. Lin San-Chih, vice general manager, was transferred to an affiliated company of the company in July 2022, so the remuneration after the transfer was not included.

## Remuneration Listed by Range of General Manager and Vice General Managers

Range of the Remuneration Paid to the Company's General Manager and Vice General Managers	Year 2022	
	The Company	All Companies Specified in the Consolidated Financial Statements
Below \$1,000,000	-	-
\$1,000,000 (inclusive)~\$2,000,000 (exclusive)	-	-
\$2,000,000 (inclusive)~\$3,500,000 (exclusive)	Lin Jun-An, Wang Jun-Yen(Note 2)	Lin Jun-An, Wang Jun-Yen(Note 2)
\$3,500,000 (inclusive)~\$5,000,000 (exclusive)	Chou Chuang Yun, Chou Su-Hsiang, Lin San-Chih(Note 3), Chou Ken-Yu, Su Shou-Jen, Chen Chih-Huan	Chou Chuang Yun, Chou Su-Hsiang, Lin San-Chih(Note 3), Chou Ken-Yu, Su Shou-Jen, Chen Chih-Huan
\$5,000,000 (inclusive) ~ \$10,000,000 (exclusive)	Hsueh Chien-Ping(Note 1), Su Jyun-Bin(Note 2), Hsin Hung-Chun, Feng Chi-Yi, Yang Pai-Chuan, Chen Li-Hsin(Note 1), Liu Yuan-Chih(Note 1), Lee Shao-Kang	Hsueh Chien-Ping(Note 1), Su Jyun-Bin(Note 2), Hsin Hung-Chun, Feng Chi-Yi, Yang Pai-Chuan, Chen Li-Hsin(Note 1), Liu Yuan-Chih(Note 1), Lee Shao-Kang
\$10,000,000 (inclusive) ~ \$15,000,000 (exclusive)	-	-
\$15,000,000 (inclusive) ~ \$30,000,000 (exclusive)	-	-
\$30,000,000 (inclusive) ~ \$50,000,000 (exclusive)	-	-
\$50,000,000 (inclusive) ~ \$100,000,000 (exclusive)	-	-
Above \$100,000,000	-	-
Total	16	16

Note 1: Remuneration of CEO of Group Platform Business and the Company's General Manager include the rental, fuel expense and maintenance expense of the cars provided by the Company and house rental provided by the Company's subsidiary for CEO of Group Platform Business.

Note 2: Chief Financial Officer Mr. Wang Jun-Yen resigned in May 2022, and Mr. Su Jyun-Bin, general manager of Innovation& Integration Business Group, resigned in December 2022.

Note 3: Mr. Lin San-Chih, vice general manager, was transferred to an affiliated company of the Company in July 2022, so the remuneration after the transfer was not included.

ii. Names of the managers allocated with Remunerations to employees and the facts in allocation

March 31, 2023

Title	Name	Total Share Remuneration (Thousand \$)	Total Cash Remuneration (Thousand \$)	Total (Thousand \$) (Note 1)	Ratio of the Aggregate Amount to the Net Income After Tax (%) (Note 2)
General Manager	Chen Li-Hsin				
Chief Transformation Officer and head of Digital Intelligence Center	Chou Ken-Yu				
Ethics Director and Human Resource Officer	Yang Pai-Chuan				
Vice General Manager of General Manager's Office	Chou Chuang Yun				
Auditor-General	Chou Su-Hsiang				
Chief Financial Officer	Chen Chih-Huan				
Vice General Manager of Public Affairs Department	Lin Jun-An				
Vice General Manager of Brand Development Division	Su Shou-Jen				
Vice General Manager of Real Estate Agent Division	Hsin Hung-Chun				
Vice General Manager of Real Estate Agent Division	Feng Chi-Yi				
Vice General Manager of First-hand New House Selling Department	Lee Shao-Kang				
Senior Manager of Human Resource Division	Chang Shu				
Senior Manager of Customer Service Department	Liu Wei-Te				
Senior Manager of Accounting Department	Wu Hsiao-Chen				
Senior Manager of Business Service Department	Chang Ching-Chih				
Senior Manager of Appraisal Department	Chiu Chien-Hui				
Senior Manager of Contract Management Department	Chang, Ai-Ling				
Senior Manager of Transformation Office	Tsai, Cheng-Liang				
Senior Manager of Business Service Department	Chen Shih-Ciang				
Senior Manager of Real Estate Planning & Research Office	Su Chi-Rong				
Senior Manager of Digital Intelligence Center	Chiang Yuan-Chi				
Senior Manager of IT Services and Information Security Management Department	Hsu Chien-Hao				
Senior Manager of Affiliated Enterprise & Staff Service Department	Tso Hsin-Chiang				
Senior Manager of Marketing Department	Liu Ta-Cheng				
Executive Manager of Innovation R&D Department	Shih Min-Yao				
Executive Manager of Real Estate Agent Product Department	Wen Chia-Cheng				
Senior Manager of Real Estate Agent Division	Hung Cheng-Lung				
Senior Manager of Real Estate Agent Division	Lin Wu-Hsiung				
Senior Manager of Transformation Office	Chen Yu-Li				
Senior Manager of Real Estate Agent Division	Lee Ming-Shan				
Senior Manager of Real Estate Agent Division	Chen Shih-Yao				
Senior Manager of Real Estate Agent Division	Wang Hui-Ping				
Senior Manager of Real Estate Agent Division	Chang Teng-Lai				
Senior Manager of Real Estate Agent Division	Chou Chun-Jung		664	664	0.05%
Senior Manager of Real Estate Agent Division	Liu Yu-Rong				
Senior Manager of Real Estate Agent Division	Su Shang-Yao				
Senior Manager of Real Estate Agent Division	Chen Chin-Tang				
Senior Manager of Real Estate Agent Division	Chang Chia-Jung				
Senior Manager of Real Estate Agent Division	Chang Wei-Hsiang				
Senior Manager of Real Estate Agent Division	Hung Chien-Huan				
Senior Manager of Real Estate Agent Division	Yu Ho-An				
Senior Manager of Real Estate Agent Division	Liu Tung-Yuan				
Senior Manager of Real Estate Agent Division	Ye Zong-Fu				
Senior Manager of Real Estate Agent Division	Chang Jun-Da				
Senior Manager of Real Estate Agent Division	Ho In-Yu				
Senior Manager of Real Estate Agent Division	Hsu Ling-Ling				
Senior Manager of Real Estate Agent Division	Chen Chien-Yu				
Senior Manager of Real Estate Agent Division	Wu Kuo-Chun				
Senior Manager of Real Estate Agent Division	Lin Kwn-Hung				
Senior Manager of Real Estate Agent Division	Fang Hao-Chuan				
Senior Manager of Real Estate Agent Division	Kuo Li-Wei				
Senior Manager of Real Estate Agent Division	Wei Shi-Fang				
Senior Manager of Real Estate Agent Division	Wang Sheng-Xian				
Senior Manager of Real Estate Agent Division	Hsu Shun-Chi				
Senior Manager of Real Estate Agent Division	Chiu Chia-Ling				
Senior Manager of Real Estate Agent Division	Chen Hung-Ming				
Senior Manager of Real Estate Agent Division	Cheng Bao-Tsung				
Senior Manager of Real Estate Agent Division	Wang Hsien-Cheng				
Senior Manager of Real Estate Agent Division	Lu Han-Pao				
Senior Manager of Real Estate Agent Division	Chen Yu-Hsiao				
Senior Manager of Real Estate Agent Division	Lin Chia- Cheng				
Senior Manager of Real Estate Agent Division	Chang Chia-Yang				
Senior Manager of Real Estate Agent Division	Chan Chih-Wei				
Senior Manager of Real Estate Agent Division	Hung Chen-Yu				
Senior Manager of Real Estate Agent Division	Lin Ching-Lung				
Senior Manager of Real Estate Agent Division	Chou Ching-Yuan				
Senior Manager of Real Estate Agent Division	Yang Ching-Yuan				
Senior Manager of Real Estate Agent Division	Chiu Hsiang-Kuo				

Note 1: Employee remuneration allocated to the Company's general manager, vice general managers and senior managers is one part of the amount NT\$15,260 thousand dollars of employee remuneration resolved by the Board of Directors Meeting on February 22, 2022. The resolution shall be reported in the general shareholders' meeting on May 18, 2023.

Note 2: The term "net profit after tax" as set forth herein denotes the net profit after tax as shown through the individual financial statements 2022.

Note 3: The managers shown on the aforementioned Table are estimated under the basis of their present serving on March 31, 2023 and eligible for the employee remuneration. The actual list to receive employee remuneration shall depend on if they are eligible on the payment date.

Note 4: The table above does not include those who were promoted as managers in 2023.

(VI) Respectively compare and depict the analyses of the aggregate total remuneration paid to the Company's directors, general manager and vice general managers to the net profit after tax shown through the individual financial statements over the past two years in the Company and all companies covered in the consolidated financial reports, and please explain the policies, criteria, portfolio of remuneration payment, procedures to fix remuneration, business performance and interrelationship to the future risks :

Expressed in Thousands of New Taiwan Dollars

	The Company		All Companies Specified in the Financial	
	2022	2021	2022	2021
The aggregate total of remuneration paid to the directors, general manager and vice general managers	98,968	129,443	100,271	131,427
The ratio of aggregate total to the net profit after tax shown through the	8.09%	5.51%	8.20%	5.59%

The Company's remuneration paid to directors reduced by NT\$30,475 thousand dollars, paid to general managers and vice general managers reduced by NT\$31,156 thousand dollars in Year 2022 compared with that in Year 2021 (the ratio of reduce were 23.54% and 23.71%, respectively), due primarily to the facts that in the Company, the profits gained in the brokerage services and agency sales lower and, in turn, boosted the reduce in the year-end bonus and performance earnings bonus. Nevertheless, in Year 2022, the profits recognized reduced by 47.94% compared to 2021. Accordingly, the aggregate total remuneration in 2022 paid to the Company's directors, general manager and vice general managers to the net profit after tax shown through the individual financial statements in the Company and all companies covered in the consolidated financial reports compared with Year 2021 significantly reduced by 46.82% and 46.69%, respectively.

Below is a summary of our compensation policies of directors and managers, criteria, arrangements and decision-making process over compensations in relation to operating performances and risk factors:

1. Compensations to directors:

- (1) The compensations to directors are comprised of salaries, director remunerations and allowances.
  - i. Salaries: According to our Articles of Incorporation, the monthly salaries paid to independent directors are based on the individual director's involvement in company operations, contribution to our performance and the industry standards among listed companies. The amount is determined by the Board of Directors. The Board in 2022 decided that salaries paid to independent directors were in line with the industry standards and shall not be linked to the Company's profits. Non-independent directors do not receive director' monthly salaries.
  - ii. Director remunerations: After the end of the fiscal year, in accordance with our Articles of Incorporation, director remunerations are distributed according to a certain percentage of the current year's profit. The remunerations paid to directors for 2022 were proposed by Remuneration Committee and approved by the Board on February 22, 2023. Director remunerations for 2022 were determined to be 0.34798% of the Company's income before tax, or NT\$5,310

thousand dollars. It is mainly as a result that the Company's net profit and operating performance in the interrelationship. Besides, for the remuneration of independent-directors, it also refers to the general remuneration level (including directors' salaries and directors' remunerations) of independent directors of other listed companies and the participation level in Board of Directors and its functional committees. In terms of the remuneration to non-independent directors, we should take into account the level of remuneration to independent directors, their involvement in the Company's daily operation, their level of participation in the board of directors and the position responsibilities. However, the Company's founder, Director Chou Chun-Chi has not received remunerations for a director.

- iii. Allowances include the transportation allowance for independent directors to attend board meetings, rental or depreciation, petroleum costs and maintenance expenses for the cars allocated to the non-independent directors. The transportation allowance for independent directors is reimbursed according to board meeting attendances and in line with industry practice. Non-independent directors do not receive transportation allowance. Three non-independent directors have company cars (including for the reason of being a concurrent manager). The Company afforded the car rental (or depreciation), and the expenses in associated with petroleum and maintenance for the non-independent directors except for their directors' monthly salaries.

(2) Compensations to directors on a consolidated basis:

Compensations to directors consist of salaries, director remunerations and allowances. In addition to those from the Company, the compensation to directors was director allowances mainly from the Company's subsidiaries, An-Sin Real Estate Management Ltd. and AnShin Real Estate Management Ltd. The allowances depended on the numbers of attendance. Shanghai Sinyi Real Estate Inc. provided the company car and house for Mr. Hsueh Chien-Ping for his concurrently serving as the former CEO of Group Platform Business.

- (3) Upon each and every reelection of directors, the compensations to directors is duly adjusted and planned again with reassessment based on the normal standards/criteria prevalent in other listed companies, the Company's business performance and rationality in the connection.

2. Compensations to general managers and vice general managers (including the CEO of Group Platform Business):

- (1) The compensation to general managers and vice general managers consisting of salaries, pensions and bonuses (including special reimbursements).

- i. Salaries: Monthly salaries are paid to general manager and vice general managers with reference to salary levels prevalent in the external markets, with monthly salaries duly granted. There is no direct linkage between monthly salaries and annual earnings of the Company. In principle, nevertheless, raise would be granted or based on the substantial performance of the Company and those individuals. Except for the salary increase of the general manager and some vice general managers due to promotion (accounting for 3.4% of the total monthly salary of the general manager and vice general manager), the monthly salary of the general manager and vice general manager of the Company in 2022 has not changed.

- ii. Pensions: The pension expenses for 2022 are those which in accordance with the requirements by laws and ordinances concerned, the Company appropriates 6% of their monthly pays into the individual account opened with the Bureau of Labor Insurance for the high executive officers who have chosen new system Labor Pension Act and accrues the expenses under the actuarial assumptions for those who continually choose the old pension system regulations and for the service seniority retained under the old system of the high executive officers who choose new pension regulations.
  - iii. Bonuses: Various bonuses for the authorized chief officers in business functions are calculated pursuant to our Regulations Governing Salaries, Compensations and Bonuses of the authorized chief officers, proposed by the Remuneration Committee and approved by the Board. Performance bonuses are linked with the Company's earnings and key performance indicators such as the number of senior manger and manger of Real Estate Ageng Division, satisfaction of customers and average number of transactions per person. The Company has long implemented 1/3 of the Company's annual after-tax operating profit as the year-end bonus for the year to that the entire staff of the Company would share the very fruits achieved by the Company. The Company has additionally set up long-term value contribution bonus regulations toward the general manager and vice general managers so as to motivate authorized chief officers to better focus on the long-term development goals and vision of the Company. The Remuneration Committee shall propose a long-term value contribution bonus proposal to the board of directors for approval. In Year 2022, the variable incentive bonuses were lower than those in 2021, due primarily to that the Company's operating profit (excluding subsidiaries) in 2022 reduced by 50% compared to Year 2021. As a result, the related year-end bonuses and earnings performance bonuses and performance achievement bonuses reduced compared to Year 2021.
  - iv. Other related remuneration included the company car rental provided for CEO of Group Platform Business and general manager, accompanying with the fuel expense and maintenance expense of these cars.
  - v. Employee remuneration: According to the Company's Articles of Incorporation, among the annual profit allocation, a sum 1% minimum shall be allocated as remuneration to employees and duly allocated based on the Regulations Governing Allocation of Employee Remuneration. In 2022, the employee remuneration amounting to NT\$15,260 thousand in total, 48% reduce compared with 2021, due primarily to Company's operating profit reduced by 50% in 2021.
- (2) Compensation to general managers and vice general managers based on other consolidated financial statements beyond the Company.

The former CEO of Group Platform Business who assumes the responsibility for the cross-strait platform business receives part of the salary of the Company's subsidiary, Shanghai Sinyi Real Estate Inc., It, as well, provides a residence with business cars (including car rent, fuel and maintenance costs) to him. Except these facts, other companies in the consolidated statements did not pay compensations to their general managers and vice general managers.

- (3) Here at the Company, the remuneration incentive system for the authorized chief officers (including annual raise and performance incentives) is proposed by the

Remuneration Committee to the board of directors on an annual basis to be resolved by the board of directors. The Remuneration Committee and the Board of Directors also evaluate the rationality with reference to the authorized chief officers in various functions and the standards/criteria prevalent in the human resources markets.

3. Remuneration to other managers:

- (1) Other managers of the Company refer to such managers who are not the vice general managers (inclusive) or higher rank, and their compensations include salary, retirement pension, bonuses and employee remuneration:
  - i. Salaries: The monthly salaries were approved by the Company according to the ranks and performance of such other managers with reference to the external market salary level which is taken into account to determine the amount of monthly salary which is based on the performance of the Company and the individuals which are taken into account to decide the facts of a raise or not. In Year 2022, other managers in the staff unit were granted 2.6% raise in monthly salaries, and other managers in business units were granted 0.5% raise in their monthly salaries.
  - ii. Pensions: The pension expenses are those which in accordance with the requirements by laws and ordinances concerned, the Company appropriates 6% of their monthly pays into the individual account opened with the Bureau of Labor Insurance for the other senior officers who have chosen new system Labor Pension Act and accrues the expenses under the actuarial assumptions for those who continually choose the old pension system regulations and for the service seniority retained under the old system of the other senior officers who choose new pension regulations.
  - iii. Bonuses: This refers to the year-end bonus that is closely related to the Company's earnings and the business area earnings managed by other managers of the business unit as the very ground for calculation. The Company has for a long time implemented 1/3 of the Company's annual after-tax operating profit as the year-end bonus for the year, and shared the Company's operating results with entire staff.
  - iv. The employee remuneration paid for other managers of the Company is counted based on the provisions of the Company's Articles of Incorporation, and the annual allocation of profits is not less than 1% minimum of the profit earned by the Company as employee remuneration which would be distributed according to the Company's employee remuneration distribution rules
- (2) The compensations paid to other managers by all other companies beyond the Company, as covered within the consolidated financial statements: Nil.



### III. Implementation of Corporate Governance:

#### (1) Performance of board of directors

During period of January 1, 2023 to March 31, 2023, the board of directors of the Company convened a total of three (3) meetings and all the directors participate the board meeting personally.

In Year 2022, the board of directors of the Company convened a total of fourteen (14) meetings; at least two independent directors or more would participate in every meeting, presenting a 97% of attendance rate where the directors showed attendance in the following status:

Title	Name	Times of Attendance in Person	Times of Attendance by Proxy	Actual Attendance Rate (%)	Remarks
Chairperson	Sinyi Co., Ltd. Appointed representative: Liu Yuan-Chih	10	-	100%	New Director. Elected on May 19, 2022, 10 times of should be attendance.
Vice Chairperson	Chou Ken-Yu	14	-	100%	Chou Ken-Yu was originally the representative of Sinyi Co., Ltd. On May 19, 2022, the directors were fully re-elected. Chou Ken-Yu became the natural person director.
Director	Chou Chun-Chi	14	-	100%	Nil
Independent Director	Jhan Hong-Chih	12	2	100%	Entrusted the other Independent Director to attend the meeting held on July 26 and Sep. 7, 2022.
Independent Director	Yen Lou-Yu	14	-	100%	Nil
Independent Director	Li Yi-Li	13	1	93%	Entrusted the other Independent Director to attend the meeting held on June 13, 2022.
Independent Director	Wu Chih-Wei	10	-	100%	New Director. Elected on May 19, 2022, 10 times of should be attendance.
Former Chairperson	Representative of Sinyi Co., Ltd.: Hsueh Chien-Ping	4	-	100%	Former Director. Elected on May 19, 2022, 4 times of should be attendance.
Former Independent Director	Hong San-Xiong	4	-	100%	Former Director. Step down on May 19, 2022, 4 times of should be attendance.
	Total	95	3	97%	

#### Other remarks required:

I. If there are the circumstances as below, the dates of meetings, sessions, contents of motions, all independents' opinion and the Company's response to independent directors' opinion should be specified:

(1) Matters referred to in Article 14-3 of Securities and Exchange Act: Since the Company has set up its Audit Committee; the provisions of Article 14-3 shall not apply according to Article 14-5 of the Securities and Exchange Act.

(2) Other resolutions of the directors' meetings objected to by Independent Directors or subject to qualified opinion and recorded or declared in writing: There is no resolutions of the directors' meetings objected to by Independent Directors or subject to qualified opinion. Please refer to the details of resolutions of the Company's board of directors and the Independent Directors' opinions and the Company's response to independent directors' opinion for 2022 and the period ended on the print date of the annual report stated on page 3-144.

II. Implementation of the avoidance from conflict of interests by the directors:

Date of the board of directors	Issue	Avoidance
January 27, 2022	Approved the proposal for 2021 year-end bonus and annual performance bonus awarded to authorized chief officers.	Mr. Hsueh Chien-Ping, the Chairperson, and Mr. Chou Ken-Yu, the Director of the BOD, withdrew from the discussion and voting process as he concurrently served as the Company's chief officers. The same as above.
February 25, 2022	Approved the proposal of 2021 short-term performance bonus providing and the long-term financial contribution of employees bonus to the authorized chief officers.	Mr. Jhan Hong-Chih, Mr. Yen Lou-Yu and Ms. Lee Yi-Li, and directors Mr. Chou Chun-Chi, Mr. Chou Ken-Yu respectively discuss and negotiate whether they are eligible. When listed on the list of directors of the 14th board of directors, they also left and abstained from voting.
March 31, 2022	Proposal of candidates of director for the 14th term board of directors of the Company.  Proposal to lift candidates of director for the 14th term board of directors from the restriction of competition with the Company.  Approved the proposal of the Company's donation to Taiwan Regional Revitalization Foundation.	Mr. Chou Chun Chi, Mr. Chou Ken-Yu, Mr. Jhan Hong-Chih, and Ms. Lee Yi-Li withdrew from discussion and voting process when discussing the lift of restriction of competition with the Company. Mr. Chou Chun-Chi, Mr. Chou Ken-Yu and Independent Director Mr. Yen Lou-Yu are related persons of Taiwan Regional Revitalization Foundation and left the meeting and did not participate in the discussion and voting. The individual director withdrew from discussion and voting process when discussing his/her compensation.
April 28, 2022	Approved the proposal of the directors' compensation for the year ended December 31, 2021.  Approved the Company's employee remuneration of senior executives for 2021.	Mr. Hsueh Chien-Ping, the Chairperson, and Mr. Chou Ken-Yu, the Director of the BOD, withdrew from the discussion and voting process as he concurrently served as the Company's chief officers.
May 30, 2022	Appointment of members of the 5th term of remuneration committee of the Company.  Appointment of members of the 3rd term of Nomination Committee of the Company.	The individual director withdrew from discussion and voting process discussing his/her nomination. The individual director withdrew from discussion and voting process discussing his/her nomination.
May 30, 2022	Approved the remuneration of the independent directors of the 14th term board of directors.	The individual independent director withdrew from discussion and voting process when discussing his/her compensation.
September 27, 2022	Appointment of vice chairperson of the Board of Directors of the Company.	Director Mr. Chou Ken-Yu withdrew from the discussion and voting process as he was the nominee.
December 21, 2022	Proposal of the Company's subsidiary intending to acquire real estate.	Mr. Liu Yuan-Chih, the Chairperson, Mr. Chou Ken-Yu, the Vice Chairperson and Mr. Chou Chun-Chi, the director of the BOD, withdrew from the discussion and voting process as they are Stakeholders.

III. For more details regarding the cycles and periods of the self-evaluation by the board of directors (or the peers), scope, method of valuation and contents of valuation and such information:

Frequency of evaluation	Duration of evaluation	Scope of evaluation	Method of evaluation	Contents of evaluation
On an annual basis	January 1, 2022 ~ December 31, 2022	(1) Evaluation of performance by the board of directors, individual board of directors members (2) Evaluation of performance by functional committee(s)	The self-evaluation by the board of directors and functional committee(s), individual self-evaluation by the directors	(1) Evaluation of the board of directors performance: The extent of participation in the Company's business operation, the quality of policymaking process by the board of directors, the composition & structure of the board of directors, appointment and continued refresher and higher education programs for directors, internal control system and promotion of ESG by the board of directors. (2) Evaluation of individual board of directors members: Domination of the Company's targets and duties, awareness of director responsibilities and powers, extent of participation in the Company's business operation, management and communications of the internal relationship, profession and continued refresher and higher education program of directors, internal control system. (3) Evaluation of the functional committees: The extent of participation in the Company's business operation, upgrade of the policymaking process by the functional committees, composition and structure of the functional committees, appointment and continued refresher and higher education program of the functional committee members and the internal control system.

For more details regarding evaluation over the board of directors' performance and self-evaluation by directors themselves, please refer to page 3-58 "The performance of corporate governance and the status on discrepancy and reasons in relation to the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and the causes thereof:

IV. Evaluation of the targets and implementation in the efforts to strengthen the performance of the board of directors in the current year and the most recent year: In an attempt to assure wholesome corporate governance and intensify the relevant functions of the board of directors, other than the existent Audit Committee, the Company further set up the Remuneration Committee in 2010 to help the board of directors implement the functions in remuneration management. The resolution on directors' remuneration and senior executives' related remuneration and bonuses was passed in 2022. The Company set up Nomination Committee in October 2017 whose main task is to conduct pre-examination and pre-selection of the candidates of nominated directors and executive officers and then to deliver the candidates to the board of directors. In addition, the Nomination Committee also made proposals to revise the Company's Corporate Governance Best Practice Principle in 2021 and 2022 and the advanced training program of the directors of the Company. And the training method for the members of the first board of directors and its functional committees was formulated to improve the functions of directors in 2021. As to the resolutions passed by the Audit Committee, the Remuneration Committee and the Nominating Committee in 2021, please refer to (II) Performance of Audit Committee, (III) Relevant information of the Remuneration Committee and Relevant information of the Nomination Committee for the further details.

#### (II) Performance of Audit Committee

The Company's Audit Committee, in addition to implementing the supervisory powers required by relevant laws and regulations, aims to assist the board of directors in fulfilling their fair expression of supervision of the Company's financial statements, the appointment (discharge) and independence and performance of the Certified Public Accountants, and effective implementation of the Company's internal control. The Company's purpose is to comply with relevant laws and

regulations and the management of the Company's existing or potential risks. The key tasks of the Audit Committee include:

1. Enact and update the internal control system in accordance with Article 14-1 of Securities and Exchange Act
2. Evaluate the effectiveness of the internal control system.
3. Enact and update Procedures for the Acquisition or Disposal of Assets, Derivative Financial Instrument Transaction, Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, Regulations Governing Enforcement of Endorsements/Guarantees and such behaviors in major financial affairs in accordance with Article 36-1 of Securities and Exchange Act.
4. Deal with issues involving interests of directors themselves.
5. Transaction on major assets or derivative financial instruments.
6. Significant loaning of funds and making of endorsements/guarantees.
7. Raise, issue or privately-offer equity attributed negotiable securities.
8. Appoint, discharge and pay the certifying Certified Public Accountants.
9. Appoint, discharge heads on finance, accounting and internal audit.
10. Work out quarterly and annual financial statements.
11. Carry out other key issues as specified by the Company or competent authorities.

In performance of its responsibilities and powers, in accordance with the Articles of Incorporation, the Audit Committee is entitled to proceed with appropriate review and investigation and shall have direct channels to connect and communicate with the Company's internal auditors, Certified Public Accountants and entire staff. The Audit Committee is, as well, empowered to retain the lawyers, accountants or other consultants to help the Audit Committee members to carry out responsibilities and powers.

1. During period of January 1, 2023 to March 31, 2023, the board of directors of the Company convened a total of three (3) meetings, and all the members participate the committee meeting personally.

In 2022, the Audit Committee convened a total of twelve (12) meetings, in the average participation rate of 94%. The independent directors show the following participation facts:

Title	Name	Times of Attendance in Person	Times of Attendance by Proxy	Actual Attendance Rate (%)	Remarks
Committee member (Convener)	Yen Lou-Yu	12	-	100%	Nil
Committee member	Jhan Hong-Chih	10	2	83%	July 26 and Sep. 7, 2022 entrusted another committee member to attend the meeting.
Committee member	Lee Yi-Li	11	1	92%	June 13, 2022 entrusted another committee member to attend the meeting.
Committee member	Wu Chih-Wei	8	-	100%	New Member. Elected on May 19, 2022, 3 times of should be attendance.
Former Committee member	Hong San-Xiong	4	-	100%	Former Member. Step down on May 19, 2022, 4 times of should be attendance.

Total	45	3	94%
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Other remarks as required:

1.If there are the circumstances as below, the dates of meetings, sessions, contents of motions, resolutions of Audit Committee , contents of independent directors' objections, reservations or major proposals, and the Company's response to Audit Committee's opinion should be specified:

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act:

(2) Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors:

As to the description of the two items above, please refer to the details of the Audit Committee's opinions to the material motions of the board of directors and the Company's response to independent directors' opinion stated on page 3-35.

2.If there is independent directors' avoidance of motions in conflict of interest, the independent directors' names, contents of motions, causes for avoidance and voting should be specified:

Date	Issue	Avoidance
March 31, 2022	Approved the proposal of the Company's donation to Taiwan Regional Revitalization Foundation.	Independent Director Mr. Yen Lou-Yu are related person of Taiwan Regional Revitalization Foundation and left the meeting and did not participate in the discussion and voting.

3.Communications by and between independent directors and the Auditor-General and the Certified Public Accountants: The Company's Auditor-General reports to the Audit Committee (independent directors) about the audit plans for the ensuing year and, quarterly at least report to them regarding the implementation of the audit on the internal control system. In case of an extraordinary event, the Auditor-General would report to the Audit Committee forthwith. The Audit Committee may directly inquire with the Auditor-General or the Certified Public Accountant. The Certified Public Accountants may, as well, directly report without being accompanied by the management, to the Audit Committee about the audit or recheck findings and suggestions. They have been in very intimate communications and interactions. Communications in 2022 between the independent directors, the Company's Auditor-General and the Certified Public Accountants were as follows:

Date	Mode	Object	Issues to communicate	Comment from the independent directors
January 27, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	Noted.
February 25, 2022	Forum	Auditor-General, CPA	1. Refinement and systematic reporting of internal control self-assessment work 2. Communication between the Audit Committee and CPA about the results of the audit of 2021 financial statements	1. Committee Members affirm the systematization of the internal control self-evaluation operation, and the implementation details such as the five-point scale for the self-evaluation score can be reviewed and adjusted in due course. 2. CPA report to Committee Members the results of the audit of the 2011 financial statements.
	Audit Committee	Auditor-General	Report on performance in	1. The Chairperson asked if the team of Project "Shanshuijiating" had adjusted the operating procedures to get the information from the buyer for his or her

Date	Mode	Object	Issues to communicate	Comment from the independent directors
			internal audit	application for the certificate of real estate ownership. The Chairperson also asked about the failure of the resigned colleagues of the subsidiary to notify the information unit immediately. Committee Member Mr. Zhan Hong-Chih also stated that the human resources unit should be responsible for confirming that the resigned colleagues have completed the relevant resignation procedures of each department, especially the account should be closed immediately. 2. The Internal Audit Office stated that it would review and assist relevant units to formulate better control points or operating procedures to avoid the above situation.
		CPA	Discussion on representation of internal control system for 2021	The proposal was passed after the Chairperson consulted all the members present without any other opinion, and then was proposed to the Board of Directors for resolution.
March 31, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	Noted.
		Auditor-General	Report on performance in internal audit	Noted.
April 28, 2022		CPA	Report the results of audit report for the first quarter of 2022	The certified public accountant attended and reported the proposed conclusion of reviewing the consolidated financial statements of the first quarter of 2022. This proposal was approved by the chairperson after consulting all the attending members who responded with no any other opinions and the proposal should be submitted to the Board of Directors for final decision.
May 30, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	Noted.
June 13, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	Committee Member Mr. Zhan Hong-Chih said that according to the statistics, the payment standard of the commission fee for help the transaction completed should not exceed 5% of the brokerage fee in principle. Regarding the management of exceptions, it is recommended to discuss with the responsible supervisors to stipulate appropriate hierarchical management standards. In addition, it was recommended that regular statistics the payment of the commission fee be conducted for reference of the management's approval and decision-making. The Auditor-General, Ms. Chou Su-Hsiang explained the approval procedure and its implementation status of the commission fee.
June 21, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	Noted.
July 26,	Audit	Auditor-	Report on	1. Committee Member Mr. Wu Chih-Wei inquired about the purpose and possible

Date	Mode	Object	Issues to communicate	Comment from the independent directors
2022	Committee	General	performance in internal audit	<p>risks of the blank form contract paper copies controlled by the subsidiary An-Shin Real Estate Management Ltd., and he said it could consider actions in combination with energy conservation and carbon reduction. The Audit Office explained it.</p> <p>2. Committee member Ms. Lee Yi-Li asked about the implication of the reduction of overdue payment in the Project "Shanshuijiating", when the amount of collection from customers was not as much as expected, and requested the audit office to report the amount of overdue payment in the next Audit Committee meeting, as well as financial action plans if the overdue amount is significant. The Audit Office Manager, Mr. Chang, Tsung-Ti, explained the process of real estate transactions in China. The Audit Office suggested that the development business should actively understand the customer's source of funds and loan qualifications when signing the contract, so as to ensure that the bank's housing loans can be obtained as scheduled and paid to us after the contract is signed to reduce the possibility of overdue payment.</p> <p>3. The Chairperson suggested that the managers' turnover rate should focus on exploring the reasons for the turnover rate of well-performed managers. In addition, because many long-term controlling objectives of the subsidiary's development business are displayed as red warning signs of high risk, more attention should be paid or the setting of this indicator should be re-examined. When The Auditor-General, Ms. Chou Su-Hsiang, replied the indicators for the turnover rate of supervisors will be more clearly presented in the future. There were many red light warning signs in the development business in the second quarter this year was mainly due to the delay of the progress of the construction project. Since the internal target was relatively strict, but the external default risk was still within the tolerable number of days. The Audit Office would discuss the appropriateness of the current control objectives with the development business unit.</p>
		CPA	Consolidated financial statements for the 2 <sup>nd</sup> quarter of 2022	<p>The certified public accountant attended and reported the proposed conclusion of reviewing the consolidated financial statements of the second quarter of 2022. This proposal was approved by the chairperson after consulting all the attending members who responded with no any other opinions and the proposal should be submitted to the Board of Directors for final decision.</p>

Date	Mode	Object	Issues to communicate	Comment from the independent directors
September 07, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	<p>1. Committee member Ms. Lee Yi-Li said that the Audit Office reported that the current accounts receivable of the real estate development business of China is still good. Considering that the real estate market of China has fluctuated greatly in recent years, the audit office should regularly report the overdue payment status of the real estate development business of China to the board of directors.</p> <p>2. The chairperson asked that the turnover rate of supervisors in the first half of the year was higher than KRI's standard, and it was necessary to find out the key reasons in order to reduce the turnover rate. The Auditor-General, Ms. Chou Su-Hsiang supplemented the analysis results of the turnover rate, and will provide a more detailed analysis report after the meeting.</p> <p>3. In addition to the above suggestions, after consulting all the members present for no other opinions, the Chairperson concluded that the case was well noted by the Committee.</p>
September 27, 2022	Audit Committee	Auditor-General	Report on performance in internal audit	Noted.
October 26, 2022	Forum	Auditor-General, CPA	<p>1. The internal audit unit's execution of work for 2022 and the draft plan of internal audit for 2023</p> <p>3. Communications with CPA about the audit plan for 2022.</p>	<p>1. The audit office has limited manpower and resources, and a risk-based assessment should focus on truly high-risk projects. In addition, it is expected to be able to think in terms of adding value to the organization and to perform a greater function.</p> <p>2. CPA report to Committee Members on the 2022 annual audit plan (including audit scope and methods, key audit matters, etc.) and recent legal updates.</p>
December 21, 2022	Audit Committee	Auditor-General CPA	<p>Report on performance in internal audit</p> <p>Consolidated financial statements for the 3<sup>rd</sup> quarter of 2022</p>	<p>Noted.</p> <p>The certified public accountant attended and reported the review conclusion of the consolidated financial report for the third quarter of 2022. The proposal was approved after the chairperson consulted all the members present and had no other opinions, and was proposed to the board of directors for resolution.</p> <p>Noted.</p>



Date	Mode	Object	Issues to communicate	Comment from the independent directors
			The Company's internal audit plan for 2023	The Chairperson asked about the difference between the risk management in 2022 and 2023. The Auditor-General, Ms. Chou Su-Hsiang, explained that the five major risk items at the group level were all the same. However, after the guidance of the committee members in the previous communication meeting, the importance of KRI was re-examined. The number of risk KRIs has been streamlined compared to 2022, and the business level or department level is linked to its annual goals to formulate relevant risk items and management measures.

4. The opinions of the Audit Committee of in Year 2022 on the major proposals of the board of directors and the company's handling of the opinions of the audit committee are as follows (Not including the conference held on January 27, 2022、June 21, 2022 with only report matters and without discussion matters.):

Audit Committee Meeting - Session and the Date	Content of the proposals	Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors	Audit Committee's comment	The response to the Audit Committee's suggestion by the Company
Session 5-28 <sup>th</sup> February 25, 2022	1. Adoption of unaudited Consolidated and Parent Company only financial statements for the year ended December 31, 2021.	✓	Nil	The proposal 1-8 were passed by all the members present without objection, and would be submitted to the board of directors for final decision.	The proposals above were approved by all board members present at the Board meeting and Proposals 1-3 were then submitted to the shareholder's meeting for ratification.
	2. Adoption of the 2021 Business Report.	✓	Nil		
	3. Adoption of the proposal for 2021 retained earnings distribution.	✓	Nil		
	4. The appointment of CPAs and the audit fee for the year 2022.	✓	Nil		
	5. Proposal of the internal control statement for the year ended December 31, 2021.	✓	Nil		

Audit Committee Meeting - Session and the Date	Content of the proposals	Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors	Audit Committee's comment	The response to the Audit Committee's suggestion by the Company
	6. Approval of the loans between the Company's subsidiaries.	✓	Nil		
	7. Approval of the Company's subsidiary's loan to others.	✓	Nil		
	8. Approval of proposal of a subsidiary's fund-lending to the Company for operational planning.	✓	Nil		
Session 5-29 <sup>th</sup> March 31, 2022	1. Approval of the proposal of amendments to the Company's Procedures for Acquisition or Disposal of Assets.	✓	Nil	1. As to the Proposal 4, The Chairpersons withdrew from the discussion and voting process as he concurrently served as the director of Taiwan Regional Revitalization Foundation. 2. Except for the No. 1 mentioned above, the proposals were passed by all the members present without objection, and would be submitted to the board of directors for final decision.	The proposals above were approved by all board members present at the Board meeting and Proposals 1 was then submitted to the shareholder's meeting for approval.
	2. Approval of proposal of a subsidiary's fund-lending to the Company for operational planning.	✓	Nil		
	3. Approval of proposal of the short-form merger of the Company with its subsidiary Sinyi Real Estate	✓	Nil		

Audit Committee Meeting - Session and the Date	Content of the proposals	Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors	Audit Committee's comment	The response to the Audit Committee's suggestion by the Company
	Ltd. 4. Approval of proposal of the Company's donation to Taiwan Regional Revitalization Foundation.	✓	Nil		
Session 5-30 <sup>th</sup> April 28, 2022	1. Approval of the Company's Consolidated Financial Statements of the first quarter of 2022.	✓	Nil	The proposal was passed with the recommendation mentioned above by all the members present without objection, and would be submitted to the board of directors for final decision.	The proposal was approved by all board members present at the Board meeting.
Session 6-1 <sup>st</sup> May 30, 2022	1. Approval of revision of the Company's subsidiary's loaning to others.	✓	Nil	The proposal was passed with the recommendation mentioned above by all the members present without objection, and would be submitted to the board of directors for final decision.	The proposal was approved by all board members present at the Board meeting.
Session 6-2 <sup>nd</sup> June 13, 2022	1. Approval of the Company's subsidiary to participate in a real estate auction. 2. Approval of the Company loaning to the Company's subsidiary.	✓	Nil	The proposals were passed by all the members present without objection, and would be submitted to the board of directors for final decision.	The proposals were approved by all board members present at the Board meeting.
Session 6-4 <sup>th</sup> July 26, 2022	1. Approval of the Company's Financial Statements of the second quarter of 2022.	✓	Nil	The proposals were passed by all the members present without objection, and would be	The proposal above were approved by

Audit Committee Meeting - Session and the Date	Content of the proposals	Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors	Audit Committee's comment	The response to the Audit Committee's suggestion by the Company
	2. Approval of the Company loaning to the Company's subsidiary. 3. Approval of the change of the Company's accounting supervisor. 4. Approval of lifting the non-compete restriction on the Company's managers.	<p>✓</p> <p>✓</p> <p>✓</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p>	submitted to the board of directors for final decision.	all board members present at the Board meeting.
Session 6-5 <sup>th</sup> 09/07/2022	1. Approval of the Company loaning to the Company's subsidiary.  2. Approval of the loans between the Company's subsidiaries.  3. Approval of an acquisition of privately placed securities.	<p>✓</p> <p>✓</p> <p>✓</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p>	1. As to the proposal 1, Committee Member Ms. Lee Yi-Li asked the overall planning and management plan of the Company's capital loan and Sinyi Development Inc. CFO replied that he would submit the Company's loan and repayment plan to Sinyi Development Inc. to the Audit Committee and the Board of Directors next time. 2. Proposals 1-3 were passed with the recommendation mentioned above by all the members present without objection, and would be	The proposals above were approved by all board members present at the Board meeting.

<p>Audit Committee Meeting - Session and the Date</p>	<p>Content of the proposals</p>	<p>Article 14-5 of Securities and Exchange Act</p>	<p>Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors</p>	<p>Audit Committee's comment</p>	<p>The response to the Audit Committee's suggestion by the Company</p>
<p>Session 6-6<sup>th</sup> September 27, 2022</p>	<p>1. Approval of the Company's selection of a real estate institutions. 2. Approval of the Company's subsidiary proposed to engage in derivative financial transactions, and the Company proposed to provide its guarantee for the subsidiary's application to financial institutions for hedging instrument.</p>	<p>✓</p>	<p>Nil</p>	<p>submitted to the board of directors for final decision.</p>	<p>The proposal above were approved by all board members present at the Board meeting.</p>
			<p>Nil</p>	<p>1. As to the proposal 1 : A. Committee Member Wu Chih-Wei said that since the above-mentioned land development project involves related party transactions and the estimated transaction amount is relatively large, and the service fee of the appraisal agency accounts for the low ratio of the total investment amount, it is recommended to choose 2 of the 3 appraisal agencies valuation agency. B. Committee Member Lee Yi-Li stated that the previous valuation agencies for the Huantan Island case were Knight Frank and CBRE Real Estate Appraisers (CBRE), and the two firms have business offices in Sabah, so it is recommended to use Ruipu</p>	

Audit Committee Meeting - Session and the Date	Content of the proposals	Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors	Audit Committee's comment	The response to the Audit Committee's suggestion by the Company
				<p>and CB Richard Ellis.</p> <p>C. The chairperson consulted all the attending committee members and agreed to adopt the two valuation agencies of Ruiyu and CB Richard Ellis to carry out the follow-up valuation work, and it was submitted to the board of directors for resolution.</p> <p>2. Proposal 2 was unanimously passed exactly as proposed without an objection after the Chairperson inquired with all participating Committee members who responded with no other opinions.</p>	
Session 6-7 <sup>th</sup> October 26, 2022	3. Approval of the Company's consolidated financial statements of the third quarter of 2022.	✓	Nil	Proposal 1-2 were unanimously passed exactly as proposed without an objection after the Chairperson inquired with all participating Committee members who responded with no other opinions.	The proposal above were approved by all board members present at the Board meeting.
	4. Proposal of the Company' borrowing from its subsidiary due to capital planning.	✓	Nil		
Session 7-8 <sup>th</sup> December 21, 2022	1. Approve of the Company's 2023 annual audit plan.	✓	Nil	1.As to the proposal 1 : A. The Chairperson asked about the difference between the risk management in 2022 and 2023. The Auditor-General,	The proposal above was approved by all board members
	2. Approval of the Company's subsidiary intending to acquire	✓	Nil		

Audit Committee Meeting - Session and the Date	Content of the proposals	Article 14-5 of Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors	Audit Committee's comment	The response to the Audit Committee's suggestion by the Company
	<p>real estate.</p> <p>3. Approval of cash capital increase of the Company's subsidiary.</p> <p>4. Approval of the Company's subsidiary intending to conduct a brand evaluation case for its tourism business.</p> <p>5. Approval of the Company loaning to the Company's subsidiary.</p>	<p>✓</p> <p>✓</p>	<p>Nil</p> <p>Nil</p> <p>Nil</p>	<p>Ms. Chou Su-Hsiang, explained that the five major risk items at the group level were all the same. However, after the guidance of the committee members in the previous communication meeting, the importance of KRI was re-examined. The number of risk KRIs has been reduced compared to 2022, and the business level or department level is linked to its annual goals to formulate relevant risk items and management measures.</p> <p>B. The proposal was passed with the recommendation mentioned above by all the members present without objection, and would be submitted to the board of directors for final decision.</p> <p>2.As to the proposal 2 :</p> <p>A. Committee Member Wu Chih-Wei asked whether the case has also been understood and evaluated in terms of environmental, political and legal risks, and the tourism</p>	<p>present at the Board meeting.</p>

<p>Audit Committee Meeting - Session and the Date</p>	<p>Content of the proposals</p>	<p>Article 14-5 of Securities and Exchange Act</p>	<p>Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors</p>	<p>Audit Committee's comment</p>	<p>The response to the Audit Committee's suggestion by the Company</p>
				<p>business group team replied.</p> <p>B. After modifying part of the text of the proposal, the proposal was passed with the recommendation mentioned above by all the members present without objection, and would be submitted to the board of directors for final decision.</p> <p>3.As to the proposal 3 :</p> <p>After modifying part of the text of the proposal, the proposal was passed with the recommendation mentioned above by all the members present without objection, and would be submitted to the board of directors for final decision.</p> <p>4.In addition to the above, proposal 3-4 were unanimously passed exactly as proposed without an objection after the Chairperson inquired with all participating Committee members who responded with no other opinions.</p>	



(III) Relevant information of the Remuneration Committee:

To assure wholesome corporate governance and intensify the managerial function in remuneration by the board of directors to help implement and evaluate the overall payroll and fringe benefits policies and the remuneration for directors and ranking managers, the Company set up as duly resolved in the board of directors the Remuneration Committee as early as August 2010, far earlier before the competent authority required so. the Remuneration Committee was organized by all independent directors to carry out such responsibilities and powers: 1. Enactment and review on a regular basis the performance evaluation and remuneration policies, systems, criteria and structure of directors and managers. 2. Evaluation on a regular basis and fixing remuneration for directors and managers. 3. Review over incentive remuneration plans or share-based payments for employees. 4. Suggestion on amendment of the organization of Remuneration Committee. 5. Handling of issues assigned by the board of directors. At the moment, the Remuneration Committee is organized by four independent directors, with Independent director Lee Yi-Li serving as the chairperson and convener. Since it first came into being, the Remuneration Committee has been in sound and satisfactory performance, conducting self-performance evaluation on a regular basis to upgrade the performance of the Committee.

1. Information and data of Remuneration Committee members:

Position	Terms		Professional qualifications and experience (Note 1)	Independence Information (Note2)	Number of Other Public Companies Concurrently Serving as a Member of Remuneration Committee	Remark
	Names					
Independent Director (Convener)	Lee Yi-Li		Please refer to the related information in "Disclosure of the professional qualifications of directors and the independence of independent directors" on page3-7.	The Company's independent directors have met the independence regulations of Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" in the two years before their appointment and during their tenure: 1. None have served as directors, supervisors, or employees of this company or its affiliates. 2. Neither they (nor in the name of others), their spouses, nor their minor children hold ordinary shares of the company. 3. In the past two years, they have not received any remuneration for providing business, legal, financial, accounting, or other services to this company or its affiliates. 4. None have served as directors, supervisors, or employees under items 5 to 8 of paragraph 1 of Article 6 of the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company	-	-
Independent Director	Jhan Hong-Chih				2	-
Independent Director	Yen Lou-Yu				1	-
Independent Director	Wu Chih-Wei				3	-

Independent Director (Former)	Hong San-Xiong	He had served as a director or chairperson of Waterland Financial Holdings Co., Ltd. and its subsidiaries for many years. He has a deep education in law and many years of financial management experiences and management practice, and provides board supervision and professional advice.	Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange".	-	Note 3
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Note 1: Professional Qualifications and Experience: Describe the professional qualifications and experience of the individual members of the remuneration committees.

Note 2: Eligibility for Independence: State that the members of the Remuneration Committee meet the circumstances of independence, including but not limited to whether the person, spouse, cousins within the second degree kinship are directors, supervisors or employees of the Company or its affiliates; the number and proportion of shares in the Company held by the person, spouse, cousins within the second degree kinship (or in the name of others); whether to act as a company with a specific relationship with the Company (referring to the provisions of subparagraph 5-8 of paragraph 1 of Article 6, of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange) the amount of remuneration received in the last 2 years for the provision of commercial, legal, financial, accounting and other services to the Company or its affiliates.

Note 3: On May 19, 2022, the directors of the company were re-elected and resigned. The number of members of the remuneration committee of other publicly issued companies refers to the number of concurrent members of the remuneration committee of the company.

2. Information of performance by the Remuneration Committee:

- (1) The Company's Remuneration Committee is composed of four (4) members.
- (2) Tenure of office of Remuneration Committee members of the current session: May 30, 2022~May 18, 2025.
- (3) During the period starting from January 1 until March 31, 2023, the Remuneration Committee convened two(2) meetings in total which were attended by all Committee members in full. During 2022, the Remuneration Committee convened six(6) meetings with 100% of average attendance rate and the participation facts were as enumerated below:

Title	Name	Times of Attendance in Person	Times of Attendance by Proxy	Actual Attendance Rate (%)	Remarks
Committee member (Convener)	Lee Yi-Li	6	-	100%	Nil
Committee member	Jhan Hong-Chih	6	-	80%	Nil
Committee member	Yen Lou-Yu	6	-	100%	Nil
Committee member	Wu Chih-Wei	3	-	100%	New Member. Elected on May 19, 2022, 3 times of should be attendance.
Former Committee	Hong San-Xiong	3	-	100%	Former Member. Step down on May 19, 2022, 3 times of should be attendance.

member				
Total	24	-	100%	

Other matters to be noted in the meeting minutes:

1. If the board of directors refuses to accept of modify suggestions of the Remuneration Committee, the meeting date, session, agenda content, results resolved by the board of directors, and the Company's treatment of opinion of the Remuneration Committee should be clearly stated: Nil.
2. If the members have opposite opinion or reservations against the resolution of the Remuneration Committee and the opinion or reservations have been recorded or documented, the meeting date, session, agenda content, the opinion of all members of the Remuneration Committee, and the treatment of the members' opinion should be clearly stated: Nil.

(4) Opinions of the Remuneration Committee toward the key issues of the board of directors in 2022, and the feedbacks by the Company in response to the opinions posed by the Remuneration Committee:

Session and the date of Remuneration Committee	Significant decisions resolved	Resolutions which were not approved by the Remuneration Committee but were approved by two thirds or more of all directors	Remuneration Committee's comment	The response to the Remuneration Committee's suggestion by the Company
Session 4-13 <sup>th</sup> 01/27/2022	The proposal of year-end bonus and annual performance incentive for 2021 for authorized chief officers of the Company.	Nil	1. As to the proposal : Committee Members Jhan Hong-Chih and Yen Lou-Yu respectively asked about the basis and basis for the calculation of the annual bonus for senior managers. After replies from Director Chou Chun-Chi and Senior Manager Chen Chih-Huan of the Finance Department, the chairperson dismissed the senior managers reported by the Finance Department at the meeting of the Remuneration Committee in February. In the case of short-term performance bonus and long-term value contribution	The proposal was submitted to the board of directors for discussion. Except that Chairperson Mr. Hsueh Chien-Ping, Director Chou Ken-Yu, Auditor-General and CFO, the authorized chief officers, left the meeting when deliberation or voting took place, the proposal was unanimously passed by all participating board members in full.

Session and the date of Remuneration Committee	Significant decisions resolved	Resolutions which were not approved by the Remuneration Committee but were approved by two thirds or more of all directors	Remuneration Committee's comment	The response to the Remuneration Committee's suggestion by the Company
Session 4-14 <sup>th</sup> 02/25/2022	1. The proposal of distribution ratio of the remuneration to employees and remuneration to directors of the Company for 2021.	Nil	<p>bonus, the annual remuneration situation should be presented, so that the committee members can understand and judge the rationality of the performance bonus.</p> <p>2. In addition to the above suggestions, the proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.</p>	The proposal 1 was submitted to the board of directors for discussion, approved by all directors present, and the proposal 1 was submitted to the 2022 annual shareholders meeting report.

<p>Session and the date of Remuneration Committee</p>	<p>Significant decisions resolved</p>	<p>Resolutions which were not approved by the Remuneration Committee but were approved by two thirds or more of all directors</p>	<p>Remuneration Committee's comment</p>	<p>The response to the Remuneration Committee's suggestion by the Company</p>
<p>Session 4-15<sup>th</sup> 04/28/2022</p>	<p>2. The proposal of the short-term performance bonus and long-term value contribution bonus of 2021 for the Company's authorized chief officers.</p>	<p>Nil</p>	<p>After correcting the misplacement of the attachment, during the process of discussion about remuneration to independent directors, the involved independent directors would withdraw from conflict involvement (recusal). The proposal was duly passed without an objection and was duly resolved in the board of directors.</p>	<p>The proposal 2 was submitted to the board of directors for discussion. Except that Chairperson Mr. Hsueh Chien-Ping, Director Chou Ken-Yu, General Manager, Auditor-General and CFO, the authorized chief officers, left the meeting when deliberation or voting took place, the proposal was unanimously passed by all participating board members in full.</p>
<p>Session 4-15<sup>th</sup> 04/28/2022</p>	<p>1. Proposal of payment of the remuneration to the Company's directors in 2021.</p>	<p>Nil</p>	<p>Submitted to the board of directors for discussion. Except that the involved independent directors left the meeting when deliberation or voting took place, the proposal was unanimously passed by other participating board members in full.</p>	<p>Submitted to the board of directors for discussion. Except that the involved independent directors left the meeting when deliberation or voting took place, the proposal was unanimously passed by other participating board members in full.</p>

Session and the date of Remuneration Committee	Significant decisions resolved	Resolutions which were not approved by the Remuneration Committee but were approved by two thirds or more of all directors	Remuneration Committee's comment	The response to the Remuneration Committee's suggestion by the Company
	2. Approval of the Company's employee remuneration of senior executives for 2021.		The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	Submitted to the board of directors for discussion. Except that Chairperson Mr. Hsueh Chien-Ping, Director Chou Ken-Yu, General Manager, Auditor-General and CFO, the authorized chief officers, left the meeting when deliberation or voting took place, the proposal was unanimously passed by all participating board members in full.
Session 5-1 <sup>st</sup> 05/30/2022	Remuneration of Independent Directors of the 14th Board of Directors.	Nil	In addition to discussing the remuneration of individual independent directors and avoiding interests separately. The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	Except when discussing the remuneration of individual independent directors, the independent directors avoid their respective interests, the proposal was unanimously passed by all participating board members in full.
Session 5-2 <sup>nd</sup> 06/21/2022	Approval of the Company's proposal to add senior executives to apply the high-level manager's salary bonus scheme.	Nil	The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	Submitted to the board of directors for discussion. Except that Senior Manager Chen Chih-Huan left the meeting when deliberation or voting took place, the proposal was unanimously passed by all participating board members in full.

Session and the date of Remuneration Committee	Significant decisions resolved	Resolutions which were not approved by the Remuneration Committee but were approved by two thirds or more of all directors	Remuneration Committee's comment	The response to the Remuneration Committee's suggestion by the Company
Session 5-3 <sup>rd</sup> 12/21/2022	1. Approval of the bonus rate of the authorized chief officers applicable to 2023 annual incentive compensation plan.	Nil	The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	Submitted to the board of directors for discussion and unanimously passed by all participating board members in full.
	2. Approval of bonus for the Company's senior executives.	Nil	After revising part of the text of the proposal, the proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	
	3. Approval to offer salary increases for the Company's senior executives.	Nil	Except that Senior Manager Chen Chih-Huan left the meeting when deliberation or voting took place, the proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	Submitted to the board of directors for discussion. Except that CFO Chen Chih-Huan left the meeting when deliberation or voting took place, the proposal was unanimously passed by all participating board members in full.

(IV) Nomination Committee:

In addition to the regulations and requirements of the laws and ordinances concerned, the Company has duly established an Audit Committee and Remuneration Committee. Further at its discretion, the Company set up the Nomination Committee on October 27, 2017 which consists of 4 independent directors and a total of 5 directors of the Company. 3 Nomination Committee meetings were convened in 2022. Among them, the list of director candidates for the 14th session is proposed to the board of directors, and the

qualifications of the director candidates recommended by shareholders or directors, and whether there are any items listed in Article 30 of the Company Law, etc., are evaluated in advance, and the evaluation results are reported. It is also a recommended reference list for director candidates. After being approved by the board of directors, it will be used as a reference for the shareholders' meeting to elect suitable directors. The nomination committee also proposed amendments to the Code of Corporate Governance, nominated the company's general manager and chief financial officer, and planned education courses for the Company's directors in 2022.

The Committee shall convene at least once a year, and the Committee shall exercise the due care of a good administrator to faithfully perform the following duties and shall submit its proposals to the board for discussion:

- (1) Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the board, supervisors and authorized chief officers, and finding, reviewing, and nominating candidates for directors, supervisors, and authorized chief officers based on such standards.
- (2) Establishing and developing the organizational structure of the board and each committee, and evaluating the performance of the board, each committee, and each director and senior executive and the independence of the independent directors.
- (3) Establishing and reviewing on a regular basis programs for director continuing education and the succession plans of directors and authorized chief officers.
- (4) Amending the Code of Corporate Governance of the Company.

1. Information and data of Nomination Committee members:

Position	Terms		Professional qualifications and experience	Number of Other Public Companies Concurrently Serving as a Member of Remuneration Committee	Remark
	Names				
Independent Director (Convener)	Jhan Hong-Chih		Having served as the chairperson of a listed company for many years with profound talent and hands-on experiences accumulated in selecting right talents and organizational management.	-	
Independent Director	Yen Lou-Yu		Having served as the Senior Partner for Big Four Accountant firms and managerial & consulting firms of the global scale for many years with profound talent, social network and hands-on experiences accumulated in selecting right talents and organizational management.	-	
Independent Director	Lee Yi-Li		Having served as the general manager of listed companies for many years with profound talent and hands-on experiences accumulated in selecting right talents and organizational management.	-	
Independent Director	Wu Chih-Wei		Having served as the CEO and executive director of the Taiwan region of a large global bank for many years, and has rich experience in talent selection and organizational management capabilities.		
Director	Chou Chun-Chi		Having served as the chairperson of the Company for many years with profound talent and hands-on experiences accumulated in selecting right talents and organizational management.	-	



Independent Director (Former)	Hong San-Xiong	The same as above.	-	Note 1
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Note 1: On May 19, 2022, the directors of the company were re-elected and resigned. The number of members of the nomination committee of other publicly issued companies refers to the number of concurrent members of the nomination committee of the company.

2. Information of performance by the Nomination Committee:

- (1) The Company's Nomination Committee is composed of five (5) members.
- (2) Tenure of office of Nomination Committee members of the current session: from May 30, 2022 to May 18, 2025.
- (3) From January 1 to March 31, 2023, the Nomination Committee convened 2 meetings, and all the members attended the meeting in person. In 2022, the Nomination Committee convened three (3) meetings with 100% of average attendance rate.

The attendance facts of the Nomination Committee were enumerated below:

Title	Name	Times of Attendance in Person	Times of Attendance by Proxy	Actual Attendance Ratio (%)	Remarks
Committee member(Convenor)	Jhan Hong-Chih	3	-	100%	Nil
Committee member	Yen Lou-Yu	3	-	100%	Nil
Committee member	Chou Chun-Chi	3	-	100%	Nil
Committee member	Lee Yi-Li	3	-	100%	Nil
Committee member	Wu Chih-Wei	1	-	100%	New Member. Elected on May 19, 2022, 1 times of should be attendance.
Committee member	Hong San-Xiong	2	-	100%	Former Member. Step down on May 19, 2022, 3 times of should be attendance.
Total		15	-	100%	

Other matters to be noted in the meeting minutes:

1. If the board of directors refuses to accept of modify suggestions of the Nomination Committee, the meeting date, session, agenda content, results resolved by the board of directors, and the Company's treatment of opinion of the Nominating Committee should be clearly stated: Nil.

2. If the members have opposite opinion or reservations against the resolution of the Nomination Committee and the opinion or reservations have been recorded or documented, the meeting date, session, agenda content, the opinion of all members of the Nomination Committee, and the treatment of the members' opinion should be clearly stated: Nil.

(4) Opinions of the Nomination Committee toward the key issues of the board of directors in 2022, and the feedbacks by the Company in response to the opinions posed by the Nomination Committee (Not including the conference held on February 25, 2022 with only report matters and without discussion matters.):

Session and the date of Nomination Committee	Significant decisions resolved	Resolutions which were not approved by the Nomination Committee but were approved by two thirds or more of all directors	Nomination Committee's comment	The response to the Committee members' suggestion by the Company
Session 2-07 <sup>th</sup> January 27, 2022	1. The proposal of amendments to the Company's The Corporate Governance Principles.	Nil	The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	As per discussion in BOD, the proposal above was approved by all board members present at the Board meeting.
	2. Planning for refresher and higher education program for the Company's directors for 2022.	Nil	All the members present unanimously agreed to list " Hotel management and innovation and new opportunities in the post pandemic era " and "Build a reward system for senior executives that is conducive to the long-term development of the organization " as the options for this year's Director Refresher	

Session and the date of Nomination Committee	Significant decisions resolved	Resolutions which were not approved by the Nomination Committee but were approved by two thirds or more of all directors	Nomination Committee's comment	The response to the Committee members' suggestion by the Company
Session 2-08 <sup>th</sup> March 31, 2022	1. The proposal of amendments to the Company's The Corporate Governance Principles.	Nil	Course, and "Information Security Accident Handling Practices under the New Normal after the Epidemic" as the course filing choice. The Proposal was approved by all the members present and proposed the resolution of the Board of Directors.	
	2. The proposal of amendments to the Company's Charter of Nominating Committee.	Nil	The proposal 1-3 were unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.	As per discussion in BOD, the proposal above was approved by all board members present at the Board meeting.
	3. The proposal of amendments to the Company's Measures for the Evaluation and Review of Nominees for Independent Directors.	Nil		
	4. Discussion on the candidate for the Company's 14th board of directors.	Nil	The members Mr. Jhan Hong-Chih, Mr. Yen Lou-Yu and Ms. Lee Yi-Li, and Mr. Chou Chun-Chi, Mr. Chou Ken-Yu respectively discuss and negotiate whether they are eligible. When listed on the list of directors of the 14th board of directors, they also left and abstained from voting.	Mr. Jhan Hong-Chih, Mr. Yen Lou-Yu and Ms. Lee Yi-Li, and directors Mr. Chou Chun-Chi, Mr. Chou Ken-Yu respectively discuss and negotiate whether they are eligible. When listed on the list of directors of the 14th board of directors, they also left and abstained from

<p>Session and the date of Nomination Committee</p>	<p>Significant decisions resolved</p>	<p>Resolutions which were not approved by the Nomination Committee but were approved by two thirds or more of all directors</p>	<p>Nomination Committee's comment</p>	<p>The response to the Committee members' suggestion by the Company</p>
			<p>The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.</p>	<p>voting. The proposal was unanimously passed by all participating directors in full without an objection, and submitted to the shareholders' meeting for final decision.</p>
	<p>5. Proposal of lifting a ban on non-compete clauses of the newly appointed directors(including their representatives) of the 14th board of directors of the Company to the Annual General Meeting.</p>	<p>Nil</p>	<p>When the chairperson , Mr. Chou Chun-Chi, and Ms. Lee Yi-Li each discuss the dissolution of the company and its subsidiaries directly or indirectly holding 100% of its shares and their own competition details, they also left and abstained from voting. The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.</p>	<p>In this case, except that Mr. Chou Chun-Chi, Mr. Chou, Ken-Yu ,Mr. Jhan Hong-Chih and Ms. Lee Yi-Li each left the meeting and abstained from the discussion on the dissolution of the Company and its 100% direct or indirect subsidiaries and their own competition details, the case was passed through The chairman consulted all directors present and passed the proposal without objection.</p>
<p>Session 3-01st June 21, 2022</p>	<p>1. Proposal of Personnel Changes in Senior Management.</p>	<p>Nil</p>	<p>(1) The chairperson inquired about the work experience of the candidate Ms. Chen Li-Hsin and her understanding of the company's philosophy. Mr. Wu Chih-Wei asked about her ideals and aspirations and how to lead the company to the next stage</p>	<p>Mr. Chen Chih-Huan withdrew from discussion and voting process with the Company. The proposal was passed unanimously by the attending directors.</p>

<p>Session and the date of Nomination Committee</p>	<p>Significant decisions resolved</p>	<p>Resolutions which were not approved by the Nomination Committee but were approved by two thirds or more of all directors</p>	<p>Nomination Committee's comment</p>	<p>The response to the Committee members' suggestion by the Company</p>
			<p>if he were to be the general manager. Mr. Yen Lou-Yu also asked about the current promotion of digital transformation in the company. The project is expected to be achieved in the next 3 years, and the challenges that the general manager may face; Ms. Lee Yi-Li asked how the company can assist overseas subsidiaries in the management and planning of information and digital transformation. Candidate Ms. Chen Li-Hsin answered the questions of the above-mentioned chairperson and committee members in order. (2) The chairperson asked candidate Mr. Chen Chih-Huan about the difference between the current job position and the mission of the chief financial officer, and Mr. Yen Lou-Yu asked the group's views on financial strategy and risk control as the future development of the group becomes more and</p>	

<p>Session and the date of Nomination Committee</p>	<p>Significant decisions resolved</p>	<p>Resolutions which were not approved by the Nomination Committee but were approved by two thirds or more of all directors</p>	<p>Nomination Committee's comment</p>	<p>The response to the Committee members' suggestion by the Company</p>
	<p>2. Proposal for senior management's getting out of a noncompete agreement.</p>	<p>Nil</p>	<p>more diversified. Candidate Mr. Chen Chih-Huan answered the questions of the above-mentioned chairperson and Mr. Yen Lou-Yu in order. (3) Ms. Chen Li-Hsin and Mr. Chen Chih-Huan left the meeting during the discussion of this case and avoided discussion and voting. After Mr. Liu Yuan-Chih and Mr. Chou Chun-Chi supplemented the past work experience and performance of candidate Ms. Chen Li-Hsin, the case was approved by the chairperson without objection after consultation with all attending members, and it was submitted to the board of directors for resolution.</p>	<p>Mr. Chen Chih-Huan withdrew from discussion and voting process with the Company. The proposal was unanimously passed by all participating Committee members in full without an objection, and submitted to the board of directors for final decision.</p> <p>Mr. Chen Chih-Huan withdrew from discussion and voting process with the Company. The proposal was passed unanimously by the attending directors.</p>

(V) The performance of corporate governance and the status on discrepancy and reasons in relation to the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies

Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
I. Does the Company specify and disclose the corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies"?	V		The Company has established "Guidelines for Corporate Governance" which are disclosed on the "Corporate Governance" sections of our investor relations website, as well as on the Market Observation Post System. Revisions to our "Guidelines for Corporate Governance" were approved at the Board meeting in January and March, 2022. The Company also periodically reviews the actualization status of the corporate governance and makes improvement accordingly; again amended the guidelines in January, 2023. There has been no major discrepancy status in its execution up to present. ( <a href="http://www.sinyi.com.tw/info/company.php">http://www.sinyi.com.tw/info/company.php</a> )
II. Corporate Equity Structure and Shareholders' Equity			
(I) Does the Company specify internal operation procedures to dispose recommendations, doubts, disputes and lawsuit matters of shareholders, and implement in accordance with such procedures?	V		The Company specified procedures for investor relationship, and handle shareholder's recommendations, doubts, disputes and lawsuit matters in accordance with such procedures, and periodically reviews the actualization status in accordance with such procedures and improves accordingly; there has been no major discrepancy status in its execution up to present.
(II) Does the Company master the major shareholders in actual control of the Company and the name list of the final controllers of such major shareholders?	V		The Company keeps close contacts with the major shareholders, and most of the major shareholders directly participate in the operation of the Company; the Company also discloses the shareholding status of the major shareholders in actual control of the Company and the final controllers of such major shareholders in accordance with regulations.

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies	
Evaluation Items	Description of Summary		
	Yes	No	
(III) Does the Company establish and execute the risk control and firewall mechanism with the affiliated enterprises?	V	The operation and finance of the Company and the affiliated enterprises are all operated independently. Besides, such related operation rules as "Rules Governing Transactions with Group Enterprises, Specific Parties and Related Parties"(The board of directors approved the name change to "Governing Financial and Business Matters Between the Company and its Related Parties " and amendments to the provisions and the revision will be submitted to the Company's shareholders' meeting for ratification)and "Rules Governing Subsidiary Company Supervision Management", etc. are specified, to specify the financial business transactions with the affiliated enterprises and matters required to be supervised.	Nil
(IV) Does the Company establish internal specifications to prohibit the internal parties of the Company from trading securities by taking advantage of the non-opened information in market?	V	The Company offers education propaganda related to Procedures for Handling Material Inside Information to its directors, managers and staff at least once a year and to its new directors, manager and staff within 2 months after their assuming office. In addition, the Company has set up on intranet a automatic pop-up notice of "internal material information-related publicity matters", including internal material information definitions, confidential operations, penalties for insider trading violations, and treatment methods to achieve the effectiveness of educational advocacy at the beginning of each month for 70 insiders ,a total of 840 person-times to read and confirm item by item.	Nil
III. Organization and Functions of Board of Directors			
(1) Does the Board of Directors prepare diversified guidelines and concrete management objectives in response to the organization of members and actualize the execution?	V	The Company's corporate governance guidelines state that the members of the board of directors shall have the knowledge, skills and qualifications necessary for the performance of their duties. The composition of the board of directors shall be considered to be diversified, and the internal directors of the Company shall not be more than one-third. At the same time, the type of business operations and development needs, including but not limited to the following two major aspects: 1. Basic backgrounds and conditions values: gender, age, nationality and culture. In addition, it will be better if the percentage of female directors is more than one-third of the Company's directors.	Nil



Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies

Facts of performance

Evaluation Items

Yes No

Description of Summary

2. Professional knowledge and skills: professional background (such as law, accounting, industry related knowledge, finance, marketing or technology), professional skills and industry experience.

In order to achieve the ideal goal of corporate governance, the board of directors should have the following capabilities: (1) operational judgment ability; (2) accounting and financial analysis ability; (3) management ability; (4) crisis processing capacity; (5) industry knowledge; (6) the comprehensive of international market; (7) leadership; (8) decision-making ability.

Director	Diversified core ability	Gender	Expertise and skills						Fact in conformity in capabilities								
			Law	Accounting	Industry	Finance	Marketing	Technology	Management ability	Leadership	Industry knowledge	Talent education	Performance evaluation	Accounting and finance	Law	Environmental protection	
Liu Yuan-Chih		M			✓		✓				✓						
Chou Ken-Yu		M					✓				✓						
Chou Chun-Chi		M	✓		✓						✓						✓
Jhan Hong-Chih		M		✓			✓				✓						
Yen Lou-Yu		M	✓		✓						✓						
Lee Yi-Li		F	✓								✓						
Wu Chih-Wei		M	✓		✓						✓						
Hsueh Chien-Ping (Former)		M	✓		✓						✓						
Hong San-Xiong (Former)		M	✓			✓					✓						✓

The Company used to have 7 directors (including 1 female directors). In order to increase the diversity and youth of the members in the board of directors, in 2019, through the full scale re-election of the board of directors, Ms. Lee Yi-Li, who was under 50 of age, was elected as an independent director of the Company. Ms. Lee Yi-Li graduated from the President Class of Harvard Business School, has many years of rigorous risk management experience in foreign banks and business operations practices, and assists the company with more diverse,

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies			
Evaluation Items	Description of Summary				
Yes	<p>innovative and youthful thinking. In 2021, Sinyi Co., Ltd., the Juristic-person shareholder, reassigned Mr. Chou Ken-Yu as the representative to be the Company's director to replace Vice Chairperson Chou Wang Mei-Wen. Director Mr. Chou Ken-Yu is relatively young and professional in the field of information management and digital technology, and had been trained in the Company for many years to obtain the management of real estate agent and other related experience. Joining the business decision-making class as a director, Mr. Chou Ken-Yu will help actively promote the Company's digital transformation plan and also make the board of directors younger. The Company has 2 directors with the status of employees, accounting for 28.6%.</p> <p>In order to cope with the business development of the Company, the Company set the target in 2020 as "an independent director with background or experience in the real estate development industry or the tourism industry among the 14th Board of Directors members". When the Company re-elected the board of directors in 2022, the Company selected Mr. Wu Chih-Wei, who was an independent director of Cathay Construction Co., Ltd., as an independent director of the Company. With his high supervision standards and practical experience in the construction industry, it will benefit the Company's subsidiaries development of real estate development.</p> <p>The other two independent directors include Mr. Yan Lou-Yu and Mr. Jhan Hong-Chih, who are professionals with extensive experience and expertise in corporate management, law, finance, accounting and business operations. In addition to their promising professionalism, where the independent directors account for more than half of the total seats, the Company could virtually ensure the objectivity and independence of deliberations of issues. In response to the Company's business development, the Company shall aim at "developing excellent talent pool of independent directors" and "another new female director or female independent director for the 15<sup>th</sup> and 16<sup>th</sup> terms of the Board of Directors, respectively".</p> <p>The number of independent directors of the Company currently exceeds 1/2 of the total number of director seats, including one female in the board of directors, accounting for 14% of the total number of director seats. The term distribution of independent directors is as follows:</p>				
No					
		<table border="1"> <tr> <td>0~3 years</td> <td>3~6 years</td> <td>6~9 years</td> </tr> </table>	0~3 years	3~6 years	6~9 years
0~3 years	3~6 years	6~9 years			

Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies																												
	Yes	No																													
		<p style="text-align: center;">Description of Summary</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="width: 20px;">1</td> <td style="width: 20px;">2</td> <td style="width: 20px;">1</td> </tr> </table> <p>The age and gender of board of directors members:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2">Age range</th> <th colspan="2">Gender</th> </tr> <tr> <th>30~50 (inclusive)</th> <th>50~70 (inclusive)</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">5</td> <td style="text-align: center;">0</td> <td style="text-align: center;">6</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">6</td> <td style="text-align: center;">1</td> </tr> </tbody> </table>	1	2	1	Age range		Gender		30~50 (inclusive)	50~70 (inclusive)	Male	Female	2	5	0	6			6	1										
1	2	1																													
Age range		Gender																													
30~50 (inclusive)	50~70 (inclusive)	Male	Female																												
2	5	0	6																												
		6	1																												
(II) The Company, besides establishing Remuneration Committee and Audit Committee in accordance with laws, also voluntarily establishes other committees with similar functions?	V	<p>The Company has established the Nomination Committee. It was to be established voluntarily and agreed by the resolution of the board of directors on October 27, 2017. The Committee is composed of five directors selected by the board of directors from among themselves; a majority, four of the Committee members are independent directors while the other one is Mr. Chou Chun-Chi, the another director of the Company :</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Committees</th> <th>Audit Committee</th> <th>Compensation Committee</th> <th>Nomination Committee</th> </tr> </thead> <tbody> <tr> <td>Director</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jhan Hong-Chih</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓(Chairperson)</td> </tr> <tr> <td>Yen Lou-Yu</td> <td style="text-align: center;">✓(Chairperson)</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Lee Yi-Li</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓(Chairperson)</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Wu Chih Wei</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> </tr> <tr> <td>Chou Chun-Chi</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">✓</td> </tr> </tbody> </table> <p>The Committee shall convene at least once a year, and the Committee shall exercise the due care of a good administrator to faithfully perform the following duties and shall submit its proposals to the board for discussion:</p> <p>(1) Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the board, supervisors and senior executives, and finding, reviewing, and nominating candidates for directors, supervisors, and senior executives based on such standards.</p> <p>(2) Establishing and developing the organizational structure of the board and each committee, and evaluating the performance of the board, each committee, and each</p>	Committees	Audit Committee	Compensation Committee	Nomination Committee	Director				Jhan Hong-Chih	✓	✓	✓(Chairperson)	Yen Lou-Yu	✓(Chairperson)	✓	✓	Lee Yi-Li	✓	✓(Chairperson)	✓	Wu Chih Wei	✓	✓	✓	Chou Chun-Chi	-	-	✓	Nil
Committees	Audit Committee	Compensation Committee	Nomination Committee																												
Director																															
Jhan Hong-Chih	✓	✓	✓(Chairperson)																												
Yen Lou-Yu	✓(Chairperson)	✓	✓																												
Lee Yi-Li	✓	✓(Chairperson)	✓																												
Wu Chih Wei	✓	✓	✓																												
Chou Chun-Chi	-	-	✓																												

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
	Yes	
	No	<p>director and senior executive and the independence of the independent directors.</p> <p>(3) Establishing and reviewing on a regular basis programs for director continuing education and the succession plans of directors and authorized chief officers.</p> <p>(4) Establishing and amending corporate governance guidelines of the Company. Related rules and the evaluation are revealed in the investor relationship website of the Company. (<a href="https://www.sinyi.com.tw/investors/en/corporate-governance/committees">https://www.sinyi.com.tw/investors/en/corporate-governance/committees</a>)</p>
(III) Does the Company establish performance rules and evaluation methods of the Board of Directors, and periodically engages in performance evaluation every year?		<p>The Company has established "Regulations on Performance Evaluation of the Board of Directors" at the end of 2015 and the Company will issue self-evaluation questionnaire to all board members from 2015. By means of performing the performance evaluation of the Board of Directors periodically every year, by requesting each director to complete evaluation for previous year in such aspects as the operation, culture, internal/external relationship operation, self-evaluation in terms of the Board of Directors, for the conference unit/department of the Board of Directors to collect and compile them and report such in the board meeting and propose the direction of further improvement and apply them to the remuneration of individual directors and use them as a reference for nominations for renewal.</p> <p>In the questionnaire, the part <b>【Summary and description of BOD overall self-evaluation】</b> covers five aspects which described on page 3-29. After the questionnaires are fully recovered, the latest report of the board of directors will be submitted and suggestions for improvement will be proposed for the areas that can be strengthened.</p> <p>"Regulations on Performance Evaluation of the Board of Directors" of the Company provide that, in addition to self-assessment at least once a year, an assessment shall be performed by an external professional independent organization or a team of external experts and scholars at the end of the year at least every 3 years. The results of the internal and external evaluation of the Board of Directors shall be completed before the recent meeting of the Board of Directors in the following year.</p> <p>The 2022 internal self-evaluation of the performance of the Board of Directors of the Company</p>

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
Yes		
No		<p>and its functional committees was issued and collected by the deliberative unit and were reported on January 18, 2023 at the board of directors and its functional committee on the results of the self-assessment and published the results of the self-assessment and actions for improvement on the Company's website.</p> <p><a href="https://www.sinyi.com.tw/investors/en/corporate-governance/directorate/operation-status">https://www.sinyi.com.tw/investors/en/corporate-governance/directorate/operation-status</a></p> <p>The Company's latest external performance evaluation of the Board and its functional committees were as follows:</p> <p>The external performance evaluation of the board of directors and its functional committees was conducted by the independent team of Taiwan Corporate Governance Association ("TCGA"). The team conducted field Interviews with the Company's chairperson, directors and independent directors, conveners of the functional committees and the deliberative unit. The external performance evaluation report had been reported to the meeting board of directors held on December 25, 2020. After reporting to the board of directors by the deliberative unit, the proposed matters and improvement actions had been posted on the Company's website.</p> <ol style="list-style-type: none"> <li>1. Assessment method: TCGA reviewed the the relevant documents and public information required for the Company's assessment, and on November 27, 2020, appointed independent executive committee members etc. to form the evaluation team to conduct a field visit to the Company and interviewed the Company's chairperson, internal directors, independent directors, corporate governance directors and audit directors, etc.</li> <li>2. The interview was conducted with 8 aspects of the BOD's organization, instruction, authorization, monitoring, communication, internal control, risk management, self-discipline and other such board meetings and supporting system to examine the current operation status of the Company's BOD and its functional committees. Through the surveyors' suggestions and interaction with the Company's interviewees and the more adequate and valuable advice of improvement for the key issues, TCGA issued a professional and objective report as a reference of</li> </ol>

Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
		<p>Description of Summary</p> <p>strengthening function of the BOD, improving the effectiveness of corporate governance and finally meeting sustainability of the Company.</p> <p>3. The independence of the external institution: TCGA, an independent and professional counseling and evaluation institute for corporation governance has served over 300 companies which are governmentoperated enterprises, listed companies, public companies and private companies from different industries with different stock structures and combination of members of board of director.</p> <p>Suggestions of the evaluation and improvement action plan</p> <p>(1) Suggestion:</p> <p>A. TCGA suggested the Company set up talent pool and orientation of new directors to meet the need of the replacement of independent directors.</p> <p>B. It is advised that the Company integrate the appealing mechanism to simplify the appealing procedures and give the independent directors more space of participation to strengthen the effect of appealing mechanism.</p> <p>(2) Improvement action plan:</p> <p>A. The Company has started to set up talent pool for potential candidates of independent directors in 2020 and continues to replenish the talent pool.</p> <p>B. The Company has set up the SOP of orientation for the new independent directors and summarize the related important regulations and professional courses to help the new independent directors to be familiar with the Company's business and industry information as soon as possible.</p> <p>C. The Company shall stipulate concrete plan to integrate the appealing channels to make the appealing mechanism operate more efficiently.</p> <p>Related rules and the evaluation are revealed in the investor relationship website of the Company. (<a href="https://www.sinyi.com.tw/investors/investors-en-directors_directors-EN">https://www.sinyi.com.tw/investors/investors-en-directors_directors-EN</a>)</p>	
(IV) Does the Company periodically evaluate	V		The Company evaluate the independence in the certified public accountant (CPA) at least once

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
the independence of the certified public accountant?	<p>a year when the Company re-engages CPA each year:</p> <p>(1) The Finance Department evaluates if the CPA conforms to the related regulations of independence and competency by the "Accountant Competency, Independence Evaluation Checklist" listing the independence evaluation items with reference with the Article 47 of Certified Public Accountant Act and No. 10 of the Bulletin of Norm of Professional Ethics for Certified Public Accountant "Integrity, Objectivity and Independence".</p> <p>(2) In addition to obtaining the "The Independence Statement of the CPA", in 2023 the company also obtained the Audit Quality Indicators (AQI) issued by the CPA, which can be used as a reference for evaluating the independence and suitability of the certified accountant.</p> <p>(3) The Finance Division submitted the evaluation result to the Audit Committee and the Board of Directors for discussion, to serve as the reference of appointing the accountant.</p> <p>The latest yearly "Accountant Competency, Independence Evaluation Checklist" have been reported to the Company BOD, as a reference for the appointment of CPA on February 25, 2022 and February 22, 2023. The 2022 yearly result of checklist was shown on page 3-156.</p>	
IV. Does the Company have dedicated (or non-dedicated) divisions or personnel responsible for corporate governance issues (including but not limited to the preparation for the materials required for directors and supervisors, convening of the meetings for directors	<p>V</p> <p>1. Mr. Chen, Chih-Huan, the senior manager of Finance Department of the Company, with the CPA license of R.O.C. and more than 10 years experiences of financial management in public limited company is the specialist to be responsible for corporate governance issues with 1-2 staff to cope with corporate governance affairs. The duty of the specialist is the convenor to deal with the corporate governance affairs which include :</p> <p>(1) Prepare for the materials required for directors, and provide hard copies of meetings to the directors 7 days prior to the meeting of the BOD;</p> <p>(2) Notify board members as a matter of time once the release of a material information;</p> <p>(3) Provide monthly internal business chiefmeeting information and quarterly industry trends to independent directors and regularly pass the Company's relevant forums information for their participation;</p> <p>(4) Arrange and deal with the schedule of convening the board meetings and shareholders' meetings;</p> <p>(5) Make meeting minutes for the board meetings and function-committee meetings</p>	

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
and shareholders according to relevant laws and regulations, registration of companies and changes to registration details, compilation of meeting minutes for board meetings and shareholders' meetings)?	<p>Yes</p> <p>No</p> <p>available within twenty days of the meetings;</p> <p>(6) Assist the directors to comply with related laws and regulations;</p> <p>(7) Assist for the inauguration and lessons of the directors and arrange the visiting activities to the material operation units and subsidiaries for the directors;</p> <p>(8) Assist the Board and its functional committees to take a self-evaluation each year and external evaluation every three year;</p> <p>(9) Supervise and enhance the actual corporate governance issues;</p> <p>(10) Convene investor conferences;</p> <p>(11) Treat the investors and reply the queries asked by them and announce the results of corporate governance issues;</p> <p>(12) To report to the board of directors the results of its review on whether the qualifications of independent directors comply with relevant laws and regulations at the time of nomination, election and term of office;</p> <p>(13) Handle matters related to the change of directors;</p> <p>2. The business promotion situation as below are reported to the board related to the corporate governance issues, and already reported the business promotion situation for 2021 and schedule for 2022 to the board in February, 2022 as follows:</p> <p>(1) Inform the board members after issuing the material information of the Company;</p> <p>(2) Conduct 6 hours continuous education training courses for board members of the Company and arrange refresher courses for other directors according to the individual needs of directors.</p> <p>(3) Purchase the liabilities insurance of the Company: for its directors and managers, and the most recent insurance for all directors is with an insured amount of US\$3,000 thousand dollars, and a period of insurance of 07/15/2022~07/15/2023;</p> <p>(4) Assist to arrange to convene meetings for the communications between independent directors, the CPA and the internal audit head from time to time. The meeting was convened two times in the year of 2022 to implement the internal control system. A summary of the communication is available on the Company's website and please refer to page 3-31 for the relevant content are recorded in the meeting records;</p> <p>(5) In 2022, the meetings were held by 4 times individually: in March, May, August and November. Meanwhile the meeting records were all displayed on the Company's</p>	



Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
		<p>Description of Summary</p> <p>website for investors to replay. (<a href="https://www.sinyi.com.tw/investors/en/shareholder-services/investor-conference">https://www.sinyi.com.tw/investors/en/shareholder-services/investor-conference</a>). Information on the latest issue of the Law can also be found at the MOPS website.</p> <p>(6) To ensure the implementation of the ethical practice, the Company's "Ethical Corporate Management Best Practice Principles" stipulates that at least once a year, the Company shall report to the board of directors on the implementation of the plan to promote integrity management. The head of Corporate Ethics Office has reported to the BOD about the implementation of the plan to promote integrity management.on December 21, 2022;</p> <p>(7) Complete the minutes of board of directors and its functional committee for the year ended December 31, 2022, as well as the deliberations of the shareholders' meeting.</p> <p>(8) Complete the self-evaluation of Board of Directors and the other functional committee in 2022. The results has disclosed on the Company's website and our annual report, referring to page3-29.</p> <p>(9) Completed the training method for members of the first-time board of directors or its functional committees and arranged for the training of first-time directors in 2022.</p> <p>(10) Assist in completing the nomination and selection qualifications of independent directors and report to the board of directors.</p> <p>(11) Complete the official registration of the members of the 14th board of directors and the related disclosure of announcements.</p> <p>3. Internal promotion regarding Cooperate Governance With the goal of zero non-compliance with regulations of transaction on insiders' shares of the Company, in addition to sending regular monthly notifications and requiring insiders to notify of shareholding changes, and continuously sending relevant regulations and common violations to all insiders, please refer to the description of "(IV) Does the Company establish internal specifications to prohibit the internal parties of the Company from trading securities by taking advantage of the non-opened information in market?" at II. Corporate Equity Structure and Shareholders' Equity on page 3-59.</p> <p>4. Status of Advanced Study of Chief Cooperate Governance Officer in 2022:</p>	

Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies

Facts of performance

Description of Summary

Name	Starting date	Date of Advanced Study		Organizer	Name of Program	Hour	Total
		From	To				
Chen Chih-Huan	04/08/2019	04/22/2022	04/22/2022	Taiwan Institute for Sustainable Energy	Transform to Net Zero	3	12
		06/21/2022	06/21/2022	Taiwan Corporate Governance Association	Hotel management and innovation and new opportunities in the post pandemic era	3	
		10/19/2022	10/19/2022		2022 Corporate Governance Summit XVIII-Improve the functions of directors and implement the company's sustainable management	3	
		11/25/2022	11/25/2022	Build a reward system for senior executives that is conducive to the long-term development of the organization	3		

Status of Advanced Study of Cooperate Governance Staff in 2022:

Name	Date of Advanced Study		Organizer	Name of Program	Hour	Total
	From	To				

		Facts of performance						Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies	
Evaluation Items	Yes No	Description of Summary							
				Su Pei-Yi	06/21/2022 11/25/2022	06/21/2022 11/25/2022	Taiwan Corporate Governance Association	Hotel management and innovation and new opportunities in the post pandemic era Build a reward system for senior executives that is conducive to the long-term development of the organization	3 3
		Hsu Feng-Chi	06/21/2022 11/25/2022	06/21/2022 11/25/2022	Taiwan Corporate Governance Association	Hotel management and innovation and new opportunities in the post pandemic era Build a reward system for senior executives that is conducive to the long-term development of the organization	3 3	6	
V. Does the Company establish communication channel of the stakeholders (including but not limited to shareholders, employees, customers, supplier, etc.), and establish an exclusive zone of the stakeholders in the Company's website, and properly respond the important issues of corporate social	V	<p>The Company has identified its main stakeholders: clients, staff, shareholders, society, natural environment and suppliers. The Company builds a "stakeholders zone" (<a href="http://www.sinyi.com.tw/about/stakeholder.php">http://www.sinyi.com.tw/about/stakeholder.php</a>) on its official website and discloses on it the way of appeals for stakeholders. The Company establishes "Rules Governing the Recommendations and Appeal of the Stakeholders to the Audit Committee" and provides an Audit Committee appeal and recommendation mailbox in the Company's website, to facilitate a commendable communication channel for the stakeholders and independent directors of the Company. The Company reported to the Board of Directors on the communication with stakeholders for 2022 on December 21, 2022 and disclosed it on the Company's website. (<a href="https://www.sinyi.com.tw/investors/en/csr">https://www.sinyi.com.tw/investors/en/csr</a>)</p>							

responsibility concerned by the stakeholders?

Stakeholder	Main focus	Corporate communication and response channel	Response strategy and measures
Customers	<ul style="list-style-type: none"> <li>Service Quality and Innovation.</li> <li>Customer Privacy Protection</li> </ul>	<ul style="list-style-type: none"> <li>Contact: Customer hotline: (0800) 211922</li> <li>Sinyi Realty/Sinyi Realty Home &amp; Lifestyle Services/Sinyi's Corporate Sustainability website; Fans groups for Sinyi Realty/Sinyi Realty Home &amp; Lifestyle Services; Customer outreach; Customer feedback channels</li> </ul>	<ul style="list-style-type: none"> <li>To understand the customer's feelings about the service, so as to make immediate improvements and use it as a basis for future service improvement, the Company set up a customer service center to listen to customers' opinion, establish a free customer opinion line and set up online services platform, so that customers can use different channels to provide opinions. We can receive customer suggestions, and assist customers in solving service problems and needs. Besides, the Company has formulated the "service quality investigation and dissatisfaction case handling measures", and made institutionalize for various investigation methods, channels of customer information collection and all levels customer case handling procedures, to understand and handle customer opinions, so as to improve the quality of service and achieve the goal of customer satisfaction.</li> </ul>
Colleagues	<ul style="list-style-type: none"> <li>Career development planning, payroll &amp; welfare</li> <li>Career Planning</li> <li>Workplace Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>Contact: 02-2755-7666 #41729</li> <li>Human Resources Department, Senior Manager: Mr. Feng</li> <li>Internal meetings, internal communication platforms, letterbox for employees, department service hotline, labor relations meetings, EAP support to colleagues, Sexual Harassment Prevention Hotline 1234, feedback on training curricula, internal questionnaire surveys</li> </ul>	<ul style="list-style-type: none"> <li>Talent development to increase the success rate for new hires to pass the probation period.</li> <li>Deeply cultivate key universities to deepen industry-university cooperation programs.</li> <li>Continuously optimize education and training and improve the quality of digital courses to support the development of the Company's affiliates.</li> <li>Promote a complete functional development system.</li> <li>Emergency response measures to protect the safety of colleagues.</li> <li>Obtain ISO 45001 Occupational Safety and Health Management System Certification.</li> <li>Health/childbirth grant/flexible welfare/travel/clubs/annual leaves/peer support/birthday/wedding and funeral grants/retirement, etc. The information of employee benefits are shown on the Company's website and page 5-29 to 5-38. (<a href="https://csr.sinyi.com.tw/employee/system-2.php">https://csr.sinyi.com.tw/employee/system-2.php</a>)</li> <li>The information about safety and health of work environment are shown on page 5-36 to 5-38.</li> <li>For more details regarding human right management policies and the concrete programs, please refer to the Company's website: <a href="https://csr.sinyi.com.tw/employee/appeal.php">https://csr.sinyi.com.tw/employee/appeal.php</a></li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Market Image</li> <li>Corporate Governance</li> <li>Operation</li> <li>Performance Regulation</li> <li>Compliance</li> </ul>	<ul style="list-style-type: none"> <li>Contact: 02-2755-7666 #42602</li> <li>Finance Division, Project Manager: Miss. Su</li> <li>Shareholders' meetings, online analysis'</li> </ul>	<ul style="list-style-type: none"> <li>4 times of online Institutional Investor Conference held in 2022.</li> <li>Release of quarterly and annual financials before the statutory deadlines.</li> <li>In addition to the disclosure on Market Observation Post System and Sinyi's official website, the</li> </ul>

				<ul style="list-style-type: none"> <li>● Enterprise Sustainable Operation; Enterprise's Society Impact.</li> </ul>	<ul style="list-style-type: none"> <li>● Contact: 02-2755-7666#10940 Charity Promotion Group, Manager: Ms. Huang</li> <li>● We are one project/Sinyi Academy website; Sinyi's Facebook group pages; seminars for industry professionals, academics and government officials; public hearings on laws and regulations; policy talks; workshops on real estate taxations; Sinyi's recruitment site, hot line and mailbox; press conferences</li> </ul>	<ul style="list-style-type: none"> <li>● meetings, annual reports, webpages for investor relations, mailbox for complaints to Audit Committee and stakeholders' relations</li> </ul>	<ul style="list-style-type: none"> <li>● announcement of major events may be accompanied with press releases or press conferences if necessary. Upon the receipt of written questions from investors, the IR officer usually replies. A summary of all the questions from investors and responses from IR is reported to the board.</li> <li>● Management seeks to enhance the effectiveness of the board with timely delivery of information, convening of meetings and arrangement of directors' visits.</li> <li>● Completed the new revision of the IR website and continued to improve the transparency of information disclosure.</li> <li>● Refer to the architecture and calculation methods of LBG (London Benchmarking Group) to calculate the Company's social inputs and outputs.</li> <li>● We continue our efforts with communities into unity in the pursuit of social welfare.</li> <li>● Here at the Sinyi Public Welfare Foundation, we have co-welfare pool of ideas for the elderly aging people, and have accumulated more than 6,336 good ideas so far to support nearly 85 communities to promote active aging programs.</li> <li>● The Community Union Project has assisted 3,013 communities to realize their dreams so far. The Community Union Project has entered its 18th year. After Dongyin Township's proposal was added this year, we finally reached the milestone of 100% proposal rate in 368 townships and urban areas, the whole towns in Taiwan.</li> <li>● Sinyi Academy focuses on corporate ethics and conducts a series of lectures including six major series, i.e., human life, community care, environmental care, living space and happy family. In 2022, due to the COVID-19, lectures were switched to held in the on-line form, and a total of 66 online lectures were conducted, with a total of 7,326 participants, and an average of 111 people per lecture.</li> <li>● Served as society gathering site, we acquired a certification for "AED Safe Place" and "Excellent Breastfeeding Room".</li> </ul>
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			<ul style="list-style-type: none"> <li>● Law compliance</li> <li>● Greenhouse gas management</li> <li>● Green and low-carbon services</li> <li>● Energy resource management</li> <li>● Enhancing environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>● Contact: 02-2755-7666 #25457 General Manager Office, Senior manager, Ms Chen Sinyi Corporate Sustainability mailbox and webpages .Sinyi's Corporate Sustainability website.</li> </ul>	<ul style="list-style-type: none"> <li>● Prime strategies: Greenhouse gas management <ul style="list-style-type: none"> <li>– Improve energy efficiency</li> <li>– Increase the proportion of renewable energy use</li> <li>– Greenhouse gas inventory of key suppliers</li> </ul> </li> <li>● Green and low-carbon services <ul style="list-style-type: none"> <li>– Continue to promote service carbon footprint reduction and verification</li> <li>– Optimize paperless services and carbon emission reduction projects</li> </ul> </li> <li>● Obtain certifications and marks <ul style="list-style-type: none"> <li>– Continue to obtain various ISO and sustainability-related marks</li> </ul> </li> <li>● Improve environmental influence <ul style="list-style-type: none"> <li>– Commitment/signature/adoption of national and international initiatives</li> <li>– Reply to the CDP climate change questionnaire</li> </ul> </li> <li>● Implementation effectiveness <ul style="list-style-type: none"> <li>● Greenhouse gas management <ul style="list-style-type: none"> <li>– For implementation results, please refer to <a href="https://csr.sinyi.com.tw/en/environment/green-house-gases.php">https://csr.sinyi.com.tw/en/environment/green-house-gases.php</a></li> </ul> </li> <li>● Green and low-carbon services <ul style="list-style-type: none"> <li>– For implementation results, please refer to <a href="https://csr.sinyi.com.tw/en/environment/carbon-footprint.php">https://csr.sinyi.com.tw/en/environment/carbon-footprint.php</a></li> <li>– Continue to launch or optimize digital services (such as DiNDON smart house appreciation, various service apps, etc.) and paperless operations</li> </ul> </li> </ul> </li> <li>● Obtain certifications and marks <ul style="list-style-type: none"> <li>– Improve environment-related management systems and pass the verification of ISO 14001 environmental management system, ISO 50001 energy management system and ISO 46001 water resources management system</li> <li>– Improve carbon management and water resources management, pass ISO 14064-1 greenhouse gas inventory verification, 17 sustainable stores and demonstration sites have achieved PAS 2060 carbon neutrality, implement water-saving measures and pass ISO 14046 water footprint verification</li> <li>– For certificate verification, please refer to <a href="https://csr.sinyi.com.tw/en/environment/carbon-footprint.php">https://csr.sinyi.com.tw/en/environment/carbon-footprint.php</a></li> </ul> </li> <li>● Improve environmental influence <ul style="list-style-type: none"> <li>– Awarded the benchmark unit of green procurement of private enterprises by the Taipei City Government for 14 consecutive years</li> </ul> </li> </ul>	
		Environment				

			<ul style="list-style-type: none"> <li>● ISO 20400 sustainable procurement</li> <li>● Procurement ethics</li> <li>● Green Procurement</li> </ul>	<ul style="list-style-type: none"> <li>● Contact: 02-2755-7666 #22676 General Manager Office, Project Manager, Ms Shen</li> <li>● Green procurement, supplier meeting</li> </ul>	<ul style="list-style-type: none"> <li>● In 2022, it continued to obtain ISO 20400 sustainable procurement and passed BS verification, incorporating supplier sustainability into management norms and processes. In 2022, there were a total of 132 key suppliers with an annual purchase amount of more than one million dollars, and 127 suppliers were inspected, with an inspection ratio of 96.2% and a pass rate of 100%.</li> <li>● Invite key suppliers to sign Sinyi Group's "Supplier's Proper Business Behavior and Sustainable Development Commitment" when the contract was signed, excluding advanced manufacturers that also issued sustainability reports themselves, and the signing rate reached 100%. In addition, key suppliers are also invited to fill in the "Sustainable Supply Chain Annual Self-Assessment Form", and through the electronic form (pop-up window) to ensure that all procurement windows of the group are aware of and sign the work ethics code to ensure that both parties' procurement ethics and sustainable awareness are effective promote.</li> <li>● Conduct greenhouse gas inventory for key upstream and downstream suppliers, accelerate the promotion of green supply chain, and jointly commit to the 2030 net zero declaration.</li> <li>● The amount of green procurement in 2022 was NT\$49,188 thousand dollars. For 15 consecutive years, the company has been awarded the benchmark unit of green procurement by private enterprises issued by the Taipei City Government.</li> </ul>	<p>– Participate in domestic and foreign climate initiatives, such as passing the Science-Based Targets Initiative (SBTi) and committing to the 1.5 °C target review; introducing climate-related financial disclosure (TCFD) and obtaining a third-party verification level 5+; excellent; actively responding to CDP climate for three consecutive years Change questionnaire; participated in the formation of the Taiwan Net Zero Action Alliance, and obtained the net zero label "Green Level"</p> <p>– Promote sustainable stores that respond to SDGs, hold sustainable activities and pass the ISO 20121 sustainable activity management system verification</p>
V. Does the Company	V			The Company appoints Capital Securities Corporation to help process matters related to		Nil

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
	Yes	
	No	
appoint a professional stock affair handling agency to process the affairs of shareholders' meeting?		shareholders' meetings and shareholders' share affairs.
<b>VII. Transparent Information Disclosure</b>		
1. Does the Company set up a website to disclose the financial business and the corporate governance information?	V	The Company discloses the related finance, business and stock affair information of the Company in the investor relationship website of the Company, and an exclusive zone of corporate governance is provided to describe the related statutes system and execution status ( <a href="https://www.sinyi.com.tw/investors/">https://www.sinyi.com.tw/investors/</a> ).
2. Does the Company adopt other information disclosure methods (such as setting up an English website, designating exclusive personnel to be in charge of the corporate information collection and disclosure, actualizing the speaker system, institutional investor	V	1. The Company sets up an English website of investor relationship and provides comprehensive financial information the same as Chinese website of investor relationship, to facilitate foreign investors to acquire the same information as domestic investors, and further upgrade the international visibility and information transparency. ( <a href="https://www.sinyi.com.tw/investors/en">https://www.sinyi.com.tw/investors/en</a> ) 2. The Company's website ( <a href="http://www.sinyi.com.tw">www.sinyi.com.tw</a> ) is operated by such departments as finance, public affair, and business research office, etc., in charge of collecting related information for exclusive personnel to be in charge of processing such related matters as disclosing, etc. the Company also provides a speaker system which the spokesperson and deputy spokesperson are responsible for the make external statements and clarifications. The Company has the online conference with investors and the conferences were held in March, May, August and November in 2022. Related information including the content of presentation and the online recording file are provided in the investor relationship website of the Company. ( <a href="https://www.sinyi.com.tw/investors/shareholder-services/investor-conference">https://www.sinyi.com.tw/investors/shareholder-services/investor-conference</a> )
		Nil



Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
conference process placement in the Company's website, etc.)?	<p>Yes</p> <p>No</p>	
3. Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V	<p>1. Since 2005, the Company has announced its reviewed quarterly financial statements approved by the Company's board of directors within one month after the end of the quarter (the statutory time limit: within 45 days) and announced its audited annual financial statements no later than the end of February next year. (The statutory time limit: no later than the end of March next year).</p> <p>2. The Company declares the operating situation of the previous month not later than the 10<sup>th</sup> of each month.</p>
VIII. Does the Company have other available important information helpful to understand the corporate governance and performance status (including but not limited to employee interests, employee concern, investor relationship, supplier relationship, rights of stakeholders,	V	<p>1. Employee Interests and Employee Concern:  Besides providing related interests, the Company also provides professional consultant service to its colleagues and family members. In response to individual demands, such consultancy services concerning work career, family paternity, emotion between two genders, physical/ mental stress, law, finance and medical issues, etc. are provided, to assist each colleague to possess balanced work and life. As to the external parties, through such organization or group as Sinyi Cultural Foundation, Sinyi Charity Organization, Sinyi Volunteer, etc., the Company encourages colleagues to actively participate in public social welfare activity services, to feed back the community. The Company also provides employees a good communication channel, to assist them to engage in bilateral communication with the management and directors. In addition, the Company also holds an organization recognition investigation and supervisor leadership style questionnaire investigation each year, so as to explore the aspects for further improvement, and increase the interaction opportunities between the managerial level and</p>

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
<p>advanced study status of directors and supervisors, execution status of risk management policy and risk measurement standard, execution status of client policy, the status of purchasing liability insurance of the Company for its directors and supervisors, etc.)?</p>	<p>Yes</p> <p>No</p> <p>2. Investor Relationship: The initial principle of solidifying the corporate governance mechanism is to protect the shareholders equity and treat all shareholders in a fair manner. the Company has adopted some measures as below: (1) Adjusting the date and time of annual shareholders' meeting. The Company avoids convening its annual shareholders' meeting at hot date. The annual shareholder's meeting is held before end of May. In addition, the starting time of the meeting will be adjusted to 9:30 AM for the sake of convince of the shareholders attending the meeting from far away. (2) Providing English business and financial information: The Company issued English financial statements from 2010, announced Chinese and English material information at the same time from 2011, built the English website of investors in 2014 and provided shareholders with English annual report and shareholders' meeting handbook from 2015. (3) From 2012, at the time of a vote, for each proposal, the chairperson first announces the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. Election of directors has been conducted in accordance with the candidate nomination system. (4) Since 2009, the Company provides shareholders to exercise voting rights in electronic manner for the annual meeting of shareholders, as one of the few leading domestic TWSE/GSTM-listed companies in using shareholders' meeting communication voting platform. (5) In addition to holding physical shareholders' meetings, the Company has taken the lead in using the "video-assisted shareholders' meeting platform" simultaneously to provide its shareholders with another convenient way to participate in shareholders' meetings. (6) Upon convening a shareholders' meeting, it also makes efforts to avoid presenting an extraordinary motion proposal, to maintain the interests of the shareholders using the e-communication voting system. The minutes of shareholders' meeting are also displayed in the Company's website.</p> <p>3. Supplier Relationship:</p>	

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
Yes		<p>(1) The purchase personnel of the Company would jointly with the purchase requisition unit/department from time to time engage in evaluation on service quality, delivery schedule, and price of a supplier, and in accordance with the evaluation result establish a qualified supplier database.</p> <p>(2) Concerning the suppliers with outstanding result, a price negotiation and tendering would be provided in priority, to ensure quality and reduce the purchase cost of the Company.</p> <p>(3) In order to actualize the protection of human rights, it would also extend to the suppliers in close transactions with the Company, by taking initiative to invite them to sign a human right contract, to respect the basic labor human right protection of their employees.</p> <p>(4) The Company also established the "Ethical Guideline Governing the Purchase Work of Sinyi Group and Its Affiliated enterprises", requesting the personnel involving in purchase of each unit/department to faithfully observe the said Guideline. In addition, "Normal Operation Behavior Specification of Sinyi Conglomerate" is also newly established, by issuing notes to the qualified suppliers to sign and faithfully observe the said specification, in order to seek for the supplier partners recognizing faithful operation.</p> <p>4. Rights of Stakeholders: The Company through judgment deems the major stakeholders to be clients, staff, shareholders, society, natural environment and suppliers; as concurrent consideration and balance of the interests of the stakeholders has always been the objective of the Company, during internal proposals and discussions of major issues, it is required to engage in evaluation vs. the impacts on the major stakeholders, to ensure the interests balance of the stakeholders. Besides, the Company also provides Audit Committee appeal and recommendations mailbox in the Company's website, to facilitate the stakeholders of the Company a channel to reflect their comments to the independent directors, to maintain their interests.</p> <p>5. Advanced Study Status of Directors: The Company's independent directors and directors already fulfilled at least 6 hours each of</p>
No		

Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies			
	Yes	No				
Description of Summary	the 2022 advanced study program for directors while details are revealed as below:		Whether the advanced study conforms to regulations (Note 1)			
	Date of Advanced Study			Hour		
	Title/ Name	From			To	
	Representative of Sinyi Co., Ltd.: Liu Yuan-Chih Chairperson	06/21/2022			06/21/2022	3
		10/13/2022			10/13/2022	3
		10/17/2022			10/17/2022	3
	Chou Ken-Yu, Director	11/25/2022			11/25/2022	3
		06/21/2022			06/21/2022	3
	Chou Chun-Chi, Director	11/25/2022			11/25/2022	3
		06/21/2022			06/21/2022	3
	Name of Program				Organizer	Whether the advanced study conforms to regulations (Note 1)
Date of Advanced Study		Hour				
Title/ Name	From		To			
Hotel management, Innovation and New Opportunities in the post-epidemic era	06/21/2022		06/21/2022	3		
	10/13/2022		10/13/2022	3		
	10/17/2022		10/17/2022	3		
Construct a Reward System for Senior Executives that is conducive to the Long-Term Development of the Organization	11/25/2022		11/25/2022	3		
	06/21/2022		06/21/2022	3		
Hotel management, Innovation and New Opportunities in the post-epidemic era	11/25/2022		11/25/2022	3		
	06/21/2022		06/21/2022	3		
Name of Program			Organizer	Whether the advanced study conforms to regulations (Note 1)		
Date of Advanced Study					Hour	
Title/ Name	From	To				
Construct a Reward System for Senior Executives that is conducive to the Long-Term Development of the Organization	06/21/2022	06/21/2022				3
	10/13/2022	10/13/2022				3
	10/17/2022	10/17/2022				3
Construct a Reward System for Senior Executives that is conducive to the Long-Term Development of the Organization	11/25/2022	11/25/2022				3
	06/21/2022	06/21/2022				3
Hotel management, Innovation and New Opportunities in the post-epidemic era	11/25/2022	11/25/2022				3
	06/21/2022	06/21/2022				3

Facts of performance		Description of Summary										Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies								
Evaluation Items	Yes	No																		
				06/21/2022	06/21/2022	06/21/2022	Taiwan Corporate Governance Association	Hotel management, Innovation and New Opportunities in the post-epidemic era	3	Yes										
			10/12/2022	10/12/2022	10/12/2022	Securities & Futures Institute	Business Forum: Emerging financial fraud takes place through digital technologies	3	Yes											
			10/12/2022	10/12/2022	10/12/2022			3	Yes											
			06/21/2022	06/21/2022	06/21/2022	Taiwan Corporate Governance Association	Hotel management, Innovation and New Opportunities in the post-epidemic era	3	Yes											
			11/25/2022	11/25/2022	11/25/2022			3	Yes											
			06/21/2022	06/21/2022	06/21/2022	Taiwan Corporate Governance Association	Hotel management, Innovation and New Opportunities in the post-epidemic era	3	Yes											
			10/14/2022	10/14/2022	10/14/2022	Chinese National Association of Industry and Commerce, Taiwan	Compliance and Practical Development in the Digital Economy Market	3	Yes											
			11/25/2022	11/25/2022	11/25/2022			3	Yes											
			06/21/2022	06/21/2022	06/21/2022	Taiwan Corporate Governance Association	Hotel management, Innovation and New Opportunities in the post-epidemic era	3	Yes											
			06/21/2022	06/21/2022	06/21/2022	Taiwan Corporate Governance Association	Hotel management, Innovation and New Opportunities in the post-epidemic era	3	Yes											

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies																							
Evaluation Items	Description of Summary																								
	Yes	No																							
			<table border="1"> <tr> <td>07/26/2022</td> <td>07/26/2022</td> <td rowspan="5">Corporate Operating and Sustainable Development Association</td> <td rowspan="5">Discussion on the Business Operation and M&amp;A strategy in Taiwan from Global Political and Economic Perspectives</td> <td>3</td> <td>Yes</td> </tr> <tr> <td>07/28/2022</td> <td>07/28/2022</td> <td>3</td> <td>Yes</td> </tr> <tr> <td>10/25/2022</td> <td>10/25/2022</td> <td>3</td> <td>Yes</td> </tr> <tr> <td>10/27/2022</td> <td>10/27/2022</td> <td>3</td> <td>Yes</td> </tr> <tr> <td>11/25/2022</td> <td>11/25/2022</td> <td>3</td> <td>Yes</td> </tr> </table> <p>Note: Indicates if it conforms to the required number of hours of advanced study, scope of advanced study, system of advanced study, arrangement of advanced study and information disclosure specified in the "Key Points of Promoting Advanced Study for Directors and Supervisors of TWSE/GTSM-listed Companies".</p> <p>6. Execution status of risk management policy and risk measurement standard: The Company already establishes risk management policy and procedures, and periodically reviews the execution status of risk management; please refer to page 7-6.</p> <p>7. Establishment of the disposition procedures governing internal major messages: In order to establish a commendable internal major information disposition and disclosure mechanism of the Company, avoid improper information disclosures, and ensure conformity and correctness of the information released by the Company to external parties, the Company already in accordance with the guideline examples proclaimed by the competent authorities establishes the "Internal Major Information Disposition</p>	07/26/2022	07/26/2022	Corporate Operating and Sustainable Development Association	Discussion on the Business Operation and M&A strategy in Taiwan from Global Political and Economic Perspectives	3	Yes	07/28/2022	07/28/2022	3	Yes	10/25/2022	10/25/2022	3	Yes	10/27/2022	10/27/2022	3	Yes	11/25/2022	11/25/2022	3	Yes
07/26/2022	07/26/2022	Corporate Operating and Sustainable Development Association	Discussion on the Business Operation and M&A strategy in Taiwan from Global Political and Economic Perspectives	3	Yes																				
07/28/2022	07/28/2022			3	Yes																				
10/25/2022	10/25/2022			3	Yes																				
10/27/2022	10/27/2022			3	Yes																				
11/25/2022	11/25/2022			3	Yes																				

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
Yes	No	<p>Procedures" of the Company, and performs publicity to its employees, managers and directors in due time, to avoid them from violating laws or insider trading matters.</p> <p>This procedure has also been amended in 2022 to meet practical needs and legal requirements.</p> <p>8. Execution status of client policy:</p> <p>Besides setting up a telephone and network online client service center to respond to the requirements and questions of clients at all times, in order to strengthen the high concern level of client service, the "Client Service Department" takes initiative in performing non-scheduled checks and confirmations of the execution status of client policies, accepting the complaints and dispositions of clients, and assisting the first-line business colleagues in handling client complaint cases, by self-assuring it as an internal "Consumers' Foundation" of the Company, to duly perform the work of maintaining client's interests.</p> <p>Besides, Client Service Department also, through the satisfaction level investigation mechanism and various audit systems, continues to improve and better the service quality of the Company. In 2017, we adjusted the satisfaction survey method. From the same year onwards, it also added two new satisfaction visits to the buyer's customer five months after the completion of the transaction because of our care about the customer's housing situation. Subsequently, we may assist the customer in resolving any problem they met for the house purchased at our soonest. We expect to improve industrial service standards with more stringent standards and more attentive services.</p> <p>In order to understand the customer's perception of the Company's services and improve service quality better, the Company tried out the "Net Promoter Score (NPS)" system in 2022, and it is expected to be officially implemented in 2023.</p> <p>9. Status of purchasing liability insurance of the Company for its directors:</p> <p>The Company already purchases liability insurance for its all directors, as the total insurance amount is US\$3,000 thousand dollars and the insurance coverage period starts from July 15, 2022 to July 15, 2023.</p> <p>10. The Company participates for the 5th time in the corporate governance system evaluation held by Taiwan Corporate Governance Association and passed the corporate governance</p>

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Description of Summary	
Yes		<p>evaluation of the advanced version of CG6008 in January 2014 (from CG6006 on, the validity of this certificate shall last two consecutive years). We continue to review and improve our corporate governance practices by following the corporate governance evaluation metrics designed by the Taiwan Stock Exchange Corporation. In 2021, the Company participated in the corporate governance appraisal held by the Twaiwan Corporate Governance Association and won the honor "Outstanding" of CG6013 (2021).</p> <p>11. Board of Directors members and key management succession planning</p> <p>i. Selections of the members to the Board of Directors seats</p> <p>Here at Sinyi Realty Inc., we started the perspective of corporate governance and entrepreneurial heritage quite many years ago. We introduced an independent director system as early as 2004. We set up the Audit Committee in 2007, established the Remuneration Committee in 2009. In 2013, the number of the Company's independent directors was four, in excess of half of the total number of board of directors seats at seven (7). In very early years, we set the sound system that the tenure of office of independent directors should not exceed nine (9) years in maximum to prevent potential damage to the independence. Furthermore, the Nomination Committee was established in 2017 to help the Sinyi Group in checking and verifying the professional backgrounds of the director nominees (such as law, accounting, industry related knowledge, finance, marketing or technology) as well as professional expertise (e.g. operational judgment ability; accounting and financial analysis ability; management ability; crisis processing capacity; industry knowledge; the comprehensive of international market; leadership; decision-making ability). That Committee further helps us check and verify the qualification requirements for senior executives in their promotion. Many practices had been virtually carried out by Sinyi Group before requirements by the government authorities. Through such sound practice, we have significantly optimized performance of the Board of Directors.</p> <p>In addition to professional backgrounds and professional expertise, the Company's board of directors members should further possess expertise required by the Company business planning and business undertakings. To help the Board of Directors members enhance the professionalism and continuous improvement, given the scope</p>
No		



Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
		<p>Description of Summary</p> <p>beyond the professional capabilities of the directors to choose and cover such professional courses in finance, risk management, business, commerce, legal affairs, accounting, corporate social responsibility or internal control systems related to the nature of the company's business undertakings, we arrange and required each and every Board of Directors member to receive and complete at least six (6) hours of refresher and advanced study every year. Thanks to such sound planning and system, all board of directors members well keep themselves abreast of the up-to-date know-how required for the industry.</p> <p>Here at Sinyi Group, we launched the chairperson succession plan quite many years ago, cultivating the Company's internal senior executives to enter the Board of Directors and familiarize them with the operation of the board of directors. Besides, routinely, we have tried to expand their participation in the operating units of the Group, and experience in job rotation, assignment, and the like. Finally, after the full re-election of the Board of Directors members in May 2019, exactly in the same month, Chairperson Chou Chun-Chi handed over his chairmanship to Mr. Hsueh Chien-Ping, the former General Manager and Vice Chairperson of the Company. Former Chairperson Chou Chun-Chi, who is the very founder of Sinyi Group, currently serves as the Company's director.</p> <p>In order to accelerate the Company's digital transformation and enable the members of the Board of Directors to better understand, support and then give instructions, Sinyi Co., Ltd., the juristic-person director of the Company, has reappointed Mr. Chou Ken-Yu as its new representative, replacing Vice Chairperson Ms. Chou Wang Mei-Wen as the successor juristic-person director representative. Having been served in the sales and staff divisions of the Company with complete qualifications, Director Chou Ken-Yu is familiar with real estate brokerage business, data application, etc., and has also devoted himself to the Company's digital transformation plan in recent years. Mr. Chou Ken-Yu was elected as a director of the 14th board of directors of the Company as a natural person on May 19, 2022.</p> <p>In response to the succession plan for senior managers and directors, the term of the Company's 13th board of directors expired, and Mr. Wu Chih-Wei, who has experience</p>	

Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
		<p>Description of Summary</p> <p>in risk management and real estate development management, was selected as an independent director, and Sinyi Co., Ltd. was appointed as a Chairperons on May 19, 2022. Sinyi Co., Ltd. appointed Mr. Liu Yuan-Chih, the Company's general manger at that time, as its representative to exercise on its behalf the power of chairperson of the Company's board of dectors. The chairpersonship has successfully handed over from Mr. Hsueh Chien-Ping to Mr. Liu Yuan-Chih. In addition, on September 27, 2022, the board of directors elected Mr. Chou Ken-Yu as the vice chairperson.</p> <p>ii. Succession planning for key management</p> <p>Here in the Group, as we always stress, the senior executives shall possess certain professional skills. Moreover, they must, in their words and deeds, exactly be consistent with the faithful Sinyi concept of "doing whatever they should do, fulfilling whatever they say" and further put such concept into faithful enforcement. With the development of their ideas and the practice from the heart, they call for long-term cultivation and implementation. The Company has more than 10 senior executives who are responsible for the relevant business operation within the organization. Further through the sound work rotation and assignment systems, one-on-one experience teaching and coaching guidance modes, business management concept seminars and symposiums, and TEM committee meetings, they deepen the awareness and cultivation of the Sinyi philosophy. Through such sound but complicated process, we have elaborately cultivated capable candidates in order to select important members of the succession echelon.</p> <p>The Company's important management succession plan process in recent years is as follows:</p> <p>(1) In 2016, among the senior executives, we selected General Manager Hsueh Chien-Ping to serve as the Chief Executive Officer (CEO) of the Group platform business while at the same time, we handed over the post of General Manager of the Company to Mr. Liu Yuan-Chih, the former Deputy General Manager of Home Services. Mr. Hsueh Chien-Ping, CEO of the Group's Platform, has served as Chairperson of the Company since May 2019. The company re-elected the board of directors at the shareholders' meeting on May 19, 2022. Sinyi Co., Ltd. was the</p>	

Evaluation Items	Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
	Yes	No	
		<p>Description of Summary</p> <p>chairman of the company, and Mr. Liu Yuan-Chih was appointed by it as the legal representative to exercise the rights of the chairman. The former chairman Mr. Hsueh Chien-Ping turned into a consultant and retired in January 2023.</p> <p>(2) The Company has cultivated a potential senior manager who was promoted as a vice general manager who was on board in January 1, 2020. The vice general manager also served as the general manager of the subsidiary Sinyi Global Asset Management Co., Ltd. in 2022.</p> <p>(3) Mr. Chou Ken-Yu, the senior manager of the Company served as the head of the Data Application &amp; Development Department of the Digital Intelligence Center, cultivated by the vice general manager of the Digital Intelligence Center, Ms. Chen Li-Sin, and was designated to assist General Manager, Mr. Liu Yuan-Chih in the Transformation Office in promoting digital transformation projects from November, 2020. Before the designation, in order to better understand the operation of business units and develop the down-to-earth projects, He also took over as the head of the business unit. After 3 years of training, Mr. Chou Ken-Yu was promoted to the Digital Intelligence Center Officer in October 2021 and served as the Chief Transformation Officer.</p> <p>(4) On June 21, 2022, after reviewing the qualifications of vice general manager Ms. Chen Li-Hsin, the nomination committee passed the proposal and then the board of directors approved her as the Company's general manager; on the same day, it was also approved by the nomination committee and the board of directors that Mr. Chen Chih-Huan, the senior manager of the finance department, serves as the chief financial officer of the Company.</p> <p>(5) The Company has selected several regional supervisors from the Group for key cultivation, and arranged them to participate in the formulation of the Company's projects and policies. In addition, the Company also has selected two senior regional supervisors as special assistants to the general manager among them.</p>	

Facts of performance		Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
Evaluation Items	Yes	No
	<p style="text-align: center;">Description of Summary</p> <p>X. Please state the improvements made up to date according to the corporate governance assessment of the most recent years by Corporate Governance Center of the Taiwan Stock Exchange Corporation and propose the proprieties and measures for areas not yet addressed:</p> <p>In 2022, we were ranked as the top 5% of the listed companies among 913 evaluated listed companies in the 8th year of corporate governance assessment by the Taiwan Stock Exchange. This was the 8th time we received this recognition (only 9 listed companies achieved the record). During the 8th year of the assessment, we failed to score as below:</p> <ol style="list-style-type: none"> <li>1. General-type questions: <ol style="list-style-type: none"> <li>(1) Failed to disclose individual remuneration of the general manager and vice general managers in annual report</li> <li>(2) Failed to forecast the financial results over the next four seasons</li> </ol> </li> <li>2. Extra premium questions: <ol style="list-style-type: none"> <li>(1) The company does not have a government agency or a single legal person organization and its subsidiaries that account for more than one-third of the board of directors.</li> <li>(2) Fewer than 1/3 of the company's board of directors are female.</li> <li>(3) The company does not have a full-time corporate governance supervisor.</li> <li>(4) The company's intellectual property management plan has not been verified by the Taiwan Intellectual Property Management System (TIPS) or a similar intellectual property management system.</li> </ol> </li> </ol> <p>The Company will continue to improve related actions, including planning to find a suitable full-time corporate governance officer, and planning to continuously optimize intellectual property management operations, and obtain the certification of Taiwan Intellectual Property Management System (TIPS) as soon as possible.</p> <p>In 2021, the Company participated in the Corporate Governance Assessment CG6013 (2021) certification organized by the China Corporate Governance Association and obtained the highest level of "Outstanding" certification, but the actions that need to be further improved include:</p> <ol style="list-style-type: none"> <li>1. The Company's general shareholders' meeting this year was held on May 21, 2021 during the third-level alert period of the epidemic, and only 1 of the four independent directors attended the meeting. It is recommended that the independent directors of the Company actively attend the general shareholders' meeting or take video to attend the meeting to listen to the views of shareholders and communicate directly with shareholders.</li> <li>2. The related-party transactions are in line with general business practices and approved by the appropriate level, and it is recommended that the Company further submit the non-business activities of the related-party transactions, such as donations, to the next annual general shareholders' meeting for shareholders to be aware.</li> <li>3. The Company has formulated the whistleblower policy and disclosed it on the Company's website, and recommends that the Company further disclose the implementation summary on the website, and regularly summarize the implementation of the whistleblower policy to the Board of Directors every year.</li> </ol> <p>In response to the above proposals, even though the Company's 2022 general meeting of shareholders was still under the three-level warning of the</p>	

Evaluation Items	Yes	No	Facts of performance	Status on discrepancy and reasons in relation to Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies
epidemic, 5 of the 7 directors were still present, including 2 independent directors. Related person transactions of non-business activities in 2022 will also be reported to the 2023 general shareholders' meeting. In addition, a summary of the implementation of the Company's whistleblower policy has been disclosed on the Company's website.			Description of Summary	

(VI) Performance of Sustainability Development and deviations from the " Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies " and reasons:

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
I. Does the company establish a dedicated or concurrent unit in charge of promoting sustainability development with senior management authorized by the board to take charge of proposing sustainability development policies and reporting to the board?	V	<p>1. In 2009, we established the Total Quality Management Committee, and renamed as the Total Ethical Management Committee in 2013, the internal highest unit to promote CSR authorized by the Company's board of directors, is convened by the Directors and the Chairperson, with the members drawn from senior management, including the General Manager and the VPs. Its goal is primarily to coordinate and review the company's CSR and SDGs, performance, and progress, with different groups addressing different topics and holding their own meetings or projects. In addition, the committee takes the lead in resolving issues of business ethics in departments, implementing any necessary transformations of procedures.</p> <p>2. The TEM Committee shall regularly reports to the board of directors on the promotion program of sustainable development at least once a year, which will be monitored by the board of directors to ensure that the business sustainability will be implemented in every aspect of its operations and to safeguard the rights and interests of stakeholders. The TEM committee is managed by the General Manager Office. Vice general manager reported on December 21<sup>st</sup> 2022 to the Board our annual achievements of the promotion of sustainable development in each aspect in 2022 and plans for 2023, which has been disclosed on the the Company's investor relations website. The report shows that we will treat the six major stakeholders in the way of faithfully doing what we should do on the basis of corporate ethics to practice sustainable development, and that set more positive targets in environmental sustainability. For the reported sustainability strategy, the Board recommends that we should pay attention to taking equally care of the interests of the six major stakeholders, including setting set more positive targets in environmental sustainability, so as to gradually achieve the goals of "2030 Sinyi Realty Net Zero Emissions and 2050 Sinyi Group Net Zero Emissions". In addition, sustainable development should also be specifically linked to the SDGs proposed by the United Nations.</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Abstract</p> <p>Function and Authority of TEM Committee:  (1) Coordinate the company's CSR and sustainable development direction and set relevant goals  (2) Report to the Board on Environmental, Social and Governance (ESG) (Environment, Social and Governance) performance and future strategic goals at the end of each year.  (3) Collect and collate stakeholder views and identify/manage ESG impacts, risks, and opportunities.  (4) Hold quarterly ESG performance and goal fulfillment reviews.  (5) Compile CS reports and provide it to the Board for review and issuance.  (6) Assist in conducting dialogues with stakeholders.  (7) Core of group sustainable development  (8) Resolve major risks and risk owners in order to control and supervise risk. The risk owner will be C-Suites who is responsible for identifying risk issues, discussing then, and undertaking management objectives with the risk management executive unit in order to strengthen overall risk management and follow-up supervision of cross-business and cross-department communication, so that resources can be more effectively used for overall management.</p> <p>In 2021, we established the Corporate Ethics Sustainability Committee in order to link Sinyi's efforts in corporate ethics, corporate social responsibility, and sustainable development, to create and form synergies for the integration of organizational resources, and implement implement Sinyi's business mission, the practice of "from trustworthy people, through trustworthy companies and eventually to the trustworthy society."  The Rules and 2022 achievements and 2023 projects are also disclosed on the Company's investor relations website or Sinyi Sustainability website.  (<a href="https://www.sinyi.com.tw/investors/en/csr">https://www.sinyi.com.tw/investors/en/csr</a>)  (<a href="https://csr.sinyi.com.tw/en/">https://csr.sinyi.com.tw/en/</a>)</p>	
II. Does the company assess ESG risks	V	1. This disclosure covers the Company's sustainability performance in key locations between January and December of 2022. The risk assessment boundary is	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy						
	Yes	No							
associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?		<p>mainly based on the Company and its subsidiaries in Taiwan (such as Sinyi Development Inc., Sinyi Real Estate Consulting Co., Ltd., etc.)</p> <p>2. The Company conducts relevant risk assessments on important issues based on the principles of corporate social responsibility and establishes the relevant risk assessment policies according to the evaluated risk as follows:</p> <table border="1"> <thead> <tr> <th>Material Issue</th> <th>Risk Evaluation Item</th> <th>Risk Management Policy or Strategy</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Climate changes and environment protection</td> <td> <p>1. The Company is committed to environmental protection, and develops all kinds of green innovative services to respond to customer demand actively. Such as, the "DocuHouse" is launched to bring the documents required for the buying and selling process online, and at the same time support different customer demand modes such as remote signing, mobile signing, and tablet signing, so as to minimize paper consumption, and "DiNDON Smart House viewing" AI lecture room function, "How rich my home is" combined with real price registration and house popularity, to improve customer service efficiency and quality, to make service more immediately, to reduce service paper and waste, to reduce the impact on the environment, to make the cost of the service lower, and to corporate more</p> </td> </tr> </tbody> </table>	Material Issue	Risk Evaluation Item	Risk Management Policy or Strategy	Environment	Climate changes and environment protection	<p>1. The Company is committed to environmental protection, and develops all kinds of green innovative services to respond to customer demand actively. Such as, the "DocuHouse" is launched to bring the documents required for the buying and selling process online, and at the same time support different customer demand modes such as remote signing, mobile signing, and tablet signing, so as to minimize paper consumption, and "DiNDON Smart House viewing" AI lecture room function, "How rich my home is" combined with real price registration and house popularity, to improve customer service efficiency and quality, to make service more immediately, to reduce service paper and waste, to reduce the impact on the environment, to make the cost of the service lower, and to corporate more</p>	
	Material Issue	Risk Evaluation Item	Risk Management Policy or Strategy						
Environment	Climate changes and environment protection	<p>1. The Company is committed to environmental protection, and develops all kinds of green innovative services to respond to customer demand actively. Such as, the "DocuHouse" is launched to bring the documents required for the buying and selling process online, and at the same time support different customer demand modes such as remote signing, mobile signing, and tablet signing, so as to minimize paper consumption, and "DiNDON Smart House viewing" AI lecture room function, "How rich my home is" combined with real price registration and house popularity, to improve customer service efficiency and quality, to make service more immediately, to reduce service paper and waste, to reduce the impact on the environment, to make the cost of the service lower, and to corporate more</p>							



Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Abstract</p> <p>competitiveness. Meanwhile, the Company actively promotes various environmental audit. In 2022, the Company introduced the ISO 46001 water resources efficiency management system and continued to obtain ISO 20400 Perpetual Purchasing Guide standard, obtained ISO 14064-1 Greenhouse Gas Certification, ISO 14046 Water Footprint Verification Declaration, ISO 14001 Environmental management system verification (with validity period due in July, 2024), and ISO 50001 energy management system verification.</p> <p>2. The construction project of Sinyi Development Inc., a subsidiary of the Company, uses the Building Information Modeling System (BIM) to maximize resource efficiency and reduce waste in advance. In addition, through the traceability management of materials in the production of buildings, it can better meet the requirements of environmental protection. In the future, the Sinyi Development Inc.'s Project "Jiapi" will be directly introduced into the "New Taipei Energy Saving E Butler" system, and the smart electricity management tool</p>	



Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
			<p>system in Taiwan, the company has jointly established the Taiwan Regional Revitalization Foundation with social sages since 2021 to promote the creation system in Taiwan. The foundation invites large enterprises, small and medium-sized enterprises, Venture capital, angel investors, etc. have the willingness and ability to provide capital, technology, access, and even financial management assistance to those who are willing to invest in local creation, and matchmaking between the two parties. Through the spirit of people-oriented, combining local creation and innovation, Revitalize local industries, create employment and promote population return.</p> <p>3. Sinyi Development Inc. sets up the "OUR-Space", a social experience hall, next to the construction site of the projects, attracting an average of more than 300 people to experience it every month, successfully rallying the hearts of the local people and sharing their life experiences.</p> <p>The Company and its subsidiaries regularly hold fire drills and industrial safety education and training every year to cultivate employees' awareness and ability</p>
		Occupational safety	



Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>3. Establish a training system for members of the newly appointed board of directors and its functional committees.</p> <p>The Company reports annually to the board of directors on important issues of interest from the stakeholders and establishes various communication channels and actively communicate to reduce confrontation and misunderstanding. Investor mailboxes are set up, which are handled by the spokesperson and the acting spokesperson who are responsible for responding.</p>	
		<p>3. The Company collects information from a variety of sources each year to understand issues that reflect significant economic, environmental and social impacts on the organization or that materially affect stakeholder assessments and decision-making. The Company also gathers feedback from external stakeholders and studies sustainability trends and global challenges, such as the United Nations Sustainable Development Goals, to understand potential opportunities and key risks. We also collect concerns from the operation process of the internal management team and various functional units through such as community monitoring systems and internal expert interviews.</p>	
<b>II. Environmental Issues</b>			
1. Does the Company establish a proper environmental management system in response to its	V	<p>The Company is classified as really estate agent industry which has much lower impact to environment than the manufacturing industries. However, in the "Behavioral Rules of Sinyi Conglomerate", the Company expressly specifies the code of related environmental protection behaviors, and periodically performs publicity of related green energy knowledge to its colleagues, to strengthen the concern and</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
industry characteristics?		<p>actualization of green environmental protection of colleagues in work and life as well as resource recycling. The Company requests colleagues to do recycling, to develop the habit of turning off light when leaving, the branch stores to turn off the light of signboard before 22: 00 except for the special circumstance.. The Headquarter of the Company turn off the light automatically at noon for 1 hour and after 19: 00 and set temperature of air conditioners for 26℃ in summer. For those who need to work overtime at night and on holidays, need to submit an air conditioning application system in advance.</p> <p>In order to improve environmental management, we need to reduce the use of paper in the process of providing housing brokerage services, so we need to continue to get the services to be done more electronically. In 2022, we have launched the "DocuHouse" product, which digitizes the required documents in the process of buying and selling houses and supports different customer needs such as remote signing, mobile signing, and tablet signing, effectively reducing paper usage to a minimum and improving the overall efficiency of the buying and selling process. This can also meet the goals of having contactless service, carbon reduction, and reduced paper usage.</p> <p>The Company introduces in ISO14064-1 greenhouse gas examination guidance. In 2016, the Company was certificated by PAS2050 service carbon footprint verification and service carbon footprint label and ISO50001 energy management system verification. In 2017, the Company achieved the goals of carbon label, to obtain lower carbon label and certificated ISO 20121 sustainable event management system. In 2018, the Company was certificated by PAS2060 carbon neutrality verification statement, ISO 14046 water footprint verification statement and ISO14001 environmental management system verification statement. In 2021, the company introduced the ISO 20400 sustainable procurement guideline standard. In 2022, the company passed the verification of the ISO 46001 water resource efficiency management system. The Company was ongoing environment-related certification annually, and was certificated the foregoing verification environment, but also was certificated carbon label and reduction carbon label extension by Environment Production Administration in 2010, by reached the commitment of carbon reduction</p>	

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	Yes	No	
		<p>Description of Abstract</p> <p>label in 2021.</p> <p>We obtained the net zero label "Green Level" in 2022, and continued to participate in the Carbon Disclosure Project, CDP), honored the highest grade on the "A List" in the Climate Change Questionnaire and also passed the Science-based Target Reduction Initiative (SBTi) to "commit to the 1.5°C carbon reduction target".</p>	
2. Does the Company endeavor to upgrade the utilization efficiency of various resources, and use the regenerated material with a low impact on environmental load?	V	<p>In response to the issue of energy resource conservation and efficiency improvement, the Company follows the Company's sustainable development policy, re-examines the relevant energy policies and management procedures, and implements the full adoption of products with energy-saving and environmental protection labels. We voluntarily introduced ISO management system validation, becoming the first in the world to pass the ISO 50001 energy management system in the industry of housing brokerage, and in response to the continued attention of stakeholders, we expanded the scope from energy to other environmental management issues (e.g. water management) and promoted the ISO 14046 water footprint, ISO 14001 environmental management system verification, becoming the first in the world to pass the ISO 14046 water footprint ,ISO 14001 environmental management system and ISO46001 water efficiency management system in the industry of housing brokerage. Through the annual ISO 14001 environmental management system , ISO 50001 energy management system verification and ISO46001 water efficiency management system, the overall review is carried out to identify the direction and opportunities for the Company's improvement, and to adjust the environmental management plan and objectives.</p> <p>The Company has set a target for 2022 to reduce the carbon emissions of each real estate brokerage service by 1% and the carbon emissions of greenhouse gases (Category 1+2) by 4.2% and decrease on per person water consumption by 1% (base year: 2017). The medium-term strategic target is Each annual carbon emissions of real estate brokerage service will be reduced by 45%, greenhouse gas carbon emissions (category 1+2) will be reduced by 90%, and per capita water consumption will be reduced by 30% (base year: 2017) and 100% renewable energy. For detailed objectives, please refer to the Company's Sustainability website:</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>https://csr.sinyi.com.tw/en/environment/index.php#future</p> <p>In addition, though the Company is not in manufacturing industry, but as a pioneer of environmental awareness in the service industry. The Company participates in the campaign of "Green Purchase Intent of Private Enterprises and Groups" of the Environmental Protection Administration and Department of Environmental Protection of Taipei City Government, to jointly promote green purchase. The material of environmental protection and LED with high energy saving efficiency and conversion air conditioners are applied to the decoration of various branch stores and the headquarter building. It also continuously promotes such measures as water resource conservancy plan, printing volume control &amp; management of printers, printing is controlled by each employee's ID, and the increase of the green vegetation of the top floor of the headquarter building, etc. In addition, it also actively promotes overall E orientation and green innovation service R&amp;D, to effectively save paper printing and considerably upgrade service efficiency. The "DocuHouse" product was launched to bring the documents required for the buying and selling process online. At the same time, it supports different customer demand modes such as remote signing, mobile signing and tablet signing, and minimizes paper consumption. "DiNDON Smart House Viewing" AI The room lecture function, "How much is my home" combined with real-price registration and housing popularity, not only improves the efficiency and quality of customer service, makes the service more timely, greatly reduces marketing paper and waste, reduces the impact on the environment, but also reduces service operating costs, thereby greatly improving the competitiveness of enterprises. The green purchase accumulated amount from 2011 to 2022 reached \$380 million dollars. The branch continues to promote green mobile services (ex. second-hand book exchange, free replacement of LED bulbs in public settings, recycling of waste batteries, free replacement of screen windows, and free water-saving items)</p> <p>Being construction companies, some of the Company's subsidiaries launched distinctive construction projects on China and Taiwan, inheriting the spirit of the Company's faith, dedicated to improving the efficiency of using of resource. Therefore, all construction projects are made designed with "Building Information</p>	



Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
3. Does the company evaluate potential risks and opportunities brought by climate change, and take response measures to climate-related issues?	V	<p>Modeling", to greatly reduce errors in the design phase and subsequent construction by the contractor, and reduce the impact on environmental resources.</p> <p>In response to the current climate crisis in the international community, the Company collects stakeholders' concerns through internal and external communication channels, conducts risk analysis and explores development opportunities. Based on the structure of Task Force on Climate-related Financial Disclosures (TCFD) : governance, strategy, risk management, indicators and objectives of the four major aspects, we identify the risks and opportunities of climate change on business operations, analyze the financial and non-financial impacts, formulate sustainable strategies and environmental objectives and plan countermeasures, and actively implement various green energy-saving programs. Through the annual effectiveness evaluation by external agencies verification mechanism, the green affairs will be promoted more systematically and the green energy conservation action will be upgraded. From 2021, climate-related financial messages were disclosed in accordance with TCFD. The company has followed the TCFD recommendations since 2021 to disclose climate-related financial information. The maturity model of climate-related financial disclosures verified by an independent third party is [Level 5th: Excellent].</p> <p>(1) Governance</p> <p>As the highest supervisor of risk management, the board of directors of the Company lists the impact of climate change as one of the major risks of the Company, and manages issues related to climate change risks and opportunities through risk management mechanisms. The company's TEM is the highest-level ESG promotion organization in the company, responsible for promoting the implementation of climate management-related plans. The sustainable development office reports climate-related business performance to the board of directors every year, and is supervised by the board of directors. The board of directors regularly reviews ESG impact, performance and strategic goals; follows the crisis management process to immediately reduce business threats caused by</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Abstract</p> <p>occasional climate events.</p> <p>(2) Sustainability Principle and Strategy The Company has identified climate change as one of the major risks to corporate sustainability, and has actively integrated itself with the world, translating the sustainable principle of "Towards Sustainable Net Zero" into concrete actions, formulating a net zero emission target by 2030, and carrying out various action plans for environmental protection by integrating internal and external resources, supporting the development of low-carbon and renewable energy, and promoting green transition and climate resilience services.</p> <p>(3) Risk management In view of the various climate-related physical risks and transformation risks in the course of operations, the Company annually re-evaluates the impact and effect of climate-related risks, reviews business opportunities and considers corresponding countermeasures and actions, and adopts a systematic approach to the implementation of the annual plan. The Board is the highest supervisory unit for risk management and is responsible for reviewing the annual risk management report, execution report and audit report to ensure the effective implementation of the climate-related risk management system. The Company's risk level is assessed based on the severity and probability of impact, and the high risk factors identified in the climate are ""Transition to low-emission technologies (low-carbon services)", "enhanced emissions reporting obligations", "increased energy costs" and "increased severity and frequency of extreme weather events". If the high-carbon emissions of the building and construction industry can successfully achieve low-carbon or even zero-carbon buildings, the goal of net zero will be greatly improved. Sinyi Development Co., Ltd., a subsidiary of the company, is committed to promoting sustainability. In the Tianmu "Sinyi Qianshi" case in 2014, LED energy-saving lamps were used on exterior walls and public spaces. The technology of Building Information Modeling (BIM) is used to</p>	

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	Yes	No	
		<p>Description of Abstract</p> <p>reduce the waste of resources in the planning, design, construction and other stages, and further adopts the method of reducing carbon emissions in the project, and one of the basis for the selection of building materials is to reduce carbon emissions; and The "Jia Xue Project" in Xinzhuang, which is expected to be launched for sale in 2024, will be a double-diamond construction project for green buildings and LCBA (low-carbon buildings).</p> <p>(4) Indicators and objectives</p> <p>In response to the transformation opportunities arising from the challenges of climate change, the Company looks forward to leading its clients towards a low-carbon green economy to mitigate climate shocks. In order to concretely practice and smooth the sustainable road, the Company shall actively promote relevant affairs and sets green management strategy goals as follows: (1) to reduce carbon footprint of services - carbon emissions from real estate brokerage service per transaction by 1% per annum and "Greenhouse Gas Carbon Emissions" based on 2017 as the base year (Class 1 and Class 2) " by 4.2% per annum and per capita water consumption by 1% per annum; (2) taking 2017 as the base year, to achieve a 45% reduction in carbon footprint of services - carbon emissions from real estate brokerage service per transaction by 2030, 90% reduction in "greenhouse gas carbon emissions (class 1 and category 2)" and 30% reduction in "water consumption per capita"; (3) in 2030, to achieve the goal of the use of green electricity reaching 100%.</p> <p>In response to the transformation opportunities arising from the climate change challenge, Sinyi Development Inc. will provide customers with green, energy-saving, comfortable and environmentally friendly buildings, and strive to transform to mitigate climate impact. For the concrete practice and smooth the road of sustainability, Sinyi Development Inc. will actively promote climate change related risk response, invest in opportunity business, set green sustainable development strategic goals, carry out various projects, and implement green management and effectiveness evaluation, and review</p>	

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		<p>Description of Abstract</p> <p>performance results through external verification to implement the purpose of protecting the global environment.</p> <p>(5) Action Plan</p> <p>The Company continues to carry out various action plans related to climate change and to study the implementation period. In addition to continuous service carbon footprint verification every year, the Company tries to optimize customer service APP to reduce transportation carbon emissions, continues to promote the organization of carbon neutrality store programs, annual organization of environmental verification (greenhouse gas, water footprint, energy management system, environmental management system, Water resource management system). The Company also promotes community sustainable environmental education and environmental rehabilitation (Sinyi Lecture Hall, community environmental lectures, environmental restoration) activities, practice circular economy - launch of borrowed goods services, continuous research and development of green marketing tools to reduce paper consumption, participation in the international sustainable environment initiative such as CDP, TCFD, SBTi, Net Zero 2030/2050 Initiative, Earth Hour.</p> <p>The subsidiary of the company purchased land in Sabah, Malaysia in 2019. It is expected to build the island into a "zero-carbon island" that is environmentally friendly and has both tourism benefits. It is expected to conduct sustainable research on the island, including low-carbon hotel design, green energy , water resources management, waste disposal, etc. In the future, these relevant experience in reducing carbon emissions can be brought back to Taiwan and used in more construction projects to make the experience of "Zero Carbon Island" more effective.</p> <p>A detailed description of the Company's analysis of climate change risks and opportunities, have been disclosed in the Company's Sustainability website. <a href="http://csr.sinyi.com.tw/en/environment/risks-opportunities.php">http://csr.sinyi.com.tw/en/environment/risks-opportunities.php</a></p>	

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
4. Does the company compile statistics of greenhouse gas emissions, water use, and total weight of waste in the past two years, and does it establish policies for energy conservation & carbon reduction, greenhouse gas emission reduction, water use reduction, and other waste management?	V	<p>The Company conducts ISO 14064-1 greenhouse gas verification and ISO 14046 water footprint verification every year, and also collects waste management situations, and the information has been fully disclosed on the Company's Sustainability website for nearly three years:</p> <p>Greenhouse gas inventory (<a href="http://csr.sinyi.com.tw/en/environment/greenhouse-gases.php">http://csr.sinyi.com.tw/en/environment/greenhouse-gases.php</a>),</p> <p>Water Resources Management (<a href="http://csr.sinyi.com.tw/en/environment/water-resources.php">http://csr.sinyi.com.tw/en/environment/water-resources.php</a>) and</p> <p>Waste management scenarios (<a href="http://csr.sinyi.com.tw/en/environment/waste.php">http://csr.sinyi.com.tw/en/environment/waste.php</a>).</p> <p>The Company is a service industry, the waste is mainly the waste generated by the daily service of colleagues, and there is no toxic waste from the production process. Through greenhouse gas verification and disclosure, the Company calculated that the carbon emissions generated by the solid and liquid waste treatment generated by the organization accounted for 1% of the indirect greenhouse gas emission sources, so it was not listed as a major issue of the Company, and the treatment method was handled in accordance with the regulations of the local government.</p> <p>The Company considers environmental protection as an important foundation of sustainable corporate operation. We aim to integrate of internal and external resources input, to promote environmental protection values and concepts, to exert corporate influence in order to enhance enterprise opportunities and industrial competitiveness and to reach the 2030 goal of "carbon emissionreduction per real estate transaction service reduced by 45%, carbon emissions of electricity consumption reduced by 90% and per capita water consumption reduced by 30%; base year: 2017" and 100% usage of green electricity.</p> <p>1. Afetr the Company introduced in ISO 14064-1 Greenhouse Gas Examination Guidance, ISO 14067 Certification Carbon Footprint, ISO 50001 Energy Management Systems, PAS 2060 Carbon Neutrality, ISO 14046 Water Footprint , ISO 14001 Environment Management Systemes and ISO 46001 Water Resource Efficiency</p>	Nil

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	Yes	No	
		<p>Description of Abstract</p> <p>Management System, we still conducted above verifications annually. In 2022, we not only passed ISO 14064-1、ISO 14067、ISO 14046、ISO 14001 and ISO 50001, but prolonged label and carbon reduction label passed by Environment Protection Administration Executive Yuan and obtained the Low Carbon Product Award in 2021. The Company participated in the Net Zero 2030/2050 initiative in 2021, committed to a net zero emissions target for 2030, obtained the net zero label "Green Level" in 2022, and continued to participate in the Carbon Disclosure Project, CDP), honored the highest grade on the "A List" in the Climate Change Questionnaire and also passed the Science-based Target Reduction Initiative (SBTi) to "commit to the 1.5°C carbon reduction target".</p> <p>2. The Company's policies for energy conservation and carbon reduction, greenhouse gas reduction, and reduction of water use or other waste management were as follows:</p> <p>The company has long regarded sustainable development as its own responsibility and actively implemented corporate social responsibility. We adhere to the sustainable principle of "a service industry that is a pioneer in environmental protection" and carry out environmental protection with two major strategic axes: "low-carbon services" and "ecological benefits". Through the integration of internal and external resources, we promote environmental awareness and environmental restoration actions. Continue to reduce carbon footprint and improve the efficiency of energy and resource use, and strengthen business opportunities and industrial competitiveness. The company continues to promote environmental sustainability policies and management measures, including:</p> <p>(1) Through the carbon footprint check, we found that the dispatched newspapers generating the highest percentage of carbon during the period of providing service. Therefore, the reduction of paper usage was one as the green targets. The innovations developed through this model not only reduce operating costs, but also contribute to the social environment due to the reduction of carbon emissions. This is a win-win strategy. Under this strategy, the Company has launched interactive house viewing and a number of</p>	

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		<p>Description of Abstract</p> <p>newspapers, TOP Agent App, social platforms(IG、LINE and FB), DINDON smart house viewing, online entrustment of house selling, electronic signature of real estate brochure and so on. The action is to promote the efficiency and quality of customer service, make service more immediately, reduce marketing paper and waste, reduce the impact on the environment, and reduce the cost of service operations.</p> <p>(2) Even if the real estate is not a high-water-consumption industry and the water consumption is mainly for daily use by colleagues. The Company in response to stakeholders on water issues, water resources included in the important issues, increases the corresponding major themes and continues to pay attention to the global water resources management trends and continuously track and manage and master the impact of water resources on the company's operational risks and development opportunities through regular annual reviews. Furthermore, the Company does not belong to an industry with high water utilization. Most of the consumed water is under employee daily use. A small part is used by visiting of customers, and we have no manufacturing process to produce pollutants in wastewater. However, it still continuously promotes water resource saving plans, including purchase of such products with water saving logo as water faucet, close-stool, etc., and executes water output volume reduction measure from faucet, to reduce the waste of water resource. By managing water use data and verifying the water footprint through ISO14046, the Company introduced the ISO 46001 water resource efficiency management system in 2022, demonstrating the company's emphasis on water resource management. In order to continuously improve the efficiency of water use, the Company has re-established its water reduction target, with a target of a further 30% reduction in per capita water use by 2030 (base year: 18.65 degrees in 2017).</p> <p>(3) Through carrying out ISO 14001 and ISO 50001 verification and our methodical efforts to understand both internal and external situations and the demands of our stakeholders, we have transformed our evaluation of environmental aspects,</p>	

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		<p>Description of Abstract</p> <p>looking for both risks and opportunities for the Company and setting out environmental management plans and targets that will reduce our impact on the environment. The demonstration stores installed intelligent energy management system in 2020 and the Company replaced the ice water machines of the headquarter building. In addition, in the past two years, we have implemented the continuous removal of energy-consuming air-conditioning equipment for energy-saving machines, hoping to meet the environmental concerns of the Company's stakeholders, assisting the Company to improve environmental performance, to reduce environmental disaster risks and negative impacts, to promote the sustainable development of the Company and to achieve the goal of protecting the environment.</p> <p>(4) The Company has introduced ISO 20121 Event Sustainability Management Systems. We start with the demonstration branch and take the lead in taking action to promote all branches of Sinyi to follow the concepts of sustainability and guidelines when organizing activities, consider the concerns of stakeholders, exert Sinyi's influence externally to improve the awareness of sustainable development to stakeholders such as customers, colleagues, suppliers, and the general public.</p> <p>(5) Through the development of community environmental protection and green services organized by our branches, colleagues are encouraged to review the needs of community residents from the service process to innovate more green services, such as environmentally friendly moving and recycling activities, and re-using old items programs, to help communities green, improve the quality of life and spread the spirit of sharing the good in the local area. In addition, the Company has also mobilized its colleagues to become volunteers, engaged in clean beaches, cleaning up waste of ponds, and encouraged communities to propose waste removal and reduction while beautifying the community through the "One Community One Family" project.</p> <p>(6) In waste management, as the Company for the service industry, its waste is mainly daily waste and there is no toxic waste from the production process, so</p>	



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	Yes	No			
		<p>Description of Abstract</p> <p>waste management is not a material topic for us. However, the Company is still committed to waste reduction and the kitchen waste recycling and the resources recycling will clean by the cleaning company, to make a contribution to environmental protection.</p>			
III. Social Issues					
1. Does the Company establish related management policies and procedures in accordance with related laws and international covenants on human right?	V	<p>Since the Company first came into being, we have always adhered to the faithful spirit of "people-oriented", and faithfully complied with the "United Nations Universal Declaration of Human Rights", "The United Nations Global Compact (UNGC)", "United Nations Guiding Principles on Business and Human Rights", "United Nations International Labor Organization" as well as such human rights standards, to put an end to any violations of human rights. As always, we respect and treat entire Sinyi staff members with dignity through stipulating the "Sinyi Realty human rights commitment", respecting the protection stipulated by the International Bill of Human Rights, and posting on the Company's website. Please refer to: <a href="https://www.sinyi.com.tw/investors/investors-en-rule-en">https://www.sinyi.com.tw/investors/investors-en-rule-en</a>. The Company also made it clear that each of colleagues by common faith-based philosophy, culture and cohesion become an important corporate value. Each of colleagues in the Company equality of opportunity, not because of race, sex, religion, marital status, nationality and have any form of discrimination, and equality implementation of the principle of freedom in employee-related policies, to achieve the concept of people-oriented practice. In addition, we require suppliers and all business partners to conduct business activities in the very prime principle of absolutely no infringement upon fundamental human rights to ensure that they are treated fairly and with dignity.</p> <p>On the grounds of the aforementioned guiding policies, the Company's human rights management policies, specific programs and implementation as concretely enumerated below:</p>	Nil		
		<table border="1"> <tr> <td>Human right management policies</td> <td>Specific programs and implementation</td> </tr> </table>	Human right management policies	Specific programs and implementation	
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	Yes	No	
		<p>Description of Abstract</p> <p>sound and unobstructed channels for promotion, without the so-called double-yellow-line against promotion.</p> <ul style="list-style-type: none"> <li>The Company implements the mentorship system, cultivates and trains newly hired teammates with the “palm-down” concept.</li> <li>We ensure that the Company’s recruitment teams handle the employment process in accordance with relevant laws and regulations, e.g., Labor Standards Act, absolutely without potential discrimination on race, gender, age and other aspects.</li> <li>We arrange all newly hired employees to attend the workplace equality courses.</li> <li>We faithfully implement the vacation system and adjusting attendance time of sales colleagues of all branches , we encourage colleagues to focus on work-life balance.</li> <li>Each and every supplier to sign sustainability terms since 2020.</li> </ul> <p>We recruit newly hired Sinyi teammates exactly according to law, absolutely free of potential discrimination.</p> <p>Here at Sinyi Group, we absolutely prohibit forced labor and faithfully abide by local government labor laws.</p> <p>We have executed human rights clauses with suppliers and implemented on-site audit practice.</p> <p>In an effort to profoundly cultivate Sinyi teammates’ understanding in their rights and interests, help maintain their physical and mental health as well as work balance, and fully implement education and training of newly hired employees, we faithfully carry out advanced study with hours and person times as follows:</p>	

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		<p style="text-align: center;">Description of Abstract</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Issues and related courses</th> <th colspan="3">Newly hired employees oriented training programs</th> </tr> <tr> <th>Hours per course</th> <th>Total courses</th> <th>Total trainees</th> </tr> </thead> <tbody> <tr> <td>Introduction of salary and benefit for new hired staff (online)</td> <td style="text-align: center;">0.5</td> <td style="text-align: center;">12</td> <td style="text-align: center;">134</td> </tr> <tr> <td>Personnel salary and fringe benefits (online+physical)</td> <td style="text-align: center;">1.5</td> <td style="text-align: center;">98</td> <td style="text-align: center;">1,263</td> </tr> <tr> <td>Awareness of the Business Philosophy of Sinyi (online+physical)</td> <td style="text-align: center;">1</td> <td style="text-align: center;">60</td> <td style="text-align: center;">1,345</td> </tr> <tr> <td>Workplace Health Management (online+physical)</td> <td style="text-align: center;">0.5</td> <td style="text-align: center;">29</td> <td style="text-align: center;">1,340</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td style="text-align: center;">199</td> <td style="text-align: center;">4,082</td> </tr> </tbody> </table> <p>In an effort to implement thoroughly the concept of promoting colleagues' occupational safety, we self-produced a 1-hour online course on occupational safety and health and listed it as a compulsory item, and invited experts to the company to conduct occupational safety lectures. The relevant training hours and attendance facts are as enumerated below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Topic</th> <th rowspan="2">Hours per session</th> <th colspan="2">New hires</th> <th colspan="2">Existing employees</th> </tr> <tr> <th>No. of people</th> <th>No. of people</th> <th>No. of people</th> <th>No. of people</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Issues and related courses	Newly hired employees oriented training programs			Hours per course	Total courses	Total trainees	Introduction of salary and benefit for new hired staff (online)	0.5	12	134	Personnel salary and fringe benefits (online+physical)	1.5	98	1,263	Awareness of the Business Philosophy of Sinyi (online+physical)	1	60	1,345	Workplace Health Management (online+physical)	0.5	29	1,340	<b>Total</b>		199	4,082	Topic	Hours per session	New hires		Existing employees		No. of people	No. of people	No. of people	No. of people							
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1. Salaries: The end-of-year bonuses are based on 1/3 of the Company's post-tax operating income and distributed to all the employees according to their respective tenures and performances. This is to encourage everybody to strive for the Company's goals and targets. According to the Company's Articles of Incorporation, employee remunerations shall not be below 1% of the annual profits. The details of the management's remunerations are provided in page 3-24. The salaries and bonuses to other colleagues are described below:
  - i. Sales team: We provide new hires a guaranteed monthly salary of NT\$ 50,000 for six months so that they can focus on learning and developing basic skillsets in serving customers. We offer high basic salaries with a low commission rate to permanent salespeople, in order to avoid any behavior that may jeopardize the interest of our customers in pursuit of high bonuses. In addition to personal bonuses, we also allocate a percentage of team bonuses for the frontline sales team and branch stores, to encourage collaboration among our salespeople. To identify our sales personnel for personal development and long tenures with the Company, we also distribute retention bonuses to colleagues with good performance. This retention bonus is payable after they have attained a performance threshold at the end of the year and continue to serve in our Company for another two years.
  - ii. Support staff: The salaries of support staff are determined according to job functions, responsibilities, expertise and the consumer price index. The Company participates in annual salary surveys in the industry and refers to market rates and our overall profits and employee performances in offering promotions and raises pursuant to the Operational Guidelines for Annual Salary Adjustments and Promotions of Support Staff.
  
2. Holidays and other benefits: The Company's leave and holiday system is designed in accordance with the Labor Standard Act. In addition to the abovementioned "SinFu Coin", we also encourage our colleagues to complete their careers and achieve the conversion of the life status. We hand out a subsidy of NT\$120,000 for any colleague who is having his/her second child. Employees with good performances may also be nominated for the overseas reward trips paid by the Company. Finally, we provide discounts in service charges if our colleagues want to purchase any of our property listings, also purchase a housing project built by a subsidiary of the

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		<p>Group, you will also have a preferential employee price. Please refer to page 5-29 "Employee Relationship" for details of employee benefits.</p> <p>3. Workplace Diversity and Equality: The company has always adhered to the "people-oriented" spirit of Sinyi, and created a better working environment for gender equality in the workplace. In 2022, the average proportion of female employees has reached 42%, the average proportion of female supervisors is 20% and the proportion of female executive supervisors is 20%.</p>	
3. Does the Company provide employees with a safe and healthy working environment, and implement safety and health education to employees on a periodical basis?	V	<p>The Company, besides the legally required labor health insurance, also purchases group insurance for employees. In addition, it provides a free health examination once every two years; for the formal colleagues above (including) 40 years old, a health examination once every year would be provided. The Company also encourages colleagues to found various association activities and provides budget subsidy; meanwhile, "EAP Employee Assistance Project" is also promoted continuously.</p> <p>What is more, the Company also periodically holds personal and accident calamity safety lectures, to build a safe worksite environment. We provide safety working environment and necessary equipment to build up a friendly work place, and please see our major policy:</p>	Nil

	<ol style="list-style-type: none"> <li>1. As the COVID-19 epidemic has not completely cooled down, health care in 2021 will focus on knowledge related to epidemic prevention. The online health management system and the company's APP (Top Community) will provide it for colleagues to consult at any time and use it in the health care of themselves and their families.</li> <li>2. Optimization of the system of work and day off , and balance of work and life, such as :       <ol style="list-style-type: none"> <li>(1) Observe and analysis the working hour and reduce the risk of overwork.</li> <li>(2) Implement the day off institution of the three traditional holidays.</li> <li>(3) Handle paid volunteer leave, combined with public welfare activities to enhance employee centripetal force.</li> </ol> </li> <li>3. Personal safety, security for equipment &amp; facilities:       <ol style="list-style-type: none"> <li>(1) Formed the committee of security, health and welfare, in accordance with regulations and the need of license, the administrator have to train certain numbers of time per year , and the head of human resources serve as the supervisor of the committee of security, health and welfare.</li> <li>(2) Formulate an emergency response process for branch stores and all female brokerage employees and branch secretaries are provided with carry-on alarm. Besides, each branch is established with 24-hour security monitoring system. Also, subsidies for transportation expenses for colleagues who are on duty at night</li> <li>(3) Anti-fire seminars sponsored on a half-year regular basis. Broadcast a short video advocating for traffic safety regulations at the monthly meeting every month; quarterly letters are sent to publicize the safety of electricity use for all employees and all units; regular meetings and emails are used to publicize work safety and sexual harassment prevention and control measures.</li> <li>(4) The automatic external defibrillator (AED) and CPR education and training for new store managers and new secretaries was held once a year. Due to the impact of the COVID-19 epidemic, mass physical courses were avoided.</li> <li>(5) Training for workplace health and safety at work for new recruits.</li> <li>(6) Fully installed store stairs for the stop-slip, and each branch is equipped with fire extinguishers.</li> <li>(7) The frequency of disability injuries in 2022 was 11.25(excluding COVID-19), a decrease of 0.13 compared with that in 2021; the serious rate of disability injuries in 2022 was 83(excluding COVID-19), a decrease of 37 compared with</li> </ol> </li> </ol>	
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2021, the total number of disability injuries in 2022 accounted for 2.86% of the total number of employees at the end of 2022 , mainly due to traffic accidents that occurred while performing intermediary services. The improvement measures taken by the company are as follows to ensure the safety of colleagues during work.

- A. Continue to provide traffic safety publicity materials in the business area to facilitate business units to conduct publicity, strengthen colleagues' concept of safe driving and defensive driving, and then reduce the occurrence of traffic accidents.
- B. For serious accidents, the general affairs administration team will notify the district supervisor to take the initiative to care.
- C. For serious accidents, the general affairs administrative group will notify the district supervisor to take the initiative to care.
- D. It is proposed that all business colleagues wear full-face helmets.
- E. Promote the branch to focus on the community where the branch is located, and use walking or bicycles as transportation to reduce traffic accidents caused by long-distance viewing.

4. Efforts to set up green workplaces:

- (1) Set up communicating APP for internal and issue news about career and health monthly to colleagues' notice.
- (2) Set up a personalized "Health Management Center" on the Company's internal website to provide an annual health check record for colleagues to record health data and other information at any time.
- (3) Continually enhance wholesome workplace environments, e.g., poison-free decoration, disinfection on a quarterly regular basis.
- (4) Obtain the related verification:
  - A. "Certificate of Voluntary Health Promotion for a Health Workplace " granted by Health Promotion Administration, MOHW (certification period: 09/2022-8/2023).
  - B. Period Extension of Breastfeeding Room Certificate awarded by Department of Health, Taipei City Government (certification period: 09/2021-08/2022).
  - C. Sports Enterprise Certificate awarded by Sports Administration, Ministry of Education for holding various ball games and sports.

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4. Does the Company establish effective career competency development and training plans for employees?	V	<p>The Company provides a cultivation system to plan comprehensive competency training to supervisors of various levels and employees. The training lessons include newcomer training, professional advanced training, branch supervisor training, district supervisor training, etc., a professional certification system was launched to test the professional ability of colleagues and guide colleagues to continue to improve their profession; in addition, the belief in corporate ethics was introduced to develop relevant training materials, and the concept of faith was deeply planted. Besides physical programs, "e-Learning" platform is also provided to facilitate employees to be able to engage in online learning at all times and places, to upgrade their related professional competency.</p> <p>In order to comply with organization development, upgrade the related competency required in employee functions, for an external advanced study program of an employee if conforming to fixed conditions, subsidy of half amount of the tuition can also be applied.</p> <p>In order to assist students to be fully prepared before graduation and to expand opportunities for talented people, the Company signed a Memorandum of Understanding (MOU) of industry-academia cooperation/ collaboration project with a number of key schools to integrate and share resources and establish a professional education platform of benchmark enterprises which plays the function of knowledge acquisition, creation and circulation. In addition to holding the sales staff classes which is included in the MOU, the Company will cooperate with those sales staff training institutions certified by the schools and the Ministry of the Interior to help the students understand the industry practice through combining the professional training courses for acquiring the qualification of assistant brokers and professional practice simulation experience. Through the "full-time internship program", interns can learn and experience from attitude, philosophy to practical aspects and then understand the sales process of the real estate brokerage industry, and handle customer service assignments, which provide internship work experience plan better than those provided by the government and the general companies. In addition, there are: (1) course teacher, (2) thematic lecturer, (3) campus event sponsorship, (4) new graduates</p>	Nil

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		<p>Description of Abstract</p> <p>note, (5) campus talent fair. In addition, the "Full-time Internship Program" was launched in 2016, providing favorable salary and complete training, so that interns can gain experiential learning from attitude, concept to practice, understand the process of real estate agency business, and let students communicate with enterprises in advance In order to take root in talent training.</p>	

<p>5. Does the Company comply with relevant regulations and international standards in customer health and safety, customer privacy, and marketing and labeling its goods and services, and has it established consumer rights protection policies and complaint procedures?</p>	<p>V</p>	<p>1. The Company strictly abides by the relevant government regulations, stipulates related marketing advertising regulations, and prepares "advertising review standard manual" for personnel to follow. Some marketing documents need to be reviewed by the Company's Department of Customer Service before marketing. Besides, with the popularization of mobile devices, marketing methods have shifted from traditional paper to digital marketing such as data, videos, and live broadcasts to attract customers. In order to enable colleagues to comply with advertising marketing regulations, videos and other multimedia advertisements are included in the review criteria to ensure legality of multi-advertising marketing. The Company requires its salespersons to be honest with customers without any hypocrisy to conceal. If any violation of the related regulations occurs, the salespersons shall be punished and the violation shall be announced on the Company's website, so that other colleagues shall be vigilant.</p>	
		<p>2. For the protection of personal data, the Company stipulated marketing, using, processing, archiving, deleting, destroying procedures about personal data, and also set up an internal personal information protection organization to protect information and comply with the relevant personal protection act polices. All levels staff shall be trained to be familiar with the provisions of relevant laws.</p> <p>3. The Company and its subsidiaries mainly provide real estate brokerage services which have no direct relationship the health and safety of customers. However, before introducing the houses to the customers, a house survey should be conducted to determine whether the risk of structural safety exists. Besides, the Company uses the database or has its staff to check whether there is a risk of excessive chlorine ions or radiation, or any die of unnatural causes in the building or its neighborhood, any not-in-my-backyard facilities in the neighborhood and fully discloses the information in the instruction of real estate which the salespersons should be required to explain in detail to protect the interest of the customers and the living quality after moving in. The record of the instruction of real estate shall conform to the "provisions of what should be described in the instruction and what should not" stipulated by the Ministry of the Interior. In addition, when pre-selling presale houses, the salespersons are also required to follow the "provisions of what should be described in the standard form contract of presale houses transaction and what should not" stipulated by the Ministry of the Interior and there must be no advertising falsehoods. Some subsidiaries in the real estate development industry shall keep the quality of materials and construction, insist on providing a complete "building resume" and are strictly prohibited to cut corners. When conducting the architectural design, we also need to consider</p>	<p>Nil</p>

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Abstract</p> <p>ventilation to create a good living environment for the customers.</p> <p>4. Affected by the COVID-19 epidemic, the Company and its subsidiaries' employees are all required to some anti-epidemic working such as wearing masks, taking temperature, doing disinfection when providing service or selling real estate, as well as providing customers with masks to protect the health of customers. In addition, a number of programs have been put forward in community services, such as home disinfection, provision of cleaning supplies, and handmade soap etc. We promote epidemic prevention knowledge and provide a better epidemic prevention environment for the community.</p> <p>5. In order to understand the customer's feelings about the services and raise the amount of service, unified and enhance the Group's serviceability for providing stable and great quality. The Company also set up a toll-free 0800 customer opinion line and set up a network service platform to offer various ways for customers to provide their opinions, to take customers' advice and help customers to solve their problems and meet their needs. The Company has formulated the "Regulations on Sinyi Realty Quality Of Service Survey and Dissatisfaction Case Handling" and "Regulations on Customer Information Management", which institutionalize various types of investigation methods, customer information collection channels and customer case handling procedures at all levels, understand and handle customer opinions, in order to improve the overall quality of service of the Company and achieve the goal of customer satisfaction.</p>	
6. Does the Company have a supplier management policy, requiring suppliers to comply with regulations on environmental protection, occupational safety	V	<p>The company follows international regulations (such as the UN Global Compact、ILO、Universal Declaration of Human Rights) and International Standard United Nations Global Compact, (ISO9001, ISO26000, ISO20400...etc.), the company's business philosophy as the basis for the formulation of supply chain management policies. And to promote the sustainable development of economy, society and environment, and share resources with suppliers, in order to achieve supply chain management "in line with corporate ethics".</p> <p>In 2021, we introduced ISO 20400 sustainable procurement for the first time and continued to pass the BSI certification in the 111th year of the Republic of China,</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
and health, and labor rights, and what is its implementation status?		<p>integrating ESG connotation into the procurement process of procurement selection, management, and risk assessment. In the service process, it is also required that the products or raw materials used must have the green building material label, and the green procurement principles should be included in the procurement policy. In addition, by inviting all suppliers to commit and sign the "Supplier Proper Business Behavior and Sustainable Development Commitment", suppliers with large purchases (more than NT\$3 million) fill out the "ESG Sustainability Risk Self-Assessment Form" to ensure gradual improvement. The sustainability of our suppliers is to protect consumers, society, environment and employees.</p> <p>During the cooperation period, not only through continuous communication management, but also through partner cooperation, resources are provided to lead small enterprises to begin to understand and implement ESG. Every year, partners are invited to fill out the "Supplier ESG Self-Assessment Form". During on-site visits, exchanges are made on labor rights (reasonable working hours and wages, insurance, etc.), human rights, labor occupational safety and health, etc., to review supply. Whether the company has positive or negative impact on ESG during operation, and can be praised or asked to improve accordingly. For more details, please refer to the Sustainability Report.</p>	
7. Whether the company assesses the risks or opportunities to the community and adopts specific corresponding measures and their implementation effects	V	<p>The Company's business is mainly to provide real estate brokerage services, rather than the production of physical goods, so the harm to communities is relatively insignificant; on the contrary, the business model allows its employees to find the need of communities, ranging from repairing window screens, serving as school traffic guides, assisting in community celebrations and holding national painting competitions, to know more people, getting to be trusted, and becoming good neighbors and indispensable members of local residents. The Company also assists 479 communities to host unit owner assemblies, and provides manpower support. As a result, when people from different communities would like to buy and sell houses, they will come up with the Company's real estate brokerage services, and then realize their dreams.</p> <p>In addition, since 1993 the Company has launched the "We are One" Project, and has</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>encouraged people to participate in multiple fields such as humanistic education, environmental ecology, industrial development, social welfare and medical care, and community security, which has driven the overall development of the local area. Even more importantly, the project has touched countless hearts and inspired so many souls. "We are One" Project hits the rate to 100% in 368 urban areas in Taiwan. In 2022, a total of 185 community proposals were sponsored. More details are disclosed in the Company's Sustainability report and "We are One" website( <a href="https://www.taiwan4718.tw/landingpage/">https://www.taiwan4718.tw/landingpage/</a> ).</p>	
8. Whether the Company invests resources to support the development of domestic culture, and what is its support methods and results?	V	<ol style="list-style-type: none"> <li>1. The Company has propelled "We are One" project since 1993, and sponsored \$23,894 thousand dollars for 185 proposals from different communities in 2022, including rural regeneration and cultural bureau village projects, revitalizing ancient roads in the community to provide local creation, supporting "niengue" culture Inheritance in Yilan, and other domestic cultural development. Further details of relevant promotion content is disclosed in "We are One" website. "We are One" project won the "Presidential Cultural Award" in 2017 and continues to be promoted.</li> <li>2. In 2022, the Company donated NT\$27,300 thousand, with a total amount of NT\$30,000 thousand donated by social virtuous people to establish the Taiwan Regional Revitalization Foundation as a bridge between local industry revitalization and cultural real estate. It is a large platform for the all-round development, and it may integrate various resources (capital, technology, talents, etc.). The budget expenditure of the Company on donation to the foundation amounted to NT\$5,800 thousand in 2022. As of 2022, there were about 100 local creation teams in Taiwan have joined, and study trips up to 9 times across Taiwan were held, for listening to advice from people at the first line, and connect the local ones, culture, places, production and landscapes together. In addition, a total of 61 local voice contributors from the north, middle, south, east and outlying islands of Taiwan introduced and promoted their favorite community culture and characteristics. More regional revitalized activities can be found on the website of the Taiwan Local Creation Foundation.</li> <li>3. The Company established the Sinyi School in 2011, which often holds free lectures</li> </ol>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Abstract</p> <p>on humanistic life and social care, and continues to hold high-quality lectures online even during the heating up of the epidemic, so that residents have the opportunity to contact art and cultural activities, and the total investment cost in 2022 is about NT\$XX thousand. The "Jimmy Moon Bus" donated by the Company to the Taipei City Government is a well-known installation art in Xinyi District, Taipei City, which is maintained by the Company, attracting at least 50,000 people to visit for free every year.</p> <p>4. In addition, the Company also donated or sponsored in cash for the filming of "Beyond Beauty - TAIWAN FROM ABOVE 3", the OneSong Orchestra's New Year's Concert, the Chengchi University South Island Lecture Fund to promote cultural exchanges between Taiwan and the Austronesian system, the Tseng Yu-Chien and the Shui Lan's Concert and the 5th Kishu-an Campus Publication Special Exhibition Competition, totaling about NT\$4,500 thousand.</p>	
<p>VI. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?</p> <p>The "2021 Sinyi Realty Inc. Sustainability Report" published by the Company in 2022 was consigned to BSI Taiwan branch to engage in verification, and a statement of independent guaranty comments was obtained. The certification result conforms to GRI guidelines comprehensive options 2021 and SASB guidelines. This report has also meeting the standard of AA1000 ASv3 Type 1, Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies, The UN Global Compact, ISO26000 Sustainability Development Guidelines. The detailed management of the report is as follows:</p>			
Internal Confirm	<input checked="" type="checkbox"/> TEM / Heads of departments reviews the contents of each chapter and the correctness of information <input checked="" type="checkbox"/> BOD reviews of ESG Performance and Strategic Objectives <input checked="" type="checkbox"/> Audit Supervisor Audit Information Correctness <input checked="" type="checkbox"/> Financial Data – Deloitte(TW)		
External Confirm	<input checked="" type="checkbox"/> Environmental data - : ISO 14001、ISO 14046、ISO 14064-1、ISO 14067、ISO 50001、PAS 2060 【British Standards Institution (BSI) Taiwan】		



Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Abstract</p> <p>-Participated in the Carbon Disclosure Project (CDP) climate change questionnaire.</p> <p><input checked="" type="checkbox"/> Sustainable data - Comply with the AA1000ASv3 Type 1 standard, comply with the GRI guidelines comprehensive options 2021 and SASB guidelines, and pass the TCFD compliance check <b>【British Standards Institution (BSI) 】【</b></p> <p><input checked="" type="checkbox"/> Social investment and outcomes - <b>【London Benchmarking Group 】【</b></p> <p><input checked="" type="checkbox"/> Sustainable activities -ISO20121 <b>【British Standards Institution (BSI) 】【</b></p>	
<p>VI. In case a company establishes its own Sustainability Development Best Practice Principles in accordance with "Sustainability Development Best Practice Principles for TSEC/GTSM Listed Companies", please describe its operation and the deviation from the established Best Practice Principles:</p> <p>The Company, in order to fulfill its corporate social responsibility and promote the balance and sustainable development of economic, social and environmental ecology, had its "Corporate Social Responsibility Best Practice Principles for Sinyi Realty Inc." (the "Principles") approved in the Board of Directors in December of 2010, to strengthen the actualization of corporate social responsibility, and incorporate it into the corporate management and operation. The Company also reviews the execution status of the said Principles on a periodical basis and makes improvement accordingly, and there has been no deviation status since its execution till present. The newest amendment to the Principles has been approved by the board of directors on January 18, 2023 and will be submitted to the shareholders' meeting for approval in May 2023.</p>			
<p>VII. Other important information facilitating to understand the operation status of corporate social responsibility:</p> <p>The Company and its affiliate companies have followed the operation concepts of "good faith" and "ethics" all the way, to internalize "active actualization of corporate social responsibility" to be our root values, maintained harmonious collaboration with various stakeholders, and been highly confirmed by various fields during these years with honor.</p> <p>The subsidiaries of the Company also have practical actions in CSR and won below awards in 2021:</p> <ul style="list-style-type: none"> <li>● The Company won "GCSA-Reporting Award" for "Sustainability Reporting" 5 years in a row and award of Best Practices.</li> <li>● The Company was awarded the "Top Ten Sustainability Model Award" of the TCSA Taiwan Sustainability Award for the 8th time, and, Sustainability Report was recognized as Platinum Level 1 in the real estate and construction industry, and won the Climate Leadership Award, Innovation and Growth Leadership Award, and Transparency and Integrity Leadership Award in terms of individual performance.</li> <li>● The Company won the CSR &amp; ESG award by Global View Monthly for three consecutive years and was awarded the highest honor "Annual Honor Roll". And won the model award of the outstanding program education promotion group with the "National Ethics Leader" project.</li> <li>● In 2021, the Company obtained the "Excellent" certification of CG6013 of the Taiwan Corporate Governance Association.</li> </ul>			

Evaluation Items	Facts of performance		The discrepancy of such implementation from the Corporate Social Responsibility Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		Description of Abstract	
		<ul style="list-style-type: none"> <li>● The Company was awarded for the 16th time by 《Commonwealth Magazine》 “ World Sustainable Citizenship Award” .</li> <li>● The Company was ranked among the Top 5% of the listed companies in the Corporate Governance Appraisal by the Taiwan Stock Exchange Corporation (TWSE) for eight consecutive years.</li> </ul> <p>The awards listed above all shows that the Company and its affiliate companies have for a long term with basis on the core concept of “applying whatever acquired from a community to the community” promoted its corporate social responsibility as its own responsibility and are recognized by the community. In the future, the Company and its affiliate companies would continuously provide touching service, transfer the core value of corporate social responsibility, march toward the goal of sustainable operation, and endeavor to become a globalized local enterprise with comprehensive development.</p> <p>Other more related information can be referred to in Chapter 2, Honorable Record of Corporate Governance and the Sustainability website of the Company (<a href="http://csr.sinyi.com.tw/">http://csr.sinyi.com.tw/</a>).</p>	

## Climate Related Information Of The Company

Item	Implementation status
<p>1. Describe the board's oversight of climate-related risks and opportunities.</p>	<p>Board and management oversight and governance of climate-related risks and opportunities : The Board monitors and oversees progress against goals and targets for addressing climate-related issues: As the top management unit supervising climate-related issues, the Board of Directors is responsible for reviewing the annual risk management report and audit report to ensure the effective implementation of the climate-related risk management system. ° Total Ethical Management Committee (TEM Committee) is the top-level ESG promotion unit in Sinyi Realty and is responsible for climate-related project management. The Corporate Sustainability Office reports to the Board on results of climate-related projects. The Board reviews ESG impact, performance, and strategic goals regularly; complies with the risk management procedures to reduce the threats caused by occasional climate events. The Board of Directors of the Company has reviewed the progress of greenhouse gas inventory and verification on a quarterly basis since 2022.</p>
<p>2. Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short, medium and long term).</p>	<p>Short-term, medium-term and long-term impacts of climate risks and opportunities on enterprises: definition of management period: short-term (1 year), medium-term (~2030), long-term (2030-2050). After analyzing the impact of climate-related risks on financial and non-financial aspects, the important climate risks are "transition to low-emission technologies (low-carbon services)", "enhanced emission reporting obligations", "increased energy costs" and "severity of extreme weather events and frequency increase"</p>
<p>3. Describe the financial impact of extreme climate events and transformational actions.</p>	<p>Impact of extreme weather events and transformation actions on finance: Extreme weather events such as typhoons, sudden heavy rainfall, etc., may affect the quality of objects, and lead to interruption of store operations, impact on colleagues' traffic and work safety, and reduce the cost of viewing and transactions Opportunity, the financial impact is about NT\$280 million. In addition, transition risks include the strengthening of emissions reporting obligations, which will increase operating and carbon reduction equipment installation costs and purchase renewable energy costs, totaling about NT\$25.4 million; transitioning to low-emission technologies (low-carbon services) may cause consumers to Reduced demand for legacy services reduced revenue by approximately NT\$1.1 billion. Transformation opportunities such as low-carbon goods or services, such as the promotion of green services such as DINDON smart house viewing, will bring about NT\$30 million in potential revenue; promoting paperless deeds and reducing paper usage can also reduce material costs by about NT\$2 million.</p>

<p>4. Describe how the identification, assessment and management of climate risks are integrated into the overall risk management system.</p>	<p>Integrating climate risk into the overall risk management system : Sinyi integrates climate-related and other operational risks into overall risk management system, and conducts regular identification, evaluation and management through standardized procedures. Each department in Sinyi Realty identifies relevant risks so that be reviewed at annual and quarterly plan-review meeting. The Board of Directors regards the impact of climate change as a material risk. ◦ The Board of Directors is the top-level monitoring unit of climate change management, being responsible for reviewing annual risk management report, execution report, and audit report to ensure the effectiveness of climate-related risk management system. The executive team appointed by the TEM committee serves as the risk owner of material risks and is responsible for setting risk management targets and related policies.</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be explained.</p>	<p>Scenario Analysis : Apply two climate-related scenario analysis of “2DS+NDCs and RCP8.5” to analyze physical risks and transition risks. 2DS+NDCs : Sinyi set has set 2030 goal of "reducing greenhouse gas emissions by 90% compared to 2017" with reference to the SBTi approach (category 1 + 2). If Sinyi increases the purchase of renewable energy, it is expected that the unit price will increase by NT\$2.1/kWh, corresponding to a 64% increase in electricity costs, approximately NT\$25.4 million. RCP8.5 : The scenario involves an annual temperature increase of 1.62°C and an annual precipitation increase of 75.74 mm/day. Sinyi predicts that it will cause approximately 5.4% increase in electricity consumption by air-conditioning devices by 2030, accounting for approximately 0.24% of the total revenue. As a result, electricity consumption for air conditioning equipment is expected to increase by approximately 5.4% by 2030. At the same time, if we purchase renewable energy, it is expected that the unit price of electricity will increase by NT\$2.1/kWh. The total increase in electricity bills is approximately NT\$26.8 million.</p>
<p>6. If there is a transition plan for managing climate-related risks, explain the content of the plan, and the indicators and goals used to identify and manage physical risks and transition risks.</p>	<p>Transformation plan and indicators and goals : In response to the opportunity for transformation arising from this “Climate Emergency”, Sinyi Realty expects to influence its customers to move towards a low-carbon green economics to mitigate climate impact. We have proposed green management strategies including promotion of low-carbon service, improvement of resource efficiency, and organization from nearly-zero to net-zero; developed metrics and targets, including greenhouse gas emissions (category 1+2) reduced by 4.2% per year, reduced by 90% by 2030 (base year: 2017); service carbon footprint reduced by 1% per year, reduced by 45% by 2030 (base year: 2017); Reduce water consumption by 1% per year and 30% by 2030 (base year: 2017); use 100% renewable energy by 2030.</p>
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>In 2022, the internal carbon pricing plan was started. When the carbon emission of each branch exceeds the benchmark value, the carbon emission fee will be calculated. If it is lower than the benchmark value, preferential treatment will be given to drive the branch to actively reduce carbon. This program is still in discussion.</p>

8.If there are climate-related goals set, the covered activities, scope of greenhouse gas emissions, planning schedule, annual progress and other information should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, it should be explained The source and quantity of carbon reduction credits to be exchanged or the quantity of renewable energy certificates (RECs).

Carbon reduction target scope and progress: Sinyi's organizational greenhouse gas inventory (ISO 14064-1) covers 100% of direct and indirect emissions from operating activities, and the carbon reduction target is to reduce greenhouse gas (category 1+2) emissions by 4.2% per year. In 2021, it decreased by 6.3% compared with 2020, and decreased by 2.4% compared with the base year of 2017, achieving the target. For the results of the greenhouse gas inventory of 2022, please refer to <https://csr.sinyi.com.tw/en/environment/greenhouse-gases.php>. In addition, Sinyi purchased a total of 340MWh of T-REC in 2021 and used 348,967 kilowatt-hours of green electricity in 2022. It is expected to gradually achieve the goal of 100% renewable energy in 2030.

(III) Implementation of ethical corporate management and deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and reasons:

Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
<b>I. Establish Operation Policy and Scheme of Good Faith</b>			
(I) Does the Company establish operation policy of good faith which is approved by the BOD and expressly specify policy, practice of operation in good faith in its corporate statutes and bylaws and external documents, and do the Board of Directors and executive management level actively actualize the promise of operation policy?	V	<p>The Company in order to further solidify the corporate culture of operation in good faith and its development establishes "Ethical Corporate Management Best Practice Principles of Sinyi Realty Inc.", which is amended in 2020 to serve as the basis of actualizing operation in good faith. It's published on the company's internal and external websites as guidance for the implementation of integrity management. Besides, related internal operation specifications and internal control systems are formulated, to engage in periodical review/audit for various operations and submit a report to the Board of Directors, for the Board of Directors to provide recommendations for such defects and perform improvement follow-ups. Members of the Company's board of directors and senior management have signed a statement of compliance with the integrity management policy in accordance with the above-mentioned code.</p>	Nil
(II) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs to prevent at least set forth in various items of Section 2, Article 7 of "Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies"?	V	<p>The Company establishes such internal operation rules and incentive/punishment systems, etc. as business specifications of various stores, to prevent the occurrence of behaviors not in good faith of colleagues, and formulates effective accounting system and internal control system, to perform periodical audit of the actualization status, and report the results to the Board of Directors. The Company's Corporate Ethics Office shall understand whether colleagues have dishonest conducts, Human Resources Department shall summarize inappropriate behavior. In addition to punishment and announcement on the internal website, the Company shall make it a case to strengthen advocacy.</p> <p>The prevention programs toward items of Section 2, Article 7 of "Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies" were as below :</p>	Nil

Evaluation Items	Facts of performance		Description of Summary	The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No		
	Dishonest behavior			
	Offering and acceptance of bribes	Prevention programs or regulations There is a Code of Conduct for Sinyi Enterprise Group, which requires each colleague to sign a consent letter biannually that includes forbid the colleagues to accept improper gifts from customers or suppliers.		
	Illegal political donations	In accordance with the Company's "Request Regulation", any donation is subject to the approval of the Chairperson.		
	Improper charitable donations or sponsorship	The same as above.		
	Offering or acceptance of unreasonable presents or hospitality, or other improper benefits	There is a Code of Conduct for Sinyi Enterprise Group, which requires each colleague to sign a consent letter biannually, as well as the "Ethical Guidelines for The Procurement Work", which prohibits the left-list and requires supervisors to be held accountable.		
	Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights .	According to "Direction for Internal data protection and compliance with the personal data protection Act", each colleague is required to sign "commitment to the internal data protection and compliance with the personal data protection Act".		
	Engaging in unfair competitive practices	There is a Code of Conduct for Sinyi Enterprise Group, which requires each colleague to sign a letter biannually, which requests colleagues to compete with the peer fairly in the code of conduct.		

Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services</p> <p>The Company stipulates a "Business Purpose", committed to the protection and balance of interests of interested parties. As to serving our customers, there are "store business norms", expressively regulate the proper and improper sales behavior and safety rules during viewing a property, negotiating and fee charging.</p>	
(III) Does the Company specify a scheme of preventing behaviors not in good faith, and expressly describe in each scheme the operation procedures, behavior guidelines, punishment of offense, and complaint system, actualize the execution of them, periodically review and revise the programs above?	V	<p>The Company establishes "Behavioral Rules of Sinyi Conglomerate" which, besides being placed in the internal network for check of colleagues at all times, is also provided with automatic computer reminder function, to remind colleagues of knowing and signing such Code periodically, to facilitate colleagues to have a more clear direction while facing such aspects as Customers, colleagues, suppliers, the state, community, and global environment, etc., and avoid any interest conflict and acquisition of improper interest. It is also incorporated into the periodical assessment of employee performance audit system, and advocates for some violations as a case in 2022 to ensure the actualization of the corporate operation in good faith. If any colleague finds the dishonest behavior from the Company, the Company's subsidiaries or other colleagues, he or she may appeal through appeal channels such as chairperson mail box and the specially-assigned person will conduct the investigation. Once colleagues find any dishonest behavior of the Company or other colleagues, they may reflect the information through complaint system such as the Company's customer service department, mailboxes of the Funder, or the contact with the audit office. The complaints will be dealt with by exclusive staff.</p>	Nil



Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
<b>II. Actualize Operation in Good Faith</b>			
(I) Does the Company evaluate the record of good faith of the transaction parties, and expressly specifies clauses dealing with behaviors of good faith in the signed contracts of the transaction parties?	V	The Company establishes “Rules Governing Group Purchase”, provides a sector with exclusive responsibility to be in charge of purchase price inquiries, price parity, price negotiation, authorization, bidding, acceptance inspection, payment request, and supplier management. Besides, assessments are conducted from time to time jointly with the purchase request sector in terms of supplier service quality, delivery schedule and price, and a database of qualified suppliers shall be built in accordance with the assessment results, to avoid transactions with the suppliers with record of behaviors not in good faith.	Nil
(II) Does the Company establish a dedicated unit under the board of directors to promote ethical corporate management, and periodically (at least once a year) report to the Board of Directors and supervise the implementation of the ethical corporate management policy and unethical conduct revention plan?	V	The Company establishes “Corporate Ethics Office” which is responsible for the promotion of ethical corporate management. The Corporate Ethics Officer ensures the actualization of operation principles of good faith in accordance with the work functions and scope of supervising related matters of each sector and promotes to all colleagues the operation concepts of justice ahead of profit, human oriented and positive thinking and actively constructs and develops a methodology which can absorb its operation concepts to make all colleagues easy to understand and carry them out in daily life. In addition, the Company conducts several monthly topic discussions and actions such as change management and value-created services and by means of analyzing and sharing at each meeting at all levels to make colleagues be honest internalization and implementation in the daily operation. In December, 2022, the Corporate Ethics Office reported the plan and performance of promoting ethical corporate management at the BOD.	Nil
(III) Does the Company stipulate a policy of preventing interest conflict, provide due statement channels, and actualize the execution?	V	The Company expressly specifies rules governing hospitality with good faith and avoiding any interest conflict in “Behavioral Rules of Simyi Conglomerate” and “Business Specification of Each Store”, and also specifies related guidelines concerning the acceptance of gifts. In case of any offense of a colleague, after the supervisor engages in guidance and communication, punishments shall be	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Summary</p> <p>submitted in accordance with rules. In case a colleague has any doubt about interest conflict, he/she may besides be reporting to his/her direct supervisor also directly reflect it to the Corporate Ethics Office, Board Chairperson or Audit Committee as well. Those who have questions about the identification of appropriate behavior may state and consult with Corporate Ethics Office.</p>	
(IV) Does the company have effective accounting system and internal control systems set up to facilitate ethical corporate management, does the internal auditing unit formulate audit plans based on unethical conduct risk assessment results, and does it audit compliance with the unethical conduct prevention plan or commission a CPA to perform the audit?	V	<p>The Company in order to actualize operation in good faith already establishes effective accounting system and internal control system, including the collection of service cost to go through an exclusive account of contract performance guaranty; upon the payment request filed by a supplier, it is required to be approved through the responsible supervisors in accordance with the payment request authorization list; as the entertainment expense of each sector is also expressly specified to be approved by the President (while the entertainment expense of the President shall be approved by the Board Chairperson). Audit personnel shall also perform periodical audit in accordance with the regulations of various systems and relate the audit results to the responsible supervisors of the related sectors and gather the comprehensive result to the Audit Committee and the Board of Director on a periodical basis. Concerning any colleague with offense of the rules, he/she and his/her supervisor shall report the follow-up improvement status as well. In 2022, for the unfaithful behavior that may occur by colleagues, the relevant measures and internal control procedures shall be strengthened by the authority and responsibility units, and the audit unit shall check whether it is followed, as part of the internal control check.</p>	Nil
(V) Does the Company hold internal, external educational training for operation in good faith on a periodical basis?	V	<p>The Company also formally established the "Chief of Ethics" in January 2012 and organized Corporate Ethics Office, to further promote actualization of corporate good faith and ethics. In addition, supervisors are required to participate in corporate ethics program on a periodical basis, to internalize the corporate ethics from upside down as a part of routine operation. Besides, the funder of the Company also describes such operation concepts of the Company as good faith and justice ahead of profit, etc. to all colleagues by means of the</p>	Nil

Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy																								
Evaluation Items	Yes	Description of Summary																								
	No	<p>monthly assembly every month. The film of the monthly assembly is also displayed in the internal website of the Company, to serve for colleagues in watching and mutual sharing.</p> <p>Please see below the information for the further details in 2022.</p> <table border="1"> <thead> <tr> <th>Course</th> <th>Frequency</th> <th>Participant</th> <th>Organizer</th> </tr> </thead> <tbody> <tr> <td>Sinyi's Heart of Business Workshop</td> <td>111/07/19-111/07/20, a total of 16 hours</td> <td>Senior-level managers</td> <td>Corporate Ethics Office</td> </tr> <tr> <td>Sinyi's business philosophy and practices</td> <td>1 session per month, 2 hours per session</td> <td>Senior-level managers</td> <td>Corporate Ethics Office</td> </tr> <tr> <td>Boot Camp for Sinyi's business philosophy</td> <td>3 sessions per month, 1 hour per session</td> <td>All new hire of salesmen and office staffs</td> <td>Human Resources Department</td> </tr> <tr> <td>Boot Camp for Sinyi's business philosophy</td> <td>1 sessions per two months, 1 hour per session</td> <td>All new hire of branch secretaries</td> <td>Human Resources Department</td> </tr> <tr> <td>Sinyi's management style</td> <td>1 session per quarter, 3 hours per session</td> <td>Supervisors and senior associates applying for branch managerial roles</td> <td>Human Resources Department</td> </tr> </tbody> </table>		Course	Frequency	Participant	Organizer	Sinyi's Heart of Business Workshop	111/07/19-111/07/20, a total of 16 hours	Senior-level managers	Corporate Ethics Office	Sinyi's business philosophy and practices	1 session per month, 2 hours per session	Senior-level managers	Corporate Ethics Office	Boot Camp for Sinyi's business philosophy	3 sessions per month, 1 hour per session	All new hire of salesmen and office staffs	Human Resources Department	Boot Camp for Sinyi's business philosophy	1 sessions per two months, 1 hour per session	All new hire of branch secretaries	Human Resources Department	Sinyi's management style	1 session per quarter, 3 hours per session	Supervisors and senior associates applying for branch managerial roles
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III. Operation of whistleblowing system																										
(1) Does the Company establish substantial offense reporting and incentive systems, and establish convenient offense reporting channels, and assign proper exclusively responsible personnel to accept the reported subject of an offense?	V	<p>The Company has established regulations on whistle-blowing of illegal and unethical or dishonest conduct "and the Company's legal service unit in customer's service department are dedicated as the receiving units of whistle-blowing of illegal and unethical or dishonest conduct. A Customer may express comments by means of the exclusive complaint line or exclusive service line, 24-hour online customer service, and in the manner of E-mail, to be conducted by exclusive personnel. The Company also provides an Audit Committee appeal and recommendations mailbox (auditcommittee@Sinyi.com.tw) and stakeholders' mailbox (csr@Sinyi.com.tw) in the Company's website. In addition, rules governing colleague behaviors and incentive/punishment are also expressly formulated. The punishment cases</p> <p style="text-align: center;">Nil</p>																								

Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		<p>Description of Summary</p> <p>are also announced in the internal website of the Company to serve as warnings for colleagues. According to "Regulations on whistle-blowing of illegal and unethical or dishonest conduct", if the report was proved to be true after investigation, the receiving unit should raise an application of reward to the Company for the whistle blower after considering the contributions of the report to the Company and its economic benefit. Related regulations on Sinyi's Investor Relations website: <a href="https://www.sinyi.com.tw/investors/en/corporate-governance/corporate-governance/major-internal-policies">https://www.sinyi.com.tw/investors/en/corporate-governance/corporate-governance/major-internal-policies</a></p>	
(II) Does the Company specify the investigation standard operation procedures of accepting offense reporting matters, follow-up measures to be taken after the completion of the investigation and a related confidentiality mechanism?	V	<p>The Company establishes "Regulations on whistle-blowing of illegal and unethical or dishonest conduct", clearly expressing the standard operating procedures of receiving offense report and shall assign exclusive personnel to be in charge for each complaint or offense report, through difference procedures in response to the nature of a case. It would be assigned to the related departments for action or an evaluation committee meeting would be convened, and a response is requested to be replied to the complaint filing party or offense reporting party within a specified period. After completing the necessary investigation procedures, the dedicated unit handling the whistle-blowing system should issue an investigation report according to the finding and facts to Company chairman. When any tip which shows a director or senior manager is involved arises or material misconduct or likelihood of material impairment to the Company comes to their awareness upon investigation, the dedicated unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form. During the disposition process, the information of both a complaint filing party and offense reporting party shall be kept confidential; it is limited to be accessed only by the exclusive handling personnel. After the completion of the whistleblowing procedure, the relevant reporting materials shall be filed in secret documents for reference and</p>	Nil

Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
		kept for 5 years.	
(III) Does the Company take measures to protect an offense reporting party from suffering improper disposition due to an offense report?	V	Since the information of a complaint filing party and offense reporting party for a complaint or offense report shall be strictly kept confidential, in case complaint filing party and offense reporting party is a company colleague, upon filing a complaint or report, he/she may choose to be kept confidential or open out of free will. After it is accepted by exclusive personnel on a project basis and through related procedures and disposition, due management and follow-up shall be filed, to ensure such a party to be free from suffering any improper disposition.	Nil
IV. Strengthen Information Disclosure Does the Company disclose the content of operation principles of good faith and promotion performance in its website and Market Observation Post Site?	V	“Ethical Corporate Management Best Practice Principles of Sinyi Realty Inc.” has been disclosed in the Company website and Market Observation Post Site. Concerning the related clauses of the operation principles of good faith of the Company, please refer to the “Corporate Governance” section of the Investor Relations website of the Company. ( <a href="https://www.sinyi.com.tw/investors/en/corporate-governance/corporate-governance/major-internal-policies">https://www.sinyi.com.tw/investors/en/corporate-governance/corporate-governance/major-internal-policies</a> ) and ( <a href="https://www.sinyi.com.tw/investors/en/corporate-governance/ethics">https://www.sinyi.com.tw/investors/en/corporate-governance/ethics</a> )	Nil
V. In case the Company in accordance with “Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies” establishes its own Ethical Corporate Management Best Practice Principles, please describe its operation and the deviation from the established Best Practice Principles: In order to solidify the corporate culture of operation in good faith of the Company and its organization development, and construct commendable commercial operation architecture, the Company had its “Ethical Corporate Management Best Practice Principles of Sinyi Realty Inc.”, which had been approved in the Board of Directors in December of 2010, reported at 2015 annual general shareholders’ meeting for revision and amended for the second revision in 2020 for the purpose of reporting to 2021 general shareholders meeting, and incorporated it into the corporate management and operation. The Company also reviews the execution status of the said Principles on a periodical basis and makes improvement accordingly, and there has been no material deviation status since its execution till present.			
VI. Other important information facilitating to understand the operation status of corporate operation in good faith: (such as the Company in reviewing and correcting its established operation principles in good faith, etc.) i. The Company established Sinyi School in April 2011 and opened to general public to participate in learning. The content of programs includes such			

Evaluation Items	Facts of performance		The discrepancy of such implementation from Ethical Corporate Management Best Practice Principles for TSEC/GTSM Listed Companies, and the reason for any such discrepancy
	Yes	No	
<p>series of lectures of corporate ethics, to convey the importance of corporate social responsibility and operation in good faith.</p> <p>ii. The Company was honored to be granted an award of an enterprise with operation in good faith in the "Collection of Economic Stories of Taiwan Enterprises with Operation in Good Faith" held by the Industrial Development Bureau, Ministry of Economic Affairs (MOEA) for the first time in 2011, and was the only enterprise being invited to engage in a subject speech to share its operation experience in good faith among the enterprises with awards.</p> <p>iii. The Company honored with the Award of the World's Most Ethical Companies in 2018 with 135 global well-known companies such as 3M, Intel, GE, Dell, MicroSoft, and LORÉAL was the first Taiwan company which obtained the award.</p> <p>iv. Other more related information can be referred to the Company's website of "Sustainability Development": <a href="https://csr.sinyi.com.tw/en/">https://csr.sinyi.com.tw/en/</a></p>		Description of Summary	

(IV) In case the corporate social responsibility report of this company is approved through verification standards of related certification authorizes, it is required to be described:

The information of the related rules of the Company is already announced under the "Corporate Governance" section of the Company website (<https://www.sinyi.com.tw/investors/en/corporate-governance/corporate-governance/major-internal-policies>), to serve for inquiry of the public, investors and shareholders.

(V) Other important information sufficient to improve the understanding of the corporate governance operation status:

1. The Company for a long term has continuously bettered the corporate governance practice. Following the corporate governance evaluation and recognition in "CG6003" through Taiwan Corporate Governance Association in 2008, in the years of 2009, 2010, 2011 and 2014, it also has successively been approved in the corporate governance evaluation and recognition of such advanced versions as "CG6004", "CG6005", "CG6006" and "CG6008" respectively, as the only TSEC/GTSM listed company recognized by Taiwan Corporate Governance Association for five times. In 2021, the Company participated in the Corporate Governance Assessment CG6013 (2021) certification organized by the China Corporate Governance Association and obtained the highest level of "Outstanding" certification.
2. In 2011 and 2012 (the 8<sup>th</sup> session and 9<sup>th</sup> session), it was also assessed by Securities and Futures Institute in the information disclosure evaluation as A+ class and a rather transparent TSEC/GTSM listed company of voluntary disclosed information. From 2013 to 2015, it was further assessed as A++ class in information disclosure evaluation of the TSEC/GTSM listed companies.
3. Furthermore, the Company was continuously ranked 8 years in a row by TWSE as the top 5% of the listed appraisees in the Corporate Governance evaluation held by TWSE from 2015 to 2022.

The Company will continuously actualize the related corporate governance specifications with more strict standards, to protect the welfare of investors and stakeholders.

- (VI) Performance in Internal Control System
1. Declaration of Internal Control System

Sinyi Realty Inc.  
Declaration of Internal Control System

Date: February 22, 2023

Over the Company's internal control system of Year 2022, based on the results of our self-audit, we'd hereby like to declare enumerated below:

1. Here at the Company, we confirm full awareness that implementation and maintenance of the internal control system are the inherent responsibility of the Company's board of directors and managers. The Company has duly set up such internal control system in an attempt to provide rational assurance of the effect and efficiency of the business operation (including profitability, performance and assurance of the safety of assets), reliability of financial report, accomplishment of the compliance targets.
2. Internal control system is subject to inherent restriction, disregarding how sound it has been designed. Effective internal control system could only provide rational assurance for accomplishment of the three aforementioned targets. Besides, in line with the changes in circumstances and environments, effectiveness of internal control system might change as well. For the Company's internal control system, nevertheless, we have set up sound self-superintendence functionality. As soon as a defect is identified, the Company would take corrective action forthwith.
3. Exactly in accordance with the items of judgment for the effectiveness of the internal control system under "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "Managerial Regulations"), we duly judge whether the internal control system is effective in design and implementation. The items adopted for aforementioned "Managerial Regulations" for judgment of internal control system are the process for management control. The internal control system is composed of five composition elements: 1. Circumstances of control, 2. Risk evaluation, 3. Control operation, 4. Information and construction, and 5. Superintendence. Each and every composing element includes a certain item. For more details regarding the aforementioned items, please refer to contents of the "Criteria".
4. Here at the Company, we have adopted the aforementioned items of judgment over internal control system to verify the effectiveness of the design and implementation of the internal control system.
5. On the grounds of the results of verification in the preceding paragraph, we are confident that the Company's internal control system in design and implementation as of December 31, 2022 (including the superintendence and management over subsidiaries), including the awareness of the results and efficiency of business operation in accomplishment of the targets, reliability of financial reports and compliance of the relevant laws and regulations are effective and would reasonably assure accomplishment of the aforementioned targets.
6. The Declaration will function as the key element of the Company's Annual Report and Prospectus and will be made public externally. In the event that the aforementioned made public involve misrepresentation, concealment or such unlawful practice, the Company shall get involved in the legal responsibilities under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
7. This Declaration has been approved by the Company's board of directors on February 22, 2023. Seven (7) directors were in attendance, none kept objecting opinions, and all

directors in attendance hereby state their agreement to the contents of this declaration.

Sinyi Realty Inc.

Chairperson: Sinyi Co., Ltd. of which representative being Liu Yuan-Chih

General Manager: Chen Li-Hsin



2. Where a Certified Public Accountant has been delegated to review internal control system in a special project, the Audit Report of the Certified Public Accountant shall be disclosed: Nil.

(VII) In 2022 and as of the printing date of this Annual Report, facts of penalty imposed upon the Company and its internal personnel for their violation of the regulations of the internal control system, the major defects and the corrective actions taken: Nil.

(VIII) In 2022 and as of the printing date of this Annual Report, the Key Resolutions resolved in the shareholders' meeting and board of directors are as below:

1. Significant decisions resolved in the 2022 general shareholders' meeting and the implementation thereof:

The Company had convened the 2022 annual shareholders' meeting on May 19, 2022 with the significant decisions resolved as follows:

Significant decisions resolved	Facts of implementation
1. Adoption of 2021 business report and financial statements	Nil.
2. Adoption of earning distribution proposal of 2021.	The general shareholders' meeting had approved cash dividend of NT\$2.8 per share. On May 19, 2022, the Chairperson had resolved June 14, 2022 as the ex-dividend date and distributed cash dividends on July 7, 2022.
3. To discuss and approve the amendments to the Company's Article of Incorporation.	It was approved and registered by the Ministry of Economic Affairs on June 10, 2022.
4. Approval on the amendments to the Company's Rules and Procedures of Shareholders Meeting.	It has been announced on the company's website and will be handled in accordance with the revised rules.
5. Approval on the amendments to the Company's Rules of Election of Directors.	It has been announced on the company's website and will be handled in accordance with the revised method.
6. Approval on the amendments to the Company's Procedures for Acquisition or Disposal of Assets.	It has been announced on the company's website, and the revised procedures are followed.
7. Election of the directors the Company's 14th term board of directors.	It was approved and registered by the Ministry of Economic Affairs on June 10, 2022.
8. Approval on releasing the restriction on directors of the 14th term board of directors (including its representatives) from participating in competitive business.	Nil

2. The details of resolutions of the Company's board of directors and the Independent Directors' opinions and the Company's response to independent directors' opinion for 2021 and the period ended on the print date of the annual report:

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
Session 13 28th January 27, 2022	<ol style="list-style-type: none"> <li>The proposal of amendments to the Company's Corporate Social Responsibility Best Practice Principles.</li> <li>The proposal of amendments to the Company's Corporate Governance Principles.</li> <li>The Company's 2022 annual director training program plan for continuing education.</li> <li>The proposal for 2021 year-end bonus and annual performance bonus awarded to the authorized chief officers.</li> </ol>	<p>Independent directors' opinions</p> <ol style="list-style-type: none"> <li>The independent director Mr. Jhan Hong-Chih represented the Nomination Committee in the explanation of how the Nomination Committee reviewed Proposal 2-3 and why all the attending committee members approved the proposal unanimously.</li> <li>Regarding to Proposal 4: The independent director Mr. Hong San-Xiong represented the Remuneration Committee in the explanation of how the Remuneration Committee reviewed Proposal 4 and suggested that the financial department should present the annual salary situation in the case of short-term performance bonus and long-term value contribution bonus for senior managers submitted at the remuneration committee meeting in February, so as to facilitate the committee members to understand and judge the rationality of the performance bonus. And why all the attending committee members approved the proposal unanimously.</li> <li>Other proposal: Nil.</li> </ol>	Nil	Nil
Session 13 29th February 25, 2022	<p>Result of resolutions: All the proposals were passed unanimously after Chairperson inquired all the attending directors, except for Proposal 4 where Chairperson, director Mr. Chou Ken-Yu and attending personnel (not directors) Auditor-General and Chief Financial Officer did not vote given their positions as authorized chief officers.</p> <ol style="list-style-type: none"> <li>Adoption of unaudited Consolidated and Parent Company only financial statements for the year ended December 31, 2021.</li> <li>Adoption of the 2021 Business Report.</li> <li>Adoption of the proposal for 2021 retained earnings distribution.</li> <li>The appointment of CPAs and the audit fee for the year 2022.</li> </ol>	<ol style="list-style-type: none"> <li>The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed Proposals 1-5 &amp; 8-9 and why all the attending committee members approved the proposal unanimously.</li> <li>The independent director Mr. Hong San-Xiong represented the Remuneration Committee in the</li> </ol>	Nil	Nil

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
	<ol style="list-style-type: none"> <li>5. Proposal of the internal control statement for the year ended December 31, 2021.</li> <li>6. Proposal of the proportion of employee compensation and directors compensation for the year ended December 31, 2021.</li> <li>7. Resolve to convene 2022 Annual General Shareholders' Meeting and its agenda.</li> <li>8. Approval of the Company's subsidiary loaning to another subsidiary.</li> <li>9. Approval of the Company's subsidiary loaning to other company.</li> <li>10. Approval of the Company's borrowings from its subsidiary.</li> <li>11. Approved the proposal of 2021 short-term performance bonus providing and the long-term contribution performance bonus to the authorized chief officers.</li> </ol>	<p>explanation of how the Remuneration Committee reviewed Proposal 6, 11 and why all the attending committee members approved the proposal unanimously.</p> <p>3. Other proposal: Nil.</p>		
Session 13 30th March 31, 2022	<p>Result of resolutions: All the proposals were passed unanimously after Chairperson inquired all the attending directors, except for Proposal 11 where Chairperson ,director Mr. Chou Ken-Yu and attending personnel (not directors) Auditor-General and Chief Financial Officer did not vote given their positions as authorized chief officers.</p> <ol style="list-style-type: none"> <li>1. The proposal of amendments to the Company's Articles of Incorporation.</li> <li>2. The proposal of amendments to the Company's Procedures for Acquisition or Disposal of Assets.</li> <li>3. The proposal of amendments to the Company's Rules and Procedures of Shareholders Meeting.</li> <li>4. The proposal of amendments to the Company's Sustainable Development Best Practice Principles.</li> <li>5. The proposal of amendments to the Company's The Corporate Governance Principles.</li> <li>6. The proposal of amendments to the Company's Charter of Nominating Committee.</li> <li>7. The proposal of amendments to the Company's</li> </ol>	<p>The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 2, 10, 11 and why all the attending committee members approved the proposal unanimously.</p> <p>2. The independent director Mr. Hong San-Xiong represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 13 and why all the attending committee members approved the proposal unanimously.</p> <p>3. The independent director Mr. Jhan Hong-Chih represented the Nomination Committee in the explanation of how the Nomination Committee</p>	Nil	Nil

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
	<p>Measures for the Evaluation and Review of Nominees for Independent Directors.</p> <p>8. Discussion on the candidate for the Company's 14th board of directors.</p> <p>9. Proposal of lifting a ban on non-compete clauses of the newly appointed directors(including their representatives) of the 14th board of directors of the Company to the Annual General Meeting.</p> <p>10. Proposal of a subsidiary's fund-lending to the Company for operational planning.</p> <p>11. Proposal of the short-form merger of the Company with its subsidiary Sinyi Real Estate Ltd.</p> <p>12. Proposal of the Company's renewal and adjustment of the credit line to financial institutions.</p> <p>13. Proposal of the Company's donation to Taiwan Regional Revitalization Foundation.</p>	<p>reviewed Proposal 5-9 and why all the attending committee members approved the proposal unanimously.</p> <p>4. Other proposal: Nil.</p>		
	<p>Result of resolutions:</p> <p>(1) Regarding to Proposal 8:After discussing and negotiating respectively whether they are eligible to be listed on the list of the 14th board of directors. Independent directors Mr. Jhan Hong-Chih, Mr. Yen Lou-Yu and Ms. Lee Yi-Li, and directors Mr. Chou Chun-Chi, Mr. Chou Ken-Yu respectively discuss and negotiate whether they are eligible. When listed on the list of directors of the 14th board of directors, they also left and abstained from voting.</p> <p>(2) Regarding to Proposal 9: Director Mr. Chou Chun-Chi, Mr. Chou Ken-Yu, Independent Director Mr. Jhan Hong-Chih and Ms. Lee Yi-Li each left the meeting and abstained from voting when discussing the cancellation of the company's and its directly or indirectly 100%-owned subsidiaries and their own competition details.</p> <p>(3) Regarding to Proposal 13: Director Mr. Chou Chun-Chi, Mr. Chou Ken-Yu and Independent Director Mr. Yen Lou-Yu are related persons of Taiwan Regional Revitalization Foundation and left the meeting and did not participate in the discussion and voting.</p> <p>(4) All the proposals were passed unanimously by the attending directors.</p>			
<p>Session 13 31st April 28, 2022</p>	<p>1. The Company's consolidated financial results for the first quarter of the fiscal year ended March 31, 2022.</p> <p>2. The proposal of the Company's Director's annual remuneration for 2021.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 1 and why all the attending committee members approved the proposal unanimously.</p>	<p>Nil</p>	<p>Nil</p>

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
3. The proposal of annual employee compensation of 2021 for the Company's senior executives.	<p>3. The proposal of annual employee compensation of 2021 for the Company's senior executives.</p> <p>Result of resolutions: All the proposals were passed unanimously after Chairperson inquired all the other attending directors, except for Proposal 2 where the independent directors and directors concerned did not vote due to conflict of interest for the proposals related to their respective remuneration, and except for Proposal 3 where Chairperson Mr. Hsueh Chien-Ping, director Mr. Chou Ken-Yu and attending personnel (not directors) Auditor-General and Chief Financial Officer did not vote given their positions as authorized chief officers.</p>	<p>2. The independent director Mr. Hong San-Xiong represented the Remuneration Committee in the explanation of how the Remuneration Committee reviewed Proposal 2-3 and why all the attending committee members approved the proposal unanimously except during the process of discussion about remuneration to directors, the involved directors would withdraw from conflict involvement (recusal).</p>		
Session 14 1st May 19, 2022	Elected the chairman of the 14th board of directors of the company.	Nil	Nil	Nil
Session 14 2nd May 30, 2022	<p>Result of resolutions: All the directors present unanimously elected and approved Sinyi Co., Ltd. as the chairman of the 14th board of directors of the company, and Sinyi Co., Ltd. appointed Mr. Liu Yuan-Chih to act as the chairman of the board.</p> <p>1. Appointment of members of the 5th Remuneration Committee of the Company.</p> <p>2. Appointment of members of the 3rd Nomination Committee of the Company.</p> <p>3. The amendment of the Company's subsidiary fund-lending to other company.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 3 and why all the attending committee members approved the proposal unanimously.</p> <p>2. Other proposal: Nil.</p>	Nil	Nil
Session 14 3rd May 30, 2022	<p>Result of resolutions: All the proposals were passed unanimously after Chairperson inquired all the other attending directors, except for Proposal 2 and 3 where the independent directors and directors concerned did not vote due to conflict of the proposals related to discuss the appointment of individual committee members.</p> <p>1. Remuneration of Independent Directors of the 14th Board of Directors.</p>	<p>The independent director Ms. Lee Yi-Li represented the Remuneration Committee in the explanation of how the Remuneration Committee reviewed Proposal 1 and why all the attending committee members approved the proposal unanimously except during the process of discussion about remuneration to independent directors,</p>	Nil	Nil

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
		the involved independent directors would withdraw from conflict involvement (recusal).		
Session 14 4th June 13, 2022	<p>Result of resolutions: All the proposals were passed unanimously after Chairperson inquired all the other attending directors, except for Proposal 2 where the independent directors concerned did not vote due to conflict of interest for the proposals related to their respective remuneration.</p> <p>1. The Company's subsidiary proposed to participate in a real estate auction.</p> <p>2. The Company proposed to provide monetary loans to Sinyi Development Inc.</p>	<p>The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 1-2 and why all the attending committee members approved the proposal unanimously.</p>	Nil	Nil
Session 14 5th June 21, 2022	<p>Result of resolutions: All the proposals were passed unanimously by the attending directors.</p> <p>1. Proposal of Personnel Changes in Senior Management.</p> <p>2. Proposal of 2021 annual incentive compensation plan applicable to authorized chief officers.</p> <p>3. Proposal for senior management's getting out of a noncompete agreement.</p>	<p>1. The independent director Mr. Jhan Hong-Chih represented the Nomination Committee in the explanation of how the Nomination Committee reviewed Proposal 1-2 and why all the attending committee members approved the proposal unanimously.</p> <p>2. The independent director Ms. Lee Yi-Li represented the Remuneration Committee in the explanation of how the Remuneration Committee reviewed Proposal 3 and why all the attending committee members approved the proposal unanimously.</p>	Nil	Nil
Session 14 06th July 26, 2022	<p>Result of resolutions: All the proposals were passed unanimously after Chairperson inquired all the attending directors, except for Proposal 1-3 where attending personnel (not directors) Mr. Chen Chih-Huan did not vote given their positions as authorized chief officers.</p> <p>1. Proposal of the 2022 Q2 financial statements.</p> <p>2. Proposal of the Company's loaning funds to its subsidiary.</p> <p>3. Proposal of change to the principal accounting officer of the company.</p> <p>4. Release the prohibition on Senior Management from participation in competitive business.</p> <p>5. The Company proposed to apply to the financial</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 1-4 and why all the attending committee members approved the proposal unanimously.</p> <p>2. Other proposal: Nil.</p>	Nil	Nil

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
	institution for the renewal and adjustment of the credit line.			
Session 14 7th September 07, 2022	<p>Result of resolutions: All the proposals were passed unanimously by the attending directors.</p> <p>1. Proposal of the Company's loaning to its subsidiary.</p> <p>2. Proposal of the loaning between the Company's subsidiaries.</p> <p>3. Proposal of an acquisition of privately placed securities.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 1-3 and why all the attending committee members approved the proposal unanimously.</p> <p>2. Other proposal: Nil.</p>	Nil	Nil
Session 14 8th September 27, 2022	<p>Result of resolutions: All the proposals were passed unanimously by the attending directors.</p> <p>1. Appointment of vice chairperson of the Board of Directors of the Company.</p> <p>2. Proposal of the Company's selection of a real estate institutions.</p> <p>3. The Company's subsidiary proposed to engage in derivative financial transactions, and the Company proposed to provide its guarantee for the subsidiary's application to financial institutions for hedging instrument.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of the situation of the proposals 1 of the audit committee's resolution, and all the directors agreed to use KnightFrank and CBRE. 2 valuation agencies for follow-up valuation work.</p> <p>2. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed the proposals 2 and why all the attending committee members approved the proposal unanimously.</p>	Nil	Nil
Session 14 9th October 26, 2022	<p>Regarding to Proposal 1: Chairperson Liu Yuan-Chih, Director Mr. Chou Chun-Chi, Mr. Chou Ken-Yu are related persons and left the meeting and did not participate in the discussion and voting. All the proposals were passed unanimously by the attending directors.</p> <p>1. Adoption of unaudited consolidated financial statements for the third quarter ended September 30, 2022.</p> <p>2. Proposal of the Company' borrowing from its subsidiary due to capital planning.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed Proposal 1-2 and why all the attending committee members approved the proposal unanimously.</p> <p>2. Other proposals: Nil.</p>	Nil	Nil
Session 14 10th	<p>Result of resolutions: The proposal above was approved by all board members present at the Board meeting.</p> <p>1. Approval of the Company's 2022 annual audit plan.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the</p>	Nil	Nil

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
December 21, 2022	<p>2. Approval of the Company's subsidiary intending to acquire real estate.</p> <p>3. Approval of cash capital increase of the Company's subsidiary.</p> <p>4. Approval of the Company's subsidiary intending to conduct a brand evaluation case for its tourism business.</p> <p>5. Approval of the Company's capital loan to its subsidiaries.</p> <p>6. Approval of the Company's 2023 senior manager bonus rate.</p> <p>7. Amendments to the Company's Procedures for Handling Internal Material Information.</p> <p>8. Approval of the Company's application to financial institutions for credit line renewal and adjustment.</p> <p>9. Approval of bonus for the Company's senior executives.</p> <p>10. Approval to offer salary increases for the Company's senior executives.</p>	<p>Audit Committee reviewed Proposal 1-5. Among them, Audit Committee was suggested that Proposal 2 and 5 should be revised as appropriate, and all the attending members passed the proposal without objection.</p> <p>2. The independent director Ms. Lee Yi-Li represented the Remuneration Committee in the explanation of how the Remuneration Committee reviewed Proposal 6, 9 and 10, and why all the attending committee members approved the proposal unanimously.</p> <p>3. Other proposal: Nil.</p>		
Session 14 January 18, 2023	<p>Result of resolutions:</p> <p>1. Regarding to Proposal 2: Chairperson Mr. Liu Yuan-Chih, Vice Chairman Mr. Chou Ken-Yu, and Director Mr. Chou Chun-Chi were interested parties in this proposal, so they avoided the interest and left the meeting without participating in the discussion and voting.</p> <p>2. Regarding to Proposal 10: Chief Financial Officer Mr. Chen Chih-Huan didn't participate in the discussion and abstained from voting during the discussion.</p> <p>3. The proposals above were approved by all board members present at the Board meeting.</p> <p>1. The Company's budget in Fiscal Year 2023.</p> <p>2. Loans of funds between the Company's subsidiaries.</p> <p>3. Real estate transaction between subsidiaries of the Company.</p> <p>4. Cancellation of the the Company's endorsements for its subsidiary.</p>	<p>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed Proposals 2-5 and why all the attending committee members approved the proposal unanimously.</p> <p>2. The independent director Mr. Yen Lou-Yu represented the Remuneration Committee in the</p>	Nil	Nil



Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
	<p>5. The application of the Company's subsidiary to a financial institution for derivatives transaction, and the Company makes endorsements for its subsidiaries.</p> <p>6. The Company's 2023 list of the senior executives who are adapted to the Measures for Remuneration and Bonuses for Senior Managers.</p> <p>7. Proposal of the Company's 2022 year-end bonus and annual bonus for senior managers.</p> <p>8. Amendments to the Company's "Corporate Governance Principles".</p> <p>9. Amendments to the Company's "Rules and regulations of Procedure for the Board of Directors meeting" and "Sustainable Development Principles".</p> <p>10. Proposal of the Company intending to donate to National Chengchi University.</p> <p>11. Proposal of the Company intending to sponsor "We are one project".</p> <p>12. Proposal of the Company intending to donate to Taiwan Regional Revitalization Foundation.</p> <p>13. Proposal of the Company intending to apply to financial institutions for credit line renewal and new loans.</p>	<p>explanation of how the Remuneration Committee reviewed Proposals 6-7 and why all the attending committee members approved the proposal unanimously.</p> <p>3. The independent director Mr. Jhan Hong-Chih represented the Nomination Committee in the explanation of how the Nomination Committee reviewed Proposal 8 and why all the attending committee members approved the proposal unanimously.</p> <p>4. The independent director Mr. Jhan Hong-Chih represented the Audit Committee in the explanation of how the Audit Committee reviewed Proposal 12 and why all the attending committee members approved the proposal unanimously.</p> <p>5. Other proposal: Nil.</p>		
	<p>Result of resolutions:</p> <p>1. Regarding to Proposal 6: Vice Chairperson Mr. Chou Ken-Yu and attending personnel (not directors) General Manger, Auditor-General and Chief Financial Officer did not vote given their positions as authorized chief officers.</p> <p>2. Regarding to Proposal 7: Chairperson Mr. Liu Yuan-Chih (served as the general manager of the company from January 1, 2022 to June 20, 2022), Vice Chairperson Mr. Chou Ken-Yu and attending personnel (not directors) General Manger, Auditor-General and Chief Financial Officer did not vote given their positions as authorized chief officers.</p> <p>3. Regarding to Proposal 12: Vice Chairperson Mr. Chou Ken-Yu, Mr. Chou Chun-Chi and Independent Director Mr. Yen Lou-Yu are related persons of Taiwan Regional Revitalization Foundation and left the meeting and did not participate in the discussion and voting.</p> <p>4. The proposals above were approved by all board members present at the Board meeting.</p>			

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
Session 14 12nd February 22, 2023	<ol style="list-style-type: none"> <li>1. Adoption of audited Consolidated and Parent Company only financial statements for the year ended December 31, 2022.</li> <li>2. Adoption of the 2022 Business Report.</li> <li>3. Adoption of the proposal for 2022 retained earnings distribution.</li> <li>4. The appointment of CPAs and the audit fee for the year 2023.</li> <li>5. The Company proposed to formulate Non-Audit Services Pre-Approval Policy.</li> <li>6. Proposal of the internal control statement for the year ended December 31, 2022.</li> <li>7. Amendment on the Company's "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises".</li> <li>8. Planning for 2023 Directors' Continuing Education Courses.</li> <li>9. Proposal of the proportion of employee compensation and directors compensation for the year ended December 31, 2022.</li> <li>10. Approved the proposal of 2022 short-term performance bonus providing and the long-term contribution performance bonus to the authorized chief officers.</li> <li>11. The Company is to hold an 2023 Annual Shareholders Meeting on May 18, 2023.</li> </ol>	<p style="text-align: center;">Independent directors' opinions</p> <ol style="list-style-type: none"> <li>1. The independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed Proposals 1-7 and why all the attending committee members approved the proposal unanimously.</li> <li>2. The independent director Mr. Yen Lou-Yu represented the Nomination Committee in the explanation of how the Nomination Committee reviewed Proposal 8 and why all the attending committee members approved the proposal unanimously.</li> <li>3. Ms. Lee Yi-Li represented the Remuneration Committee in the explanation of how the Remuneration Committee reviewed Proposal 9 &amp; 11 and why all the attending committee members approved the proposal unanimously.</li> <li>4. Other proposal: Nil.</li> </ol>	<p style="text-align: center;">Nil</p>	<p style="text-align: center;">Nil</p>
	Result of resolutions: <ol style="list-style-type: none"> <li>1. Regarding to Proposal 11: Chairperson Mr. Liu Yuan-Chih (served as the general manager of the company from January 1, 2022 to June 20, 2022), Vice Chairperson Mr. Chou Ken-Yu and attending personnel (not directors) General Manger, Auditor-General and Chief Financial Officer did not vote given their positions as authorized chief officers. The proposal was approved without any objection after the independent director Ms. Lee Yi-Li, the acting chairman, consulted the opinions of the remaining directors present.</li> <li>2. The proposals above were approved by all board members present at the Board meeting.</li> </ol>			

Session and the date	Significant decisions resolved (Note1)	Independent directors' opinions	Objection or qualified opinions of independent directors	The Company's response to independent directors' opinions
Session 14 13rd March 29, 2023	<ol style="list-style-type: none"> <li>1. The Company proposed to pre-approve the 2023 non-confirmation service list provided by the appointed accounting firm.</li> <li>2. The Company's subsidiary proposed to sign an entrusted operation and management contract.</li> <li>3. The Company's subsidiary proposed to provide collateral to endorse the Company and the Company's subsidiaries.</li> <li>4. The Company proposed to issue an unsecured straight corporate bond at the amount of less than NTD 5 billion.</li> <li>5. Proposal of the Company intending to apply to financial institutions for credit line renewal and new loans.</li> <li>6. The Company proposed to apply for bank accounts to financial institutions.</li> </ol>	<p>Independent directors' opinions</p> <ol style="list-style-type: none"> <li>1. In addition to Mr. Wang Pan-Fa, the engagement CPA, having made the briefing and then left the meeting, not participate in the discussion and voting, the independent director Mr. Yen Lou-Yu represented the Audit Committee in the explanation of how the Audit Committee reviewed Proposals 1, 2 and 3 and why all the attending committee members approved the proposal unanimously.</li> <li>2. Other proposal: Nil.</li> </ol>	Nil	Nil
<p>Result of resolutions: In addition to Mr. Wang Pan-Fa, the engagement CPA, having made the briefing and then left the meeting, not participate in the discussion and voting, all the other proposals were passed unanimously after inquiry from Chairperson and by all the attending directors.</p>				

Note 1 : All resolutions of the Company's Board of Directors were shown as above.

Note 2 : The board of directors of the company was unanimously elected and approved by all the directors present on May 19, 2022. Sinyi Co., Ltd. was the chairman of the 14th board of directors of the company, and Sinyi Co., Ltd. designated Mr. Liu Yuan-Chih to act as the director Long duty.

Note 3 : The board of directors of the company was unanimously elected and approved by the directors present on September 27, 2022. Director Mr. Chou Ken-Yu served as the vice chairperson of the 14th session of the board of directors of the company.

(IX) In latest fiscal year and as of the printing date of this Annual Report, different opinions posed by the directors or supervisors to the Key Resolutions in the board of directors, as backed with written records or declaration in writing: Nil.

(X) In recent fiscal year and as of the printing date of this Annual Report, facts regarding the compilation for resignation, discharge of the chairman, general manager, chief accountant, financial head, principal internal auditor and research & development head:

Title	Name	Date of On Board	Date of resignation	Reason for resignation or dismissal
Chairperson	Hsueh Chien-Ping	August 1, 2016	May 19, 2022	Director's term expires, re-election and resignation
General Manager	Liu Yuan-Chih	August 1, 2016	June 21, 2022	job adjustment
Chief Accountant	Lin Chiu-Chin	August 1, 2014	July 26, 2022	job adjustment

(XI) The licenses/certificates obtained by the Company from the competent authorities proving transparent personnel on the Company's financial standing:

The Company and the finance relevant personnel include 2 CPA officially licensed by the Republic of China (one of them has also obtained the professional ability with the Proficiency Test for Stock Affair Specialist).

#### IV. Information on Certified Public Accountant Audit Fees:

The Company have reviewed the CPAs' independency and the competency, assigned Deloitte CPAs - Wang Pan-Fa and Shih Chin-Chuan as the Company's CPAs for 2022 according to the approval of board of directors on February 25, 2022.

Name of CPA firm	Name of CPA		Duration covered in the audit	Audit fee	Non-Audit fee	Total	Remarks
Deloitte Touche Tohmatsu Limited	Wang Pan-Fa	Shih Chin-Chuan	01/01/2022~12/31/2022	8,750	1,397	10,147	Note

Note: In 2021, the aggregate total audit fee amounted to NT\$8,750 thousand dollars (including the audit fee incurred for issuance of the consolidated financial reports). The fees of the non-audit services are NT\$1,397 thousand dollars including the fees of examination of income tax return for NT\$500 thousand dollars, the commercial registry fee amounted to NT\$217 thousand dollars, incurred primarily for alteration registry, capital increase and services to coordinate with offshore subsidiaries, NT\$180 thousand dollars for the consulting fee of the offshore fund remitted back to Taiwan, NT\$100 thousand dollars for examination of business tax applying the direct deduction method, NT\$150 thousand dollars for income tax return of Sinyi Real Estate Consulting Company under the short-form merger with the Company and NT\$ 250 thousand dollars for CFC project consulting fee.

#### (I) The evaluation form of the independency and the competency of CPA for 2022

Content	Result	Remark
1. Receipt of Auditor's Independence Declaration	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
2. Any fees paid to auditors for auditing assignments	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
3. Whether auditors and auditing team members are currently serving as the Company's directors, managers or positions with significant influence on auditing or have served as the Company's directors, managers or positions with significant influence on auditing during the past two years	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
4. Any non-auditing projects serviced by our auditors and with no direct and significant influence on auditing The rendering of non-auditing services by auditors shall be deemed as non-independent in the any of the following circumstances: (1) The auditor is able to approve, execute or complete a transaction or authorize others on the behalf of our company or authorize others in the course of service rendering. (2) The auditor is able to make significant decisions for our company. (3) The auditor reports to the board as a manager of our company. (4) The auditor supervises the assets of our company. (5) The auditor reviews the performance of the day-to-day performance of our employees. (6) The auditor compiles the original documents or data such as procurement instructions and sale orders on the behalf of our company to prove the occurrence of transactions.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
5. The auditor does not promote or solicit the stocks or other securities issued by our company.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
6. The auditor does not serve as the defender of our company or represent our company to resolve the conflicts with any third party.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
7. The auditor is not the spouse, directive relative, in-law or relative by blood within two degrees with any director, manager or employee with significant influence over auditing assignments.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
8. The auditor, the auditor's spouse or minor children do not invest in or share the financial benefits of our company.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	

Content	Result	Remark
9. The auditor, the auditor's spouse or minor children do not borrow from and lend to our company.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
10. None of the auditors in the same practice who has worked for us with the past year serve as our director, manager or position with significant influence on auditing assignments.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
11. The auditor has not received significant gifts or valuable presents from any of our director, supervisor or manager.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
12. Our company has never requested the auditor to accept improper selection of accounting policies or inappropriate financial disclosure as suggested by our management.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	
13. The auditor is engaged in appropriate discussions regarding financial reporting, including the suitability of new and major accounting principles.	<input checked="" type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	

Note: Starting from 2023, when assessing the suitability and independence of certified public accountants, the Company still needs to review and evaluate the Audit Quality Indicators (AQI) provided by the accountants, including 5 scopes consisting of professionalism, independence, quality control, supervision and innovation ability, and 13 indicators, which generally cover the items critical to audit quality, so as to assist the Audit Committee of the Company in more effective and objective assessment of the audit quality of the accounting firm and audit team when selecting a certified public accountant.

- (II) Replacement of the Certified Public Accountant office where the audit fee so paid reduced from the audit fee paid in the preceding year: Please elaborate on the amount so reduced, percentage and causes of reduction: Nil.
- (III) Where the audit fee paid reduced by over 10% from the audit fee paid in the preceding year: Please elaborate on the amount so reduced, percentage and causes of reduction: Nil.

V. Information of a change in the Certified Public Accountants (CPAs):

The Company's CPAs for 2021 were Mr. Shyu Wen-Yea and Mr. Lai Kwan-Chung of Deloitte & Touche. Since Mr. Lai Kwan-Chung was expected to retire in January 2022, to meet the need of internal rotation policy of Deloitte & Touche and to facilitate the field work of audit at the end of 2021, Deloitte & Touche asked the Company to approve to change the CPAs to Mr. Shyu Wen-Yea and Mr. Wang Pan-Fa from the fourth quarter of 2021. This appointment has been approved by the board of directors on October 29, 2021.

The Company's CPAs for 2022 were Mr. Wang Pan-Fa and Mr. Shih Chin-Chuan of Deloitte & Touche. This appointment has been approved by the board of directors on February 25, 2022.

VI. The Company's chairman, general manager, managers in charge of finance and accounting who have served with the office of a certifying Certified Public Accountant over the past one year, please disclose the name, position title and the information regarding the Certified Public Accountant Office or the affiliated enterprise thereof: Nil.

VII. In Year 2022 and as of the printing date of this Annual Report, transfer of shares, pledge or change in equity by the directors, managers and key shareholders holding over 10% of the aggregate total are shown as below, and there is no transferor of any one among directors and supervisors, managers, key shareholders who transfers or mortgages share equity a related party.

Title	Name	2022		As of March 31, 2023	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairperson and its representative	Sinyi Co. Ltd.	-	-	-	-
	Liu Yuan-Chih	-	-	-	-
Vice Chairperson	Chou Ken-Yu	-	-	-	-
Director	Chou Chun-Chi	-	-	-	-
Independent Director	Jhan Hong-Chih	-	-	-	-
Independent Director	Yen Lou-Yu	-	-	-	-
Independent Director	Lee Yi-Li	-	-	-	-
Independent Director	Wu Chih-Wei	-	-	-	-
General Manager	Chen Li-Hsin (Note 2)	-	-	-	-
Chief Transformation Officer and head of Digital Intelligence Center, concurrently	Chou Ken-Yu	-	-	-	-
Ethics Director and Chief Human Resources Officer, concurrently	Yang Pai-Chuan	-	-	-	-
Vice General Manager of General Manager's Office	Chou Chuang- Yun	-	-	-	-
Auditor-General	Chou Su-Hsiang	-	-	-	-
Chief Financial Officer	Chen Chih-Huan (Note 2)	5,000	-	-	-
Vice General Manager of Public Affairs Department	Lin Jun-An	-	-	-	-
Vice General Manager of Brand Development Division	Su Shou-Jen	-	-	-	-
Vice General Manager of Real Estate Agent Division	Hsin Hung-Chun	-	-	-	-
Vice General Manager of Real Estate Agent Division	Feng Chi-Yi	-	-	-	-
Vice General Manager of First-hand New Housse Selling Department	Lee Shao-Kang	-	-	-	-
Senior Manager of Human Resource Department	Feng Chang-Chun	-	-	-	-
Senior Manager of Customer Service Department	Liu Wei-Te	-	-	-	-
Senior Manager of Accounting Department	Wu Hsiao-Chen	-	-	-	-
Senior Manager of Business Service Department	Chang Ching-Chih	-	-	-	-
Senior Manager of Human Resource Division	Chang Shu	-	-	-	-
Senior Manager of Real Estate Planning & Research Office	Su Chi-Rong	-	-	-	-
Senior Manager of Digital Intelligence Center	Chiang Yuan-Chi	-	-	-	-
Senior Manager of IT Services and Information Security Management Department	Hsu Chien-Hao	-	-	-	-
Senior Manager of Affiliated Enterprise & Staff Service Department	Tso Hsin-Chiang	(12)	-	-	-
Senior Manager of Marketing Department	Liu Ta-Cheng	-	-	-	-
Executive manager of Innovation R&D Department	Shih Min-Yao	-	-	-	-
Executive manager of Real Estate Agent Product Department	Wen Chia-Cheng	-	-	-	-
Senior Manager of Appraisal Department	Chiu Chien-Hui	-	-	-	-
Senior Manager of Contract Management Department	Chang, Ai-Ling	-	-	-	-
Senior Manager of Transformation Office	Tsai, Cheng-Liang	-	-	-	-
Senior Manager of Business Service Department	Chen Shih-Ciang	-	-	-	-
Senior Manager of Real Estate Agent Division	Hung Cheng-Lung	-	-	-	-
Senior Manager of Real Estate Agent Division	Lin Wu-Hsiung	(47,000)	-	-	-
Senior Manager of Transformation Office	Chen Yu-Li	(5,000)	-	-	-

Title	Name	2022		As of March 31, 2023	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Senior Manager of Real Estate Agent Division	Lee Ming-Shan	-	-	-	-
Senior Manager of Real Estate Agent Division	Chen Shih-Yao	-	-	-	-
Senior Manager of Real Estate Agent Division	Wang Hui-Ping	6,540	-	-	-
Senior Manager of Real Estate Agent Division	Chang Teng-Lai	-	-	-	-
Senior Manager of Real Estate Agent Division	Chou Chun-Jung	-	-	-	-
Senior Manager of Real Estate Agent Division	Liu Yu-Rong	-	-	-	-
Senior Manager of Real Estate Agent Division	Su Shang-Yao	-	-	-	-
Senior Manager of Real Estate Agent Division	Chen Chin-Tang	-	-	-	-
Senior Manager of Real Estate Agent Division	Chang Chia-Jung	4,000	-	-	-
Senior Manager of Real Estate Agent Division	Chang Wei-Hsiang	-	-	-	-
Senior Manager of Real Estate Agent Division	Hung Chien-Huan	-	-	-	-
Senior Manager of Real Estate Agent Division	Yu Ho-An	-	-	-	-
Senior Manager of Real Estate Agent Division	Liu Tung-Yuan	-	-	-	-
Senior Manager of Real Estate Agent Division	Ye Zong-Fu	-	-	-	-
Senior Manager of Real Estate Agent Division	Chang Jun-Da	(20,000)	-	-	-
Senior Manager of Real Estate Agent Division	Ho In-Yu	-	-	-	-
Senior Manager of Real Estate Agent Division	Hsu Ling-Ling	-	-	-	-
Senior Manager of Real Estate Agent Division	Chen Chien-Yu	-	-	-	-
Senior Manager of Real Estate Agent Division	Wu Kuo-Chun	-	-	-	-
Senior Manager of Real Estate Agent Division	Lin Kwn-Hung	-	-	-	-
Senior Manager of Real Estate Agent Division	Fang Hao-Chuan	-	-	-	-
Senior Manager of Real Estate Agent Division	Kuo Li-Wei	-	-	-	-
Senior Manager of Real Estate Agent Division	Wei Shi-Fang	-	-	-	-
Senior Manager of Real Estate Agent Division	Wang Sheng-Xian	-	-	-	-
Senior Manager of Real Estate Agent Division	Hsu Shun-Chi	-	-	-	-
Senior Manager of Real Estate Agent Division	Chiu Chia-Ling	-	-	-	-
Senior Manager of Real Estate Agent Division	Chen Hung-Ming	-	-	-	-
Senior Manager of Real Estate Agent Division	Cheng Bao-Tsung	-	-	-	-
Senior Manager of Real Estate Agent Division	Wang Hsien-Cheng	-	-	-	-
Senior Manager of Real Estate Agent Division	Lu Han-Pao	-	-	-	-
Senior Manager of Real Estate Agent Division	Chen Yu-Hsiao	-	-	-	-
Senior Manager of Real Estate Agent Division	Lin Chia-Cheng	-	-	-	-
Senior Manager of Real Estate Agent Division	Chang Chia-Yang	-	-	-	-
Senior Manager of Real Estate Agent Division	Chan Chih-Wei	-	-	-	-
Senior Manager of Real Estate Agent Division	Hung Chen-Yu	-	-	-	-
Senior Manager of Real Estate Agent Division	Lin Ching-Lung	-	-	-	-
Senior Manager of Real Estate Agent Division	Chou Ching-Yuan	-	-	-	-
Senior Manager of Real Estate Agent Division	Yang Ching-Yuan	-	-	-	-
Senior Manager of Real Estate Agent Division	Chiu Hsiang-Kuo	-	-	-	-
Senior Manager of Real Estate Agent Division	Li Chia-Yu (Note 1)	-	-	-	-
Senior Manager of Digital Intelligence Center	Lin Lung-Cheng (Note 1)	-	-	-	-
Former CEO of the Group's platform business	Hsueh Chien-Ping (Note 2)	-	-	-	-
Former general manager of innovation & Integration Business Group	Su Chun-Pin (Note 2)	-	-	-	-
Vice General Manager of Real Estate Agent Division	Lin San-Chih (Note 2)	-	-	-	-
Former Chief Financial Officer	Wang Chun-Yen (Note 2)	-	-	-	-



Title	Name	2022		As of March 31, 2023	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Former Chief Accountant	Lin Chiu-Chin (Note 2)	-	-	-	-
Senior Manager of Home Service Department	Chen Cheng-Chao (Note 2)	-	-	-	-
Senior Manager of Real Estate Agent Division	Huang Mao-Shu (Note 2)	-	-	-	-
Senior Manager of Real Estate Agent Division	Liao Ching-Chou (Note 2)	-	-	-	-
Senior Manager of Real Estate Agent Division	Wang Chih Wei (Note 2)	(32,655)	-	-	-
Senior Manager of Real Estate Agent Division	Wang Chih-Nan (Note 2)	-	-	-	-
Project Senior Manager Innovation & Integration Office	Hua Chih-Hsien (Note 2)	-	-	-	-

Note 1: Only the information regarding the increase/decrease of the shares they own as of the date they took place is disclosed.

Note 2: The former CEO of the Group's platform business, Mr. Hsueh Chien-Ping retired; Mr. Su Chun-Pin, the former general manager of innovation & Integration Business Group, resigned; the former Chief Financial Officer Mr. Wang Chun-Yen resigned and was replaced by Senior Manager Mr. Chen Chih-Huan; the Chief Accountant was replaced from Ms. Lin Chiu-Chin to Ms. Wu Hsiao-Chen; Mr. Wang Chih-Nan, Mr. Liao Ching-Chou, Mr. Huang Mao-Shu, Mr. Wang Chih Wei, and Mr. Hua Chih-Hsien all discharged from the positions of managers for their reassignment; Mr. Lin San-Chih, the former vice general manager, discharged from the position of manager for the transferring to the Company's subsidiary; Mr. Chen Cheng-Chao resigned. Therefore, only the number of shares added or subtracted before dismissal is disclosed.

## VIII. Top shareholders in terms of shareholding, and the information of their interrelationship

March 31, 2023; Expressed in Share, %

Name	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Names and Relations of Top 10 Shareholders who are Spousal Relationship or are within the Second Degree of Kinship		Remarks
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Title (Or Name)	Relation	
Sinyi Co., Ltd.	210,238,285	28.53%	-	-	-	-	Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Chi Chou Chun-Hao Chou Ken-Yu Chou Chun-Heng	Chairpersons are relatives within the second degree of kinship Equity method investors Representative of Juristic person director Chairpersons are relatives within the second degree of kinship Chairpersons are relatives within the second degree of kinship Chairpersons are relatives within the second degree of kinship	Nil
Sinyi Co., Ltd. Representative: Chou Chun-Chi	9,378,622	1.27%	3,613,239	0.49%	-	-	Sinyi Co., Ltd. Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Hao Chou Ken-Yu Chou Chun-Heng	Representative of Juristic person director Chairpersons are relatives within the second degree of kinship Representative of Juristic person director Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship	
Yu Hao Co., Ltd.	208,937,108	28.36%	-	-	-	-	Sinyi Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Chi Chou Chun-Hao Chou Ken-Yu Chou Chun-Heng	Chairpersons are within the second degree of kinship Equity method investors Chairpersons are within the second degree of kinship Chairpersons are within the second degree of kinship Representative of Juristic person director Chairpersons are within the second degree of kinship	
Yu Hao Co., Ltd. Representative: Chou Ken-Yu	20,307,354	2.76%	-	-	-	-	Chou Chun-Chi Chou Chun-Hao Chou Chun-Heng Sinyi Co., Ltd. Yu Hao Co., Ltd.	Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship The chairperson is the relative within the second degree of kinship Representative of Juristic Person Director	
The specially designated (earmarked) comprehensive trust account on employee shareholding of Chinatrust Commercial Bank for Sinyi employees	39,473,216	5.36%	-	-	-	-	Nil	Nil	
Chou Chun-Heng	22,435,641	3.04%	-	-	-	-	Sinyi Co., Ltd. Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Chi Chou Chun-Hao Chou Ken-Yu	The chairperson is the relative within the second degree of kinship The chairperson is the relative within the second degree of kinship The chairperson is the relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship	
Chou Chun-Hao	21,667,797	2.94%	-	-	-	-	Sinyi Co., Ltd. Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Chi Chou Ken-Yu Chou Chun-Heng	The chairperson is the relative within the second degree of kinship The chairperson is the relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship	
Chou Ken-Yu	20,307,354	2.76%	-	-	-	-	Sinyi Co., Ltd. Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Chi Chou Chun-Hao Chou Chun-Heng	The chairperson is the relative within the second degree of kinship Representative of Juristic Person Director Representative of Juristic Person Director Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship	
Sinyeh Co., Ltd.	9,381,169	1.27%	-	-	-	-	Sinyi Co., Ltd.	Equity method investees	

Name	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Names and Relations of Top 10 Shareholders who are Spousal Relationship or are within the Second Degree of Kinship		Remarks
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Title (Or Name)	Relation	
							Yu Hao Co., Ltd. Chou Chun-Chi Chou Ken-Yu Chou Chun-Hao Chou Chun-Heng	Equity method investees Representative of Juristic Person Director Representative of Juristic Person Director The chairperson is the relative within the second degree of kinship The chairperson is the relative within the second degree of kinship	
Sinyeh Co., Ltd. Representative: Chou Chun-Chi	9,378,622	1.27%	3,613,239	0.49%	-	-	Sinyi Co., Ltd. Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Hao Chou Ken-Yu Chou Chun-Heng	Representative of Juristic Person Director The chairperson is the relative within the second degree of kinship Representative of Juristic Person Director Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship	
Chou Chun-Chi	9,378,622	1.27%	3,613,239	0.49%	-	-	Sinyi Co., Ltd. Yu Hao Co., Ltd. Sinyeh Co., Ltd. Chou Chun-Hao Chou Ken-Yu Chou Chun-Heng	Representative of Juristic Person Director The chairperson is the relative within the second degree of kinship Representative of Juristic Person Director Relative within the second degree of kinship Relative within the second degree of kinship Relative within the second degree of kinship	
Cathay Pacific Bank trusted to take custody of J-Ten Co., Ltd.	7,278,430	0.99%	-	-	-	-	Nil	Nil	
Citi Bank trusted to take custody of Norges Bank, Norway	5,271,887	0.72%	-	-	-	-	Nil	Nil	

IX. The number of shares held by the Company, the Company's directors and supervisors, managers and the businesses under control by the Company either directly or indirectly to the same re-investment business and consolidated shareholder percentages are combined and calculated:

Expressed in Share, %

Reinvested companies (Note 1)	Investment by the Company		Investment by directors, supervisor, manager and directly or indirectly controlled company		Syndicated investment	
	Number of Shares	Shareholdin g rate	Number of Shares	Shareholding rate	Number of Shares	Shareholding rate
SINYI LIMITED	57,277,000	100.00%	-	-	57,277,000	100.00%
SINYI INTERNATIONAL LIMITED	345,248,785	100.00%	-	-	345,248,785	100.00%
Jui-Inn Consultants Co., Ltd.	500,000	100.00%	-	-	500,000	100.00%
Sinyi Development Inc.	203,500,000	100.00%	-	-	203,500,000	100.00%
Sinyi Culture Publishing Inc.	-	99.20%	-	0.80%	-	100.00%
Sinyi Global Asset Management Co., Ltd.	5,000,000	100.00%	-	-	5,000,000	100.00%
Sinyi Interior Design Co., Ltd.	95,000	19.00%	405,000	81.00%	500,000	100.00%
Heng-Yi Technology Inc.	1,200,000	80.00%	300,000	20.00%	1,500,000	100.00%
Yowoo Technology Inc.	1,500,000	100.00%	-	-	1,500,000	100.00%
An-Sin Real Estate Management Ltd.	7,650,000	51.00%	600,000	4.00%	8,250,000	55.00%
SIN CHIUN HOLDING SDN. BHD.	243,537,766	100.00%	-	-	243,537,766	100.00%
SINYI MOREFUN TOURISM DEVELOPMENT LIMITED	14,390	100.00%	-	-	14,390	100.00%
Jin Mei Travel Service Co. Ltd.	-	100.00%	-	-	-	100.00%
Rakuya International Info. Co. Ltd.	2,580,745	22.51%	2,448,570	21.36%	5,029,315	43.87%
An-Shin Real Estate Management	-	-	10,000,000	100.00%	10,000,000	100.00%
Da-Chia Construction Co., Ltd.	-	-	80,000	100.00%	80,000	100.00%
Sinyi Real Estate Co., Ltd.	-	-	80,000	100.00%	80,000	100.00%
INANE INTERNATIONAL LIMITED	-	-	51,935,840	100.00%	51,935,840	100.00%
Shanghai Sinyi Real Estate Inc.	-	-	-	100.00%	-	100.00%
Shanghai Zhi Xin allograph Ltd.	-	-	-	100.00%	-	100.00%
Ke Wei HK Realty Limited	-	-	2,675,000	99.07%	2,675,000	99.07%
Beijing Sinyi Real Estate Ltd.	-	-	-	100.00%	-	100.00%
Yi Shang Shanghai Real Estate Management Consulting Inc.	-	-	-	100.00%	-	100.00%
FOREVER SUCCESS INTERNATIONAL LIMITED	-	-	2,216,239	100.00%	2,216,239	100.00%
Shanghai Shang Tuo Investment Management Consulting Inc.	-	-	-	100.00%	-	100.00%
Sinyi Realty Inc. Japan	-	-	16,000	100.00%	16,000	100.00%
Richesse Management Co., Ltd.	-	-	600	100.00%	600	100.00%
Tokyo Sinyi Real Estate Co., Ltd.	-	-	500,000	100.00%	500,000	100.00%
SINYI DEVELOPMENT LTD.	-	-	73,506,209	100.00%	73,506,209	100.00%
Sinyi Real Estate (Hong Kong) Limited	-	-	71,640,200	100.00%	71,640,200	100.00%
Sinyi Real Estate (Shanghai) Limited	-	-	-	100.00%	-	100.00%
MAX SUCCESS INTERNATIONAL LIMITED	-	-	1,584,000	100.00%	1,584,000	100.00%
Zhejiang Sinyi Real Estate Co., Ltd.	-	-	-	100.00%	-	100.00%
Suzhou Sinyi Real Estate Inc.	-	-	-	100.00%	-	100.00%
Hua Yun Renovation (Shanghai) Co., Ltd.	-	-	-	100.00%	-	100.00%
Kunshan Dingxian Trading Co., Ltd.	-	-	-	100.00%	-	100.00%
SINYI ESTATE LTD.	-	-	208,510,749	100.00%	208,510,749	100.00%
Sinyi Estate (Hong Kong) Limited	-	-	207,010,749	100.00%	207,010,749	100.00%
Jiu Xin Estate (Wuxi) Limited	-	-	-	100.00%	-	100.00%
PEGUSUS HOLDING SDN. BHD.	-	-	5,741,100	100.00%	5,741,100	100.00%
FIDELITY PROPERTY CONSULTANTT HOLDING SDN. BHD.	-	-	11,110,100	100.00%	11,110,100	100.00%
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	-	-	-	100.00%	-	100.00%
Shanghai Chang Yuan Limited	-	-	-	100.00%	-	100.00%
Lun Heng Real Estate Limited	-	-	-	100.00%	-	100.00%
Suzhou Zhi Xin Real Estate Limited	-	-	-	100.00%	-	100.00%
Lian Yue Traffic Inc.	-	-	2,620,000	100.00%	2,620,000	100.00%
SinYeh Business Adminstration (Shanghai)	-	-	-	100.00%	-	100.00%

Limited						
Sinyi Real Estate (Wuxi) Limited	-	-	-	100.00%	-	100.00%
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc.	-	-	-	100.00%	-	100.00%
SINJU HOLDING SDN. BHD.	8,200,000	100.00%	-	-	8,200,000	100.00%
SINKANG ADMINISTRATION SDN. BHD.	12,000,000	100.00%	-	-	12,000,000	100.00%
SINHONG ADMINISTRATION SDN. BHD.(Note 2)	-	-	-	100.00%	-	100.00%
SINYI INFINITE LIMITED	-	-	3,119	100.00%	3,119	100.00%
SINYI ELITE LIMITED( Note 2)	-	-	-	100.00%	-	100.00%
SINYI UNIQUE LIMITED	-	-	3,619	100.00%	3,619	100.00%
ZHANSIN TOURISM DEVELOPMENT SDN .BHD.	500,000	100.00%	-	-	500,000	100.00%
ZHANYI TOURISM DEVELOPMENT SDN .BHD. ( Note 2)	-	-	-	100.00%	-	100.00%
ZHANCHENG TOURISM DEVELOPMENT SDN .BHD.	12,500,000	100.00%	-	-	12,500,000	100.00%

Note1: The above table shows the number of shares held and the comprehensive shareholding ratio of the same re-investment undertaking in which the Company, the directors, managers and undertakings directly or indirectly controlled by the Company have adopted the equity method against the Company as of December 31, 2022.

Note2: the subsidiary has been set up but has not been injected with cash as of December 31, 2022.

X .Among the top key shareholders or shareholders who hold over 5% in shareholding, in case of juristic-person shareholders, please provide details of the key shareholders

March 31, 2023

Names of the Juristic-person shareholders	Major Shareholders of the Juristic-person shareholders and Shareholding Ratio
Sinyi Co., Ltd.	Yu Heng Co., Ltd. (100.00%)
Yu Hao Co., Ltd.	Yu Heng Co., Ltd. (100.00%)
Sinyeh Co., Ltd.	Sinyi Co., Ltd. (68.10%) Yu Hao Co., Ltd. (31.90%)

## Chapter Four. Capital Overview

### I. Capital and shares

#### (I) Source of Capital (in most recent year and as of March 31, 2023)

Expressed in thousands of shares/thousands of New Taiwan Dollars (TWD)

Month/Y ear	Issue price (NT\$1 per value)	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Paid by property other than cash	Other
06/2018	10	1,000,000	10,000,000	736,847	7,368,465	Capital increase by earnings re-capitalization 853,465 thousand NTD	Nil	Officially approved with Letter Tai-Zheng-Shang-I-Zi10 701074420 dated July 10, 2018

Expressed in Share

Kind of share	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Nominal common share certificates	736,846,500	263,153,500	1,000,000,000	Listed stocks

#### (II) Structure of shareholders March 31, 2023

Type of Shareholder	Government agencies	Financial institutions	Other juristic persons	Individuals	Foreign institutions and foreigners	Total
Quantity						
Number of shareholders	1	2	88	119	18,021	18,231
Shares held	2,110,000	2,285,147	475,970,824	40,981,300	215,499,229	736,846,500
Shareholding rate	0.28%	0.31%	64.60%	5.56%	29.25%	100.00%

#### (III) Facts of disperse of shareholding March 31, 2023

Shareholding grading	Number of shareholders	Number of shares held	Shareholding percentage %
1 to 999	5,279	1,209,926	0.16%
1,000 to 5,000	8,741	18,737,371	2.54%
5,001 to 10,000	1,809	13,429,459	1.82%
10,001 to 15,000	766	9,418,896	1.28%
15,001 to 20,000	390	6,916,307	0.94%
20,001 to 30,000	405	9,929,800	1.35%
30,001 to 40,000	188	6,539,997	0.89%
40,001 to 50,000	123	5,526,387	0.75%
50,001 to 100,000	265	18,430,667	2.50%
100,001 to 200,000	141	19,810,351	2.69%
200,001 to 400,000	59	16,275,596	2.21%
400,001 to 600,000	26	12,956,278	1.76%
600,001 to 800,000	12	7,969,613	1.08%
800,001 to 1,000,000	4	3,376,234	0.46%
Above 1,000,001	23	586,319,618	79.57%
Total	18,231	736,846,500	100.00%

Note : As of March 31, 2023, the Company had not issued preferred shares.

## (IV) List of key shareholders (The top shareholders in terms of shareholding ratios)

March 31, 2023

Major shareholders	Shares	Number of shares held	Shareholding ratio (%)
Sinyi Co., Ltd.		210,238,285	28.53%
Yu Hao Co., Ltd.		208,937,108	28.36%
The specially designated (earmarked) comprehensive trust account on employee shareholding of Chinatrust Commercial Bank for Sinyi employees		39,473,216	5.36%
Chou Chun-Heng		22,435,641	3.04%
Chou Chun-Hao		21,667,797	2.94%
Chou Ken-Yu		20,307,354	2.76%
Sinyeh Co., Ltd.		9,381,169	1.27%
Chou Chun-Chi		9,378,622	1.27%
Cathay Pacific Bank trusted to take custody of J-Ten Co., Ltd.		7,278,430	0.99%
Citi Bank (Taiwan) trusted to take custody of Norges Bank, Norway		5,271,887	0.72%
Total		554,369,509	75.24%

## (V) Market price per share, net value, earnings, and dividends and other related information for the recent 2 years.

Items/Year		2021	2022	As of March 31, 2023 (Note 4)	
Market price per share (\$)	Highest	37.70	37.15	29.01	
	Lowest	27.20	26.60	26.70	
	Average(Note 1)	31.71	32.44	28.08	
Net Value per share (\$)	Before distribution	16.88	16.04	-	
	After distribution	14.08	(Note 2)	-	
Earnings per share	Weighted average shares (thousand shares)	Before retrospective adjustment	736,847	736,847	-
		After retrospective adjustment	736,847	736,847	-
	Earnings per share (\$)	Before retrospective adjustment	3.19	1.66	-
		After retrospective adjustment	3.19	(Note 2)	-
Dividends per share	Cash dividends (\$)		2.8(Note 2)	1.2(Note 2)	-
	Stock dividends (\$)	From retained earnings	(Note 2)	(Note 2)	-
		From capital surplus	(Note 2)	(Note 2)	-
	Retained dividends		-	-	-
ROI (Note 3)	PER		9.75	19.25	-
	Price-dividend ratio		11.11(Note 2)	26.63(Note 2)	-
	Cash dividends yield		9.00%(Note 2)	3.76%(Note 2)	-

Note 1 : Average market prices are calculated based on annual transaction amount and volumes.

Note 2 : To be finalized when the proposal of earnings distribution will be determined by resolution in the 2023 general shareholders meeting.

Note 3 : The calculation formula in this table above is as below:

(1) Price-earnings (P/E) ratio = Closing price per share averaged in the year / EPS.

(2) Price-dividend (P/D) ratio = Closing price per share averaged in the year / Cash dividend per share.

(3) Cash dividend yield = Cash dividend per share / Closing price per share averaged in the year.

Note 4 : As of the printing date of this Annual Report, there was still the latest quarter data of earnings per share (EPS) and net worth per share duly audited by the Certified Public Accountants as well as the market price per share which represents the price of the data of the current year as of the printing date of this Annual Report

## (VI) The Company's dividend policy and fact of implementation of such policy

1. The dividend policy of the Company is to deliberately distribute dividends, in the light of present and future development plan, taking into consideration the investment environments, fund demands, and domestic competition status, as well as factors of interests of shareholders; provided. However, the amount of proposed earning distribution

of current year may not be less than twenty percent of accumulated distributable earnings. In distributing dividends and bonuses to shareholders, the distribution shall follow:

- (1) At least one percent distributed as the employee's remuneration that shall be distributed by stock or cash in accordance with the resolution of the board of directors, and the issuer shall include the subordinate company that meets certain conditions;
- (2) The directors' remuneration is limited to one per cent;
- (3) After deducting the first two balances, the dividends are distributed on the basis of the Company's best capital budget and the capital required meeting the capital budget, and the remaining portion distributes the cash dividend. Of which the cash dividend shall not be less than ten percent of the total amount of the dividends.

2. Allocation of dividend as proposed in the current regular shareholders meeting:

- (1) For allocation of earnings of 2022, as officially approved by the Board of Directors Meeting on February 22, 2023, the cash dividend is determined to be NT\$884,215,800 dollars. As calculated by actual outstanding share number of 736,846,500 shares of the Company as of February 22, 2023, each share will be distributed for cash dividend of NT\$1.2 (the dividends which each stockholder receives will be rounded to dollar; total amount for fractional shares is recorded as other income of the Company).
- (2) In accordance with the Articles of Association of the Company, the remuneration of the directors shall not exceed 1% of the assigned amount when the accumulative distributable surplus is allocated, and the employee's remuneration shall be at least 1% of the amount of the distribution. For the year 2022, the remuneration of the staff and the directors' remuneration shall be treated as the expenses while the amount is NT\$15,259,669 dollars and NT\$5,310,000 dollars, respectively paid in cash.

(VII) The impact of the issuance of bonus shares proposed in the current shareholders' meeting upon the Company's business performance and earnings per share (EPS):

Not applicable, as the Company does not make financial forecast public for 2023.

(VIII) Bonus to employees, remuneration to directors:

1. As expressly provided for in Article 20 of the Company's Articles of Incorporation, the percentages and scope of the bonus to employees and the remuneration to directors shall be in such a scope:
  - (1) At least one percent of the profit before remunerations to employees and directors shall be appropriated as remunerations to employees
  - (2) Not more than one percent of the amount of the above said profit before remunerations to employees and directors as remunerations to directors.
2. The grounds to estimate the bonus to employees and remuneration to directors and supervisors in the present term, grounds to allocate stock bonus; and the accounting handling for a discrepancy between the amount of actual allocation and the number of estimates:

The Company estimates the bonus to employees and remuneration to directors in accordance with the Company Act as amended and the Company's Articles of Incorporation. The accrued employees' compensation and the remuneration to directors were based on the net profit before employees' compensation and remuneration to directors. The percentage of employees' compensation was adopted in accordance with the Company's Articles of Incorporation, while the accrued remuneration to directors was estimated based on the fixed amounts. Material differences between these estimated amounts and the amounts proposed by the board of directors on or before the date the Company's annual consolidated financial statements had been authorized for issue are adjusted in the year the bonus and remuneration are recognized. If there is a change in the



proposed amounts after the date the Company's annual consolidated financial statements had been authorized for issue, the differences are accounted for as a change in accounting estimate in the following year. If a share bonus is resolved to be distributed to employees, the number of shares is determined by dividing the amount of the share bonus by the closing price (after considering the effect of cash and stock dividends) of the shares on the day immediately preceding the shareholders' meeting.

Information of the bonus to employees adopted by the board of directors :

- (1) Amount of bonus to employees and remuneration to directors to be allocated: As officially resolved by the Board of Directors Meeting on February 22, 2023 for allocation of the remunerations to employees came to NT\$15,259,669 dollars and remuneration to directors came to NT\$5,310,000 dollars, the same as those accounted for in 2022.
  - (2) Percentages of the amount proposed for remunerations to employees in stocks proposed to the net earnings after tax shown through the individual or respective financial reports and the aggregate of bonus to employees: In 2022, the Company did not propose to allocate stock bonus to employees.
3. Bonus to employees, bonus to directors actually allocated in the preceding year:
- As officially resolved by the Board of Directors Meeting on February 25, 2022, the earning allocable as bonus to employees in cash for 2021 came to NT\$29,246,956 dollars and the remuneration to directors came to NT\$4,800,000 dollars without any gaps from the amounts actually allocated in the wake of being resolved in the shareholders' meeting and the same as those accounted for in 2021.

(IX) Facts of the Company's stocks repurchased by the Company : Not applicable

## II. Issuance of corporate bonds :

Categories of corporate bonds	Unsecured corporate bonds in Term 107-1	Unsecured corporate bonds in Term 107-2
Date of issuance (handling)	05/28/2018	07/27/2018
Face amount	NT\$1,000,000	NT\$1,000,000
Venues of issuance and transaction	Taiwan	Taiwan
Price of issue	To be issued at 100% of fact amount	To be issued at 100% of fact amount
Aggregate total	NT\$1,900,000,000	NT\$1,800,000,000
Interest rate	1.07% per annum	1.05% per annum
Duration	5 years, to be mature on 05/28/2023	5 years, to be mature on 7/27/2023
Guarantor	Nil	Nil
Trustee	Trust Department, E-Sun Commercial Bank	Trust Department, E-Sun Commercial Bank
Underwriter	E-Sun Commercial Bank and Yuanta Securities Co., Ltd.	E-Sun Commercial Bank and Yuanta Securities Co., Ltd.
Certifying Attorney-at-Law	Attorney-at-Law Kuo Hui-Chi of I Cheng Associated Attorneys-at-Law Office	Attorney-at-Law Kuo Hui-Chi of I Cheng Associated Attorneys-at-Law Office
Certifying Certified Public Accountant	Deloitte Touche Tohmatsu Limited Certified Public Accountants Shyu Wen-Yea, Lai Kwan-Chung	Deloitte Touche Tohmatsu Limited Certified Public Accountants Shyu Wen-Yea, Lai Kwan-Chung
Terms of reimbursement	1. Terms of interest payment: Payable based on the face interest rate, on an annual basis, based on simple interest rate. 2. Terms of reimbursement: upon expiry date.	1. Terms of interest payment: Payable based on the face interest rate, on an annual basis, based on simple interest rate. 2. Terms of reimbursement: upon expiry date.
Outstanding principal	NT\$1,900,000,000	NT\$1,800,000,000
Clauses for redemption or reimbursement before maturity	Nil	Nil
Restrictive terms	Nil	Nil
Title of credit grading institution, date of grading and result of grade	Taiwan Ratings Corporation graded the Company at twA on March 22, 2018.	Taiwan Ratings Corporation graded the Company twA on March 22, 2018.
Other auxiliary rights	The amount of ordinary shares, Global Depositary Receipts, or other securities that have been converted (exchanged or subscribed) as of the printing date of the annual report	Nil
	Issuance and Conversion (Exchange or Subscription Scheme)	Nil
Regulations on issuance, conversion, exchange or subscription, terms of issuance and potential dilution and the impact upon the current shareholders' equity	Nil	Nil
Name of the custodian delegated for the exchange target	Nil	Nil

Categories of corporate bonds	Unsecured corporate bonds in Term 108-1	
Date of issuance (handling)	11/28/2019	
Face amount	NT\$1,000,000	
Venues of issuance and transaction	Taiwan	
Price of issue	To be issued at 100% of fact amount	
Aggregate total	NT\$900,000,000	
Interest rate	1.25% per annum	
Duration	10 years, to be mature on 11/28/2029	
Guarantor	Nil	
Trustee	Trust Department, E-Sun Commercial Bank	
Underwriter	E-Sun Commercial Bank	
Certifying Attorney-at-Law	Attorney-at-Law Kuo Hui-Chi of I Cheng Associated Attorneys-at-Law Office	
Certifying Certified Public Accountant	Deloitte Touche Tohmatsu Limited Certified Public Accountants Shyu Wen-Yea, Lai Kwan-Chung	
Terms of reimbursement	1. Terms of interest payment: Payable based on the face interest rate, on an annual basis, based on simple interest rate. 2. Terms of reimbursement: upon expiry date.	
Outstanding principal	NT\$900,000,000	
Clauses for redemption or reimbursement before maturity	Nil	
Restrictive terms	Nil	
Title of credit grading institution, date of grading and result of grade	Taiwan Ratings Corporation graded the Company at twA on March 25, 2019.	
Other auxiliary rights	The amount of ordinary shares, Global Depositary Receipts, or other securities that have been converted (exchanged or subscribed) as of the printing date of the annual report	Nil
	Issuance and Conversion (Exchange or Subscription Scheme)	Nil
Regulations on issuance, conversion, exchange or subscription, terms of issuance and potential dilution and the impact upon the current shareholders' equity	Nil	
Name of the custodian delegated for the exchange target	Nil	

Note: Taiwan Ratings Corporation graded the Company at twA on March 29, 2023.

- III. Issuance of preferred shares: Not applicable
- IV. Issuance of overseas deposit receipt certificates (DRC) : Not applicable.
- V. Issuance of employee stock option certificates: The Company's employee stock option certificates were already due on March 10, 2011.
- VI. Restriction upon employees in rights over new shares: Not applicable.
- VII. Merger/acquisition (M&A) or inward transfer of other firms' new shares: Not applicable.
- VIII. Implementation of capital utilization plans: Not applicable.

## **Chapter Five. Operational Highlights**

### I. Highlights of business operation:

#### (I) Scope of business operation:

Key contents and major products covered within the business operation:

##### (1) Taiwan realty business and related services sector:

The Company and some of its subsidiaries primarily engage in real estate broking agency and selling agency, as the as the brokerage agency for leasehold and sales of real estate. The contents of services Sinyi provides include leasehold and sales breakage for second-hand residences, offices, workshops, land, parking facilities and agency for presale houses in whole package, unsold houses and individual brand new finished houses. Due to business requirements, we have set up more than 495 directly-operated business premises and service strongholds in major metropolitan areas in Taiwan, and have further expanded our services base to Shanghai, Suzhou in Mainland China, Hong Kong, Tokyo in Japan, and Kuala Lumpur in Malaysia through the establishment of subsidiary to provide more real estate sale and lease quality services.

##### (2) Real Estate Development:

The Company reaches out to include real estate development business, with our subsidiaries, Sinyi Development Inc., Sinyi Real Estate (Shanghai) Limited and JiuXin Estate (Wuxi) Limited which are real estate developers and mainly operating in household construction and rental business, with ordinary households and part of integrated business and office floors as main product of development and construction.

In 2022, the first case, Project “SinyiJiating”, located in Jiading District, Shanghai City, with a total of 1,109 units was sold out and delivered except for the remaining parking lots. Meanwhile, the cumulative sales rates of the Project “ShanshuiJiating” of JiuXin Estate (Wuxi) had exceeded 60% and the number of houses delivered had exceeded 60%. The Project "Jiahe" of Sinyi Development Inc. in Banqiao delivered over 30% of its units by the end of 2022, and the remaining units would be delivered in the first quarter of 2023. The residential units of the Project "Jiapiin" completed the pre-sold by the end of 2022, and the project is expected to be delivered and recognized as revenue in the beginning of 2025.

As of the end of 2022, the consolidated operating revenue of the Company and its subsidiaries are NT\$13.724 billion dollars. The real estate agency services and those from real estate development of the Company and its subsidiaries generate NT\$11.056 billion dollars or 81% of operating revenue and NT\$2.668 billion dollars or 19% of operating revenue, respectively.

##### (3) Tourism Development:

With real estate brokerage as core business, the Company reaches out with the real estate development, and ties with the related industries by the concept of “Living”. Based on the global pursuit of the high quality of life and having more emphasis on their leisure travel, and the abundant

and accessibility of the natural tourism resources in Sabah, Malaysia and the variety makes it a great development prospect regarding the tourism attraction, which the Company extends its business to the tourism industry in Sabah, Malaysia. Our subsidiary, Sin Chiun Holding Sdn. Bhd. (Sin Chiun), acquired most of the land in Palau Mengalum Sabah in 2019, and plans to develop a zero-carbon island for tourism development. At this moment, Sin Chiun mainly invests in the long-term pre-production related to the ocean and island's restoration. In addition, it is considered that if a resort hotel is developed and built in another place on the main island of Sabah, and the construction is put into construction when the epidemic is eased, it can also be connected with the beach island across the sea in the future to jointly develop the sightseeing and tourism business. Hence, the subsidiary Zhancheng Tourism Development Sdn. Bhd. (Zhancheng) purchased 25.545 hectares of coastal land in the main island of Melinsung area of Sabah in 2022 for RM\$ 45.093 million.

1. Our effort in service innovation

(1) Real estate brokerage business:

Since the Company was founded, we have been constantly innovating on our service menu and reengineering our procedures by focusing on customer needs. In order to make the O2O (Online to Offline) services more completed, Sinyi Realty also integrated the store's efficient virtual mobile assistance (Top Agent3) and Instant Messaging (IM). Furthermore, the revised app also assists the regional stores in organizing their community activities and recording the results, developing community activities and contact systems, and helps with monitoring the condition of meeting new people and business operation.

Through continuous investment in IT technology and data computing, we have also launched multiple services in technology application and innovation. In response to the impact of the pandemic and the wave of ESG, we have launched the "DocuHouse" product, which digitizes the required documents in the process of buying and selling houses and supports different customer needs such as remote signing, mobile signing, and tablet signing, effectively reducing paper usage to a minimum and improving the overall efficiency of the buying and selling process. This can also meet the goals of having contactless service, carbon reduction, and reduced paper usage. By establishing a "data center", we integrate the service data and historical industry resources, develop AI models, and launch "smart recommendation" and "smart matching" services to make the buying and selling process more efficient. On the website, we also offer a "one-stop-shop for finding houses/finding mortgages" service, allowing users to find suitable mortgage banks and houses through their own funds. "House-heat" integrates relevant statistics and internet search popularity to calculate the hotness of a homeowner's house and provides a map-based view for homeowners to reference, making the information needed for "selling a house" more transparent.–

(2) Aspect of Real Estate Development Business:

To continue operating the real estate development business, Sinyi Development won the bid to acquire land in the Kaohsiung University Special District in 2022. With the advantageous geographical location, such as proximity to the park, being in the first row of the campus, and plenty of good amenities, Sinyi Development plans to create sustainable architecture suitable for

the local environment. We have also obtained building carbon footprint certification and Low Carbon Building Alliance (LCBA) certification to implement the Company's environmental, social, and corporate governance (ESG) goals. Although the Project "Jiapin" has been sold out and is under construction, Sinyi Development continues to deepen the promotion of community building activities, instilling the concept of community goodness and creating a legacy building with a strong cultural atmosphere to drive the prosperity of the redevelopment area. The Project "Jiaxue" located in the Xinzhuang Fuduxin District will be pre-sold in 2024.

In addition, the Project "ShanshuiJiating" in Wuxi continues to strengthen community development. By actively seeking public topics within the community, it aims to gather consensus and encourage homeowner volunteers, thus achieving resource and information sharing, neighborly assistance, and other forms of upgrading and shaping the position of co-creators of the "Happy Life" brand of Sinyi. This project has been gradually handed over since June 2021 and is continuously being sold in physical-house way. From the verification of customer expectations after delivery and the feedback from visiting customers, there has been a positive affirmation of the value realization of product quality details, planning and design completion, and cultural integration into the building landscape, providing customers with a reassuring purchase, a worry-free use, and a comfortable living experience that meets their needs.

## (II) Profile of the industry:

### 1. Progress courses of development:

#### (1) Taiwan realty estate brokerage business and related services sector:

In order to promote the transparency of housing transaction information and the development of the real estate market in Taiwan, the Real Value Registry Scheme was officially implemented in August, 2012. The scheme has greatly enhanced the transparency of real estate transaction information. Since then, it has become an important reference for the public when purchasing a home, and the industry has also provided customers with professional market reference by providing value-added real price information. After the official implementations of the House and Land Transactions Income Tax 2.0 by the Ministry of Finance and the Real Value Registry Scheme 2.0 by the Ministry of Interior in July 2021, the information on real estate transactions is becoming more transparent, real-time, and accurate, while discouraging speculation in pre-sale housing, thus achieving open and transparent information among buyers, sellers, and real estate agents. The amendment to "The Equalization of Land Rights Act" was passed in January 2023, which prohibits the resale of pre-sale housing, the purchase of residential permits by private legal persons, and imposes heavy penalties on speculative housing transactions. It is expected that the market will return to a demand driven by rigid self-use needs.

Today, more and more house buyers would surf internet for their desired information. The real estate agent service networks have lured tremendous number of surfers. This trend creates business opportunities of housing viewing with the internet function of the handheld device and the popularity of mobile networks.

As we enter the new 5G era, digital tools and emerging technology applications will be further integrated into the brokerage service tools. As a result of this development trend, the tools and procedures for brokerage customer services are changing. However, the heterogeneity of properties and the complexity of transaction processes mean the e-commerce mechanism cannot easily replace bricks and mortars. Even in Japan and the U.S. where the real estate brokerage industry is mature and information is widely available, online tools have not significantly taken over the role of agents. In recent years the mainland's internet development is vivacious and there are many businesses in other trades venturing into real estate brokerage market with the support of the Internet technology. However, most of them have bowed out the market as they have only online service and lack incorporation with real offline services. Traditional real estate brokers making good use of the internet technology on the other hand have grabbed market share because they provide customers with good experiences and more efficient services. In sum, the innovation of e-commerce mechanisms has not rewritten the game rule of the housing market. Rather, it has boosted the efficiency of market activities. It is expected that innovations and online technologies will continue to be applied to real estate transactions.

The outbreak of the COVID-19 pandemic impacted the whole world at the end of 2019, but there was a ray of hope as vaccines came on the market, one by one. In Taiwan, due to the government's success in mitigating the pandemic, combined with the overall economic performance, easy capital and low interest environment, the number of housing units traded in Taiwan exceeded 340,000 in 2021, and presenting a situation of simultaneous increase in price and trading volume. In 2022, the global pandemic slowed down, countries entered into the post-pandemic era, and economic activities gradually returned to normal; but at the same time, the buying momentum in the housing market has dropped sharply due to the negative economic factors such as the war between Russia and Ukraine, the rise in global raw materials and prices, and the substantial interest rate hikes in various countries. A total of 318,000 buildings were sold and transferred in Taiwan, an annual decreased of 8.6%. It is the first decline in the past six years, and the new lowest in the past three years. The overall environmental support for the real estate market has declined. Due to the recent weak economic performance, cooling inflation expectations, and policy crackdowns on real estate speculation, it is expected that the outlook on future housing prices will gradually become conservative, and the real estate market will mainly focus on the demand for self-use purchases.

Amidst ongoing government regulation policies and the impact of China's zero-tolerance COVID-19 prevention measures on consumer confidence, the annual transaction of second-hand housing of Shanghai have declined nearly 50%. After the lifting of pandemic restrictions, the increase in supply in the primary market led to a diversion of transactions from the secondary market. In Japan, although the government is affected by the pandemic and has implemented mobility control or border control in the first half year of 2022, there is a resurgence of Taiwanese buying real estate property in Japan, due to the impact of the depreciation of Japanese Yen and the reopening of the border between Taiwan and Japan in

October 2022.

(2) Real Estate Development:

The domestic and international economic situation has turned downward, coupled with a shift in monetary policy towards tightening and continuous real estate market regulation, all of which have made the domestic real estate market more conservative. After the amendment of “The Equalization of Land Rights Act”, the prohibition of contract assignments for pre-sale housing has caused some investors to hesitate, further affecting the demand for self-use purchases. With the negative factors yet to ease, a conservative view is held for the real estate market in 2023. However, based on past experience, the magnitude of the correction in housing prices should not be too large, as raw material and labor costs have increased, making it difficult for a significant downward adjustment to occur. In addition, at the end of 2022, the opening of the country's borders brought about a revival in related industries, and Taiwan's overall domestic demand market is expected to be driven as well. Moreover, once the goal of curbing inflation through interest rate hikes is achieved, the interest rate variables in 2023 are expected to be more relaxed than the previous year, so the overall outlook tends toward "short-term bearish and long-term bullish".

Under the strictly competitive market, real estate developers need to resort to uniqueness, fine quality, and branding of their products in order to win over consumers. Developers, at the same time of strictly controlling quality of their products, should also pay attention to the control of construction schedules as well as tempo in sales.

On the other hand, contemporary construction techniques have also quickly unfolded changes and renovation. From on-site construction work and such traditional work as tying up steel rods, and filling cement to prefabrication which composes parts at work site (composing work ) after production of various construction components at factories, efficiencies at work have been upgraded markedly. In recent years, prefabrication is vigorously promoted on mainland China and there is a yearly increase in ratio on the demand for prefabrication in new buildings.

Building Information Modeling (BIM) is a revolutionary technique recognized by international engineering circles. It is speedily reshaping the whole industry chain. The multi-dimension model application of BIM is capable of pre-set construction pipeline, avoid heavy workload, and reduce waste. It can also digitalize design drawings and thus enhance drawing efficiency. BIM, aided by the internet, is capable of processing speedily and logically big data, which was processed traditionally ad manually in construction process, through BIM calculations. This further improves management efficiency and capabilities of a construction project. The Company's subsidiary Sinyi Development, Shanghai Sinyi Real Estate and Jiuxin Real Estate have completed the building information model in order to reduce errors caused by poor information transmission and exchange during the project life cycle, improve design efficiency to reduce engineering drawing costs, and provide a collaborative platform to improve development efficiency. BIM design tools and information exchange platform are imported and used in existing development and design.



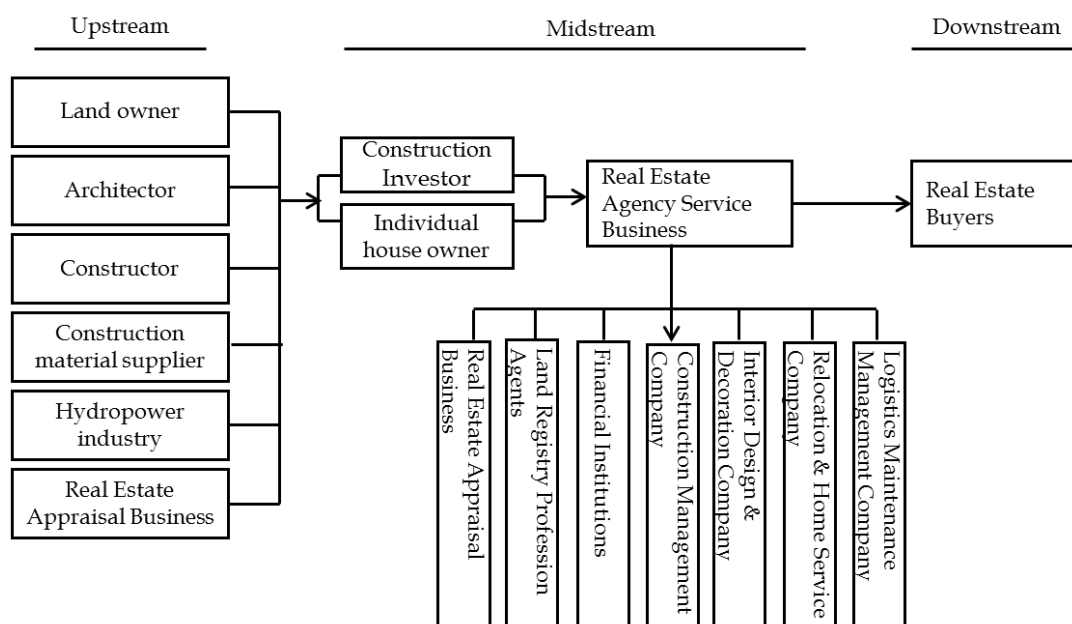
In recent years, environmental awareness has risen, and people are aware of the dangers of global warming and climate change. The post-pandemic era is approaching. Under the circumstances of the COVID-19 shock and environmental variables, ESG issues will gradually become the priority task of the sustainable development of enterprises. The real estate development business has always been an industry with high consumption of natural resources. In order to reduce environmental ecological damage and energy and resource consumption, it's necessary to introduce green building and carbon footprint from the initial architectural planning and design, selection of building materials, and construction methods to promote "Sustainable Building". Environmentally sustainable development, and cooperate with banks to sign Sustainability Linked Loan.

(3) Tourism Development:

Before the pandemic, according to statistics from the Malaysia Tourism Board, the number of international tourist arrivals in 2019 was about 26.1 million. Currently, the tourism market has only recovered by 27.6%. Starting from 2022, the Malaysian tourism market is expected to gradually recover, with a target of 15.6 million arrivals in 2023, which is expected to bring about NT\$320 billion in revenue to the Malaysian tourism industry. Sabah state is famous for its tourist attraction in Malaysia; it is rich in natural resources, and its economy is mainly derive form industries of agriculture, forestry and petroleum. This state has also benefit from the rich biodiversity of ancient rainforests and world famous diving locations which the eco-tourism is remarkable developed. Based on the management policy of environmental awareness and sustainable development, the Company not only implements ESG in the existing real estate market, but also incorporates this concept into the oversea tourism construction development plan. In addition to sustain the mature local natural resource, the Company also make use of the features of the local natural environment in Sabah, and do our best to restore the man-made damaged of the ocean, beach and forest environment.

2. Our role among the upstream, midstream and downstream supply chain:

Here at Sinyi Conglomerate, we have primarily engaged in real estate agent services and real estate development business. The industrial interrelationship in the line is enumerated below:



### 3. Trend of industrial development and facts of competition:

#### (1) Taiwan realty business and related services sector

##### A. Trend of product development

People's lives nowadays are increasingly dependent on smartphones and other mobile devices. According to the Company's statistics, nearly 80% of consumers use mobile devices to access its official website, which shows that online house viewing has become the mainstream. Using online house viewing, consumers can screen and filter properties. In order to flexibly respond to the changing behavior of consumers, brokers are also committed to using digital technology in the home buying and selling process. For example, with the functional evolution of online 3D, AR/VR house viewing and AI (Artificial Intelligence) and Big Data, customers are able to acquire real-time information about the surrounding amenities, community environment, and market transactions, without the limitations of time and location, and we can reduce the number of ineffective home tours and improve the efficiency of our business through live online Q&A. As the government has promoted the Real Value Registry Scheme in recent years, all transaction prices as well as surrounding environment of adjacent objects and accessories of a particular buying or selling housing object can be sourced on the Internet. Transparency of housing transaction information has thus greatly improved.

As housing deals bear characteristics of large sum of money and low dealing frequency, safe deal is a top issue attracting attention of customers. Therefore, the Company and its subsidiaries running businesses of brokerage and selling on commission are based on ensuring safety of consumers during household purchasing or selling process and providing speedy and reasonable services. They persistently provide all kinds of service safety, from four instruction books, contract fulfillment guarantee, to guarantee against purchase of a haunted house, safe rental insurance, Special Projects on Retail Store Fire Insurance and we

launched the worm-damage-proof system. All such guarantees vary with different needs of each consumer. In 2023, Sinyi Realty promotes a new performance guarantee price trust, which provides more rigorous protection for real estate transactions and deepens customer trust through the fund supervision of a performance guarantee trust account. They are devoted to creating customized services catering to needs of customers in the hope that customers can safely offer the Company a chance of handling their big household deals with total trust.

Since housing deals bear characteristics of large sum of money and low dealing frequency, trust between a consumer and our sales colleagues is very important. The Company and its subsidiaries are corporations based on “trust.” They have provided a more diversified role for their branches from cultivating business districts to community services. Colleagues have embedded themselves in the lives of community residents and become good community helpers. They have naturally won trust of community residents after providing daily and all-dimensional services with frequent interaction.

The Company and its subsidiaries continue to improved consumer experience in transaction execution as well as online and onsite services. Especially lessen the workflow on object-viewing app and reduce carbon for paperless process. It has become more convenience and efficiency for the customers and Jointly save our planet together.

#### B. Competition of our products

According to market statistics, in 2022, the number of real estate agents retail stores set up by real estate agent service providers increased by 629, reaching a total of 3,876 stores. Among the above, franchisees increased the most, and the total number continued to grow significantly for two consecutive years. However, compared to the real estate market, the trading volume was negatively affected in the second half of the year, and the real estate market transactions were mainly driven by self-use customers. In 2023, the competition in real estate industry critically intensifies, and continues to challenge the real estate companies.

#### 【List of changes in the number of shops set up by real estate agent service providers in Taiwan】

		Number of shops				
Realtor in Taiwan	Type of business operation	2022	2021	2020	2019	2018
Sinyi Realty Inc.	Direct selling	495	487	465	450	435
Other brand names	Direct selling + Franchise	3,381	3,078	2,782	2,611	2,553
Total		3,876	3,247	3,565	3,247	3,061

Note: On the grounds of statistics of websites of all real estate agent services as of December 31 of the respective years (Other brand names include H&B, Great Home Realty, Chinatrust Real Estate, Pacific Realtor, Century 21, Yung-Ching Realty, Yung-Ching Real Estate, U-Trust House, Taiching Realty, Yung-Yi House, Taiwan Real Estate, Even Spring Real Estate, National Realty and Eastern Realty).

Looking back at the year 2022, Japan seemed to have gradually emerged from the threat of the COVID-19 pandemic. In addition, not only does it use less severe prevention to prevent the spread, it also gradually resumed the short-term business visas and group

travel to Japan, to replace the previously declared state of emergency. By mid-October of 2022, Japan officially resumed visa-free travel and canceled entry restrictions.

Since the border closures of the COVID-19 pandemic in 2020, Sinyi Japan has not only launched "online panoramic viewing" services but also utilized systems such as "important video conferencing note," "electronic contract," and "contracting agents" in compliance with legal regulations to assist customers easily completing property purchases without flying to Japan. For customers who have properties in Japan but are unable to visit, they can use the "household agency" service of Sinyi Japan to regularly maintain home cleanliness, providing customers with more complete services.

Due to the active planning, expanding services, and maintaining close communication with customers during the pandemic, customers who had planned to invest Japan before the border reopening were able to fulfill their suppressed demand after two years. Coinciding with the sharp depreciation of the Japanese yen, which produced a multiplier effect. On the other hand, many companies that had been dormant during the pandemic were unable to seize this opportunity. In addition, due to the adjustments in Taiwan's housing market policies, some domestic investors invested their funds overseas, which Sinyi Japan achieved excellent results for two consecutive years.

## (2) Real estate development business and related services sector

### A. Trend of product development

In 2022, the real estate market in Taiwan was initially hot but cooled down later due to factors such as interest rate hikes and regulatory changes. The market experienced a contraction, but strong demand and medium- to long-term buyers remained. Most people adopted a wait-and-see approach. Small and medium-sized products remained the main force in product planning. Housing prices need to be evaluated based on factors such as overall inflation, interest rates, international conditions, construction raw material prices, location, and regional supply.

Regarding the performance of individual project, if real estate developers have a good reputation, most of their properties will have better prices than their competitors. Product with better planning, building quality, and interior space are still favored by owner-occupiers. All of the above-mentioned types of products will have a good selling performance if located in good areas.

The "Zero-tolerance" policy for Covid-19 and a series of real estate bankruptcies among real estate developers have caused the real estate market in mainland China to enter a period of deep adjustment. However, the central government continues to emphasize "supporting rigid demand and improving housing demand", and the trend in the residential market is still dominated by products for home improvements. The need for housing replacement and the formation of separate households due to the growth of female factors are the main sources of demand for home improvement, which will further boost the

proportion of three-bedroom products in the market structure. Meanwhile, the sales and proportion of smaller sized two- and three-bedroom products are declining due to economic downturns and expectation of income declines. At the same time, under the repeated outbreaks of the pandemic, community grid management and zoning nucleic acid testing have become commonplace, which will further increase the attention to low-density products.

#### B. Competition of our products

In Taiwan's real estate development market, building a brand has become an important indicator for consumers when purchasing houses. Real estate developers lacking branding advantages are gradually moving towards products with pricing advantages. Real estate developers with branding advantages can maintain long-term relationships with consumers and still have products with better prices than other competitive products, due to their good product planning and fine product quality. Current products are obviously trending towards an M-shaped (polarized) market.

On the other hand, in old urban areas where there is lack of new projects, the demand for new housing is greater than supply due to the mature living functions and fewer competitors. Thus, their prices and sales performance are in good condition regardless of whether they are branded products or not. Instead, it depends on whether the products themselves and the regional environment meet the customer needs. In areas of redevelopment, where a large number of new projects pop up, since the sites are of a certain size and the floor area and environment atmosphere are highly different, the importance of branding advantages increases in the case of multiple choice. It becomes a key factor in determining whether the homes can be priced higher or vice versa. If products launched meet demand of target customer, it will be reflected in the actual sales and speed of such sales are practically the same when the economy boom.

In the future, the development teams of the Company's subsidiaries will focus on building and promoting the brand and meeting customer demands, by launching fine-quality products and livable products with a better living environment. The development team also introduced digital technology and innovation such as BIM, integrated sustainable elements into architectural design, paid attention to every detail, and promoted the application of digital innovation to enhance productivity.

In terms of the China real estate development market, the real estate market in Mainland China faced unprecedented challenges under the background of the impact of the epidemic and the decline in local people's expected income in 2022. The sales volume decreased significantly, while real estate companies were deeply trapped in debt defaults and liquidity crises. As a result, the Chinese government has shifted from supporting the demand side to the corporate side in order to stabilize the housing market. They also implemented differentiated policies according to local conditions and issued new policies intensively. Land acquiring capabilities of real estate enterprises are limited by the constraints of the

industry's financing channels. Aided by the "stable land price, stable house price, and stable expectation," policies, this has limited the housing unit price hike from rising sharply and prevent reckless land acquisitions. On the other hand, since the policy of centralized land supply has become increasingly strict and coupled with the rising costs of labor and raw materials, it is increasing difficult to develop profitable standard products. Therefore, out of worries for profit margins of the trade, willing to acquire land by capable real estate enterprises has decreased. Combined with a slowdown in sales speed, real estate developers become more cautious in their overall land-acquiring and development processes. Most of the Mainland's real estate developers rely heavily on financial leverage. In order to accelerate capital return and reduce inventory, they may sacrifice project quality, which could lead to a vicious cycle. The development business of Sinyi Mainland adopts a stable and steady management approach, focusing on product and engineering quality, which generates product differentiation and separation.

(III) Profiles in technology & know-how and research & development:

From 2021, the Company has set up a position of chief transformation officer with a transformation office, responsible for the development and promotion of digital transformation strategic planning. Through data collection, research and analysis and data verification, the Company tries to combine with cross-unit transformation communication and publicity and collaboration to consolidate the establishment of the industry to establish a residential ecosystem and deepen brand influence.

1. The Company has a digital intelligence center that keeps up with the trend of digital technology development and continuously researches and develops tools for customer service and operation systems. In addition to using big data analysis for digital precision marketing and improving transaction service efficiency, we will also study consumption trends in the residential living industry, develop innovative services, and optimize customer service experiences. To achieve digital transformation, we are cultivating an in-house digital product technology team, from the introduction of cloud services to the development of our own app technology team, to move towards a technology self-sufficient mode to cope with rapid digital changes. Furthermore, the Company has introduced DevOps software engineering technology to enable the development and maintenance of a complete automated process which helps to increase the development speed. Through the development of a data platform, we are building a core foundation for AI and big data development, integrating service data and historical industry resources, and further promoting internal case matching and strategy support projects.
2. In the aspect of customer values, the Company spearheaded the sound policies of "making no gain through price gaps", "collect by installments", "property investigation before trading", "Readily Available House Escrow", "brokerage service reforms", "concerted sales system with peers", "four major assurances", "haunted house security guarantee", "Pest Damage Protection Service" and such brand new service systems. In 2023, Sinyi Realty will promote a new performance guarantee price trust through the fund supervision of a performance guarantee trust account, which

provides more rigorous protection for real estate transactions and deepens customer trust. The Company went creating a comprehensive home buying protection network for consumers.

3. In the past two years, with the use of the “DiNDON Smart House Viewing” service, consumers have been enjoying 3D online home viewing, 720-degree panoramic views of the house, and 3D remodeling simulations, as well as complete and clear AI intelligence displays of the interior layouts and dimensions that they may be used as references for their future decorating projects. In addition, in 2022, we also launched "Intelligent Recommendation" and "Intelligent Matching" services, as well as "One-stop house-hunting/mortgage-finding" and "House-heat" tools, which are respectively optimized for buyers and sellers.
4. To achieve the net zero carbon emissions, in 2022 we launched the DocuHouse product, which digitizes the documents required in the buying and selling of houses, minimizing paper usage and effectively improving the efficiency of the overall process. We also added tablet-based review and approval for the real estate disclosure statements as a step to begin the paperless document signing service.
5. The Group’s real estate development team in Taiwan and in Mainland China has introduced BIM (Building Information Modeling) design tools and information exchange platform and apply them in current development and design projects. This is aimed at reducing mistakes created in poor information relay and exchanges and upgrading design efficiency in order to lower technical drawing costs and also providing a platform of cooperation with enhanced development efficiency. As the talent cultivation project matures, the Sinyi Development Team has gone a step further in establishing a BIM ad hoc group that is dedicated to the promotion, coordination and task communication of BIM technology. The Group completed the final 3D model of the Project “Jiahe” in the fourth quarter of 2022, reduced the differences in the 2D information communication. The achievements of the Project “Jiahe” will be extracted and applied to the construction of the "Jiapi" project and the design of the Project "Jiaxue" to reduce uncertainty in construction and improve project quality. Additionally, external and internal training of personnel in various departments is being continued and the technology can be used during the implementation. At the same time, the team will participate in the exchange with external units and absorb new ideas.

#### (IV) Long-term and short-term business development plan

##### 1. Short-term business development program:

- (1) Real estate brokerage business: The Company pay attention to boosting morale and cohesion, focusing on annual strategic goals, adjusting organizational structure, implementing multiple growth plans for store managers, and strengthening operational fundamentals. In 2023, the real estate brokerage business will focus on the attitude, effort, and ability growth of district store managers to deepen their conceptual, collaborative, and professional skills. By focusing on D1 cultivation, operational efficiency will be effectively improved, making colleagues enjoy their work and promoting the growth of transaction volume. In a good organizational environment, we will promote the realization of the dream of building a family, and through the growth of everyone and the promotion of organizational adjustment, strengthen the standard product management of main products, increase overall market share, and combine digital innovative

services with the advantages of Sinyi to drive the digital transformation momentum of Sinyi.

- (2) As for the consignment business, Selling Agency Department was able to grow in 2022, in spite of the severe pandemic. Driven by the twin engines of “Sinyi comprehensive real estate platform 2.0” and “Value Shaping”, which successfully achieving a 1+1>2 scenario. With the innovative “Online Home Viewing” and the effective and precise branch channel, digital network marketing, the case specific differentiation strategy and value shaping packaging, the Sinyi comprehensive real estate platform 2.0 application not only creates the product pricing, but also creates the highly precise whole-case visitor-transaction ratio for 2022. As a result, Selling Agency Department won the trust of the builder, and was awarded the "Taiwan Trusted Selling Agency Gold Award" and "Wan-Wan ChinaTimes Real Estate Gold Medal Award - Innovation Excellence Award".

Selling Agency Department will continue to provide continuous momentum and innovation for the new business model of consignment via implementation of four major projects: “Talent Cultivation”, “Refinement of Sinyi comprehensive real estate platform 2.0”, “Creating value for the house buyer” and “clients account of developer”.

In 2023, under the ESG trend of people-oriented corporate philosophy and sustainable environmental protection, Selling Agency Department will continue to pay attention to the needs of target buyers, follow the footsteps of the Sinyi Group's ESG to explore new green business opportunities, develop old urban areas and existing housing indicators with rigid demand, and join hands with brand builders to enter the ESG field and become a trusted ESG consultant for real estate enterprises.

- (3) In mainland China, our Shanghai and Suzhou brokerage business units have implemented the “Complete Operations of the Amoeba Project” and streamlined organizational levels to improve management efficiency. They adopted the “big fish in a small pond” approach to deeply cultivate the communities served by our branches, focusing on strengthening the services of our regular staff, improving single-employee output, and reducing staff turnover rate.
- (4) In Japan, it is expected that COVID-19 will be downgraded to the same level in terms of flu in May, 2023, indicating that Japan has gradually lifted restrictions on the pandemic. This is favorable for real estate transactions, and with the opening of borders and exchange rate factors, it is expected to increase the willingness of Taiwanese to invest in properties in Japan. The Osaka region's real estate transactions were still thriving in 2022, with a 280% increase in transaction volume compared to 2021. The Osaka region has always had advantages such as a low housing price base, high investment return, and hosting international expositions, which gained high attention from consumers. Moreover, Sinyi Realty has continuously cultivated relationships in Japan and earned trust from many well-known builders, and obtained the exclusive right to sale several high-quality projects, providing Taiwanese with more high quality options. In light of the development opportunities in Japan, Sinyi Realty Japan plans to



establish its sixth Kanto team and second Kansai team, hoping to help fulfill many Taiwanese dreams of investing in properties in Japan in the future.

- (5) In terms of the development business, the “ShanshuiJiating” project in Wuxi will leverage the value of its realistic scenery and quasi-ready houses, as well as taking the advantageous of its location, surrounded by top universities and advanced scientific research institutions, to attract customers from the talented academic member. It will actively accelerate the speed of sales and turnover. The “Jiahe” and “Jiapin” projects sold out successively in FY 2021. Project “Jiahe” will gradually deliver units by the end of 2022 and complete the delivery before the end of February, 2023. Looking ahead to 2023, we will continue to improve the construction quality and progress control of Project “Jiapin”. Additionally, we will also organize community development activities periodically to create a better daily living experience for the residents before they move in. The product planning for project "Jiaxue" in Xinzhuang has been completed and is expected to launch for sale in 2024. The "Kaohsiung University District" project in Kaohsiung will begin to organize products that meet market demand, with competitive prices and products.
- (6) To expand the demand for dwelling and to develop the leisure tourism industry, the Company selected Sabah Malaysia, which has a prosperous tourism industry and huge potential for further tourism development. In addition, the Company purchased pieces of coastal lands which are about 25 hectares in the main island of Melinsung Sabah. In response to the slowdown of the global pandemic, and the gradual recovery of the international tourism, the Group will actively begin the planning and design of the hotel in 2023, and will approach an internationally famous hotel brand for cooperation, upon the acquisition of the lands.

## 2. Long-term business development program:

- (1) We adopt a steady and prudent management strategy, continuously optimizing our business operations and improving our service effectiveness, in which our colleagues and partners at Sinyi become spokespersons and promoters of good deals, good work, and good lives. We uphold the spirit of ESG sustainable management, enabling residents, guests, and ourselves to achieve a better living and fulfill our dreams of a successful career and family. Through the continuous rotation of the STM service process, we strive for excellence in service, bringing honor and achievement, and truly turning good transactions and good work into a good life. At the same time, we integrate the resources of the Group and gradually develop a complete range of services to meet the needs of community living, extensively merge in the community and connect the happy living society, becoming the Taiwan business vision for "new field of residential life services".
- (2) We are committed to promoting and practicing corporate ethics, linking our business philosophy with strategies and actions, exploring and committing to ESG (Environmental, Social, and Governance) practices, and recruiting high-quality talents to optimize our organizational structure. We have introduced the Net Promoter Score (NPS) to enhance the quality of our realty business and strive for excellence and the highest standards. We aim to increase consumer trust

in our brand, actively deepen our brand advantages and growth momentum, and proactively implement greenhouse gas inventory and management, promoting carbon neutrality, sustainable storefronts, and supporting renewable energy. Through practical actions, we aim to gradually achieve our carbon reduction goals and become a model for green real estate agencies.

- (3) Real estate development is capital intensive. Therefore the real estate development team will move towards sustainable architecture as a long-term development goal, and has launched a sustainable building plan, introducing appropriate green building and carbon footprint indicators for the location of the newly constructed land, surrounding environment, area, building design, building materials, and low-carbon construction methods. Taking a cautious approach in the selection of sites to develop in the future on the basis of current in-process projects. We shall focus on the cultivating and strengthening the team's management ability of design, engineering quality supervision, cost and progress control, capital planning, marketing and branding. The goal is to optimize the managerial capabilities and reduce the operational risks of our development business so that property development can serve as a stable growth engine going forward.
- (4) The Company has purchased the right-to-use with over 300 hectares of land on Mengalum Island in 2019 and 2020, respectively, to enter the luxury resort and hotel industry, making our facilities the first choice for local and international tourists vacationing in Sabah. The preliminary planning of rehabilitation is currently underway for the main purpose of restoration and enhancement of the ecological diversity, with the goal of building a zero-carbon island. Due to the large area available on the island, it is expected that will be phased development with zoning.

## II. Markets and Sales Overview:

### (I) Analyses on markets:

#### 1. The target markets of major commodities:

We provide real estate brokerage services to the general public instead of specific target groups, hence we might have a hard time classifying our products based on the target groups. In terms of key target regions of our real estate agent services, we focus primarily on Metropolitan areas in Taiwan, such as Taipei City, New Taipei City, Taoyuan, Hsinchu, Taichung, Changhua, Tainan and Kaohsiung. The Company's subsidiaries in mainland China run their direct-owned stores mainly in Shanghai and Suzhou. Sinyi Japan has been receiving Chinese customers from both sides of the Taiwan Strait who are interested in purchasing real estate in Japan, and primarily serve the needs of overseas Chinese and Chinese residents in Japan looking for buying homes or properties in Japan.

The government strengthened to control speculation in the housing market during 2022, including passing the amendments of "The Equalization of Land Rights Act", resulting in a significant decline in transaction volume but not reversing the willingness of people to buy homes for their own use. In addition, introduction of new technology has widened the imagination of cross-trade integration services on one hand, but also bring challenges such as market entries by people

from other trades and brand image getting vaguer. Faced with changes in economy thermometer and digital technology environment, we need, in addition to persistently raising our own professionalism and service contents, observe customer requirements and their changes. We need to think on how to integrate high-tech such as data bank, big data, and mobile technology, develop innovative, efficient, differentiated, and tailor-made services. We should even work with related trades to jointly upgrade service quality in order to excel after breaking out from economic doldrums as well as environmental changes in our trade.

The domestic housing market has entered into the post-pandemic era with the stable recovery of the economy and the demand for technology applications, which has driven the continuous improvement of domestic production capacity and boosted export momentum. The relaxation of restrictions and the lifting of border closures in various countries have also led to the return of actual foot traffic and stabilized private consumption. In terms of funds, inflation has influenced the fast-paced interest rate hikes in Europe and the United States, which has led to an increase in Taiwan's interest rate level and the tightening of construction financing. Overall, the housing market has entered a consolidation period, trended towards price stabilization and quantity reduction, which the short-term buying may be interfered by the policy and the buyers are cautious about their decision. Our company integrates the direct store channels and the group resources and launches the "Sinyi comprehensive real estate platform" service, which provide regional pre-sale cases, new and used homes, and overseas real estate information together in one store. This service could satisfy people's needs for purchasing a variety of real estate.

The Company's real estate development subsidiary has sold out the residential properties in "ShanshuiJiating", with projects located in Jiading District, Shanghai, and "Jiahe" and "Jiapin" projects located in Jiangcui Redevelopment Zone, Banqiao District, New Taipei City. Overall, our focus in 2022 and 2023 will be on the sale and delivery of the remaining units in the "ShanshuiJiating" project in Binhu District, Wuxi City. In addition, the Company has completed the planning of the "Jiaxue" project in Xinzhuang Fuduxin District which was purchased in December 2021, is actively working on the detail planning and design, and plans to launch the project in the first quarter of 2024.

## 2. Sinyi market shares of the primary target markets:

It is true that Sinyi primarily engages in real estate trading and brokerage services, trading of second-hand real estate still plays the pivotal role among our real estate agent services. The data of our peers is not easily available to us for a comparison. In order to measure the size of the market size of the second house market, we, therefore, calculate market shares by taking the figures of the number of buildings covered within the ownership transfer as a result of Sinyi services deducted with the number of buildings in the initial ownership registry as the denominator. Accordingly, we presume our market share in the second-hand real estate trading in the real estate agent service markets in the recent three years was around 6.81% to 8.09%. Concerning overseas subsidiaries, the market share of the others was insignificant. Under the blessing of the "Sinyi comprehensive real estate platform", the Company's agency sale business focused on the operations in Taipei, New Taipei City, Taoyuan City and Taichung City. In 2021, it became the top ten rank agency in Northern Taiwan.

Jiuxin Real Estate Project “ShanshuiJiating” in Wuxi had a total of 608 residential units, and its number of registration of contract ranking and market share were the 4th, respectively in 2022 among the projects with a unit price of about RMB 30,000 or more per ping in Wuxi. The numbers of residential units available for sale in of the Project “Jiahe” and “Jiapin” were 144 and 114, respectively, both of which were sold out in 2021, but accounted for a small market share.

### 3. Status of future supply, demand and growth in the real estate markets:

In 2022, the total number of household transaction volume in Taiwan was 318,000, marking the first housing market decline in the past six years. The real estate market was overheating and has become moderate, causing the investors in the housing market to decline and most buyers are residential occupants. The majority of the transactions are second-hand properties, although the housing market was active in southern Taiwan and less active in northern Taiwan, the overall real estate market has cooled down due to the decrease in the technology industry investment.

Residential properties in Taipei are old and the aging population increases rapidly, leading to a trend of rebuilding or renovating old buildings. Additionally, the inheritance of real estate has become increasingly common. With the reasons above, many Taiwanese investors moved back to Taiwan from mainland China to invest and set up factories, which provoke has driven local employment and property settlement demand, leading to active real estate transactions outside of the Taipei metropolitan area. However, due to the excessive rise in housing prices, there are already signs of a cooling market.

From the demand side, self-use demand has become the main axis of the market. According to statistics from the Joint Credit Information Center on home purchase loans last year, those aged 30-45 accounted for more than 50% of the total. The average purchase price was between 11 million to 13 million NT dollars, and the total purchase price was significantly higher. The area of the properties purchased ranged from 41 to 45 pings, with a preference for the basic family structure of a standard three-bedroom unit plus a parking space. This reflects that first-time buyers and those looking to upgrade for self-use purposes have a relatively stable demand for purchasing homes.

The housing and environment in mature metropolitan areas are aging, coupled with the high cost of housing purchases. In recent years, the population has gradually moved out to neighboring satellite cities and relied on commuting to work in the city center of Taipei. However, the old buildings in Taipei are blowing a wave of renovation. In addition, more than seven hundred cases have been approved for the reconstruction of dilapidated buildings in Taipei, and more and more of the base area of reconstruction have been put up for pre-sale in the city.

As of February 2023, the government's promotion of the "Invest Taiwan" three major plans has successfully attracted investment of nearly NT\$1.9 trillion, ushering in the largest investment boom in nearly a decade and creating potential job opportunities of nearly 140,000. Taoyuan, Taichung, and Kaohsiung ranked in the top three in terms of investment amount and expected increase in employment, and the semiconductor industry continues to expand its investment in Taiwan, leading to an investment trend following major companies.

However, excessive funds flowing into the housing market due to the influx of investment in the technology industry, combined with policies that actively combat speculation, have caused concern in high-risk areas related to technology industry investment themes, and the housing market has shown a trend of rapid cooling. For example, in Tainan, the number of building transactions decreased by 14% in 2022, and in Kaohsiung, the number of building transactions decreased by 17%, which was the largest decline among the six major cities.

In the mainland China market, the impact of the spreading debt crisis of China's real estate enterprises and the repeated outbreaks of COVID-19, as well as the uncertainties in the domestic and international economic situation, have caused many changes. In 2022, the Chinese government proposed a strategy of “stability first and advancement amidst stability”, which is a clear signal to correct the deviation from the overly stringent macro policy. From the perspective of industry development, it still revolves around the basic tone of “insisting that the houses are for living, not for speculation”, and the real estate policy is focused on the three stabilities: “stabilizing land prices, stabilizing housing prices, stabilizing expectations”, as well as the implementation of the principle of “city-specific policies, guidance by classification”, so that the control of the property market is more precise. Therefore, in the current environment, market expansion is difficult. The subsequent development depends on the grip the government intends to impose on the housing market.

Regarding the Japanese market, in mid-October of 2022, Japan officially resumed visa-free travel and cancelled the entry restrictions. In addition, it is expected to downgrade COVID-19 to the same level as the flu in May 2023, which is a great advantage for Sinyi Japan.

As for the overall real estate situation in Japan in 2022, although transaction prices continue to rise, transaction volumes have declined. According to statistics from the East Japan Real Estate Flow Institute, the number of transactions for secondhand housing in the Tokyo metropolitan area (Tokyo, Kanagawa, Chiba, Saitama) in December 2022 decreased by 1.6% compared to the same period last year, which is the fifth consecutive month of decline. However, the transaction price per square meter has increased by 9% compared to the same period last year, which is the 32nd consecutive month of increase. The trend of reduced volume and the increased price seems to be the recent observation.

As for the overall Japanese economy, although many countries have raised interest rates to suppress inflation, Japan's inflation has not been as serious as in Europe and the United States. The Bank of Japan has repeatedly stated that its current quantitative easing policy will continue. It is expected that the capital flow in the real estate market will not be scarce, and construction costs will remain high. Therefore, the price performance in 2023 is expected to remain high.

#### 4. Competition niches, advantages and disadvantages and the countermeasures:

##### (1) Competition niches:

##### A. Optimal brand image and high acclaim from consumers:

Since the very beginning when Sinyi came into being, we have constantly insisted on everything that we feel supposed to. Besides, whatsoever we say, we mean it. Thanks to such remarkable efforts, we have successfully set up optimal brand image. Our remarkable dedication has been virtually verified with numerous awards conferred upon us every year. As universally acknowledged, the Company is constantly the No. 1 choice in terms of corporate image and brand identification. The Company's services and systems launched have taken the

lead and numerous competitors have tried to follow suit and have been even acclaimed as the standard norms. In all aspects, Sinyi is the No. 1 choice in the minds of potential customers. On business development on mainland China, the “ShanshuiJiating” project in Wuxi follows the “SinyiJiating” project in Shanghai and incorporates community building elements. In addition, our insistence on the quality of the project has won the praise and recognition of our residents, creating effective brand recognition and a good reputation. The Project “Jiahe” and Project “Jiapi” launched in Banqiao District, New Taipei City, has still achieved good pre-sale results due to the brand effect and the quality and construction methods even the prices are generally higher than that of competing products in the same region.

B. Advantage in costs yielded by scale economy:

Throughout Taiwan, Sinyi is the real estate agent services brand name proud of the most directly operated shops. All branches are under direct management from its headquarters and thus capable of effectively dominating the quality of services and consistent caliber of human resources. In Mainland China, Sinyi branches are in a volume up to quite a scale, a scale large enough to launch unified procurement. A variety of advantages in costs yielded by scale economy would be reflected through the room for price bargaining in procurement of services and equipment & facilities. In such aspects of marketing advertisements, hardware equipment & facilities for branches and expenditures for activities sponsored by branches, we are in a position to benefit from competitive pricing.

In addition, Sinyi Group is the only Taiwanese-invested enterprise in Chinese Urban Real Estate Developers Strategic Alliance (Chinese Urban Alliance for short). Chinese Urban Alliance is jointly organized by many influential enterprises in real estate business on mainland China, including China Vanke Co., Ltd. Brand developers in major cities on mainland China have organized the said strategic alliance in the said trade under the principle of equality and mutual benefit. In addition to obtaining cost advantages through joint procurement, members of the said alliance often sponsor various forums in management, finance, purchasing, etc., in order to share first-hand professional information.

C. Effective integration of entrepreneurial resources:

In the aspects of information, marketing, educational & training programs for human resources as well as management, we have set up professional teams. We have adequate resources available to our utilization. In marketing activities and sales promotion, we may take advantage of standardization to demonstrate integrated benefits.

D. Concerted performance (synergy) through inter-cooperation with affiliated enterprises:

Both Sinyi Conglomerate and its subsidiaries have been under solid growth in the principal real estate agent services and have further developed into more comprehensive business systems toward customers, industries, information and technology & know-how. With inter-cooperation among all elements within Sinyi Conglomerate, we may demonstrate tremendous concerted performance (synergy). Integrating Sinyi Group’s brokerage branches and agency sale business together with sales subsidiaries such as Sinyi Global Assets and Sinyi Japan,

“Sinyi comprehensive real estate platform” is built jointly to provide our customers with one-stop and diversified overseas and domestic real estate investment services. In addition, development teams across the Taiwan Strait, after a real estate is being developed, can launch sales campaigns through consignment units or branches, and thus forming real-estate one-stop service.

E. Competence in service innovation:

Since Sinyi establishment, we have constantly encouraged ourselves toward provision of secured services available to customers. We always think the needs of customers as our own and launch a variety of innovation R&D, digital transformation and other brand new real estate agent services which have received widespread acclaim in the markets and have been extensively followed suit by peers. The services include making no gain with price gaps, segmental charges, production before trading, logistic concert with peers, Readily Available House Escrow, leakproof warranty, assurance against potential defect in high chlorine irons and assurance against potential radiation, the so-called four major assurance services, as well as the haunted house security guarantee and woodworm prevention. In recent years, DiNDOM smart house viewing has continued to evolve, leading the industry to launch “AI can help to know about the houses” and “AI Intelligent Matching”. We have further provided the customers with more and more thoughtful services with the continuous innovative abilities. Main building projects launched by development business have incorporated community-building elements. In addition to building concrete spaces to facilitate interaction among community residents, efforts are made to provide opportunities for future neighbors to exchange opinions before delivery of housing units in order to know one another better. This means that more important soft community-building philosophy is added so that building projects can become more ideal human living quarters.

F. Efforts to cultivate human resources:

Real estate agent services are known as the humans-based business, the timber of Sinyi staff would suggest a supreme key factor toward the quality of Sinyi services. From the very beginning of Sinyi undertakings, we have taken cultivation of talented human resources as the top job. While soliciting human resources, we aim at such candidates having been graduated from a university or in higher educational level without hands-on experiences accumulated in real estate agent services in principle. Through such policy, we assure that the business philosophy and corporate cultures insisted by Sinyi would be put into implementation thoroughly. We will also conduct in-depth exploration at school campuses so that Sinyi will plant seeds at school campuses in advance. We will keep a good employer brand image in students so that when they seek employment, Sinyi will become the only good choice. All our entire staff members feel proud of being Sinyi teammates. Usually development business teams will hold relevant real estate development courses and conduct exchanges among different departments. Human resources departments will also hold concept-sharing camps in order to exchange ideas and reach consensus among colleagues.

In an attempt to solicit and win high-caliber talents, we took the lead to raise the guaranteed minimum salary of the new salespeople during the first 6 months from NT\$40,000 to NT\$50,000 per month in 2011. Besides, we have organized the project for new employees in order to let them find their position in the group, which is a brand new project to attract more talent people to join us. Through the project, we can obtain more talent to select. In addition, we continue to focus on campus to cultivate the potential teammates at the early stage, make a good impression on them when applying for a career after graduation. In response to the development of the Group's business, in 2022, the MA Reserve Cadre Program was launched to cultivate comprehensive strategic talents through systematic training for staff.

(2) Advantages toward the vision of development:

A. Policies to inhabit speculation are conducive to a sound long-term housing market

Due to the rising housing prices and speculation in the market, the government has implemented selective credit controls four times to prevent funds from flowing into non-self-use investment activities. In addition, the government has also implemented the "House and Land Transactions Income Tax 2.0" and "Real Price Registration 2.0" In 2023, the government passed the amendment to ban the transfer of pre-sale house contracts to curb short-term speculative buying and selling, and to promote the healthy development of the housing market.

B. Houses are aging in urban regions, and there is a high demand for urban renewal and house replacement.

In urban areas, more than half of the residences are over 30 years old, with over 72% of Taipei's residences being over 30 years old. As a result, there is strong demand for replacing aging equipment in existing homes and for urban renewal. To address urban renewal and aging housing policies, the Company's subsidiary, An-sin Real Estate Management Inc. provides "comprehensive management model" to assist landowners in self-renewal. For medium and large-scale development projects, Sinyi Development provides "comprehensive service model" to participate in real estate development or to assist landowners in real estate development.

(3) Disadvantageous factors against development forward and the countermeasures:

A. The housing market enters consolidation, and industry operations are still competitive:

"The Equalization of Land Rights Act" has been revised, and market uncertainties will be reduced, but as the short-term rise in housing prices is high, the housing market is expected to enter a period of consolidation, With the number of real estate agencies continuing to increase, the industry's competitive landscape is intensifying. The real estate brokerage industry needs more differentiated services to gain service opportunities.

In response to the aforementioned disadvantageous policies, we try to take the countermeasures as enumerated below:

a. Recruitment of Employee:

Being the only listed company of real estate agency with all straight-owned stores in Taiwan, the Company led the industry to set up criteria for the new salespeople should be without any experience of being a real estate broker and should at least graduate from



college. The reason above is to provide the customers with good services. Compared to the peers who do not request the education and experience of salespeople or who are sales-driven, the Company can provide higher and stable quality of services.

b. Cultivation of talents:

Real estate brokering business is a highly people-related industry. The Company places emphasis on talents in its operational management, and speeds up cultivation of new recruits in refined learning environment. It also provides good fringe benefits to employees. A fine service system integrating business philosophy, education and training, and organizational system into one body is being built in order to provide customers with services of good quality.

c. Exploring and developing service chain:

The Company has integrated businesses such as residential services, maintenance, rental, and building management, expanding the Company's services from real estate brokerage to residential life services. At the same time, the Company has promoted community services and tries its best to satisfy various residential life needs of the community. On the one hand, it intends to win customers' trust in advance with more frequent interaction with them and an increase in service frequency. On the other hand, it is exploring new service models.

d. Digital innovation:

The Company has developed systematic tools for colleagues to further improve their operation as well as customer services. Service process and digital environment with online and offline integration are built to speed up colleague's operation and enhance online customer service efficiency. In the future, innovative services will be further developed with persistent upgrading of service quality and efficiency through integrated innovation with speedier AI, big data, and mobilization. The Company simultaneously accelerates the digital transformation process, streamlines internal operations to increase operating effectiveness, and uses customer value and experience to continuously identify and address customer experience pain areas.

e. Sinyi comprehensive real estate platform:

In response to the increasing market share of primary housing transactions, the Company in addition to running a business of selling for others on a commission basis in northern Taiwan for a long time is also integrating resources of direct branch stores channels and the whole conglomerate to launch the "Sinyi comprehensive real estate platform". It also provides information related to regional pre-sale building projects, newly-built housing units, and second-hand housing units at branch stores to satisfy the needs of customers. At the same time, implementing the case-specific marketing strategy and meeting the demand of target buyers, deepening the niche market.

B. Low birth rate and high employee turnover rate of industry:

Due to the impact of low birth rates, the core workforce in Taiwan is gradually aging, and labor shortages have become a long-term trend. Industries such as the

"electronics/semiconductor industry" have opened up recruitment for specific majors and raised salaries to attract talent, causing competition in the labor market for talent. In response to this, our company offers high salaries, including a guaranteed monthly salary of NT\$50,000 for the first six months, a 30-day job probation period (with an additional NT\$50,000 transition bonus upon resignation), and retention bonuses for outstanding employees. Additionally, we have planned employee stock ownership trust subsidies, flexible welfare trust coins, a second-child birth reward of NT\$120,000, and other diverse benefits to enhance recruitment incentives for talent.

Real estate brokers are universally subject to long work hours, demanding tasks, and intense pressure on sales performances, among other aspects of real estate agent services. As a natural result, they would show a high employee turnover rate. This has led our company to require a long-term investment of significant manpower and human resources in the recruitment of new employees.

In response to such disadvantageous factor, we have set up mechanism to monitor, pre-alarm, reassess and improve an abnormal quitting rate. We have put into implementation thoroughly the mandatory vacation system for Sinyi teammates as a key policy. Meanwhile, we provided them with wholesome incentive and promotion systems. On a regular basis, we conduct satisfaction survey and improve their working environments. Moreover, we have introduced to the outsourced consultant policy known as "Employee Aid Program" (EAP). Toward the problems the Sinyi teammates might frequently face in routine life, duties and families, the outsourced experts will render handy guidance, consultation services and advice.

In 2019, We also made public a flexible system of fringe benefits and gave each colleague 10,000 per year "SinFu Coin," which could be used to pay for fringe benefits of learning and development, health maintenance, family support, and environmental protection, etc.

The Company has received the Happy Enterprise Gold Award from the Job Bank in 2022, and we will continue to recruit top-notch professionals with high standards to provide consumers with the best service quality. We will also continue to offer more competitive salary and welfare benefits, as well as training systems, to create a secure and challenging career platform for employees.

- C. The high property prices and labor/material shortages are hindering the development of future development projects.

In recent years, construction and development costs have been significantly impacted by factors such as international shipping supply and demand, and geowars, resulting in a clear increase in overall raw material prices. Additionally, the number of construction license applications has increased in Taiwan in recent years, revealing a labor shortage in construction projects, which has led to a steady rise in construction costs. On the other hand, the prices of presale housing in Taiwan have risen rapidly in the past two years, causing land

acquisition costs to increase and pushing up future project prices, or resulting in longer housing sales periods, which is not conducive to housing sales turnover.

Sinyi Development will carefully select future development lands and focus on cultivating and strengthening management capabilities such as design, engineering quality supervision, cost and schedule control, financial planning, and marketing and brand management, to optimize the business performance and reduce operational risks. In addition to the real estate development models of self-purchasing and joint ventures, our Company will also integrate various resources within the group and collaborate with external landowners, developers, builders, and contractors to jointly develop the real estate business. At the same time, Sinyi Development is committed to providing high-quality products that meet consumer demand and create comfortable living environments, while operating under a brand-oriented approach. The team has also introduced digital technologies and innovations such as Building Information Modeling (BIM) and incorporated sustainable elements into building design, planning products that meet market demand and are competitive in terms of both product and price.

D. The tourism industry still faces challenges after the pandemic:

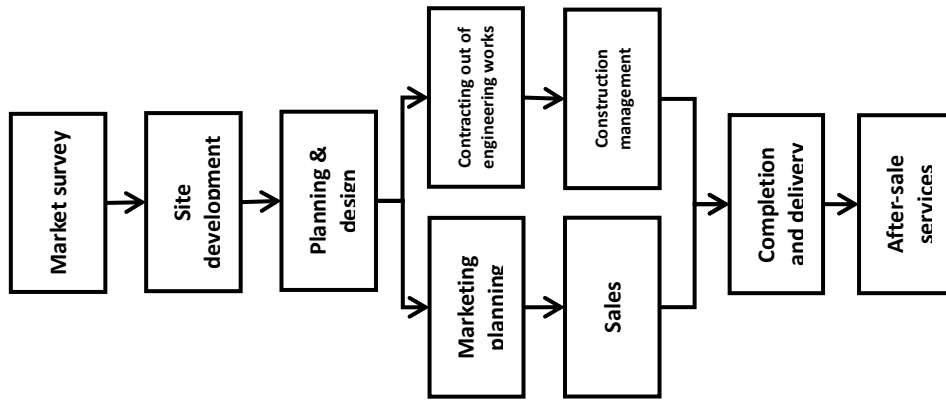
Over the past three years, the tourism industry in East Malaysia's Sabah has been impacted by the COVID-19 pandemic and continuous border control measures implemented by various countries. This has resulted in delayed progress for businesses in the tourism industry. However, with the gradual relaxation of COVID-19 restrictions and the recovery of international trade and tourism, there is a need to continuously replenish the workforce to cope with the significant demand for service manpower after the restrictions are lifted. The Company's tourism business group is actively adjusting its existing business models to mitigate the impact of the pandemic. It prioritizes environmental conservation and is actively involved in the rehabilitation program for Mengalum Island, aiming to enhance biodiversity and promote ESG as a core principle. Additionally, the Company has acquired land on Sabah Island to develop and build a five-star hotel or resort, which can be connected to Mengalum Island across the sea for the joint development of the tourism industry, improving the overall economic scale and procurement efficiency of the tourism industry.

(II) Major purposes and manufacturing process of key products:

Our company provide brokerage services for rentals and properties for sale. We do not involve in the manufacturing process of products. Our subsidiaries Sinyi Development, Sinyi Real Estate (Shanghai) and JiuXin Estate are engaged in the developer, letting and sale of real estates. Our properties are developed in the following process:

- i. Product utilization: residences, offices, homes and shops, etc.

ii. Workflow:



(III) Availability of major raw materials & materiel:

We are the broker between buyers and sellers of properties and we do not deal with the supply of raw materials. The supply of the inputs by subsidiaries Sinyi Development, Sinyi Real Estate (Shanghai) and JiuXin Estate (Wuxi) are as follows:

Key inputs	Details
Land supply	<p>Taiwan: Our dedicated team has built a comprehensive network for site developments. We focus on Taipei City and New Taipei City, giving priority to expanding out around the current base to achieve comprehensive benefits such as operation and management, and also conduct market surveys and approach middlemen in different areas to explore the possibility of working together on suitable sites. We tend to own land and develop our own projects. However, the Chinese government has recently tightened up their control of the property market, and released a very limited amount of land. In addition, the development direction of Sinyi Development's comprehensive service model is expected to provide different cooperation methods towards single or few or juridical person landlords, and actively expand the scope of services.</p> <p>China: We participate in the tenders, auctions, allocations or negotiations for local governments to publicly release land sites. Although the Chinese government has successively implemented relaxed policies on the housing market, the real estate market in mainland China has remained sluggish in recent years. This is not only due to the fact that consumers in some cities have become relatively immune to policy loosening, but also because the COVID-19 pandemic has resurged at the end of the year. In addition, the development of the real estate market is suppressed, and land with development potential is increasingly difficult to find. Therefore, the Sinyi development business in the Mainland will carefully evaluate future land development opportunities.</p>
Engineering works and materials	<p>Taiwan: By case, outsources the construction of engineering works and the procurement of materials to Japanese branded contractors with a long track record and good reputation, according to project scales and cost budgeting. Meanwhile, we send personnel to project sites to supervisor the quality of engineering works. The Project “Jiapin” of Sinyi Development have selected high-quality construction companies in 2020 and completed the signing of the turnkey project contracts. In 2022, affected by the global high inflation trend, raw materials, labor and transportation costs of construction projects, and everything else, are rising, and the problems of labor shortage and material shortage continue to worsen. However, with the cooling down of the real estate market in 2023, the issues of labor shortage and material shortage have gradually eased. The Company will continue to monitor changes in the construction market and reduce the risk of fluctuations in construction costs through cost and progress control.</p> <p>China: It hosts open tenders to invite qualified contractors for the undertaking of engineering works.</p>

Key inputs	Details
	Decorative assignments and material procurements are contracted out to professional vendors. We outsource a portion of material procurement but our subsidiaries Kunshan Dingxian Trading Co., Ltd. and Hua Yun Renovation (Shanghai) Co., Ltd. also handle part of the procurements.

(IV) Names of the key customers who account for over 10% of the aggregate total input (output) values in either among the past two years and ratio of their input (output) values:

We serve as a broker for rental properties or properties for sale. Our customers are the general public and hence we do not have a list of major customers. The consignment business accounted for 10% of the combined revenue, and each one of the top ten partner builders of the last year only account for less than 1% of the said revenue. Real estate development, and lease and sales are the main business focus of subsidiaries: Sinyi Development, Shanghai Sinyi Real Estate and Jiuxin Real Estate. The Project “Jiapiin” of Sinyi Development are in construction phase, so the only output is with general contractors. By the end of 2022, the contracts of some customers of Sinyi Development, Sinyi Real Estate (Shanghai) and Jiuxin Real Estate are settled and the relative revenues are recognized; however, the main selling products are residential buildings and these customers are the general public and hence we do not have a list of major customers. Below is the list of the suppliers accounting for at least 10% of our procurements and the values of our purchases during the past two years.

Expressed in Thousands of New Taiwan Dollars								
Name of the subsidiary	2022				2021			
	Name of the purchase vendor	Amount	Proportion of the net purchase in a whole year (%)	Relationship with the Issuer	Name of the purchase vendor	Amount	Proportion of the net purchase in a whole year (%)	Relationship with the Issuer
Sinyi Development Inc.	Jioushun Construction Co., Ltd.	228,547	49%	Nil	Jioushun Construction Co., Ltd.	246,400	51%	Nil
	Joyear Group Co., Ltd	124,023	27%	Nil	Joyear Group Co., Ltd	185,742	38%	Nil
	Ytterbium Engineering Co., Ltd.	58,438	13%	Nil	Ytterbium Engineering Co., Ltd.	50,937	10%	Nil
	Others	55,006	11%	Nil	Others	3,060	1%	Nil
	Total	466,014	100%		Total	486,139	100%	

Sinyi Real Estate (Shanghai) Limited	Shanghai No.7 Construction Co., Ltd.	7,286	100%	Nil	Shanghai No.7 Construction Co., Ltd.	50,324	100%	Nil
	Total	7,286	100%		Total	50,324	100%	
JiuXin Estate (Wuxi) Limited	Shanghai No.7 Construction Co., Ltd.	61,066	39%	Nil	Kunshan Dingxian Trading Co., Ltd.	419,750	48%	Indirect subsidiary
	Kunshan Dingxian Trading Co., Ltd.	44,349	29%	Indirect subsidiary	Shanghai No.7 Construction Co., Ltd.	274,847	32%	Nil
	Others	49,564	32%	Nil	Others	175,716	12%	Nil
	Total	154,979	100%		Total	870,313	100%	

The main reasons for the changes in procurement in the above table for the two-year period are as follows:

- ( I ) The Project "Jiahe" of Sinyi Development was completed in 2022, leading to an increase in procurement amount compared to the 2021 due to contractual obligations. The Project "Jiapiin" is still under construction and the procurement amount in 2022 is subject to the progress of the project leading to the lower amount than that in 2021.
- ( II ) The Project "SinyiJiating" of Sinyi Real Estate (Shanghai) Limited and the Project " ShanshuiJiating" by JiuXin Estate (Wuxi) Limited have been completed, resulting in a year-on-year decrease in procurement.

(V) The production volume and value over the past two years:

We serve as a broker for rental properties or properties for sale, and hence we do not generate a production value. Our subsidiaries Sinyi Development Inc. and Sinyi Real Estate (Shanghai) Limited and JiuXin Estate (Wuxi) Limited are engaged in the developer, letting and sale of real estates. By the end of December, 2022, the production volume and value over the past two years are as followed:

Expressed in Thousand dollars

Quantity Main Product	2022						2021					
	Item	Quantity				Amount	Item	Quantity				Amount
		Hotel	Storefront	Residential Building	Parking space			Hotel	Storefront	Residential Building	Parking space	
Residential Building & Parking space	Shanshui-Jiating	-	-	-	-	-	Shanshui-jiating	1	29	608	667	9,040,570
	Jiahe	-	-	144	146	2,150,236	Jiahe	-	-	-	-	-
	Total	-	-	144	146	2,150,236	Total	1	29	608	667	9,040,570

Note : Production volume and value are recognized as the total number of construction households (parking spaces) and the total cost of each case in the year of completion; Project

“ShanshuiJiating” of JiuXin Estate (Wuxi) Limited are the cases on sale in the Mainland China. The Project “Jiabin” and “Jiaxue” of Sinyi Development are in construction phase in Taiwan.

(VI) Sales values and volumes over the past two years:

We serve as a broker for property rentals and properties for sale. Our service fees depend on the type of properties and the value of transactions. Therefore, our revenue cannot be analyzed with sale of main products. Our subsidiaries Sinyi Development Inc. and Sinyi Real Estate (Shanghai) Limited and JiuXin Estate (Wuxi) Limited are engaged in the developer, letting and sale of real estates. By the end of December, 2022, the sales values and volumes over the past two years are as followed:

Expressed in Thousand dollars

Quantity Main Product	2022				2021			
	Item	Quantity		Amount	Item	Quantity		Amount
		Residential Building	Parking space			Residential Building	Parking space	
Residential Building & Parking space	SinyiJiating	-	102	49,316	SinyiJiating	22	76	469,539
	Shanshui-Jiating	99	238	1,592,092	Shanshui-Jiating	275	-	4,047,545
	Jiahe	50	54	1,026,768	Jiahe	-	-	-
	Total	149	394	2,668,176	Total	297	76	4,517,084

Note: Sales values are the ones delivered and recognized as revenue; Project “SinyiJiating” and “ShanshuiJiating” are the cases on sale in the Mainland China. The Project “Jiahe” is the case on sale in Taiwan. The Project “Jiabin” and “Jiaxue” of Sinyi Development are in construction phase and have not yet been delivered.

(VII) Key performance indices in real estate brokerage agency services:

We provide secured, prompt and rational trading services to consumers, as the ultimate Sinyi goals. Our key performance indices, therefore, lie upon the raise in market shares. Over the past five years, we have hold market shares ranging from 6.81%~8.09%.

III. Major data of Sinyi teammates in both Sinyi Conglomerate and Sinyi subsidiaries over the past two years and as of the printing date of this Annual Report:

Year		December 31, 2022	December 31, 2021	As of March 31, 2023
Number of employees	Managers	165	174	159
	Salespeople	4,217	4,473	4,126
	Staff members	1,387	1,336	1,299
	Total	5,769	5,983	5,584
Averaged ages		35.1	34.3	34.9
Averaged service seniority		6.8	6.2	6.9
Facts of academic degrees	PhD	0.03%	0.07%	0.07%
	Master	8.34%	8.07%	8.17%
	University/college	90.95%	91.51%	91.06%
	Senior high school	0.45%	0.33%	0.57%
	Below senior high school	0.23%	0.02%	0.13%

IV. Information of environmental protection expenditures:

The aggregate total of impairment and penalty fines undertaken by Sinyi due to pollution to environment in the most recent year and as of the printing date of this Annual Report: Nil.

V. Labor & Management Relationship

(I) Major existent worker-employer agreement and the facts of performance of worker-employer agreement:

1. Fringe benefits for employees:

(1) Fringe benefits in insurance:

Other than the mandatory labor insurance and labor pension provision, Sinyi has further acquired group insurance (in the insurance policies for life insurance, accident risk insurance, and cancer and inpatient medical treatment insurance). It has also covered arbitrary third party liability insurance for field colleagues of Business Department.

(2) Fringe benefits in health and security:

A. In Sinyi Conglomerate, all full-time regular employees are granted one Sinyi-sponsored health examination in every two years in full, and those full-time regular employees in the ages above 40 are granted one Sinyi-sponsored health examination in every year. At Sinyi management, we are extremely concerned about the results and findings in the health examination. Subject to contents from the employees, we take the initiative to help and urge an employee whose examination results indicate a sign of abnormality or extraordinary finding to receive follow-up treatment or observation to assure that all Sinyi employees are in sound health conditions. Within the website inside Sinyi, we have designed a “Health Management System” zone to provide health management interfaces exclusively to employees to follow up their subsequent health fact findings. As of December 31, 2022, 331,000 people use the system and set up a health assessment area,



and a healthy manager will provide relative consultant information to help him/her improve their condition if the newcomer is identified as a patient with high risk in mantel disease. In 2022, the Company obtained an extension of the “Badge of Accredited Healthy Workplace” from the Health Promotion Administration, Ministry of Health and Welfare, the Executive Yuan, and the extension of “Good Nursing Room Accreditation” from the Department of Health, Taipei City Government.

- B. We have provided full-time health managerial advisors to assume the exclusive responsibility to help Sinyi employees improve their health related knowledge and know-how. Starting in 2022, the Company set up on-site physician services fourth a month to provide relevant improvement for consultation and a follow-up tracking arrangement with reminders for those who have health exam abnormalities, and to assist employees and their families with related medical treatment consultations and arrangements for medical institution treatment
- C. Through the end of 2022, we hired a total of 18 licensed blind masseurs/masseuses to render massage services to employees to help soothe various anxieties and to improve their physical and mental fitness. Through such a policy, we have also offered employment opportunities to the blind.
- D. We implement health enhancement programs to use online promotion of health knowledge.
- E. At the Sinyi Headquarters, we have just installed such Automated External Defibrillator (AED) and provides an online teaching APP how to use in case of need.
- F. To improve the management of occupational safety and health systems, we introduced the ISO45001 occupational safety and health management system in August 2021 and passed system audit in August 2022 with the validity period due in August, 2024. We assisted our subsidiaries in establishing various occupational safety and health management regulations in accordance with the law, completed 5,255 counts of online training sessions for our employees. The Company provides third-party liability insurance coverage to the motorcycles ridden by our employees, so they may have more adequate protection. To encourage employees to wear full-face helmets, the Company is subsidizing employees in the purchase of full-face helmets. A total of 2,505 people used the subsidy in 2022, with the amount of subsidy exceeding NT\$10.18 million.
- G. To help promote smoking prevention measures, a total smoking ban during working hours was implemented from September 2021, to more fully protect the health of all employees at work.
- H. To help employees enhance their awareness against a disaster of fire or other accident and to prevent them from a potential accident resulting from nervousness, we have organized the self-guard fire teams and carried out anti-fire exercises on a regular basis.

In 2022, one fire drills are held in the headquarters. And through “internal bulletins”, we can understand relative activities held by our colleagues and provide needs in case of an emergency. There are 131 notifications in 2022.

(3) Fringe benefits in tourism:

Starting in 2019, the company implemented a flexible benefit system called “SinFu Coin”. The Fringe Benefit Committee subsidizes NT\$4,500 per person per year to assist with departmental travel activities, which are then incorporated into the flexible welfare quota for colleagues to use freely. In 2022, 2,550 employees participate in company trips and the total subsidy reaches to NT\$8,246 thousand. For salespeople and staff members with extraordinary performances, we offer incentives for overseas vacations every year.

(4) Fringe benefits in recreational activities:

We sponsor softball and basketball competitions, and all departments would organize their own ball teams to soothe pressure into fitness through the softball games. Such activities would further help cultivate centripetal consensus and team spirit of the entire teams. The Welfare Committee (Fringe Benefit Committee) further budgets NT\$5,000 founding subsidy and NT\$5,000 for every quarter. Through such programs, we encourage employees to engage in wholesome leisure activities and soothe pressure in their jobs and families. In 2022, due to the outbreak of epidemic, the activities are less than the previous year and there are 125 clubs in our company and approximately 126 activities are held and total subsidy reaches to NT\$850 thousand.

(5) Fringe benefits in vacation leaves:

Following the requirements set forth under the Labor Standards Law, we grant employees regular monthly leave and special leave. Regularly, we make sure of how employees use their vacation leaves. Through such a policy, we help employees well balance their jobs and life.

(6) Fringe benefits to support employees:

We have screened/selected qualified professional consultation houses outside to render individual consultation services for employees aiming at their career, family affairs, relationship with children, affection life, mental and physical pressure, legal and wealth management issues, to assure that all Sinyi employees will be perfect mental fitness. In 2022, the usage rate of consultation is approximately 4.5% with totaling 260 employees using this service.

2. Higher educational & training programs for employees:

(1) Educational & training programs for employees:

We plan for relevant curriculum for our personnel to develop the competences and knowledge required in different stages of their careers. These programs, including orientation for new hires, professional advancements and branch manager training, aim to

assist our employees to continue learning and growing. We also provide professional elective courses for the colleagues to enhance their abilities. Meanwhile, we regularly organize workshops throughout different regions for middle managers and senior executives so as to ensure our business ethics and transform into collective leadership. It is hoped that the periodical discussions, brainstorming sessions, practical drills and experience sharing can smooth our operations and strengthen our organization. Below is a list of the employee trainings we and our subsidiaries provide (excluding external education, certificate training and online courses) in 2022:

Descriptions	Class Type	Number of classes	Aggregate total of trainees	Aggregate total of trainees/hours	Aggregate total of tuition fees (In thousand NT\$)
General colleagues	In-Person	1,355	38,722	92,071	17,619
	Digital	521	121,463	98,562	
Team leaders	In-Person	38	1,733	9,067	2,005
	Digital	58	9,254	447,061	
Senior supervisors	In-Person	15	1,275	3,497	2,930
Total		1,987	172,447	650,258	22,554

(2) Advanced studies for employees:

In addition to internal curriculum, our colleagues are also encouraged to take part in external training and education programs (e.g. postgraduate degrees and credits, language learning and other professional classes). The goal is to enhance our personnel's capability to acquire new knowledge to meet with our business requirements for diversification and future development. To support learning initiatives, we subsidize the external training for our employees about NT\$ 1,398 thousand.

(3) Diversified Learning:

The Company pays attention to the diversity of colleagues and their lifelong education, and implements a flexible benefit system that subsidizes colleagues' classes and supplies for this diversified learning, including courses in the real estate profession, management skills, information and computer, financial management, various licenses, and language learning. These subsidies can also be applied to musical instrument playing or culinary skills courses, so that colleagues can learn about their personal interests, while still working and bring about intellectual growth.

(4) Digital Learning:

With the popularization of digital technology and portable 3C devices, in addition to in-person classroom courses, the company has also created an internal digital learning platform, which combines innovation and technological application, which can be continuously improved upon in quantity and quality for micro learning. It offers a better learning experience and increased effectiveness, and allows independent learning without the constraints of space and time. In 2022, to prevent the colleagues from be interrupted

their learning by the pandemic, the Company increased many on-line video courses in addition to the live interactive courses for them to keep learning and upgrading their professional abilities.

3. Sound retirement system for employees:

Exactly in accordance with the requirements by laws and ordinances concerned, appropriate 6% of their monthly pays into the individual account opened with the Bureau of Labor Insurance for newly employees newly hired starting from July 1, 2005 and employees who have chosen new system Labor Pension Act. For the existent employees who continually choose the old pension system regulations and for the service seniority retained under the old system of employees who choose new pension regulations, we appropriate the pension reserve funds at the right amounts into the specially designated (earmarked) account in Bank of Taiwan based on the original criteria to calculate pension. Our pension system as of the end of 2022 is in compliance with the regulatory requirements and sufficient to cover the colleagues applicable to the previous system by the end of 2023. For Sinyi teammates assigned by the organizations to affiliated enterprises, we continue calculation of their service seniority to assure the purposes of sound interflow of human resources. For overseas subsidiaries, we ascertain the appropriation system. In accordance with the requirements by the local governments, we pay endowment, medical treatment service funds and such funds for social assurance.

4. Other welfare

(1) Birthday, wedding, and funeral:

Every department of the company will hold irregularly birthday celebrating activities monthly, provide birthday boy or girl with gift certificate. It will also provide mutual aid money to colleagues who get married, have family members passing away, or meet other joyful occasions.

(2) Childbirth Subsidy:

We offer mutual aid fund in an amount of NT\$3,000 to an employee in the first childbirth. Starting from 2013, where an employee gives birth to beyond a second child (inclusive) after he or she has served with Sinyi for one year in full, we offer incentive subsidy of NT\$120,000. The statistics indicate that a cumulative total of approximately 737 Sinyi employees had received such incentive subsidy in total of NT\$81 million as of 2022 since the project started.

(3) Vaccination Leave:

In order to maintain the health of colleagues, anyone who is vaccinated against COVID-19, or who feels unwell after vaccination, may take vaccination leave from the date of vaccination until 24:00 on the following day (half salary may be paid, and full attendance bonus will not be affected). In 2022, the vaccination rates of employee were 98%, 96%, and 85% for the first, second, and third doses.

5. The status of the agreement between labor and management and the status of various measures to protect the rights and interests of employees:

The Company has established and perfected labor relations rules and regulations, held labor-management meetings regularly, and set up a report and complaint mailbox on the internal website to prevent illegal violations by employees in the workplace, providing employees with multiple and smooth communication channels, so as to give feedback to employees in real time. The Company's measures related to labor relations have been fully negotiated and communicated by both parties, and no labor disputes have occurred.

- (II) The impairment incurred on labor disputes in most recent year and as of the printing date of this Annual Report:

Since the very initial days when the Sinyi Realty Inc. and subsidiaries came into being, we have strictly complied with the government policies and laws and ordinances concerned, put into implementation thoroughly labor related acts, assured sound interests to all Sinyi employees with wholehearted efforts to create labor harmony. As an encouraging result, never have we run into a significant labor dispute. Besides, thanks to our sound and comprehensive fringe benefit system and channels for grievance, we anticipate an extremely low chance to see a labor dispute within a couple of years in the future. We are not supposed to run into such loss.

- (III) Employee behavioral and ethic regulations:

For all business operation, all rights & obligations concerned for employees, Sinyi Conglomerate and its subsidiaries have expressly enacted sound regulations as the guiding rules (all such rules and regulations are classified into 16 categories, almost 500 articles in aggregate total) which have been made readily available toward the entire staff members. Any additions, amendments for any rules and regulations shall be submitted to and approved by the respective levels internally and promulgated into the internal websites so that all Sinyi Conglomerate teammates could take firm command of the contents and the reasons behind. The employee behavioral and ethic regulations are summarized below:

1. Hierarchical responsibility rules:

In coordination with the requirements for organizational development, we have duly set up rational position ranks, position titles provided to employees to devise the very blueprints for their career development. For all business operations, we have exceptionally specified the powers to approve through electronic submittal and approval process. Through such practices, we can accelerate the submittal and approval procedures and strengthen the management through hierarchical responsibility rules to effectively regulate the powers, duties and responsibilities in business operation. In turn, we assure that all business operations inside entire Sinyi Conglomerate would be implemented in a normal manner.

2. Responsibilities and powers expressly specified for respective units:

Pursuant to the major functions, we expressly regulate the responsibilities and powers as well as functions to put into implementation thoroughly professional division of labor and, in turn, intensify the core Sinyi competitive edge. Besides, we have put all responsibilities and powers and the ways to contact them into the internal websites to serve internally and customers to meet their needs in case of an emergency.

3. Rules and regulations on rewarding and punishment”

In an attempt to encourage employees with extraordinary contributions and to prevent a potential impairment to Sinyi due to personal behaviors of employees, we have expressly provided the rewarding and punishment rules into the “Work Rules for Employees”. Besides, we have enacted “Regulations Governing Rewarding and Punishment for Employees” which function as the very

grounds to regulate employees' behaviors. Facts of rewarding and punishment for employees are promulgated internally to accomplish the goals of encouraging and reminding Sinyi teammates.

4. Performance management:

As always, we evaluate performance by employees in a "fair, just and open" attitude. For evaluation of employees in all aspects, there are sound criteria to comply with, notably including "Regulations on Governing Promotion, Reassignment and Evaluation for Shop Heads", "Regulations on Governing Salespeople in Promotion", "Regulations on Governing Secretary in Promotion", "Regulations on Governing Employees in Performance Evaluation" and the like. Aiming at different targets, we evaluate performance on a monthly, quarterly and annual basis. Toward the performance by employees, we offer appropriate feedback as the very grounds to help map out future development programs for staff members.

5. Management over attendance of duties and leave:

To set up sound disciplines to upgrade the quality of performance and provide the sound grounds regulating employees in their attendance of duties and leaves, we have enacted "Regulations Governing Attendance of Duties and Leaves", "Enforcement Rules for Management over Overtime Work" and have further set up electronic system for employees to apply for a leave of absence. All employees who intend to take a leave may apply online. Such a system could accelerate the handling formalities and put into implementation thoroughly the job substitute system. In response to the impact of the epidemic and in order to protect the health of colleagues, the Company has fully implemented the flexible working hours system to help them avoid the commuting crowd during peak hours, and at the same time, when the epidemic heats up, colleagues can take turns coming to the office and working from home during the pandemic, taking into account their work, life and health.

6. Maintenance of business secrets:

To accurately safeguard business interests and boost competitive edge of Sinyi Conglomerate, all employees are subject to strict commitment to non-divulgence obligation for confidentiality. Moreover, all Sinyi employees must sign "Committee for Sinyi Conglomerate Data Protection, Personal Information Protection and Information Network Use" to assure no potential divulgence of confidential information at all. The Company also regularly organizes seminars on business secrets related issues so that all colleagues can maintain a certain awareness of business secrets.

7. Prevention against sexual harassment:

All employees are absolutely banned from any sorts of sexual harassment in the workplaces. Other than sexual harassment related rules which are expressly provided in the "Work Rules for Employees", we have enacted the "Guidelines to Deal with Prevention, Grievance and Investigation of Sexual Harassment in Sinyi Realty Inc." to regulate employees in their behaviors. We have, as well, designed "Prevention of unlawful infringement in the workplace website" as promotional propaganda of the relevant information, provided special mailbox through which employees may voice any unlawful infringement in the workplace, as a very sound sexual harassment prevention network.

8. Internal and personal information protection:

Through “Operating Guidelines Inside Sinyi Conglomerate for Data Protection and Personal Information Protection” enacted, we expressly provide the relevant norms to safeguard all sorts of information and data inside Sinyi Conglomerate and to satisfy the requirements set forth under the “Personal Information Protection Act” and other laws and ordinances concerned. Besides, we have set up data protection task forces to promote and put into implementation thoroughly the protection of information and data in business operation.

(IV) Protecting measures for the workplaces in personal safety:

Employment Insurance System	Labor insurance	<ul style="list-style-type: none"> <li>Exactly pursuant to the Labor Insurance Act, including insurance benefits in childbirth, injury, disease, disablement, endowment and death.</li> </ul>
	National Health Insurance	<ul style="list-style-type: none"> <li>Exactly pursuant to the National Health Insurance, granting medical treatment service when an insured person and his or her dependent is in a disease, injury, childbirth and such events.</li> </ul>
	Group Employee Insurance	<ul style="list-style-type: none"> <li>With contents of assurance including time life insurance, accident injury insurance, accident medical treatment service insurance, inpatient service insurance, cancer medical treatment service insurance and occupation-oriented calamity insurance.</li> </ul>
	Additional Insurance at Employees' Expense	<ul style="list-style-type: none"> <li>The contents covered in the additional insurance include time life insurance, accident injury insurance for employees and their spouses, children; medical treatment service for an accident for employees' spouses, children, inpatient medical treatment service for spouses, parents and cancer medical treatment service for spouses and children.</li> </ul>
	Motorcycle Insurance for any third party into injury	<ul style="list-style-type: none"> <li>We insure third-party motorcycle insurance from Property and Casualty Insurance Companies. The insured motorcycles are more than 4,000, which provides more sufficient protection for employees.</li> </ul>

Establishment of secured workplace environment	Personal safety, security for equipment & facilities	<ul style="list-style-type: none"> <li>● All female brokers and branch secretaries are provided with carry-on alarm.</li> <li>● Anti-fire seminars sponsored on a regular basis. In 2022, one fire drills are held in the headquarters.</li> <li>● Promotional propaganda on traffic rules and regulations monthly to strengthen the awareness of safe and defensive driving for both existing employees and new hires in the company.</li> <li>● Thorough implementation of power utilization safety and control over smoking in workplace.</li> <li>● The Sinyi Conglomerate Headquarters is equipped with Automated External Defibrillator (AED). The Company’s headquarter are equipped with 24-hours security and security system to monitor the access control and night patrol. The branch stores are also equipped with 24-hour security monitoring system connecting to the security company.</li> <li>● Overall installations of anti-sliding bars upon staircases for all branch stores of the Company.</li> </ul>
	Efforts to set up green workplaces	<ul style="list-style-type: none"> <li>● Set up the Company's internal communication app, and set up a personalized “health management center” on the Company's intranet.</li> <li>● Prohibit against smoking in the workplace and strengthen energy saving &amp; carbon reduction programs. Smoke prevention films are broadcast every month in the monthly meetings of the Company to raise awareness of environmental health. Smoking will be completely banned during working hours to protect the health of employees.</li> <li>● Continually enhance wholesome workplace environments, e.g., poison-free decoration, disinfection on a regular basis. We do environmental disinfection 31 times in 2022.</li> </ul>
Implementation of “EAP Employee Aid Program”	“Employee Aid Program(EAP)”	We help employees preclude potential interference factors beyond profession. Taking the lead to follow suit advanced European and American countries in implementation of “Employee Aid Program” (EAP). By means of psychological, legal, medical treatment and such diversified, comprehensive and multifaceted professional consultations, we assure employees to own balanced physical & mental lifestyle and to, in turn, accomplish the goal of “working amidst the



		utmost pleasure”. The consulting usage rate for 2022 is about 4.5%, totaled 260 times.
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## VI. Information security management

### (I) Major existent information security and the facts of performance of information security:

#### 1. Risk management framework and devote resources:

In the Company, the information security issues are undercharged by the Information Service & Information Security Management Department which assumes the responsibility for internal information security policies to map out and implement information security operations, execute and implement thoroughly the information security policies. Here inside the Company, the Auditor Office implements information security management audit and reports the outcome to the Board of Directors on a regular basis. Whenever a defect or problem is noticed, the Auditor Office would request the submittal of relevant improvement plans and conduct the follow-up tracing of the improvement performance so as to ensure that the internal information security management mechanism would work continually and effectively. There are 3 colleagues in the network management information security group under the IT Service and Information Security Management Department are responsible for the information security planning, technology introduction and related audit matters of the whole group, so as to maintain and continuously strengthen information security. On December 21, 2022, the IT Service and Information Security Management Department reported to the Board of Directors the current status of information security risk in 2022, the current control measures, improvement measures and results, as well as the information security risk target and information security improvement plan in 2023.

In terms of organizational operation, the Company adopts Plan-Do-Check-Act (PDCA) circulatory management, set up integral information security management systems to effectively prevent information security related problem from an occurrence. In turn, through such efforts, the Company could satisfactorily accomplish the goals of information security and continually optimize the improvement.

The company introduced the ISMS information security management system in 2022, and obtained the ISO27001 information security international certification in November of 2022. The validity period of the certification is from December 19, 2022 to October 31, 2025.

The company established the Information Security Management Committee in 2022. The company's senior executives act as the convener, and the heads of various departments serve as the information security committee members. They are responsible for promoting, reviewing, and deciding issues related to information security. Regular meetings are held to review strategies for related issues. Planning, control measures and implementation to ensure its effective operation and continuous improvement.

2. Information security policies:

- The Company enhances the security of the Sinyi Group’s information system and network environment to prevent the potential disclosure of electronic confidential information.
- The Company duly sets up the sound countermeasure procedures to deal with an information security incident to prevent the impairment from worsening.
- The Company carries out information security-related educational & training programs, strengthens the consensus and awareness of the entire Sinyi Group staff about information security.
- The Company promotes the information security management system, implements thoroughly the Sinyi Group’s information security management operation, and further reassesses the performance of the implementation to accomplish the goals of panoramic information security.

3. Concrete management programs-Information security-related management measures:

Categories	Descriptions	Relevant operations
Privilege management	The management systems over User ID, privilege management, and behaviors of system operations.	<ul style="list-style-type: none"> <li>● Privilege management and review over User ID</li> <li>● Periodical inventory check over the privilege of User ID</li> </ul>
Access control	The control measures for the entire personnel in access to internal and external systems and information transmission channels.	<ul style="list-style-type: none"> <li>● The control measures over the access to internal and external systems</li> <li>● Control over sensitive information from being divulged.</li> <li>● Operation behavior track record</li> </ul>
External threats	Potential internal vulnerability, virus channels and protective measures thereof.	<ul style="list-style-type: none"> <li>● Host/computer vulnerability protection and update measures</li> <li>● Protection against virus and malware detection</li> <li>● Cyber threat monitoring</li> </ul>
System availability	System availability status and countermeasures against an event of service interruption.	<ul style="list-style-type: none"> <li>● System/network availability monitoring and reporting mechanism</li> <li>● Contingency countermeasures against interruption of services</li> <li>● Information backup measures, principal site/offsite backup</li> </ul>

		<p>mechanism</p> <ul style="list-style-type: none"> <li>● Disaster restoration drills or exercises on a regular basis</li> </ul>
Education and training	<p>Carry out information security education and training for all employees and occasional social engineering phishing email tests to enhance information security awareness, so that the operation of information security can be implemented on every employee.</p>	<ul style="list-style-type: none"> <li>● In 2022, more than 1 hour of information security general education training will be implemented for general employees, and more than 3 hours of advanced information security course training for core information personnel.</li> <li>● Regularly conduct social engineering phishing letter drills. In 2022, a total of 3 drills will be conducted to improve employees' information security awareness, with more than 15,000 people participating.</li> <li>● A total of 19 volumes have been added to formulate information security policy specifications and related operating procedures.</li> <li>● In 2022, a total of 5 publicity related to information security will be announced.</li> </ul>

(II) The aggregate total of impairment and penalty fines undertaken by Sinyi due to information security in the most recent year and as of the printing date of this Annual Report: Nil.

## VII. Major agreements/contracts

Attributes of agreements/ contracts	Key parties	Duration of the agreements/ contracts (mm/dd/yy)	Highlights of contents/restrictive terms
Escrow contract	An-Sin Real Estate Management Ltd.	01/01/2022 § 12/31/2022 (Note 1)	Rendering execution of escrow services for our customers on the transactions of real estate.
Escrow contract	E.Sun Bank	05/20/2022 § 05/20/2023	E.SUN Bank entered escrow contract with AN-SIN Real Estate Management LTD., one of the Company's subsidiaries to provided escrow to the clients who deals the real estate transactions through the Company.
Escrow contract	E.Sun Bank	05/17/2022 § 05/17/2023	E.SUN Bank entered escrow contract with AN-SIN Real Estate Management LTD., one of the Company's subsidiaries to provided escrow to the clients who deals the real estate transactions through the Company.
Trust Deed	E.Sun Bank	07/13/2022 § 12/31/2025	The Company subsidiary, An-Sin Real Estate Management Ltd. signed a Trust Deed with Taishin International Bank to manage trust property, where the closing price of the existing home sale contract shall be deposited by buyer and seller into the dedicated An-shin trust account, and then distributed in accordance with the contract.
Trust Deed	Taishin International Bank	09/18/2018 § (Note 2)	The Company subsidiary, An-Shin Real Estate Management Ltd. signed a Trust Deed with Taishin International Bank to manage trust property, where the closing price of the existing home sale contract shall be deposited by buyer and seller into the dedicated An-shin trust account, and then distributed in accordance with the contract.
Long-term loan agreement	E.Sun Bank	04/27/2021 § 04/27/2024	The Company entered a 3-year (since borrowing date) revolving credit line agreement of NT\$ 230 million and provides some levels of the Headquarters Building located in Xinyi District as collateral to sign a 3-year (since borrowing date) loan agreement for revolving credit line up to NT\$2.42 billion with E-Sun Bank.
Long-term loan agreement	East Asia Bank	09/21/2022 § 09/20/2025	The Company provides some levels of the Headquarters Building located in Xinyi District, Taipei City as collateral to sign a 3-year loan agreement for credit line up to NT\$1.6 billion with East Asia Bank.
Long-term loan agreement	Far Eastern International Bank	08/04/2022 § 08/04/2024	The Company signed a 2-year unsecured loan agreement with Far Eastern International Bank in the credit line of NT\$800 million.

Attributes of agreements/ contracts	Key parties	Duration of the agreements/ contracts (mm/dd/yy)	Highlights of contents/restrictive terms
Long-term loan agreement	Mizuho Bank	01/20/2022 ∫ 01/20/2024	The Company signed a 2-year unsecured loan agreement with Mizuho Bank in the credit line of NT\$600 million.
Long-term loan agreement	Yunta Bank	06/22/2022 ∫ 06/22/2024	The Company signed a 2-year unsecured loan agreement with Yunta Bank in the credit line of NT\$600 million.
Long-term loan agreement	Taishin International Bank	12/31/2022 ∫ 12/31/2025	The Company signed a 3-year unsecured loan agreement with Taishin International Bank in the credit line of NT\$600 million.
Long-term loan agreement	Chang Hwa Commercial Bank	01/10/2022 ∫ 01/10/2024	The Company signed a 2-year unsecured loan agreement with Chang Hwa Commercial Bank in the credit line of NT\$500 million.
Long-term loan agreement	Bank of Taiwan	03/11/2022 ∫ 03/11/2024	The Company signed a 2-year unsecured loan agreement with Bank of Taiwan in the credit line of NT\$200 million.
Long-term loan agreement	First Commercial Bank	01/28/2022 ∫ 01/28/2024	The Company signed a 2-year unsecured loan agreement with First Commercial Bank in the credit line of NT\$100 million.
Long-term loan agreement	Development Bank of Singapore (DBS)	01/21/2022 ∫ 01/21/2024	The Company signed a 2-year unsecured loan agreement with DBS on a credit line of NT\$200 million and on New Taiwan Dollars that are US\$40 million equivalent.
Long-term loan agreement	Fubon Bank	09/09/2022 ∫ 09/09/2024	The Company signed a 2-year unsecured loan agreement with Fubon Bank in the credit line of NT\$300 million.
Long-term loan agreement	Taiwan Cooperative Bank	07/22/2022 ∫ 07/22/2024	The Company signed a 2-year unsecured loan agreement with TC-Bank on a credit line of NT\$500 million.
Long-term loan agreement	Shanghai Commercial & Savings Bank	07/16/2022 ∫ 07/16/2025	The Company signed a 3-year unsecured loan agreement with Shanghai Commercial & Savings Bank in the credit line of NT\$400 million.
Long-term loan agreement	Cathay United Bank	01/09/2022 ∫ 01/09/2024	The Company signed a 2-year unsecured loan agreement with Cathay United Bank in the credit line of NT\$200 million.
Long-term loan agreement	CTBC Bank	07/01/2022 ∫ 06/30/2024	The Company signed a 2-year unsecured loan agreement with CTBC Bank in the credit line of NT\$200 million.
Long-term loan agreement	Mega Bank	09/28/2022 ∫ 09/28/2025	The Company signed a 3-year unsecured loan agreement with Mega Bank in the credit line of NT\$500million.
Long-term loan agreement	Shin Kong Bank	07/22/2021 ∫	The Company signed a 3-year unsecured loan agreement with Shin Kong Bank in the credit line of

Attributes of agreements/ contracts	Key parties	Duration of the agreements/ contracts (mm/dd/yy)	Highlights of contents/restrictive terms
		07/22/2024	NT\$200 million.
Long-term loan agreement	Bank SinoPac	10/27/2022 § 10/31/2024	The Company signed a 2-year unsecured loan agreement with Bank SinoPac in the credit line of NT\$200 million.
Long-term loan agreement	Hua Nan Bank	06/24/2022 § 06/24/2025	The Company signed a 3-year unsecured loan agreement with Hua Nan Bank in the credit line of NT\$500 million.
Long-term loan agreement	Bank of China	08/17/2022 § 08/16/2024	The Company signed a 2-year unsecured loan agreement with Bank Of China in the credit line of NT\$300 million.
Long-term loan agreement	Standard chartered Bank	07/07/2022 § 07/07/2024	The Company signed a 2-year unsecured loan agreement with Standard chartered Bank on a credit line of US\$10 million that are on New Taiwan Dollars equivalent.
Long-term loan agreement	Taishin International Bank	03/29/2019 § 03/29/2024	The Company's subsidiary, Sinyi Development Inc., signed a 5-year secured loan agreement with Taishin International Bank in the credit line of NT\$1,373 million and provided its own land located at Land No. 4 and 6 Yong Cui section, Banqiao District, New Taipei City and certificate of deposit as collateral. As of the printing date of this Annual Report, the secured loan has been repaid. (Project "Jiahe" )
Long-term loan agreement	Taishin International Bank	09/08/2017 § 09/08/2024	The Company's subsidiary, Sinyi Development Inc., signed a 7-year secured loan agreement with Taishin International Bank in the credit line of NT\$1.9 billion and provided its own land located at Land No.27 Yong Cui section, Banqiao District, New Taipei City as collateral. (Project "Jiapi" )
Long-term loan agreement	E.Sun Bank	03/07/2022 § 09/02/2026	The Company's subsidiary, Sinyi Development Co., Ltd. signed a 4.5-year secured loan agreement with E.Sun Bank in the credit line of NT\$513.5 million and provided its own land located at Land No. 110 Fu Du Xin 1st section, Xinzhuang District, New Taipei City as collateral. (Project "Jiaxue" )
Long-term loan agreement	E.Sun Bank	03/07/2022 § 03/07/2027	The Company's subsidiary, Sinyi Development Co., Ltd. signed a 5-year unsecured loan agreement with E.Sun Bank in the credit line of NT\$526.16 million. (Project "Jiaxue" )
Long-term loan agreement	Development Bank of Singapore (DBS)	09/27/2022 § 09/27/2024	The Company's subsidiary, Sinyi International Ltd. signed a 2-year secured loan agreement with DBS in the credit line of US\$25 million and provided USD certificate of deposit as collateral.
Delegated construction agreement with open	Shanghai No.7 Construction Co., Ltd.	05/10/2014 § 06/23/2017	The Company's subsidiary Sinyi Real Estate (Shanghai) Limited delegated Shanghai No.7 Construction Co., Ltd. to carry out the delegated

Attributes of agreements/ contracts	Key parties	Duration of the agreements/ contracts (mm/dd/yy)	Highlights of contents/restrictive terms
land(Note 3)			construction with the own land located at No. 17-01 Malu Township, Jiading District, Shanghai which was awarded in an open tender. (The 2nd Phase of Project “SinyiJiating” )
Delegated construction agreement with open land (Note 3)	Shanghai No.7 Construction Co., Ltd.	09/03/2018 § 06/11/2021	The Company’ s subsidiary S JiuXin Estate (Wuxi) Limited delegated Shanghai No.7 Construction Co., Ltd. to carry out the delegated construction with the own land located at XDG-2016-37 Wuxi which was awarded in an open tender. (Project “ShanshuiJiating” )
Delegated construction agreement with open land	Joyear Group	09/24/2019 § (Note 4)	The Company’ s subsidiary Sinyi Development Co., Ltd. teamed up with Joyear Group to carry out delegated construction on our own land located in the Yong Cui section of New Taipei City. (Project “Jiahe” )
Delegated construction agreement with open land	Jioushun Construction Co., Ltd.	08/04/2020 § (Note 4)	The Company’ s subsidiary Sinyi Development Co., Ltd. teamed up with Jioushun Construction Co., Ltd. to carry out delegated construction on our own land located in the Yong Cui section of New Taipei City. (Project “Jiabin” )
Delegated construction agreement with open land	Ytterbium Engineering Co., Ltd.	12/27/2019 § (Note 4)	The Company’ s subsidiary Sinyi Development Co., Ltd. teamed up with Ytterbium Engineering Co., Ltd. to carry out delegated construction on our own land located in the Yong Cui section of New Taipei City. (Project “Jiahe” )
Delegated construction agreement with open land	Ytterbium Engineering Co., Ltd.	01/04/2021 § (Note 4)	The Company’ s subsidiary Sinyi Development Co., Ltd. teamed up with Ytterbium Engineering Co., Ltd. to carry out delegated construction on our own land located in the Yong Cui section of New Taipei City. (Project “Jiabin” )

Note 1: With restrictive terms that the agreement would be automatically renewed upon expiry of one-year term.

Note 2: The contractual relationship is automatic renewal, unless either of the two parties requests to terminate.

Note 3: The construction is completed; however, the payment will be due after the buyer's inspection and acceptance, and the contract is still within its warranty period.

Note 4: The construction is in process and due date of the contract shall be the date of acceptance completed.

## Chapter Six. Financial Information

### I. The condensed balance sheet and Statement of Comprehensive Income for the past five years

#### (I) Information for Condensed Balance Sheet and Statement of Comprehensive Income

##### 1. Condensed Consolidated Balance Sheet

Expressed in Thousands of New Taiwan Dollars

Item	Year					Financial information as of March 31, 2023 (Note 1)	
	2022	2021	2020	2019	2018		
Current assets	22,117,079	21,384,030	20,318,608	20,721,029	22,442,820	-	
Financial assets measured at fair value through other comprehensive income	180,074	234,726	296,506	349,958	393,127	-	
Property, plant and equipment	3,800,121	3,504,681	3,505,519	3,495,635	3,553,206	-	
Right-of-use asset	4,742,488	4,822,700	5,021,018	4,320,872	-	-	
Investment properties	1,934,534	2,174,234	2,220,711	2,255,011	2,083,520	-	
Intangible assets	44,056	59,936	94,759	97,281	115,329	-	
Other assets	1,252,325	740,485	404,351	430,997	256,062	-	
Total assets	34,070,677	32,920,792	31,861,472	31,670,783	28,844,064	-	
Current liabilities	Before distribution	11,132,132	8,532,006	7,762,948	4,866,062	7,302,417	-
	After distribution (Note 2)	-	10,595,176	9,015,587	5,750,278	8,260,317	-
Non-current liabilities	10,993,065	11,823,069	12,443,540	15,816,690	10,477,414	-	
Total liabilities	Before distribution	22,125,197	20,355,075	20,206,488	20,682,752	17,779,831	-
	After distribution (Note 2)	-	22,418,245	21,459,127	21,566,968	18,737,731	-
The equity attributable to Shareholders of the Parent	11,818,983	12,435,474	11,529,291	10,876,370	10,965,080	-	
Capital stock	7,368,465	7,368,465	7,368,465	7,368,465	7,368,465	-	
Capital surplus	63,790	63,896	63,896	63,896	64,528	-	
Retained earnings	Before distribution	5,342,727	6,064,680	4,869,622	4,031,323	3,772,523	-
	After distribution (Note 2)	-	4,001,510	3,616,983	3,147,107	2,814,623	-
Other equity	(955,999)	(1,061,567)	(772,692)	(587,314)	(240,436)	-	
Treasury stock	-	-	-	-	-	-	
Non-controlling Interests	126,497	130,243	125,693	111,661	99,153	-	
Total equity	Before distribution	11,945,480	12,565,717	11,654,984	10,988,031	11,064,233	-
	After distribution (Note 2)	-	10,502,547	10,402,345	10,103,815	10,106,333	-

Note 1: As of the printing date of this Annual Report, the financial statements for the first quarter of 2023 had not been reviewed by the Certified Public Accountant.

Note 2: Duly entered based on the decisions to be resolved in the shareholders' meeting of the ensuing year. The annual shareholders' meeting for 2023 has not been convened.



## 2. Condensed Consolidated Statement of Comprehensive Income

Expressed in Thousands of New Taiwan Dollars

Item	Year					Financial information as of March 31, 2023 (Note 1)
	2022	2021	2020	2019	2018	
Operating revenues	13,723,726	18,792,321	13,061,441	12,438,032	12,902,958	-
Gross operating profit	3,239,108	4,926,017	3,758,366	3,914,159	4,222,566	-
Operating gain/(loss)	1,577,302	3,132,079	2,114,675	1,971,558	2,644,902	-
Non-operating revenues and (expenditures)	84,723	96,862	71,849	85,128	174,650	-
Net profit before tax	1,662,025	3,228,941	2,186,524	2,056,686	2,819,552	-
Net profit for the year of continuing operations	1,236,208	2,370,359	1,569,168	1,276,205	1,490,923	-
Loss from discontinued operations	-	-	-	-	-	-
Net profit/(loss) for the year	1,236,208	2,370,359	1,569,168	1,276,205	1,490,923	-
Other consolidated gain/(loss) for the year (net after tax)	224,453	(191,736)	(15,206)	(389,507)	(274,422)	-
Total amount of consolidated gain/(loss) for the year	1,460,661	2,178,623	1,553,962	886,698	1,216,501	-
Net profit contributed to the Parent Company	1,223,336	2,349,841	1,552,287	1,262,934	1,504,587	-
Net profit/(loss) contributed to the Non-controlled equity	12,872	20,518	16,881	13,271	(13,664)	-
Total amount of consolidated gain/(loss) contributed to the Parent Company	1,446,785	2,158,822	1,537,137	873,591	1,230,557	-
Total amount of consolidated gain/(loss) contributed to the non-controlled equity	13,876	19,801	16,825	13,107	(14,056)	-
Earnings per share	1.66	3.19	2.11	1.71	2.04	-

Note 1: As of the printing date of this Annual Report, the financial statements for the first quarter of 2023 had not been reviewed by the Certified Public Accountant.

### 3. Condensed Individual Balance Sheet

Expressed in Thousands of New Taiwan Dollars

Year							Financial information as of March 31, 2023 ( Note 1 )
		2022	2021	2020	2019	2018	
Item							
Current assets		3,292,326	2,388,866	1,958,307	1,969,195	3,541,117	-
Investments accounted for using equity method		16,069,803	15,619,751	16,226,718	15,842,676	15,227,595	-
Property, plant and equipment		3,307,586	2,868,183	2,863,390	2,787,335	2,764,481	-
Right-of-use asset		2,948,536	2,876,567	2,779,714	2,539,100	-	-
Investment properties		2,151,179	2,523,093	2,548,321	2,629,342	2,590,762	-
Intangible assets		36,794	49,217	38,848	36,674	42,188	-
Other assets		324,097	299,363	260,864	219,905	209,688	-
Total assets		28,130,321	26,625,040	26,676,162	26,024,227	24,375,831	-
Current liabilities	Before distribution	7,953,737	4,543,390	5,311,681	2,611,878	3,388,919	-
	After distribution (Note 2)	-	6,606,560	6,564,320	3,496,094	4,346,819	-
Non-current liabilities		8,357,601	9,646,176	9,835,190	12,535,979	10,021,832	-
Total liabilities	Before distribution	16,311,338	14,189,566	15,146,871	15,147,857	13,410,751	-
	After distribution (Note 2)	-	-	16,399,510	16,032,073	14,368,651	-
Capital stock		7,368,465	7,368,465	7,368,465	7,368,465	7,368,465	-
Capital surplus		63,790	63,896	63,896	63,896	64,528	-
Retained earnings	Before distribution	5,342,727	6,064,680	4,869,622	4,031,323	3,772,523	-
	After distribution (Note 2)	-	4,001,510	3,616,983	3,147,107	2,814,623	-
Treasury stock		-	-	-	-	-	-
Total equity	Before distribution	11,818,983	12,435,474	11,529,291	10,876,370	10,965,080	-
	After distribution (Note 2)	-	10,372,304	10,276,652	9,992,154	10,007,180	-

Note 1: As of the printing date of this Annual Report, the financial statements for the first quarter of 2023 had not been reviewed by the Certified Public Accountant.

Note 2: Duly entered based on the decisions to be resolved in the shareholders' meeting of the ensuing year. The annual shareholders' meeting for 2023 has not been convened.

#### 4. Condensed Individual Statement of Comprehensive Income

Expressed in Thousands of New Taiwan Dollars

Item	Year					Financial information as of March 31, 2023 (Note 1)
	2022	2021	2020	2019	2018	
Operating revenue	10,077,630	13,297,719	11,013,952	9,476,074	7,881,107	-
Gross profit	2,528,960	3,940,254	3,385,430	2,810,817	2,241,229	-
Operating gain/(loss)	1,449,404	2,890,075	2,248,108	1,725,386	1,323,532	-
Non-operating revenues and (expenditures)	55,994	572	(245,645)	(119,762)	699,187	-
Net profit before tax	1,505,398	2,890,647	2,002,463	1,605,624	2,022,719	-
Net profit for the year of continuing operations	1,223,336	2,349,841	1,552,287	1,262,934	1,504,587	-
Loss from discontinued operations	-	-	-	-	-	-
Net profit for the year	1,223,336	2,349,841	1,552,287	1,262,934	1,504,587	-
Other consolidated gain/(loss) for the year (net after tax)	223,449	(191,019)	(15,150)	(389,343)	(274,030)	-
Total amount of consolidated gain/(loss) for the year	1,446,785	2,158,822	1,537,137	873,591	1,230,557	-
Earnings per share	1.66	3.19	2.11	1.71	2.04	-

Note 1: As of the printing date of this Annual Report, the financial statements for the first quarter of 2022 had not been reviewed by the Certified Public Accountant.

#### (II) Names of CPAs and their audit opinions for the past five years

	2022	2021	2020	2019	2018
CPA	Wang Pan-Fa, Shih Chin-Chuan	Shyu Wen-Yea, Wang Pan-Fa	Shyu Wen-Yea, Lai Kwan-Chung	Shyu Wen-Yea, Lai Kwan-Chung	Shyu Wen-Yea, Lai Kwan-Chung
Audit Opinions	Unqualified opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion with emphasis of matters	Unqualified opinion with emphasis of matters

## II. Financial Analyses for the Past Five Years

### (I) Financial analyses—adopting International Financial Reporting Standards (IFRSs)

#### 1. Consolidated Financial Statement

Analyzed Item	Year	2022	2021	2020	2019	2018	As of March 31, 2023 (Note 1)
	Capital Structure (%)	Liabilities to assets ratio (%)	64.94	61.83	63.42	65.31	61.64
	Long-term funds to property, plant and equipment ratio (%)	494.68	563.65	571.36	662.59	586.39	-
Liquidity (%)	Current ratio (%)	198.68	250.63	261.74	425.83	307.33	-
	Quick Ratio (%)	106.34	136.46	111.59	204.22	154.55	-
	Interest coverage ratio (times)	11.55	22.54	14.11	12.23	26.12	-
Operating ability	Accounts receivable turnover rate (times)	9.36	10.42	9.77	10.25	9.88	-
	Average days of accounts receivable (days)	39	35	37	36	37	-
	Inventory turnover rate (times)	0.22	0.35	0.06	0.08	0.16	-
	Accounts payable turnover rate (times)	3.04	6.73	1.91	1.61	4.41	-
	Average days of sales (days)	1,659	1,043	6,083	4,563	2,281	-
	Property, plant and equipment and right-of-use assets turnover rate (times)	1.63	2.23	1.60	1.69	3.72	-
	Total assets turnover rate (times)	0.41	0.58	0.41	0.39	0.46	-
Profitability	Return on assets (%)	4.07	7.69	5.36	4.68	5.67	-
	Return on equity (%)	10.09	19.57	13.86	11.57	13.26	-
	Net gains before tax to paid-in capital ratio (%)	22.56	43.82	29.67	27.91	38.27	-
	Net gains ratio (%)	9.01	12.61	12.01	10.26	11.55	-
	Earnings per share (\$) (Note 2)	1.66	3.19	2.11	1.71	2.04	-
Cash flow	Cash flow ratio (%)	-	82.42	45.79	119.65	26.91	-
	Cash flow adequacy ratio (%)	123.3	132.24	98.66	92.59	48.95	-
	Cash reinvestment ratio (%)	-	22.11	10.33	17.26	1.50	-
Leverage	Operating leverage	5.36	4.03	3.86	4.23	3.56	-
	Financial leverage	1.11	1.05	1.09	1.10	1.04	-

Descriptions on change in financial ratios up to 20% in the past two years

- The long-term funds to property, plant and equipment ratio for 2022 decreased 21% and 22%, respectively mainly due to the transfer of NT\$3,700 million of long-term corporate bonds to current liabilities due in 2023.
- The interest coverage ratio in 2022 decreased by 49% due to the decrease of income before tax and interest expense by 46%.
- The reasons why the inventory turnover rate in 2022 has decreased by 37%, the accounts payable turnover rate decreased by 55% and the average days of sales increased by 59% respectively were mainly due to the fact that the cost of goods sold in 2022 decreased by 41% for only the part of houses of Project “ShanshuiJiating” and “Jiahe” were delivered.
- The reasons why property, plant and equipment and right-of-use assets turnover rate decreased 27% and the total assets turnover rate decreased 29% were mainly due to the decrease of revenue of the Group by 27%.
- In addition to the net gains ratio decreasing by 29%, the financial ratio related to profitability in 2022 decreased by almost 50% mainly due to the decrease of the net income for 2022 by 48%.
- Cash flow ratio and cash reinvestment ratio for 2022 have both decreased by 100% due to the outflow of the net cash inflow generated from operating activities for 2022.
- Operating leverage in 2022 has increased by 33%, due to a 27% decrease in revenue of the Company and its subsidiaries, resulting in a 50% decrease in operating profit.

Note 1: As of the printing date of this Annual Report, the financial statements for the first quarter of 2023 had not been reviewed by the Certified Public Accountant.

## 2. Individual Financial Statement

Analyzed Item	Year					As of March 31, 2023 (Note 1)	
	2022	2021	2020	2019	2018		
Capital Structure (%)	Liabilities to assets ratio (%)	57.98	53.29	56.78	58.21	55.02	-
	Long-term funds to property, plant and equipment ratio (%)	499.43	634.04	626.85	734.62	736.67	-
Liquidity (%)	Current ratio (%)	41.39	52.58	36.87	75.39	104.49	-
	Quick ratio (%)	41.14	52.06	36.62	74.68	103.71	-
	Interest Coverage ratio (times)	10.68	23.77	14.12	12.34	19.05	-
Operating ability	Accounts receivable turnover rate (times)	10.00	10.89	10.19	11.14	11.13	-
	Average days of accounts receivable (days)	37	34	36	33	33	-
	Inventory turnover rate (times) (Note 2)	-	-	-	-	-	-
	Accounts payable turnover rate (times) (Note 2)	-	-	-	-	-	-
	Average days of sales (days) (Note 2)	-	-	-	-	-	-
	Property, plant and equipment and right-of-use assets turnover rate (times)	1.68	2.34	2.01	1.79	2.91	-
	Total assets turnover rate (times)	0.37	0.50	0.42	0.36	0.34	-
Profitability	Return on assets (%)	4.92	9.20	6.35	5.20	6.96	-
	Return on equity (%)	10.09	19.61	13.86	11.56	13.52	-
	Net gains before tax to paid-in capital ratio (%)	20.43	39.23	27.18	21.79	27.45	-
	Net gains ratio (%)	12.14	17.67	14.09	13.33	19.09	-
	Earnings per share \$(Note 3)	1.66	3.19	2.11	1.71	2.04	-
Cash flow	Cash flow ratio (%)	10.26	89.55	60.10	85.14	35.66	-
	Cash flow adequacy ratio (%)	127.18	164.95	144.36	110.27	70.50	-
	Cash reinvestment ratio (%)	-5.61	11.83	10.05	5.11	-	-
Leverage	Operating leverage	3.97	2.61	2.91	3.33	3.70	-
	Financial leverage	1.12	1.05	1.07	1.09	1.09	-

Descriptions on change in financial ratios up to 20% in the past two years

1. The long-term funds to property, plant and equipment ratio for 2022 decreased 21% mainly due to mainly due the transfer of corporate bond payable of NT\$3,700 million into current liabilities due in 2023, and the Company's increase of long-term bank borrowings by NT\$2,650 million in response to capital needs.
2. The current ratio and the quick ratio for 2022 both decreased 21%, mainly due to the transfer the bonds payable due in 2023 to the current portion of long-term bonds payable. As of the end of 2022, the utilization rate of credit line of financial institutions was only 27%, and the balance of credit line unused were still about NTD10.1 billion dollars. Therefore, there were no doubt of illiquidity for the Company.
3. The interest coverage ratio in 2022 decreased by 55% due to the decrease of income before tax and interest expense by 45%.
4. Property, plant and equipment and right-of-use assets turnover rate decreased 28% and the total assets turnover rate decreased 24% respectively mainly due to the decrease of revenue by 24%.
5. In addition to the decrease of the net gains ratio by 31%, the financial ratio related to profitability in 2022 decreased by near 50% mainly due to the decrease of the net income for 2022 by 48%.
6. The cash flow ratio, the cash flow adequacy ratio and the cash reinvestment ratio in 2022 decreased by 89%, 23% and 147% respectively mainly due to the decrease of the net cash inflow generated from operating activities in 2022 by 80% for the decrease in pre-tax income, and the increase of 75% in current liabilities for transfer to the current portion of long-term bonds payable.
7. Operating leverage in 2022 has increased by 52%, due to the decrease of the operating gain for 2022 by 50%.

Note 1: As of the printing date of this Annual Report, the financial statements for the first quarter of 2023 had not been reviewed by the Certified Public Accountant.

Note 2: Not applicable as the Company engages in real estate agent services.

## 1. Capital Structure

- (1) Liabilities to assets ratio = total liabilities / total assets
- (2) Long-term funds to property, plant and equipment ratio = (total equity + non-current liabilities) / net property, plant and equipment

## 2. Liquidity

- (1) Current ratio = current assets / current liabilities
- (2) Quick ratio = (current assets – inventory- prepaid expenses) / current liabilities
- (3) Interest coverage ratio (times) = net gains before income tax and interest / interest expenses of the current term

## 3. Operating ability

- (1) Account receivables (including Notes receivables from operating activities and accounts receivable) turnover = net sales/average receivables of each term (including notes receivables from operating activities and accounts receivable) balance prior to the deduction of allowance for bad debts.
- (2) Average days of accounts receivable = 365 / receivables turnover rate
- (3) Inventory turnover rate = COGS/average inventory amount
- (4) Account payables (including Notes payable from operating activities and accounts payable) turnover = COGS/average payables of each term (including Notes payable from operating activities and accounts payable) balance
- (5) Average days of sales = 365 / inventory turnover rate
- (6) Property, plant and equipment turnover rate = net sales / average net property, factory and equipment and net of right-of-use assets.
- (7) Total assets turnover rate = net sales / average total assets

## 4. Profitability

- (1) Return on assets = [gain/loss after tax + interest expense x (1-tax rate)] / average total asset
- (2) Return on equity = gain/loss after tax / average total equity
- (3) Net gains ratio = gain/loss after tax / net sales
- (4) Earnings per share = (the gain/loss contributed to the parent company – preferred stock dividend) / weighted average shares outstanding

## 5. Cash flow

- (1) Cash flow ratio = net cash flow of operating activities/current liabilities
- (2) Cash flow adequacy ratio = net cash flow of operating activities in the past five years / five years sum of (capital expenditures + incremental of right-of-use asset + inventory additions + cash dividends)
- (3) Cash reinvestment ratio = (net cash flow of operating activities- cash dividends) / (property, plant and equipment gross + gross of right-of-use assets + long term investment + other non-current assets + working capital)

## 6. Leverage :

- (1) Operating leverage = (operating revenue - variable operating cost and expenses)/operating income
- (2) Financial leverage = operating profit / (operating profit - interest expense)

Note 1: Those below have been taken into consideration when calculating earnings per share above:

1. EPS is calculated based on the weighted average outstanding shares instead of the outstanding shares as of end of the year.

2. The outstanding period shall be taken into consideration if any cash injection or treasury stock transaction occurs when calculating the weighted average outstanding shares.
3. The share shall be adjusted retroactively when calculating the EPSs of previous years instead of considering the issuing period of new capital if any stock dividend or capital surplus transferred to capital occurs.

Note 2: Those below have been taken into consideration when performing cash flow analysis:

1. Net cash flow of operating activities refers to the net cash inflow generated from operating activities.
2. Capital expenditures mean the cash outflow of capital investment each year.
3. Inventory additions are adopted only when the ending balance of inventory is more than the beginning balance of inventory. If the ending balance of inventory decreased compared to the beginning balance, the number of inventory additions shall be zero.
4. Incremental of right-of-use asset indicates the actual purchase of assets and repayment of principal of lease liability under the definition of IFRS 16.
5. Property, plant and equipment gross means property, plant and equipment before deduction of accumulated depreciation.
6. Gross of right-of-use assets indicates the Right-of-use assets total amount prior to the deduction of accumulated depreciation.

### III. Audit Report of Audit Committee

Sinyi Realty Inc.

#### **Audit Report of Audit Committee**

We have agreed and submitted the Company's 2022 financial statements to the board of directors and obtained the approval of the board of directors. The financial statements have been audited by Deloitte & Touche engaged by the board of directors with an unqualified opinion in the independent auditor's report.

We audited the Company's 2022 business report and earning distribution proposal which have been resolved by the board of directors and has concluded that both of them are in accordance with the related regulations.

In Summary, the Company's 2022 financial statements which have been agreed by us and resolved by the board of directors, 2022 business report and earning distribution proposal which have been resolved by the board of directors and audited by us are all prepared in accordance with the related regulations. Pursuant to Article 219 of the Company Act, a report is submitted as above. Please review.

To  
2023 Annual General Shareholders' Meeting

Sinyi Realty Inc.  
Convener of Audit Committee: Yen, Lou-Yu

February 22, 2023



IV. The audited consolidated financial statements of the latest fiscal year and independent auditors' report

**DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES**

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2022 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standards No. 10, “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

SINYI REALTY INC.

By

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February 22, 2023

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Sinyi Realty Inc.

### **Opinion**

We have audited the accompanying consolidated financial statements of Sinyi Realty Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. 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.

The key audit matters of the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

#### Revenue Earned from Sales of Real Estate

For the year ended December 31, 2022, the Group's revenue from the sales of real estate was NT\$2,668,176 thousand. Refer to Note 4 to the accompanying consolidated financial statements for the accounting policies of the Group. When the Group's real estate has reached the expected state of use and it has been accepted and qualified for use by relevant departments and the filing procedures have been completed, the Group issues a transfer notice of real estate based on the terms of the contract and recognizes sales revenue on the date of transfer. Since revenue from sales of real estate must be recognized after the real estate meets the above conditions. As Sinyi Development Inc. transferred the ownership of properties to buyers starting from December of 2022 with the carrying amount of NT\$1,026,767 thousand, 38% of total real estate sales revenue. The transactions were concentrated at the end of the year. Therefore, the recognition of revenue earned from the sale of real estate of Sinyi Development Inc. is regarded as a key audit matter.

We tested the controls to understand the timing of the revenue recognition of the sales of real estate. We also evaluated the design and implementation of the relevant control of the Group. We selected samples from Sinyi Development Inc.'s sales transactions of the current year to review the sales contracts signed by both parties to understand the terms and conditions of the contracts, verified whether the collection records of such sales are consistent with the sales prices stated in contracts. We also verified the transfer notices and relevant transfer records to confirm that the revenue from sales of real estate was recognized after the completion of the transfer procedures in order to ensure that the revenue was earned and was properly recorded in the correct accounting period.

#### Valuation of Inventories

As of December 31, 2022, the carrying amount of inventories was NT\$9,928,737 thousand. Due to changes in the overall economic environment and related business regulations, the Group had to take into consideration reasonable estimates of the future selling price and additional costs as well as changes in the economy, when assessing the net realizable value of inventories, to determine whether the valuation of inventories is appropriate. Since the carrying amount of inventory was considered significant to the consolidated financial statements and the valuation of the net realizable value of inventories is subject to management's significant judgment, the valuation of inventory has been identified as a key audit matter.

We focused on the valuation of inventories at the balance sheet date. We selected samples from the inventory balance and assessed and tested the net realizable value of inventories estimated by the management as well as the reasonableness of the key parameters used in the valuation. The procedures included but were not limited to the following: we inspected the latest actual transaction price or market transaction price of similar real estate, and determined that the net realizable value of inventories was not lower than the carrying amount through recalculations. We verified the accuracy of the valuation of inventories by inspecting the selected samples and re-performed the calculation procedures.

Refer to Note 4 to the accompanying consolidated financial statements for the accounting policies related to the valuation of inventories, Note 5 for the description of critical accounting judgments and key sources of estimation uncertainty, and Note 10 for the related presentation and disclosures.

#### **Other Matter**

We have also audited the parent company only financial statements of Sinyi Realty Inc. as of and for the years ended December 31, 2022 and 2021, and on both we have issued an unmodified opinion with emphasis of matter paragraph.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Republic of China Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free of material misstatement, whether due to fraud or error.

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pan-Fa Wang and Chin-Chuan Shih.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 22, 2023

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance 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 applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.*

# SINYI REALTY INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 8,310,286	25	\$ 9,546,619	29
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	-	-	47,588	-
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	386,213	1	436,843	1
Notes receivable (Notes 4 and 9)	76,667	-	104,707	-
Trade receivables (Notes 4, 9 and 32)	896,903	3	1,261,045	4
Other receivables (Notes 4, 9 and 32)	97,080	-	93,601	-
Current tax assets (Notes 4 and 27)	9,796	-	14,151	-
Inventories (Notes 4, 5, 10 and 33)	9,928,737	29	9,503,190	29
Other financial assets - current (Notes 11 and 33)	2,060,956	6	137,853	1
Other current assets (Note 18)	350,441	1	238,433	1
Total current assets	<u>22,117,079</u>	<u>65</u>	<u>21,384,030</u>	<u>65</u>
<b>NON-CURRENT ASSETS</b>				
Financial asset at fair value through profit or loss - non-current (Notes 4 and 7)	2,500	-	-	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	180,074	1	234,726	1
Investments accounted for using the equity method (Notes 4 and 13)	65,434	-	51,622	-
Property, plant and equipment (Notes 4, 5, 14 and 33)	3,800,121	11	3,504,681	11
Right-of-use assets (Notes 4, 5 and 15)	4,742,488	14	4,822,700	15
Investment properties (Notes 4, 5, 16 and 33)	1,934,534	6	2,174,234	6
Intangible assets (Notes 4 and 17)	44,056	-	59,936	-
Deferred tax assets (Notes 4 and 27)	173,776	-	217,830	1
Refundable deposits	144,631	-	132,539	-
Other Financial assets - non-current (Notes 11 and 33)	859,880	3	332,200	1
Other non-current assets (Note 18)	6,104	-	6,294	-
Total non-current assets	<u>11,953,598</u>	<u>35</u>	<u>11,536,762</u>	<u>35</u>
<b>TOTAL</b>	<u>\$ 34,070,677</u>	<u>100</u>	<u>\$ 32,920,792</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Notes 19 and 33)	\$ 1,098,077	3	\$ -	-
Contract liabilities - current (Note 25)	1,514,707	4	1,723,403	5
Notes payable	552	-	-	-
Trade payables (Note 21)	607,472	2	811,840	2
Other payables (Notes 22 and 32)	3,003,058	9	3,774,976	12
Current tax liabilities (Notes 4 and 27)	339,853	1	1,256,585	4
Provisions - current (Note 4)	2,070	-	8,443	-
Lease liabilities - current (Notes 4, 15 and 32)	526,700	2	549,615	2
Current portion of long-term borrowings and bonds payable (Notes 19, 20 and 33)	3,700,000	11	29,668	-
Other current liabilities (Note 22)	339,643	1	377,476	1
Total current liabilities	<u>11,132,132</u>	<u>33</u>	<u>8,532,006</u>	<u>26</u>
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Note 20)	900,000	3	4,600,000	14
Long-term borrowings (Notes 19 and 33)	5,953,017	18	2,588,321	8
Deferred tax liabilities (Notes 4 and 27)	116,670	-	210,853	1
Provisions - non-current (Note 4)	10,763	-	5,572	-
Lease liabilities - non-current (Notes 4, 15 and 32)	2,800,989	8	2,899,375	9
Net defined benefit liabilities - non-current (Notes 4 and 23)	10,602	-	175,797	-
Guarantee deposits received	33,206	-	38,244	-
Other non-current liabilities (Note 22)	1,167,818	3	1,304,907	4
Total non-current liabilities	<u>10,993,065</u>	<u>32</u>	<u>11,823,069</u>	<u>36</u>
Total liabilities	<u>22,125,197</u>	<u>65</u>	<u>20,355,075</u>	<u>62</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)</b>				
Ordinary shares	7,368,465	22	7,368,465	22
Capital surplus	63,790	-	63,896	-
Retained earnings				
Legal reserve	2,762,813	8	2,518,043	8
Special reserve	1,061,567	3	772,692	2
Unappropriated earnings	1,518,347	5	2,773,945	9
Total retained earnings	5,342,727	16	6,064,680	19
Other equity (Notes 4 and 24)				
Exchange differences on translating the financial statements of foreign operations	(997,561)	(3)	(1,302,170)	(4)
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	41,562	-	240,603	1
Total other equity	(955,999)	(3)	(1,061,567)	(3)
Total equity attributable to owners of the Company	11,818,983	35	12,435,474	38
<b>NON-CONTROLLING INTERESTS (Note 24)</b>	126,497	-	130,243	-
Total equity	<u>11,945,480</u>	<u>35</u>	<u>12,565,717</u>	<u>38</u>
<b>TOTAL</b>	<u>\$ 34,070,677</u>	<u>100</u>	<u>\$ 32,920,792</u>	<u>100</u>

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

## SINYI REALTY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 25, 32 and 37)				
Sales revenue	\$ 2,668,176	19	\$ 4,517,084	24
Service revenue	<u>11,055,550</u>	<u>81</u>	<u>14,275,237</u>	<u>76</u>
Total operating revenue	<u>13,723,726</u>	<u>100</u>	<u>18,792,321</u>	<u>100</u>
OPERATING COSTS (Notes 10, 23, 26 and 32)				
Cost of sales	2,159,325	16	3,654,843	20
Service cost	<u>8,325,293</u>	<u>61</u>	<u>10,211,461</u>	<u>54</u>
Total operating costs	<u>10,484,618</u>	<u>77</u>	<u>13,866,304</u>	<u>74</u>
GROSS PROFIT	<u>3,239,108</u>	<u>23</u>	<u>4,926,017</u>	<u>26</u>
OPERATING EXPENSES (Notes 9, 23, 26 and 32)				
General and administrative expenses	1,659,880	12	1,794,310	9
Expected credit loss (gain)	<u>1,926</u>	<u>-</u>	<u>(372)</u>	<u>-</u>
Total operating expenses	<u>1,661,806</u>	<u>12</u>	<u>1,793,938</u>	<u>9</u>
OPERATING INCOME	<u>1,577,302</u>	<u>11</u>	<u>3,132,079</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 26)	124,330	1	103,900	1
Rental income (Note 32)	90,357	1	103,724	-
Dividend income	13,079	-	12,794	-
Other gains and losses (Notes 4, 16, 17, 26 and 32)	14,489	-	26,348	-
Finance costs (Notes 26 and 32)	<u>(157,532)</u>	<u>(1)</u>	<u>(149,904)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>84,723</u>	<u>1</u>	<u>96,862</u>	<u>-</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,662,025	12	3,228,941	17
INCOME TAX EXPENSE (Notes 4 and 27)	<u>(425,817)</u>	<u>(3)</u>	<u>(858,582)</u>	<u>(4)</u>
NET PROFIT FOR THE YEAR	<u>1,236,208</u>	<u>9</u>	<u>2,370,359</u>	<u>13</u>

(Continued)

## SINYI REALTY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 23)	\$ 148,611	1	\$ (18,833)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(196,454)	(1)	57,075	-
Share of the other comprehensive (loss) income of associates accounted for using the equity method	(2,587)	-	2,740	-
Income tax (expense) benefit relating to items that will not be reclassified subsequently to profit or loss (Note 27)	(29,722)	-	3,767	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>304,605</u>	<u>2</u>	<u>(236,485)</u>	<u>(1)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>224,453</u>	<u>2</u>	<u>(191,736)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				
	<u>\$ 1,460,661</u>	<u>11</u>	<u>\$ 2,178,623</u>	<u>12</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,223,336	9	\$ 2,349,841	13
Non-controlling interests	<u>12,872</u>	<u>-</u>	<u>20,518</u>	<u>-</u>
	<u>\$ 1,236,208</u>	<u>9</u>	<u>\$ 2,370,359</u>	<u>13</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,446,785	11	\$ 2,158,822	12
Non-controlling interests	<u>13,876</u>	<u>-</u>	<u>19,801</u>	<u>-</u>
	<u>\$ 1,460,661</u>	<u>11</u>	<u>\$ 2,178,623</u>	<u>12</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 1.66</u>		<u>\$ 3.19</u>	
Diluted	<u>\$ 1.66</u>		<u>\$ 3.18</u>	

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

(Concluded)



**SINYI REALTY INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							Total	Non-controlling Interests	Total Equity
	Share Capital			Retained Earnings		Other Equity				
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Investments in Equity Instruments at Fair Value through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2021	\$ 7,368,465	\$ 63,896	\$ 2,345,792	\$ 587,315	\$ 1,936,515	\$ (1,065,685)	\$ 292,993	\$ 11,529,291	\$ 125,693	\$ 11,654,984
Appropriation of 2020 earnings	-	-	172,251	-	(172,251)	-	-	-	-	-
Legal reserve	-	-	-	185,377	(185,377)	-	-	-	-	-
Special reserve	-	-	-	-	(1,252,639)	-	-	(1,252,639)	-	(1,252,639)
Cash dividends	-	-	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2021	-	-	-	-	2,349,841	-	-	2,349,841	20,518	2,370,359
Other comprehensive (loss) income for the year ended December 31, 2021, net of income tax	-	-	-	-	(14,349)	(236,485)	59,815	(191,019)	(717)	(191,736)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	2,335,492	(236,485)	59,815	2,158,822	19,801	2,178,623
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(15,251)	(15,251)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	112,205	-	(112,205)	-	-	-
BALANCE AT DECEMBER 31, 2021	7,368,465	63,896	2,518,043	772,692	2,773,945	(1,302,170)	240,603	12,435,474	130,243	12,565,717
Appropriation of 2021 earnings	-	-	244,770	-	(244,770)	-	-	-	-	-
Legal reserve	-	-	-	288,875	(288,875)	-	-	-	-	-
Special reserve	-	-	-	-	(2,063,170)	-	-	(2,063,170)	-	(2,063,170)
Cash dividends	-	-	-	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	(106)	-	-	-	-	-	(106)	106	-
Net profit for the year ended December 31, 2022	-	-	-	-	1,223,336	-	-	1,223,336	12,872	1,236,208
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	117,881	304,609	(199,041)	223,449	1,004	224,453
Total comprehensive (loss) income for the year ended December 31, 2022	-	-	-	-	1,341,217	304,609	(199,041)	1,446,785	13,876	1,460,661
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	(17,728)	(17,728)
BALANCE AT DECEMBER 31, 2022	\$ 7,368,465	\$ 63,790	\$ 2,762,813	\$ 1,061,567	\$ 1,518,347	\$ (997,561)	\$ 41,562	\$ 11,818,983	\$ 126,497	\$ 11,945,480

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

## SINYI REALTY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,662,025	\$ 3,228,941
Adjustments for:		
Depreciation expenses	685,442	696,825
Amortization expenses	32,647	32,135
Expected credit loss recognized (reversed) on trade receivables	1,926	(372)
(Gain) loss on financial assets at fair value through profit or loss	(156)	128
Finance costs	183,444	192,680
Interest income	(124,330)	(103,900)
Dividend income	(13,079)	(12,794)
Share of profit of associates and joint ventures	(16,896)	(11,277)
Net loss on disposal of property, plant and equipment	2,860	2,594
Net loss (gain) on disposal of investment properties	199	(7,253)
Impairment loss recognized on non-financial assets	82,874	64,215
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	45,244	57,494
Notes receivable	28,040	(57)
Trade receivables	362,216	(13,766)
Other receivables	(4,618)	(41,894)
Inventories	(411,408)	1,802,859
Other current assets	(112,008)	7,659
Contract liabilities	(208,696)	243,874
Notes payable	552	(487)
Trade payables	(204,368)	536,979
Other payables	(785,340)	666,689
Provisions	(1,182)	5,571
Other current liabilities	(37,833)	118,899
Other operating liabilities	(183,396)	375,965
Cash generated from operations	984,159	7,841,707
Interest received	125,469	103,810
Interest paid	(179,054)	(198,101)
Income tax paid	(1,388,323)	(715,078)
Net cash (used in) generated from operating activities	<u>(457,749)</u>	<u>7,032,338</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(56,714)	(6,569)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	311,903
Payments for property, plant and equipment	(134,166)	(111,726)
Proceeds from disposal of property, plant and equipment	987	2,197
Increase in refundable deposits	(33,893)	(7,593)
Payments for intangible assets	(16,805)	(39,029)
Payments for investment properties	(56,880)	(32,200)

(Continued)

## SINYI REALTY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
Proceeds from disposal of investment properties	\$ 745	\$ 64,691
Increase in other financial assets	(2,450,783)	(353,694)
Decrease (increase) in other non-current assets	190	(584)
Dividends received	<u>13,576</u>	<u>13,246</u>
Net cash used in investing activities	<u>(2,733,743)</u>	<u>(159,358)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	1,098,077	-
Proceeds from bonds payable	-	(700,000)
Increase in long-term borrowings	16,744,893	11,954,227
Repayment of long-term borrowings	(13,434,520)	(13,149,779)
Increase (decrease) in refund of guarantee deposits	(5,038)	6,221
Increase (decrease) in other payables to related parties	8,878	(8,688)
Repayment of the principal portion of lease liabilities	(509,862)	(516,531)
Dividends paid to owners of the Company	(2,063,170)	(1,252,639)
Repayment of the cash dividends of non-controlling interests	<u>(17,728)</u>	<u>(15,251)</u>
Net cash generated from (used in) financing activities	<u>1,821,530</u>	<u>(3,682,440)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>		
	<u>133,629</u>	<u>(27,441)</u>
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,236,333)</b>	<b>3,163,099</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		
	<u>9,546,619</u>	<u>6,383,520</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 8,310,286</u>	<u>\$ 9,546,619</u>

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

(Concluded)

# SINYI REALTY INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

Sinyi Realty Inc. (the “Company”) was incorporated in January 1987 and is engaged in the operation of a full-service real-estate brokerage business. The head office is situated in Taipei City, Taiwan, Republic of China (ROC). The Company continues to expand by establishing branches in Taiwan and highly focuses on promoting its brand value. The Company’s subsidiaries engage in the operation of a full-service real-estate brokerage and the related business, real estate development or tourism business.

In August 1999, the Securities and Futures Bureau (SFB) approved the trading of the Company’s ordinary shares on the Taipei Exchange (TPEX) in the ROC. In September 2001, the SFB approved the Company’s application for shifting its shares listing on TPEX to the Taiwan Stock Exchange (TWSE).

The consolidated financial statements of the Company and its subsidiaries (collectively known as the “Group”) are presented in the Group’s functional currency, the New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Audit Committee and board of directors and authorized for issue on February 22, 2023.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. New IFRSs to be endorsed by the FSC for application starting from 2023

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 1)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 2)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 3: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the application of above standards and interpretations did not have material impact on the Group's accounting policies and financial performance.

- c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

<b>New IFRSs</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: Sellers and lessees should apply the amendments to IFRS 16 retrospectively for sale and leaseback transactions entered into after the date of initial application of IFRS 16.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of above standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed and issued into effect by the FSC.

- b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liability.

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
  - 3) Level 3 inputs are unobservable inputs for the asset or liability.
- c. Classification of current and non-current assets and liabilities

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

The Group engages in the construction business, which has an operating cycle of over one year; the normal operating cycle of over one year is observed when considering the classification of the Group's construction-related assets and liabilities.

- d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 12, Tables 6 and 7 following the notes to consolidated financial statements for the detailed information of subsidiaries (including the percentage of ownership and main business).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquire over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

f. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the individual entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items denominated in foreign currencies and measured at historical cost are stated at the reporting currencies as originally translated from the foreign currencies.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and the entities in the Group (including subsidiaries and associates) are translated into the presentation currency - the New Taiwan dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the year. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

g. Inventories

Inventories consist of properties under development, undeveloped properties, prepayment for land purchases and merchandise. Once the ownership of land is transferred, it will be recorded under land held for construction site. Payments for land purchases prior the transition of ownership is recorded under prepayment for land purchases. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Before acquiring land use right and before completing the construction, the interest incurred on land payment and the actual construction cost are capitalized as cost of land use rights and as development costs, respectively.

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates attributable to the Group.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of the associate and joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Group's share of equity of associates and joint ventures. If the Group's ownership interest is reduced due to the additional subscription of the new shares of associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

i. Property, plant and equipment

Property, plant and equipment are stated at cost less recognized accumulated depreciation and accumulated impairment loss.



Property, plant and equipment in the course of construction are measured at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If the lease term of the item of property, plant and equipment is shorter than its useful life, it is depreciated over its lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Freehold investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the allocated goodwill, with its recoverable amount. If the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized on goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal.

l. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

m. Assets related to contract costs

When a sales contract is obtained, commission paid to employees who obtained from the sale of property and selling service fees paid to agents under exclusive sale agreements are recognized as assets (incremental cost of obtaining a contract) to the extent that the costs are expected to be recovered and are recognized in profit or loss when the property is transferred to the customers. However, the Group elects not to capitalize the incremental costs of obtaining a contract if the amortization period of the related asset, which the Group otherwise would have recognized, is expected to be one year or less.

n. Impairment of property, plant and equipment, right-of-use asset, investment property, intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment property and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit, or assets is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

o. Financial instruments

Financial assets and financial liabilities are recognized when an entity in the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost, and investments in equity instruments at FVTOCI.

i. Financial assets at FVPTL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.

Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI that do not meet the amortized cost criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends, interest earned and remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 34.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost, other receivables, other financial assets - current and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit loss (ECL) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

p. Provisions

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

q. Revenue recognition

The Group identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

### Revenue from rendering of services

Revenue from rendering of services comes from real-estate brokerage and agency sale business and will be recognized when performance obligations are completed.

### Revenue from sale of real estate

Revenue from sales of real estate in mainland China is recognized on the day of real estate transfer when buyers and sellers sign and register the sales contract to the local real estate institution and acceptance has been issued by relevant departments and the filing procedures are completed. The Group issues a notice of real estate transfer according to the provisions of the contract. Revenue from the sale of properties in Taiwan is recognized when construction is completed, certificates of ownership of the properties are transferred to buyers. Until such revenue is recognized, deposits and installment payments from sales of properties are recognized as contract liabilities in the consolidated balance sheets.

#### r. Leasing

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

##### 1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

##### 2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and in-substance fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in the amounts expected to be payable under a residual value guarantee, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Group negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022, that results in the revised consideration for the lease. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

s. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

t. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement (comprising actuarial gains and losses, effect of changes to the asset ceiling and return on plan assets excluding interest) is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

### 3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plan except that remeasurement is recognized in profit or loss.

## u. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### 1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

### 2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.



The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred tax for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

## **5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Group considers the possible impact of the recent development of the COVID-19 and its economic environment implications when making its critical accounting estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

### **Key Sources of Estimation Uncertainty**

a. Impairment of property, plant and equipment, investment property and right-of-use asset

Impairment of property, plant and equipment, investment property and right-of-use asset is evaluated based on the recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Any changes in the market prices, future cash flows or discount rate will affect the recoverable amount of the equipment and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

b. Write-down of inventory

Inventories are stated at the lower of cost or net realizable value. Net realizable value of inventory is the estimated selling price made by the Group taking into consideration the market value less the estimated costs of completion and the estimated costs necessary to make the sale. In the valuation process, if market condition changes, the Group will change the estimated net realizable value of inventory accordingly, which may result in an increase or decrease in the value of inventories.

## 6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Cash on hand	\$ 20,214	\$ 26,588
Checking accounts and demand deposits	8,158,940	9,463,047
Cash equivalents		
Time deposits with original maturities of three months or less	<u>131,132</u>	<u>56,984</u>
	<u>\$ 8,310,286</u>	<u>\$ 9,546,619</u>

The interest rate ranges of cash in bank at the end of the reporting period were as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Interest rate range	0%-4.55%	0%-2.03%

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets mandatorily classified as at FVTPL</u>		
Non-derivative financial assets		
Mutual funds	\$ -	\$ 47,588
Domestic unlisted shares	<u>2,500</u>	<u>-</u>
	<u>\$ 2,500</u>	<u>\$ 47,588</u>
Current	\$ -	\$ 47,588
Non-current	<u>2,500</u>	<u>-</u>
	<u>\$ 2,500</u>	<u>\$ 47,588</u>

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### Investment in Equity Instruments at FVTOCI

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Domestic investments		
Listed shares	\$ 109,723	\$ 119,892
Unlisted shares	<u>105,404</u>	<u>111,183</u>
	<u>215,127</u>	<u>231,075</u>

(Continued)

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Foreign investments		
Listed shares	\$ 276,490	\$ 316,951
Unlisted shares	<u>74,670</u>	<u>123,543</u>
	<u>351,160</u>	<u>440,494</u>
	<u>\$ 566,287</u>	<u>\$ 671,569</u>
Current	\$ 386,213	\$ 436,843
Non-current	<u>180,074</u>	<u>234,726</u>
	<u>\$ 566,287</u>	<u>\$ 671,569</u>

(Concluded)

These investments in equity instruments are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as the management believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

## 9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
<u>Notes receivable</u>		
At amortized cost		
Operating-gross carrying amount	<u>\$ 76,667</u>	<u>\$ 104,707</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 909,433	\$ 1,271,545
Less: Allowance for impairment loss	<u>(12,530)</u>	<u>(10,500)</u>
	<u>\$ 896,903</u>	<u>\$ 1,261,045</u>
<u>Other receivables</u>		
Interest receivables	\$ 929	\$ 2,068
Others	98,999	97,532
Less: Allowance for impairment loss	<u>(2,848)</u>	<u>(5,999)</u>
	<u>\$ 97,080</u>	<u>\$ 93,601</u>

a. Trade receivables

The average credit period for the rendering of services was 30 to 60 days. No interest was charged on trade receivables. The refund liability for trade receivables from real estate brokerage service revenue was estimated based on historical experience. Since the Group collected the receivables for providing real estate brokerage services from clients under escrow custody, the uncollectible risk is insignificant. Except for collections from real estate brokerage services rendered to individuals, for the real estate agency sales business, the Group adopted a policy of using other publicly available financial information or its own trading records to rate its major customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit conditions of its counterparties are continuously monitored.

In sales of real estate, the payments will be collected in advance. The following property delivery process will begin after it is fully paid. Thus, there will be no receivables under these type of transactions.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables (including overdue receivables) based on the Group's provision matrix.

December 31, 2022

	<b>Up to 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Expected credit loss rate (Note 1)	0%-0.3%	0%-0.3%	0%-0.3%	0%-5%	25%-100%	
Gross carrying amount	\$ 822,394	\$ 58,244	\$ 54,417	\$ 30,531	\$ 26,618	\$ 992,204
Refund liabilities (Note 2)	(27,448)	(3,971)	(3,742)	(2,508)	(6,104)	(43,773)
Loss allowance (Lifetime ECL)	<u>(133)</u>	<u>(2)</u>	<u>(63)</u>	<u>(201)</u>	<u>(12,131)</u>	<u>(12,530)</u>
Amortized cost	<u>\$ 794,813</u>	<u>\$ 54,271</u>	<u>\$ 50,612</u>	<u>\$ 27,822</u>	<u>\$ 8,383</u>	<u>\$ 935,901</u>

December 31, 2021

	<b>Up to 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Expected credit loss rate (Note 1)	0%-0.5%	0%-0.5%	0%-0.9%	0%-9%	29%-100%	
Gross carrying amount	\$ 1,223,527	\$ 49,045	\$ 56,901	\$ 29,536	\$ 21,646	\$ 1,380,655
Refund liabilities (Note 2)	(55,898)	(2,621)	(3,382)	(1,726)	(4,403)	(68,030)
Loss allowance (Lifetime ECL)	<u>(140)</u>	<u>(10)</u>	<u>(89)</u>	<u>(2,264)</u>	<u>(7,997)</u>	<u>(10,500)</u>
Amortized cost	<u>\$ 1,167,489</u>	<u>\$ 46,414</u>	<u>\$ 53,430</u>	<u>\$ 25,546</u>	<u>\$ 9,246</u>	<u>\$ 1,302,125</u>

Note 1: Expected credit loss rate does not include refund liabilities which has been recognized.

Note 2: Refund liabilities is recorded under other current liabilities and other non-current liabilities.

The movements of the loss allowance of trade receivables were as follows:

	<b>2022</b>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2022	\$ 10,500	\$ 5,999
Add: Amounts recovered	1,926	-
Less: Write-off	-	(3,151)
Foreign exchange gains and losses	<u>104</u>	<u>-</u>
Balance at December 31, 2022	<u>\$ 12,530</u>	<u>\$ 2,848</u>
	<b>2021</b>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2021	\$ 10,948	\$ 8,419
Less: Net remeasurement of loss allowance	(372)	(2,420)
Foreign exchange gains and losses	<u>(76)</u>	<u>-</u>
Balance at December 31, 2021	<u>\$ 10,500</u>	<u>\$ 5,999</u>

b. Other receivables

Other receivables were the receivables of payments made on behalf of others, rental receivables and financing provided to vendors.

## 10. INVENTORIES

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Properties under development		
Banqiao Dist., New Taipei City	\$ 1,889,819	\$ 3,534,406
Xinzhuang Dist., New Taipei City	1,078,966	-
Properties to be developed		
Banqiao Dist., New Taipei City (for transferable development rights)	490	490
Land prepayment		
Xinzhuang Dist., New Taipei City	-	315,992
Nanzi Dist., Kaohsiung City	1,276,880	-
Inventory - merchandise		
Binhu Dist., Wuxi	4,096,168	5,422,936
Banqiao Dist., New Taipei City	1,470,522	-
Jiading Dist., Shanghai	<u>115,892</u>	<u>229,366</u>
	<u>\$ 9,928,737</u>	<u>\$ 9,503,190</u>

The cost of goods sold transferred from inventories was \$2,159,325 thousand and \$3,654,843 thousand for the years ended December 31, 2022 and 2021, respectively. The cost of goods sold included inventory write-downs, which amounted to \$72,414 thousand and \$16,869 thousand for the years ended December 31, 2022 and 2021, respectively.

To ensure the smooth completion of the real estate project, Sinyi Development Inc. (“Taiwan Sinyi Development”) of the Group entered into trust contracts with banks on the real estate projects. The information of the real estate trust was as follows:

<b>Project Name</b>	<b>Trustee</b>	<b>Trust Period</b>
Jia-Pin	Taishin International Bank Co., Ltd.	2017/9/30-2024/9/30
Jia-Xue	E.SUN Commercial Bank, Ltd.	2022/7/12 - As of the completion date of the trust purpose

In accordance with the trust contract, Taiwan Sinyi Development has engaged the trustees taking fund control function, including making progress payments, the payment of taxes, and so on.

Refer to Note 33 for the carrying amount of inventories pledged as security for bank borrowings by the Group.

## 11. OTHER FINANCIAL ASSETS

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Time deposits with original maturities of more than three months	\$ 881,315	\$ 129,170
Restricted assets	<u>2,039,521</u>	<u>340,883</u>
	<u>\$ 2,920,836</u>	<u>\$ 470,053</u>
Current	\$ 2,060,956	\$ 137,853
Non-current	<u>859,880</u>	<u>332,200</u>
	<u>\$ 2,920,836</u>	<u>\$ 470,053</u>

- a. The ranges of interest rates of time deposits with original maturities more than three months were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Time deposits with original maturities of more than three months	0.002%-4.91%	0.1%-0.85%

- b. Restricted assets are mainly composed of operating guarantee for real-estate brokerage by the Company and the restricted bank deposits as a loan guarantee by Taiwan Sinyi Development and Sinyi International Limited. Refer to Note 33.

The interest rates of pledge deposit and restricted cash in bank at the end of the reporting period were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Restricted cash in bank	0.25%-5.00%	0.455%-0.81%

## 12. SUBSIDIARIES

- a. Subsidiaries included in consolidated financial statements

Those subsidiaries included in the consolidated financial statements as of December 31, 2022 and 2021 were as follows:

Investor	Investee	Main Businesses	<b>Percentage of Ownership (%)</b>		Remark
			<b>2022</b>	<b>2021</b>	
Sinyi Realty Inc.	Sinyi International Limited (Sinyi International)	Investment holding	100	100	
	Sinyi Development Inc. (Taiwan Sinyi Development)	Development, construction, rental and sale of residential building and factories	100	100	

(Continued)

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Remark
			2022	2021	
Sinyi Realty Inc.	Sinyi Limited	Investment holding	100	100	
	Sinyi Global Asset Management Co., Ltd. (Sinyi Global)	Real estate brokerage	100	100	
	Heng-Yi Intelligent Technology Inc. (Heng-Yi)	Information software, data processing and electronic information providing services	80	80	
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100	
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99	
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51	
	Yowoo Technology Inc. (Yowoo Technology)	Information software, data processing and electronic information providing services	100	100	
	Sin Chiun Holding Sdn. Bhd. (Sin Chiun)	Investment holding	100	100	
	Sinyi Real Estate Consulting Limited (Sinyi Consulting)	Production of instructions of real estate	-	100	Note 6
	Sinju Holding Sdn. Bhd. (Sinju)	Investment holding	100	100	
	Sinyi Morefun Tourism Development Ltd. (Sinyi Morefun)	Investment holding	100	100	
	Jin Mei Travel Service Co., Ltd. (Jin Mei)	Tourism	100	100	
	Sinkang Administration Sdn. Bhd. (Sinkang)	Tourism	100	-	Note 8
	Zhansin Tourism Development Sdn. Bhd. (Zhansin)	Tourism	100	-	Note 8
	Zhancheng Tourism Development Sdn. Bhd. (Zhancheng)	Tourism	100	-	Note 8
Sinyi Limited	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	99	99	
Inane	Inane International Limited (Inane)	Investment holding	100	100	
	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)	Real estate brokerage	100	100	
	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage	100	100	
Shanghai Sinyi	Shanghai Zhi Xin Allograph Ltd. (Shanghai Zhi Xin)	Real estate brokerage and management consulting	100	100	
	Max Success International Limited (Max Success)	Investment holding	100	100	
	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	100	100	
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	100	100	
	Jiaxing Zhi Zheng Real Estate Marketing Planning Inc. (Jiaxing Zhi Zheng)	Real estate marketing planning and management consulting	100	100	
Shanghai Zhi Xin	Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Chuzhou Zhi Zheng)	Real estate marketing planning and management consulting	-	-	Note 1
	Yishan Shanghai Real Estate Management Consulting Inc. (Shanghai Yishan)	Real estate brokerage and management consulting	10	-	Note 9
	Suzhou Zhi Xin Real Estate Co., Ltd. (Suzhou Zhi Xin)	Market information consultation and management consulting	100	100	
Ke Wei HK	Yishan Shanghai Real Estate Management Consulting Inc. (Shanghai Yishan)	Real estate brokerage and management consulting	90	100	Notes 7, 9
Sinyi International	Forever Success International Ltd. (Forever Success)	Investment holding	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage and management	100	100	
	Sinyi Development Ltd. (Sinyi Development)	Investment holding	100	100	
	Sinyi Estate Ltd. (Sinyi Estate)	Investment holding	100	100	

(Continued)



Investor	Investee	Main Businesses	Percentage of Ownership (%)		Remark
			2022	2021	
Forever Success	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	
	Hua Yun Renovation (Shanghai) Co., Ltd. (Hua Yun)	Professional construction, buildings, decoration construction, hardware, general merchandise, building materials wholesale	100	100	
Shanghai Shang Tuo	Shanghai Chang Yuan Co., Ltd. (Shanghai Chang Yuan)	Property management	100	100	
Hua Yun	Lunheng Business Management (Shanghai) Ltd. (Lunheng)	Management consulting	4	4	
An-Sin	An-Shin Real Estate Management Ltd. (An-Shin)	Real estate management	100	100	
Japan Sinyi	Sinyi Asset Management Co., Ltd. (Japan Management)	Real estate brokerage	100	100	
	Tokyo Sinyi Real Estate Co., Ltd. (Tokyo Sinyi)	Real estate brokerage	100	100	
Sinyi Development	Sinyi Real Estate (Hong Kong) Limited (Hong Kong Real Estate)	Investment holding	100	100	
	Kunshan Dingxian Trading Co., Ltd. (Kunshan Digxian Trading)	Construction materials furniture, sanitary ware and ceramic products wholesale	100	100	
Sinyi Estate	Sinyi Estate (Hong Kong) Limited (Hong Kong Sinyi Estate)	Investment holding	100	100	
Hong Kong Real Estate	Sinyi Real Estate (Shanghai) Limited (Shanghai Sinyi Estate)	Development of commercial and residential building, auxiliary facilities; and construction, rental, sale and property management	100	100	
Hong Kong Sinyi Estate	Jiu Xin Estate (Wuxi) Limited (Jiu Xin Estate)	Development of commercial and residential building	100	100	
Shanghai Sinyi Estate	Xin Yeh Business Administration (Shanghai) Ltd. (Xin Yeh)	Development of commercial and residential building	100	100	
	Lunheng	Management consulting	96	96	
Xin Yeh	Sinyi Real Estate (Wuxi) Limited (Sinyi Wuxi)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing	100	100	
Yowoo Technology	Heng-Yi	Information software, data processing and electronic information providing services	20	20	
	Lin Yue Traffic Inc. (Lin Yue Traffic)	Manpower dispatch and merchandise delivery	100	100	
Taiwan Sinyi Development	Da-Chia Construction Co., Ltd. (Da-Chia Construction)	Development, construction, rental and sale of residential building and factories	100	100	
	Sinyi Real Estate Co., Ltd. (Sinyi Real Estate)	Development, construction, rental and sale of residential building and factories	100	100	
Sin Chiun	Fidelity Property Consultant Sdn. Bhd. (Fidelity)	Investment holding	49	49	
Pegasus	Pegasus Holding Sdn. Bhd. (Pegasus)	Investment holding	100	100	
	Fidelity	Real estate brokerage, management and identification	51	51	
Sinju	Sinkang	Tourism	-	100	Note 8
	Sinhong International Sdn. Bhd.	Investment holding	-	-	Note 1
Sinyi Morefun	Sinyi Infinite Limited (Infinite)	Investment holding	100	100	Note 2
	Sinyi Elite Limited (Elite)	Investment holding	-	-	Note 1
Infinite Elite	Sinyi Unique Limited (Unique)	Investment holding	100	100	Note 3
	Zhansin	Tourism	-	100	Notes 4, 8
Unique	Zhanyi Tourism Development Sdn. Bhd. (Zhanyi)	Tourism	-	-	Note 1
	Zhancheng	Tourism	-	100	Notes 5, 8

(Concluded)

Remark:

Note 1: The Group established the subsidiaries in 2020; as of December 31, 2022, the capital injection had not been completed.

Note 2: The Group acquired 100% ownership of Infinite through Sinyi Morefun in March 2021.

Note 3: The Group acquired 100% ownership of Unique through Sinyi Morefun in March 2021.

Note 4: The Group acquired 100% ownership of Zhansin through Infinite in March 2021.

Note 5: The Group acquired 100% ownership of Zhancheng through Unique in March 2021.

Note 6: In response to integrate resources and improve operating efficiency, the Group merged Sinyi Consulting through Sinyi Realty Inc. The base date for the merger was August 31, 2022. Sinyi Consulting has been deregistered after the merger.

Note 7: Ke Wei Shanghai Real Estate Management Consulting Inc. changed its name to Yishan Shanghai Real Estate Management Consulting Inc. in September 2022.

Note 8: Sinyi Realty Inc. acquired 100% ownership of Sinkang, Zhansin and Zhancheng through Sinju, Infinite and Unique in November and December 2022, respectively.

Note 9: Shanghai Sinyi obtained 10% ownership of Shanghai Yishan by participating in the capital issuance in October 2022. Therefore, Ke Wei HK's ownership interests in Shanghai Yishan decreased to 90%.

b. Subsidiaries excluded from the consolidated financial statements: None.

### 13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<u>December 31</u>	
	2022	2021
Investments in associates	<u>\$ 65,434</u>	<u>\$ 51,622</u>
<b>Investments in Associates</b>		
	<u>December 31</u>	
	2022	2021
Unlisted companies		
Sinyi Interior Design Co., Ltd.	\$ 16,213	\$ 18,481
Rakuya International Info. Co., Ltd.	<u>49,221</u>	<u>33,141</u>
	<u>\$ 65,434</u>	<u>\$ 51,622</u>

As of the end of the reporting period, the proportion of ownership and voting rights in associates held by the Group were as follows:

	<u>December 31</u>	
Name of Associate	2022	2021
Sinyi Interior Design Co., Ltd.	19%	19%
Rakuya International Info. Co., Ltd.	23%	23%

The Group's management considered investments in associates are not individually material, aggregate information of associates are summarized as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
The Group's shares		
Net income for continuing operations	\$ 16,896	\$ 11,277
Other comprehensive income (loss)	<u>(2,587)</u>	<u>2,740</u>
Total comprehensive income for the year	<u>\$ 14,309</u>	<u>\$ 14,017</u>

Even though holding less than 20% of voting rights of Sinyi Interior Design Co., Ltd., the Group is able to exercise significant influence over it. The investment is still accounted for by the equity method.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income (loss) of the investments for the years ended December 31, 2022 and 2021 were based on unaudited financial statements. The Group's management believes the unaudited financial statements of the investees above do not have material impact.

#### 14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<b>Cost</b>								
Balance at January 1, 2022	\$ 2,833,746	\$ 596,899	\$ 11,474	\$ 444,736	\$ 666,691	\$ 109,805	\$ 4,580	\$ 4,667,931
Additions	-	-	405	37,721	49,469	3,491	43,080	134,166
Disposals	-	-	(1,309)	(23,972)	(45,543)	-	-	(70,824)
Transferred from investment property	257,215	38,236	-	-	-	-	-	295,451
Transferred to investment property	-	-	-	-	-	-	(7,124)	(7,124)
Reclassifications	-	-	-	-	3,872	160	(4,032)	-
Effect of foreign currency exchange differences	-	2,306	230	449	901	66	220	4,172
Balance at December 31, 2022	<u>\$ 3,090,961</u>	<u>\$ 637,441</u>	<u>\$ 10,800</u>	<u>\$ 458,934</u>	<u>\$ 675,390</u>	<u>\$ 113,522</u>	<u>\$ 36,724</u>	<u>\$ 5,023,772</u>
<b>Accumulated depreciation</b>								
Balance at January 1, 2022	\$ -	\$ 192,669	\$ 7,286	\$ 347,123	\$ 526,024	\$ 90,148	\$ -	\$ 1,163,250
Depreciation expense	-	17,700	854	34,833	51,596	5,974	-	110,957
Disposals	-	-	(1,244)	(22,452)	(43,281)	-	-	(66,977)
Transferred from investment property	-	14,585	-	-	-	-	-	14,585
Effect of foreign currency exchange differences	-	320	106	391	1,001	18	-	1,836
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 225,274</u>	<u>\$ 7,002</u>	<u>\$ 359,895</u>	<u>\$ 535,340</u>	<u>\$ 96,140</u>	<u>\$ -</u>	<u>\$ 1,223,651</u>
Net carrying amount at December 31, 2022	<u>\$ 3,090,961</u>	<u>\$ 412,167</u>	<u>\$ 3,798</u>	<u>\$ 99,039</u>	<u>\$ 140,050</u>	<u>\$ 17,382</u>	<u>\$ 36,724</u>	<u>\$ 3,800,121</u>
<b>Cost</b>								
Balance at January 1, 2021	\$ 2,833,746	\$ 598,088	\$ 10,597	\$ 440,708	\$ 629,528	\$ 101,109	\$ 1,028	\$ 4,614,804
Additions	-	-	1,050	39,729	56,770	7,691	6,486	111,726
Disposals	-	-	-	(33,748)	(17,057)	-	(1,905)	(52,710)
Reclassifications	-	-	-	-	-	1,029	(1,029)	-
Effect of foreign currency exchange differences	-	(1,189)	(173)	(1,953)	(2,550)	(24)	-	(5,889)
Balance at December 31, 2021	<u>\$ 2,833,746</u>	<u>\$ 596,899</u>	<u>\$ 11,474</u>	<u>\$ 444,736</u>	<u>\$ 666,691</u>	<u>\$ 109,805</u>	<u>\$ 4,580</u>	<u>\$ 4,667,931</u>

(Continued)

	Freehold Land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Accumulated depreciation</u>								
Balance at January 1, 2021	\$ -	\$ 175,824	\$ 6,470	\$ 347,545	\$ 494,956	\$ 84,490	\$ -	\$ 1,109,285
Depreciation expense	-	16,972	859	33,339	47,899	5,662	-	104,731
Disposals	-	-	-	(32,406)	(15,513)	-	-	(47,919)
Effect of foreign currency exchange differences	-	(127)	(43)	(1,355)	(1,318)	(4)	-	(2,847)
Balance at December 31, 2021	<u>\$ -</u>	<u>\$ 192,669</u>	<u>\$ 7,286</u>	<u>\$ 347,123</u>	<u>\$ 526,024</u>	<u>\$ 90,148</u>	<u>\$ -</u>	<u>\$ 1,163,250</u>
Net carrying amount at December 31, 2021	<u>\$ 2,833,746</u>	<u>\$ 404,230</u>	<u>\$ 4,188</u>	<u>\$ 97,613</u>	<u>\$ 140,667</u>	<u>\$ 19,657</u>	<u>\$ 4,580</u>	<u>\$ 3,504,681</u>

(Concluded)

The above items of property, plant and equipment were depreciated on a straight-line basis over the following estimated useful lives:

Buildings - main buildings	21-60 years
Transportation equipment	4-6 years
Office equipment	3-6 years
Leasehold improvements	2-5 years
Other equipment	3-15 years

- There was no interest capitalized during the years ended December 31, 2022 and 2021.
- Refer to Note 33 for the details of property, plant and equipment pledged as collaterals.

## 15. LEASE ARRANGEMENTS

- Right-of-use assets

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Carrying amounts</u>		
Land	\$ 1,510,997	\$ 1,459,519
Buildings	3,220,529	3,349,870
Other equipment	<u>10,962</u>	<u>13,311</u>
	<u>\$ 4,742,488</u>	<u>\$ 4,822,700</u>
<u>For the Year Ended December 31</u>		
	<u>2022</u>	<u>2021</u>
Additions to right-of-use assets	<u>\$ 405,945</u>	<u>\$ 542,879</u>
Depreciation charge for right-of-use assets		
Land	\$ 19,837	\$ 19,894
Buildings	536,559	548,437
Other equipment	<u>4,865</u>	<u>9,905</u>
	<u>\$ 561,261</u>	<u>\$ 578,236</u>

b. Lease liabilities

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Carrying amounts</u>		
Current	<u>\$ 526,700</u>	<u>\$ 549,615</u>
Non-current	<u>\$ 2,800,989</u>	<u>\$ 2,899,375</u>

Range of discount rate for lease liabilities was as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Buildings	0.93%-5.70%	0.94%-5.70%
Other equipment	0.93%-1.62%	0.94%-1.29%

c. Material leasing activities and terms

The Group signed an agreement to acquire right-of-use land at Pulau Mengalum, Sabah, Malaysia in 2019 and completed the legal procedures of possession right transfer in December 2019 and in August 2020. The land use rights are valid until December 31, 2096.

The Group leases buildings for the use of office spaces and stores with lease terms of 1 to 20 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

Lease arrangements under operating leases for the leasing out of freehold investment properties are set out in Note 16.

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Expenses relating to short-term and low-value asset leases	<u>\$ 31,764</u>	<u>\$ 39,477</u>
Total cash outflow for leases	<u>\$ 596,564</u>	<u>\$ 618,222</u>

The Group's leases of certain assets qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 16. INVESTMENT PROPERTIES

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2022	\$ 1,868,451	\$ 455,452	\$ 2,323,903
Additions	54,659	2,221	56,880
Disposals	(1,037)	(163)	(1,200)
Transferred to property, plant and equipment	(257,215)	(38,236)	(295,451)
Transferred from property, plant and equipment	-	7,124	7,124
Effects of foreign currency exchange differences	<u>-</u>	<u>2,014</u>	<u>2,014</u>
Balance at December 31, 2022	<u>\$ 1,664,858</u>	<u>\$ 428,412</u>	<u>\$ 2,093,270</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 8,480	\$ 141,189	\$ 149,669
Depreciation expense	-	13,224	13,224
Disposals	(207)	(49)	(256)
Transferred to property, plant and equipment	-	(14,585)	(14,585)
Impairment loss	10,050	410	10,460
Effects of foreign currency exchange differences	<u>-</u>	<u>224</u>	<u>224</u>
Balance at December 31, 2022	<u>\$ 18,323</u>	<u>\$ 140,413</u>	<u>\$ 158,736</u>
Net carrying amount at December 31, 2022	<u>\$ 1,646,535</u>	<u>\$ 287,999</u>	<u>\$ 1,934,534</u>
<u>Cost</u>			
Balance at January 1, 2021	\$ 1,906,418	\$ 458,191	\$ 2,364,609
Additions	31,428	772	32,200
Disposals	(69,395)	(2,472)	(71,867)
Effects of foreign currency exchange differences	<u>-</u>	<u>(1,039)</u>	<u>(1,039)</u>
Balance at December 31, 2021	<u>\$ 1,868,451</u>	<u>\$ 455,452</u>	<u>\$ 2,323,903</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ 16,074	\$ 127,824	\$ 143,898
Depreciation expense	-	13,858	13,858
Disposals	(13,880)	(549)	(14,429)
Impairment loss	6,286	154	6,440
Effects of foreign currency exchange differences	<u>-</u>	<u>(98)</u>	<u>(98)</u>
Balance at December 31, 2021	<u>\$ 8,480</u>	<u>\$ 141,189</u>	<u>\$ 149,669</u>
Net carrying amount at December 31, 2021	<u>\$ 1,859,971</u>	<u>\$ 314,263</u>	<u>\$ 2,174,234</u>

The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payment receivables under operating leases of investment properties as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Year 1	\$ 87,871	\$ 107,839
Year 2	82,740	106,096
Year 3	40,271	97,899
Year 4	279	47,254
Year 5	5	279
Year 6 onwards	<u>-</u>	<u>5</u>
	<u>\$ 211,166</u>	<u>\$ 359,372</u>

The investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings - main buildings 30-60 years

The total fair value of the Group's investment properties as of December 31, 2022 and 2021 were \$4,714,886 thousand and \$4,233,665 thousand, respectively. The total fair value of the Group's property, plant and equipment as of December 31, 2022 and 2021 were \$6,918,007 thousand and \$5,430,099 thousand, respectively. The fair value was determined by the management of the Group using the valuation model that market participants would generally use in determining fair value, and the fair value was measured by using Level 3 inputs. The valuation model was based on the sales comparison approach and direct capitalization method, where fair value indicators of the different valuation techniques are weighed and adjustments are made by reference to the available market information on the measurement date. The Group assessed that the future recoverable amount of some investment properties was less than its carrying amount, thus an impairment loss of \$10,460 thousand and \$6,440 thousand, classified as other gains and losses in 2022 and 2021, respectively.

All of the Group's investment property was held under freehold interests. The carrying amount of the investment properties that had been pledged by the Group to secure borrowings is disclosed in Note 33.

## 17. INTANGIBLE ASSETS

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Franchises	\$ -	\$ -
Goodwill	-	-
System software costs	44,056	58,894
Patent rights	<u>-</u>	<u>1,042</u>
	<u>\$ 44,056</u>	<u>\$ 59,936</u>

	Franchises	Goodwill	System Software Costs	Patent Rights	Total
<u>Cost</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 341,099	\$ 5,000	\$ 459,133
Additions	-	-	16,805	-	16,805
Disposals and Write-off	-	(10,513)	(6,679)	-	(17,192)
Effect of foreign currency exchange differences	<u>9,258</u>	<u>-</u>	<u>163</u>	<u>-</u>	<u>9,421</u>
Balance at December 31, 2022	<u>\$ 93,836</u>	<u>\$ 17,943</u>	<u>\$ 351,388</u>	<u>\$ 5,000</u>	<u>\$ 468,167</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 282,205	\$ 3,958	\$ 399,197
Amortization expense	-	-	31,605	1,042	32,647
Disposals and Write-off	-	(10,513)	(6,679)	-	(17,192)
Effect of foreign currency exchange differences	<u>9,258</u>	<u>-</u>	<u>201</u>	<u>-</u>	<u>9,459</u>
Balance at December 31, 2022	<u>\$ 93,836</u>	<u>\$ 17,943</u>	<u>\$ 307,332</u>	<u>\$ 5,000</u>	<u>\$ 424,111</u>
Net carrying amount at December 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,056</u>	<u>\$ -</u>	<u>\$ 44,056</u>
<u>Cost</u>					
Balance at January 1, 2021	\$ 87,022	\$ 28,456	\$ 303,770	\$ 5,000	\$ 424,248
Additions	-	-	39,029	-	39,029
Disposals	-	-	(1,044)	-	(1,044)
Effect of foreign currency exchange differences	<u>(2,444)</u>	<u>-</u>	<u>(656)</u>	<u>-</u>	<u>(3,100)</u>
Balance at December 31, 2021	<u>\$ 84,578</u>	<u>\$ 28,456</u>	<u>\$ 341,099</u>	<u>\$ 5,000</u>	<u>\$ 459,133</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2021	\$ 46,171	\$ 25,586	\$ 255,024	\$ 2,708	\$ 329,489
Amortization expense	2,139	-	28,746	1,250	32,135
Disposals	-	-	(1,044)	-	(1,044)
Impairment loss	38,036	2,870	-	-	40,906
Effect of foreign currency exchange differences	<u>(1,768)</u>	<u>-</u>	<u>(521)</u>	<u>-</u>	<u>(2,289)</u>
Balance at December 31, 2021	<u>\$ 84,578</u>	<u>\$ 28,456</u>	<u>\$ 282,205</u>	<u>\$ 3,958</u>	<u>\$ 399,197</u>
Net carrying amount at December 31, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,894</u>	<u>\$ 1,042</u>	<u>\$ 59,936</u>

- a. The above intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives as follows:

Franchises	40 years
System software costs	2-5 years
Patent rights	4 years

- b. The goodwill \$2,870 thousand, generated from the acquisition of Jin Mei in November 2020, was mainly due to the expected increase in revenue through its tourism for the upcoming business in Malaysia. Since the actual operating income for tourism did not grow as expected, the Group assessed that the future recoverable amount is less than its carrying amount, thus an impairment loss was recognized in 2021 and classified as other gains and losses.



- c. Sinyi Limited entered into a sub-franchise agreement in October 12, 1999, with a amortization during its agreement terms. The Group assessed that the future recoverable amount is less than its carrying amount, thus an impairment loss was recognized in 2021 and classified as other gains and losses.

## 18. OTHER ASSETS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Tax prepayment	\$ 251,221	\$ 138,000
Overpaid VAT	48,330	42,398
Temporary payments	11,124	13,216
Prepaid expenses	32,794	44,819
Prepayments for right-of-use assets - land	6,972	-
Overdue receivables	6,104	4,403
Others	<u>-</u>	<u>1,891</u>
	<u>\$ 356,545</u>	<u>\$ 244,727</u>
Current	\$ 350,441	\$ 238,433
Non-current	<u>6,104</u>	<u>6,294</u>
	<u>\$ 356,545</u>	<u>\$ 244,727</u>

Tax prepayment is land value increment tax paid to each subsidiary's local tax bureau for presold real estate and prepaid sales tax.

Prepayments for right-of-use assets - land is from Zhancheng signed an agreement to acquire right-of-use of land at Pulau Mengalum, Sabah, Malaysia in 2022 and incompleted the legal progress of the possession right transfer.

## 19. BORROWINGS

- a. Short-term borrowings

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Secured borrowings</u>		
Bank loans	\$ 998,077	\$ -
<u>Unsecured borrowings</u>		
Line of credit borrowings	<u>100,000</u>	<u>-</u>
	<u>\$ 1,098,077</u>	<u>\$ -</u>

Refer to Note 33 for the details of assets pledged as collateral for short-term borrowings.

As of December 31, 2022, the effective interest rates of the Group's short-term credit borrowings were 1.965%, and those of the Group's short-term secured borrowings were 2.95%-2.98%.

b. Long-term borrowings

	<u>December 31</u>	
	2022	2021
<u>Secured borrowings</u>		
Bank loans	\$ 4,145,903	\$ 1,858,175
<u>Unsecured borrowings</u>		
Line of credit borrowings	1,507,183	460,000
Long-term commercial papers	300,000	300,000
Less: Discount on long-term commercial paper	<u>(69)</u>	<u>(186)</u>
	5,953,017	2,617,989
Less: Current portion	<u>-</u>	<u>(29,668)</u>
	<u>\$ 5,953,017</u>	<u>\$ 2,588,321</u>

In order to increase working capital, the Group applies for revolving loans from banks and issues financial commercial papers.

The long-term commercial papers not yet due are as follows:

December 31, 2022

Acceptance Agency	Face Value	Discount Amount	Book Value	Interest Rate Range	Collateral
International Bills Finance Corporation	\$ 150,000	\$ (34)	\$ 149,966	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(35)</u>	<u>149,965</u>	0.938%	-
	<u>\$ 300,000</u>	<u>\$ (69)</u>	<u>\$ 299,931</u>		

December 31, 2021

Acceptance Agency	Face Value	Discount Amount	Book Value	Interest Rate Range	Collateral
International Bills Finance Corporation	\$ 150,000	\$ (93)	\$ 149,907	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(93)</u>	<u>149,907</u>	0.938%	-
	<u>\$ 300,000</u>	<u>\$ (186)</u>	<u>\$ 299,814</u>		

The long-term borrowings of the Group were as follows:

		<u>December 31</u>	
		2022	2021
E.SUN Bank	Credit facility: \$2,420,000 thousand. Period: April 27, 2021 to April 27, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	\$ 1,100,000	\$ 100,000
E.SUN Bank	Credit facility: \$513,500 thousand. Period: March 7, 2022 to September 02, 2026. Interest is paid monthly. Principal is repaid at maturity.	410,800	-

(Continued)

		<b>December 31</b>	
		<b>2022</b>	<b>2021</b>
<b>Details of Borrowings</b>			
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 1, 2020 to September 30, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in September 2022.	\$ -	\$ 300,000
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 21, 2022 to September 20, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	1,000,000	-
Taishin Bank	Credit facility: \$1,900,000 thousand. Period: September 8, 2017 to September 8, 2024. Interest is paid monthly and principal is repaid at maturity.	917,183	410,000
Taishin Bank	Credit facility: \$748,000 thousand. Period: March 29, 2019 to March 29, 2024. Interest is paid monthly and principal is repaid at maturity.	50,000	748,000
Taishin Bank	Credit facility: \$625,000 thousand. Period: March 29, 2019 to March 29, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in December 2022.	-	10,000
DBS Bank	Credit facility: \$200,000 thousand and US\$40,000 thousand. Period: January 11, 2021 to January 11, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in March 2022.	-	300,000
DBS Bank	Credit facility: \$200,000 thousand and US\$40,000 thousand. Period: January 21, 2022 to January 21, 2024. Interest is paid monthly and principal is repaid at maturity.	500,000	-
DBS Bank	Credit facility: US\$25,000 thousand Period: September 27, 2022 to September 27, 2024. Interest is paid monthly and principal is repaid at maturity.	775,103	-
TC Bank	Credit facility: \$500,000 thousand. Period: July 22, 2022 to July 22, 2024. Interest is paid monthly and principal is repaid at maturity.	300,000	-
Shanghai Pudon Development Bank	Credit facility: RMB600,000 thousand. Period: December 26, 2018 to December 25, 2023. Interest is paid quarterly and principal is repaid semi-annually per agreement. The Group repaid all the debts in June 2022.	-	300,175
Hua Nan Bank	Credit facility: \$500,000 thousand. Period: May 21, 2021 to May 21, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in April 2022.	-	150,000

(Continued)

Details of Borrowings		December 31	
		2022	2021
Taiwan Bank	Credit facility: \$200,000 thousand. Period: March 11, 2022 to March 11, 2024. Interest is paid monthly and principal is repaid at maturity.	\$ 100,000	\$ -
Mega Bank	Credit facility: \$500,000 thousand. Period: September 28, 2022 to September 28, 2025. Interest is paid monthly and principal is repaid at maturity.	<u>500,000</u>	<u>-</u>
Total long-term borrowings		<u>\$ 5,653,086</u>	<u>\$ 2,318,175</u>

(Concluded)

Refer to Note 33 for the details of assets pledged as collateral for long-term borrowings.

As of December 31, 2022 and 2021, the effective interest rates of the Group's long-term credit borrowings were 1.451%-2.49% and 0.88%-1.73%, respectively, and those of the Group's long-term secured borrowings were 1.48%-3.00% and 0.90%-5.70%, respectively.

## 20. BONDS PAYABLE

	December 31	
	2022	2021
Domestic unsecured bonds	\$ 4,600,000	\$ 4,600,000
Less: Current portion	<u>(3,700,000)</u>	<u>-</u>
Bonds payable	<u>\$ 900,000</u>	<u>\$ 4,600,000</u>

The major terms of domestic unsecured bonds were as follows:

Issuance Period	Total Amount (In Thousands)	Coupon Rate	Repayment and Interest Payment
May 2018 to May 2023	\$ 1,900,000	1.07%	Principal is repaid at maturity. Interest is paid annually.
July 2018 to July 2023	1,800,000	1.05%	Principal is repaid at maturity. Interest is paid annually.
November 2019 to November 2029	900,000	1.25%	Principal is repaid at maturity. Interest is paid annually.

## 21. TRADE PAYABLES

	December 31	
	2022	2021
Construction payables	<u>\$ 607,472</u>	<u>\$ 811,840</u>

## 22. OTHER LIABILITIES

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Current</u>		
Other payables	\$ 3,003,058	\$ 3,774,976
Other liabilities	<u>339,643</u>	<u>377,476</u>
	<u>\$ 3,342,701</u>	<u>\$ 4,152,452</u>
<u>Non-current</u>		
Other liabilities	<u>\$ 1,167,818</u>	<u>\$ 1,304,907</u>

a. Other payables were as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Other payables - accrued expenses</u>		
Payables for performance bonus and salaries	\$ 1,921,922	\$ 2,650,223
Payables for annual leave	166,543	179,461
Advertisement payable	114,244	103,530
Payables for labor and health insurance	97,280	126,296
Interest payables	28,760	24,459
Payables for employees bonuses and compensation to directors	24,191	36,289
Payables for professional fees	9,610	22,840
Others	<u>169,831</u>	<u>214,392</u>
	<u>\$ 2,532,381</u>	<u>\$ 3,357,490</u>
<u>Other payables - others</u>		
Receipts under custody from real estate transactions	\$ 366,617	\$ 319,456
Other receipts under custody	<u>72,876</u>	<u>75,367</u>
	<u>\$ 439,493</u>	<u>\$ 394,823</u>
<u>Other payables to related parties</u>		
Loans from related parties	\$ 23,803	\$ 14,770
Interest payable	6,100	6,011
Others	<u>1,281</u>	<u>1,882</u>
	<u>\$ 31,184</u>	<u>\$ 22,663</u>

- 1) Employees and senior management who meet the performance standards under the bonus rules are eligible for performance bonuses. Performance bonuses to be paid one year later are recorded as other non-current liabilities.
- 2) Loans from related parties were accounted for other payables to related parties with nil interest rates for the years ended December 31, 2022 and 2021.

- 3) Receipts under custody from real estate transactions were the money received by real estate brokers - Shanghai Sinyi, Zhejiang Sinyi, Suzhou Sinyi, Japan Sinyi, Japan Management from buyers that had concluded transactions, but not yet transferred to the sellers/lessors.
- 4) Receipts under custody from escrow service were the money received by An-Sin and An-Shin from buyers of real estate transactions but not yet transferred to the sellers. Composition was as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Receipts under custody - escrow service	\$ 9,818,356	\$ 19,354,488
Interest payables	2,944	2,152
Deposit accounts	<u>(9,821,300)</u>	<u>(19,356,640)</u>
	<u>\$ -</u>	<u>\$ -</u>

- a) Receipts under custody - performance guarantee were receipts under custody from sellers of real estate transactions with interest rate of 0.385%-0.465% and 0.01%-0.04% for the years ended December 31, 2022 and 2021.
- b) Deposit accounts were receipts which had been paid by buyers of real estate transactions but not delivered to the sellers yet.
- b. Other liabilities were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Current</u>		
VAT payable and other tax payable	\$ 257,701	\$ 287,780
Refund liabilities	37,669	63,627
Others	<u>44,273</u>	<u>26,069</u>
	<u>\$ 339,643</u>	<u>\$ 377,476</u>
<u>Non-current</u>		
Long-term bonus payable	\$ 1,161,714	\$ 1,300,504
Refund liabilities	<u>6,104</u>	<u>4,403</u>
	<u>\$ 1,167,818</u>	<u>\$ 1,304,907</u>

The VAT payable and other tax payable were the VAT of the Group and the accrued tax payable for the presale real estate of Jiu Xin Estate.

## 23. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

The pension plan under the Labor Pension Act (LPA) is a defined contribution plan. Based on the LPA, the Company, An-Sin, An-Shin, Sinyi Global, Taiwan Sinyi Development, Heng-Yi, Yowoo Technology, Tokyo Sinyi, Lin Yue Traffic and Jin Mei make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in other countries are members of a state-managed retirement benefit plan operated by local government. The subsidiary is required to contribute amounts calculated at a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions to the fund.

Sinyi Limited, Sinyi International, Forever Success, Inane, Ke Wei HK, Max Success, Sinyi Development, Sinyi Estate, Sin Chiun, Hong Kong Real Estate, Hong Kong Sinyi Estate, Sinyi Culture, Da-Chia Construction, Sinyi Real Estate, Jui-Inn, Sinju, Sinkang, and Sinyi Morefun have no full-time employees. Thus, there are no related pension obligations or pension costs.

### b. Defined benefit plans

The defined benefit plans adopted by the Company, An-Sin and Sinyi Global in accordance with the Labor Standards Act are operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company, An-Sin and Sinyi Global contribute amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Present value of defined benefit obligation	\$ 648,559	\$ 779,659
Fair value of plan assets	<u>(637,957)</u>	<u>(603,862)</u>
Deficit	<u>10,602</u>	<u>175,797</u>
Net defined benefit liabilities	<u>\$ 10,602</u>	<u>\$ 175,797</u>

Movements in net defined benefit liabilities were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit (Assets) Liabilities</b>
Balance at January 1, 2021	<u>\$ 766,368</u>	<u>\$ (596,988)</u>	<u>\$ 169,380</u>
Service cost			
Current service cost	2,650	-	2,650
Net interest expense (income)	<u>3,832</u>	<u>(3,012)</u>	<u>820</u>
Recognized in profit or loss	<u>6,482</u>	<u>(3,012)</u>	<u>3,470</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(7,622)	(7,622)
Actuarial loss - changes in demographic assumptions	25,592	-	25,592
Actuarial loss - changes in financial assumptions	-	-	-
Actuarial loss - experience adjustments	<u>863</u>	<u>-</u>	<u>863</u>
Recognized in other comprehensive income	<u>26,455</u>	<u>(7,622)</u>	<u>18,833</u>
Contributions from the employer	<u>-</u>	<u>(15,886)</u>	<u>(15,886)</u>
Benefits paid	<u>(19,646)</u>	<u>19,646</u>	<u>-</u>
Balance at December 31, 2021	<u>779,659</u>	<u>(603,862)</u>	<u>175,797</u>
Service cost			
Current service cost	1,896	-	1,896
Past service cost	740	-	740
Net interest expense (income)	<u>3,896</u>	<u>(3,043)</u>	<u>853</u>
Recognized in profit or loss	<u>6,532</u>	<u>(3,043)</u>	<u>3,489</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(47,951)	(47,951)
Actuarial loss - changes in financial assumptions	(72,024)	-	(72,024)
Actuarial loss - experience adjustments	<u>(28,636)</u>	<u>-</u>	<u>(28,636)</u>
Recognized in other comprehensive income	<u>(100,660)</u>	<u>(47,951)</u>	<u>(148,611)</u>
Contributions from the employer	<u>-</u>	<u>(16,340)</u>	<u>(16,340)</u>
Benefits paid	<u>(36,972)</u>	<u>33,239</u>	<u>(3,733)</u>
Balance at December 31, 2022	<u>\$ 648,559</u>	<u>\$ (637,957)</u>	<u>\$ 10,602</u>

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Operating costs	\$ 1,769	\$ 2,989
General and administrative expenses	<u>1,720</u>	<u>481</u>
	<u>\$ 3,489</u>	<u>\$ 3,470</u>



Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government or corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Discount rates	1.50%	0.50%
Expected rates of salary increase	2.25%-3.00%	2.00%-3.00%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Discount rates		
0.25% increase	<u>\$ (16,176)</u>	<u>\$ (21,549)</u>
0.25% decrease	<u>\$ 16,742</u>	<u>\$ 22,371</u>
Expected rates of salary increase		
0.25% increase	<u>\$ 16,213</u>	<u>\$ 21,466</u>
0.25% decrease	<u>\$ (15,747)</u>	<u>\$ (20,801)</u>

The above sensitivity analysis may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
The expected contributions to the plan for the next year	<u>\$ 16,527</u>	<u>\$ 10,585</u>
The average duration of the defined benefit obligation	9.07-10.18 years	9.084-11.22 years

## 24. EQUITY

### Share Capital

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Number of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>
Share capital authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>736,847</u>	<u>736,847</u>
Share capital issued	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>

As of December 31, 2022, the Company has issued share capital of \$7,368,465 thousand with 736,847 thousand ordinary shares at \$10 per share.

The ordinary shares issued, which have par value of \$10, carry one vote and a right to dividends.

### Capital Surplus

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>May be used to offset a deficit</u>		
Arising from expired stock options	<u>\$ 63,790</u>	<u>\$ 63,896</u>

The capital surplus from shares issued in excess of par (additional arising from expired stock options) is used to offset a deficit.

### Retained Earnings and Dividend Policy

- a. Under the dividend policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, please refer to Employee benefits expense in Note 26 (Compensation of Employees and Remuneration of Directors).
- b. In addition, according to the revised Articles of Incorporation of the Company, the dividend policy of the Company is to distribute dividends in light of the present and future development plan, taking into consideration the investment environment, fund demands, and domestic competition status, as well as factors of interests of shareholders. However, the amount of proposed earnings distribution of the current year may not be less than 20% of the accumulated distributable earnings. In distributing dividends and bonuses to shareholders, the distribution may be made by shares or cash, of which cash dividends may not be less than 10% of the total amount of dividends.
- c. Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

- d. The appropriations of earnings for 2021 and 2020, which had been approved in the shareholders' meetings held on May 19, 2022 and May 21, 2021, respectively, were as follows:

	<b>Appropriation of Earnings</b>		<b>Dividends Per Share (NT\$)</b>	
	<b>For the Year Ended</b>		<b>For the Year Ended</b>	
	<b>December 31</b>		<b>December 31</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Legal reserve	\$ 244,770	\$ 172,251	\$ -	\$ -
Special reserve	288,875	185,377	-	-
Cash dividends	2,063,170	1,252,639	2.80	1.70

- e. The appropriations of earnings for 2022 had been proposed by the Company's board of directors on February 22, 2023. The appropriations and dividends per share were as follows:

	<b>Appropriation of Earnings</b>	<b>Dividends Per Share (NT\$)</b>
Legal reserve	\$ 134,122	\$ -
Reversal of special reserve	(105,568)	-
Cash dividends	884,216	1.2

The appropriations of earnings for 2022 are subject to the resolution of the shareholders in their meeting to be held on May 18, 2023.

#### **Other Equity Items**

- a. Exchange differences on translating the financial statements of foreign operations

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e., New Taiwan dollars) were recognized directly in other comprehensive income and accumulated in the exchange differences on translation of foreign operations. Gains and losses on hedging instruments that were designated as hedging instruments for hedges of net investments in foreign operations were included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve were reclassified to profit or loss on the disposal of the foreign operation.

- b. Unrealized gains or losses on financial assets at fair value through other comprehensive income

Unrealized gains or losses on financial assets at fair value through other comprehensive income represents the cumulative gains and losses arising on the revaluation of financial assets at fair value through other comprehensive income, that have been defined to recognize in other comprehensive income. The accumulated amounts of unrealized gains or losses from financial assets at fair value through other comprehensive income did not reclassified to gains or losses when dispose of investment.

## Non-controlling Interests

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Balance at beginning of year	\$ 130,243	\$ 125,693
Attributed to non-controlling interests:		
Net income	12,872	20,518
Exchange differences on translating the financial statements of foreign operations	(4)	-
Remeasurement of defined benefit plans	1,260	(896)
Related income tax	(252)	179
Difference between consideration and carrying amount of subsidiaries acquired (Note 12)	106	-
Payment of cash dividends to non-controlling interests	<u>(17,728)</u>	<u>(15,251)</u>
Balance at end of year	<u>\$ 126,497</u>	<u>\$ 130,243</u>

## 25. REVENUE

### a. Disaggregation of revenue

Refer to Note 37 for information about disaggregation of revenue.

### b. Contract balances

The Group's contract liabilities are all from the payment received by Jiu Xin Estate and Taiwan Sinyi Development from the purchaser for the pre-sale of real estate. Development occurs when the buyer and the seller sign the sales contract. Sales revenue recognized as the number of houses handed over on the handover date, and transfer inventory cost to cost of goods sold. Deposits and instalments received before meeting the conditions for recognition of income from sales of goods, were recognized under contract liabilities.

The Group recognizes revenues when performance obligations are satisfied from providing real estate brokerage services or sales of real estate and recognizes the right to receive the consideration as accounts receivable.

	<b>December 31, 2022</b>	<b>December 31, 2021</b>	<b>January 1, 2021</b>
Note receivables and trade receivables (Note 9)	<u>\$ 979,674</u>	<u>\$ 1,370,155</u>	<u>\$ 1,355,378</u>
Contract liabilities	<u>\$ 1,514,707</u>	<u>\$ 1,723,403</u>	<u>\$ 1,479,529</u>

## 26. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations consisted of the following:

### Interest Income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Interest income		
Cash in bank	\$ 120,499	\$ 100,069
Others	<u>3,831</u>	<u>3,831</u>
	<u>\$ 124,330</u>	<u>\$ 103,900</u>

### Other Gains and Losses

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Impairment loss of investment properties	\$ (10,460)	\$ (6,440)
Gains (losses) on financial assets mandatorily classified as at FVTPL	156	(128)
Losses on disposal of property, plant and equipment	(2,860)	(2,594)
(Losses) gains on disposal of investment properties	(199)	7,253
Net foreign exchange (losses) gains	(28,210)	14,123
Share of gains on associates and joint venture	16,896	11,277
Impairment losses of intangible assets	-	(40,906)
Others	<u>39,166</u>	<u>43,763</u>
	<u>\$ 14,489</u>	<u>\$ 26,348</u>

### Finance Costs

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Interest on bank loans	\$ 77,970	\$ 77,470
Interest on unsecured bonds payable	50,480	52,721
Interest on lease liabilities	54,938	62,214
Others	<u>56</u>	<u>275</u>
	183,444	192,680
Deduct: Amounts included in the cost of qualifying asset (inventory - properties under development)	<u>(25,912)</u>	<u>(42,776)</u>
	<u>\$ 157,532</u>	<u>\$ 149,904</u>

Information about capitalized interest was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Interest capitalization rate	1.73%-2.49%	1.73%-5.70%

## Depreciation and Amortization

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Property, plant and equipment	\$ 110,957	\$ 104,731
Right-of-use assets	561,261	578,236
Investment property	13,224	13,858
Intangible assets	<u>32,647</u>	<u>32,135</u>
	<u>\$ 718,089</u>	<u>\$ 728,960</u>
An analysis of depreciation by function		
Inventory	\$ -	\$ 29
Operating costs	587,575	591,259
General and administrative expenses	84,643	91,679
Other losses	<u>13,224</u>	<u>13,858</u>
	<u>\$ 685,442</u>	<u>\$ 696,825</u>
An analysis of amortization by function		
Operating costs	\$ 4,628	\$ 3,962
General and administrative expenses	<u>28,019</u>	<u>28,173</u>
	<u>\$ 32,647</u>	<u>\$ 32,135</u>

## Operating Expenses Directly Related to Investment Properties

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Direct operating expenses from investment properties		
Generating rental income	\$ 36,107	\$ 37,408
Not generating rental income	<u>118</u>	<u>117</u>
	<u>\$ 36,225</u>	<u>\$ 37,525</u>

## Employee Benefits Expense

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Salary expense	\$ 6,072,142	\$ 7,993,906
Labor and health insurance expense	<u>476,113</u>	<u>491,159</u>
	<u>6,548,255</u>	<u>8,485,065</u>
Post-employment benefits		
Defined contribution plans	255,332	251,864
Defined benefit plans (Note 23)	<u>3,489</u>	<u>3,470</u>
	<u>258,821</u>	<u>255,334</u>
Other employee benefits	<u>201,537</u>	<u>210,279</u>
Total employee benefits expense	<u>\$ 7,008,613</u>	<u>\$ 8,950,678</u>

(Continued)

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
An analysis of employee benefits expense by function		
Inventory	\$ -	\$ 8,392
Operating costs	6,140,681	7,993,759
General and administrative expenses	<u>867,932</u>	<u>948,527</u>
	<u>\$ 7,008,613</u>	<u>\$ 8,950,678</u>
		(Concluded)

### **Compensation of Employees and Remuneration of Directors**

In accordance with the Company's Articles of incorporation, the Company accrued compensation of employees and remuneration of directors at the rates no less than 1% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2022 and 2021, which have been approved by the Group's board of directors on February 22, 2023 and February 25, 2022, respectively, were as follows:

#### Accrual rate

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Compensation of employees	1.00%	1.00%
Remuneration of directors	0.35%	0.16%

#### Amount

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	\$ 15,260	\$ 29,247
Remuneration of directors	5,310	4,800

If there is a change in the proposed amounts after the date the Group's annual consolidated financial statements were authorized for issue, the differences are accounted for as a change in the accounting estimate in the following year.

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2021 and 2020.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors in 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

## Impairment Loss on Non-financial Assets

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Intangible assets (included in other operating income and expenses, net)	\$ -	\$ 40,906
Investment property (included in other operating income and expenses, net)	10,460	6,440
Inventories (included operating cost)	<u>72,414</u>	<u>16,869</u>
	<u>\$ 82,874</u>	<u>\$ 64,215</u>

## 27. INCOME TAXES RELATING TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
In respect of the current year		
Current tax	\$ 522,074	\$ 582,263
Income tax expense of unappropriated earnings	25	5,616
Land value increment tax	57,703	81,336
Deferred tax	<u>(117,346)</u>	<u>229,040</u>
	<u>462,456</u>	<u>898,255</u>
In respect of the prior years		
Current tax	(74,114)	(39,673)
Deferred tax	<u>37,475</u>	<u>-</u>
	<u>(36,639)</u>	<u>(39,673)</u>
Income tax expense recognized in profit or loss	<u>\$ 425,817</u>	<u>\$ 858,582</u>

Land value increment tax is estimated according to the related tax regulations issued by Taiwan and the People's Republic of China. The amount of final actual liability of land value increment tax shall be examined by the tax authorities of each country, the adjustment between actual and estimated amount was recognized as a tax benefit for the year ended December 31, 2022.

A reconciliation of accounting profit and income tax expenses is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Profit before tax from continuing operations	<u>\$ 1,662,025</u>	<u>\$ 3,228,941</u>
Income tax expense calculated at the statutory rate	\$ 332,405	\$ 645,788
Nondeductible expenses in determining taxable income	74	45,086
Deductible expenses in determining taxable income	-	(16,243)
Tax-exempt income	(17,217)	(540)
Additional income tax on unappropriated earnings	25	5,616
Land value increment tax	57,703	81,336

(Continued)



	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Unrecognized deductible temporary differences	\$ 39,718	\$ 68,625
Loss carryforwards unrecognized in current period	34,586	37,705
Effect of different tax rates of the Group operating in other jurisdictions	15,162	30,882
Adjustments for prior years' tax	<u>(36,639)</u>	<u>(39,673)</u>
Income tax expense recognized in profit or loss	<u>\$ 425,817</u>	<u>\$ 858,582</u>

(Concluded)

b. Income tax (expense) benefit recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement of defined benefit plan	<u>\$ (29,722)</u>	<u>\$ 3,767</u>

c. Current tax assets and liabilities

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Current tax assets		
Tax refund receivables	<u>\$ 9,796</u>	<u>\$ 14,151</u>
Current tax liabilities		
Income tax payables	\$ 314,519	\$ 698,083
Land value tax payables	<u>25,334</u>	<u>558,502</u>
	<u>\$ 339,853</u>	<u>\$ 1,256,585</u>

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2022

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Exchange Differences</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>					
Temporary differences					
Allowance for impairment loss	\$ 1,633	\$ (368)	\$ -	\$ -	\$ 1,265
Provisions	16,409	(5,088)	-	-	11,321

(Continued)

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Exchange Differences</b>	<b>Closing Balance</b>
Loss carryforwards	\$ 37,580	\$ (30,100)	\$ -	\$ -	\$ 7,480
Defined benefit obligation	3,358	27,582	(29,722)	-	1,218
Deferred revenue	19,165	(12,877)	-	(20)	6,268
Deferred advertisement	60,466	5,412	-	-	65,878
Employee benefits	62,883	2,960	-	-	65,843
Others	<u>16,336</u>	<u>(1,833)</u>	<u>-</u>	<u>-</u>	<u>14,503</u>
	<u>\$ 217,830</u>	<u>\$ (14,312)</u>	<u>\$ (29,722)</u>	<u>\$ (20)</u>	<u>\$ 173,776</u> (Concluded)

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax liabilities</u>				
Temporary differences				
Return on investment	\$ 210,853	\$ (124,797)	\$ -	\$ 86,056
Defined benefit obligation	<u>-</u>	<u>30,614</u>	<u>-</u>	<u>30,614</u>
	<u>\$ 210,853</u>	<u>\$ (94,183)</u>	<u>\$ -</u>	<u>\$ 116,670</u>

For the year ended December 31, 2021

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Exchange Differences</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>					
Temporary differences					
Allowance for impairment loss	\$ 1,265	\$ 368	\$ -	\$ -	\$ 1,633
Provisions	13,249	3,160	-	-	16,409
Loss carryforwards	56,407	(18,827)	-	-	37,580
Defined benefit obligation	2,138	(2,547)	3,767	-	3,358
Deferred revenue	57,008	(37,855)	-	12	19,165
Deferred advertisement	40,617	19,849	-	-	60,466
Employee benefits	27,113	35,770	-	-	62,883
Others	<u>34,438</u>	<u>(18,105)</u>	<u>-</u>	<u>3</u>	<u>16,336</u>
	<u>\$ 232,235</u>	<u>\$ (18,187)</u>	<u>\$ 3,767</u>	<u>\$ 15</u>	<u>\$ 217,830</u>

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Compre- hensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax liabilities</u>				
Temporary differences				
Return on investment	\$ _____ -	\$ <u>210,853</u>	\$ _____ -	\$ <u>210,853</u>

- e. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Loss carryforwards		
Expiry in 2022	\$ -	\$ 149,784
Expiry in 2023	123,362	121,571
Expiry in 2024	130,686	118,076
Expiry in 2025	205,193	208,004
Expiry in 2026	261,266	257,721
Expiry in 2027	257,896	38,469
Expiry in 2028	47,184	47,184
Expiry in 2029	47,361	47,361
Expiry in 2030	32,432	30,597
Expiry in 2031	53,174	16,189
Expiry in 2032	<u>7,831</u>	<u>-</u>
	<u>\$ 1,166,385</u>	<u>\$ 1,034,956</u>

- f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2022 comprised:

<b>Unused Amount</b>	<b>Expiry Year</b>
\$ 123,362	2023
130,686	2024
205,193	2025
261,266	2026
257,896	2027
54,932	2028
47,361	2029
32,432	2030
82,824	2031
<u>7,831</u>	2032
<u>\$ 1,203,783</u>	

g. Income tax assessments

Jui-Inn, Heng-Yi, Sinyi Global, Taiwan Sinyi Development, Yowoo Technology, An-Sin, An-Shin, Lin Yue Traffic, Da-Chia Sinyi Construction, Jin Mei, Sinyi Real Estate, Tokyo Sinyi and Sinyi Culture's tax returns through 2020 had been assessed by the tax authorities.

Sinyi Realty Inc.'s tax returns through 2019 had been assessed by the tax authorities.

## 28. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Basic EPS	<u>\$ 1.66</u>	<u>\$ 3.19</u>
Diluted EPS	<u>\$ 1.66</u>	<u>\$ 3.18</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

### Net Profit for the Year

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Profit for the year attributable to owners of the Company	<u>\$ 1,223,336</u>	<u>\$ 2,349,841</u>

Weighted average number of ordinary shares outstanding (in thousands of shares):

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Weighted average number of ordinary shares used in computation of basic earnings per share	736,847	736,847
Effect of dilutive potential ordinary shares		
Bonus issued to employees	<u>697</u>	<u>1,157</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>737,544</u>	<u>738,004</u>

Since the Group is allowed to settle the compensation to employees by cash or shares, the Group presumed that the entire amount of the compensation will be settled in shares and the resulting potential shares are included in the weighted average number of outstanding shares used in the calculation of diluted earnings per share, as the shares have a dilutive effect. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares is included in the calculation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

## 29. CASH FLOW INFORMATION

### Changes in Liabilities Arising from Financing Activities

For the year ended December 31, 2022

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bonds payable (including current portion)	\$ 4,600,000	\$ -	\$ -	\$ -	\$ -	\$ 4,600,000
Short-term borrowings	-	1,098,077	-	-	-	1,098,077
Long-term borrowings (including current portion)	2,617,989	3,310,373	-	24,655	-	5,953,017
Guarantee deposits received	38,244	(5,038)	-	-	-	33,206
Lease liabilities	3,448,990	(509,862)	405,945	37,554	(54,938)	3,327,689
Other payables to related parties	14,770	8,878	-	155	-	23,803
	<u>\$ 10,719,993</u>	<u>\$ 3,902,428</u>	<u>\$ 405,945</u>	<u>\$ 62,364</u>	<u>\$ (54,938)</u>	<u>\$ 15,035,792</u>

For the year ended December 31, 2021

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bonds payable (including current portion)	\$ 5,300,000	\$ (700,000)	\$ -	\$ -	\$ -	\$ 4,600,000
Long-term borrowings (including current portion)	3,801,288	(1,195,552)	-	12,253	-	2,617,989
Guarantee deposits received	32,023	6,221	-	-	-	38,244
Lease liabilities	3,492,542	(516,531)	542,879	(7,686)	(62,214)	3,448,990
Other payables to related parties	23,636	(8,688)	-	(178)	-	14,770
	<u>\$ 12,649,489</u>	<u>\$ (2,414,550)</u>	<u>\$ 542,879</u>	<u>\$ 4,389</u>	<u>\$ (62,214)</u>	<u>\$ 10,719,993</u>

## 30. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

Key management personnel of the Group review the capital structure on a quarterly basis. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

### 31. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

Except as detailed in the following table, management believes the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values or their fair values cannot be reliably measured.

December 31, 2022

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 4,600,000	\$ -	\$ 4,552,040	\$ -	\$ 4,552,040

December 31, 2021

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 4,600,000	\$ -	\$ 4,651,194	\$ -	\$ 4,651,194

The fair values of the financial liabilities included in the Level 2 category above have been determined in accordance with market price based on a discounted cash flow analysis, with the most significant observable inputs being the bond duration, interest rates and credit ratings, etc.

b. Fair value financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed shares - equity investments	\$ -	\$ -	\$ 2,500	\$ 2,500

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 109,723	\$ -	\$ -	\$ 109,723
Domestic unlisted shares - equity investments	-	-	105,404	105,404
Foreign listed shares - equity investments	276,490	-	-	276,490
Foreign unlisted shares - equity investments	-	-	74,670	74,670
	<u>\$ 386,213</u>	<u>\$ -</u>	<u>\$ 180,074</u>	<u>\$ 566,287</u>
				(Concluded)

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed shares - equity investments	<u>\$ 47,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,588</u>
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 119,892	\$ -	\$ -	\$ 119,892
Domestic unlisted shares - equity investments	-	-	111,183	111,183
Foreign listed shares - equity investments	316,951	-	-	316,951
Foreign unlisted shares - equity investments	-	-	123,543	123,543
	<u>\$ 436,843</u>	<u>\$ -</u>	<u>\$ 234,726</u>	<u>\$ 671,569</u>

There were no transfers between Level 1 and Level 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year December 31, 2022

	<u>Financial assets at FVTPL</u> <b>Equity Instruments</b>	<u>Financial assets at FVTOCI</u> <b>Equity Instruments</b>
Balance at January 1, 2022	\$ -	\$ 234,726
Addition	2,500	56,714
Recognized in other comprehensive (loss) income	-	(113,345)
Effect of exchange rate changes	-	1,979
Balance at December 31, 2022	<u>\$ 2,500</u>	<u>\$ 180,074</u>

For the year December 31, 2021

	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>
	<b>Equity Instruments</b>
Balance at January 1, 2021	\$ 296,506
Addition	6,569
Disposal	(1,607)
Recognized in other comprehensive (loss) income	(65,348)
Effect of exchange rate changes	<u>(1,394)</u>
Balance at December 31, 2021	<u>\$ 234,726</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Foreign unlisted shares	Market comparison method: The value of the evaluation target can be obtained by using the transaction price of the enterprises which are similar to the evaluation target in the active market with consideration of implied value multiplier and liquidity discount.
Domestic unlisted shares	According to the balance sheet of the evaluation target, evaluate the total value of its individual assets and liabilities using market approach consistently with the consideration of liquidity and non-control discounts to reflect the overall value of the target.

For fair value measurements categorized within Level 3 of the fair value hierarchy as derivatives and investments in equity instruments, the lack of quoted prices in an active market categorized the financial assets into Level 3 of which fair values are based on valuations provided by market participants or quoted prices of the counterparty. Quantitative information is not disclosed since the relationship between significant unobservable inputs and the fair value cannot be fully controlled.

**Categories of Financial Instruments**

	<u>December 31</u>	
	2022	2021
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 2,500	\$ 47,588
Financial assets at amortized cost (Note 1)	12,446,403	11,608,564
Financial assets at FVTOCI	566,287	671,569
<u>Financial liabilities</u>		
Financial assets at amortized cost (Note 2)	16,457,096	13,143,553



Note 1: The balance included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, other receivables, other current financial assets and refundable deposits.

Note 2: The balance included financial liabilities measured at amortized cost, which comprise notes payable, trade payables, other payables, bonds payable, short-term borrowings, long-term borrowings (including current portion of long-term borrowings and bonds payable), long-term bonus payable (classified as other non-current liabilities) and guarantee deposits received.

### Financial Risk Management Objectives and Policies

The Group's major financial instruments included equity, mutual funds, trade receivables, other payables, bonds payable, borrowings and lease liabilities. The Group's Corporate Treasury function provides services to the business and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group seeks to ensure sufficient funding readily available when needed with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by Audit Committees and/or Board of Directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, Corporate Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis.

#### a. Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below).

##### 1) Foreign currency risk

The Group engages in some foreign currency transactions resulting in exchange rate of foreign currency risk. The management of exchange rate risk of the Group is based on the use of foreign currency derivative financial product contracts to avoid foreign exchange risks that may arise from monetary assets and liabilities not denominated in NTD and some anticipated transactions under the specification of the transaction processing procedures for derivative financial products, so as to ensure that the risk remains at an acceptable level.

For the carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, refer to Note 35.

#### Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar ("NTD", the functional currency) against the relevant foreign currencies. A negative number below indicates an increase in profit before income tax or equity where the NTD strengthens 1% against the relevant currency. For a 1% weakening of the NTD against the relevant currency, the balances below would be positive if the other factors remain unchanged.

	For the Year Ended December 31							
	2022				2021			
	RMB	JPY	USD	MYR	RMB	JPY	USD	MYR
Equity	\$ 60,109	\$ 3,672	\$ 9,150	\$ 681	\$ 72,138	\$ 2,355	\$ 281	\$ 453
Profit or loss	17,733	49	619	7	8	-	395	11

## 2) Interest rate risk

The Group is exposed to interest rate risk on investments and borrowings; interest rates could be fixed or floating. The investments and part of borrowings are fixed-interest rates and measured at amortized cost, and changes in interest will not affect future cash flows. Another part of borrowings are floating-interest rates, and changes in interest will affect future cash flows, but will not affect fair value.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of reporting period were as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Fair value interest rate risk		
Financial assets	\$ 2,987,968	\$ 502,526
Financial liabilities	8,251,423	10,131,749
Cash flow interest rate risk		
Financial assets	64,000	24,511
Financial liabilities	6,751,163	550,000

### Interest rate sensitivity analysis

The Group was exposed to cash flow interest rate risk in relation to floating rate financial assets or liabilities, and the financial assets, short-term and long-term borrowings will be affected by the changes in market interest rate accordingly. If the market interest rate increased/decreased by 1%, the Group's cash outflow will increase/decrease by \$66,872 thousand and \$5,255 thousand for the years ended December 31, 2022 and 2021, respectively.

## 3) Other price risk

The Group was exposed to equity price risk through its investments in mutual funds, domestic quoted shares and foreign quoted shares.

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by \$25 thousand and \$476 thousand, respectively as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the years ended December 31, 2022 and 2021 would have increased/decreased by \$5,663 thousand and \$6,716 thousand, respectively as a result of the changes in fair value of financial assets at FVTOCI.

## b. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily trade receivables, and from investing activities, primarily the fixed-income investments and other financial instruments.

### Business related credit risk

The Group is mainly engaged in the operation of real-estate brokerage and real-estate development business and the customers of the Group are the people who buy and sell houses. The revenue of agency service is also received through the housing performance guarantee, so the concentration credit risk of trade receivable is not material.

### Financial credit risk

The credit risk of bank deposits, fixed-income investments and other financial instruments are regularly controlled and monitored by the Group's Corporate Treasury function. The counterparties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Group's exposure to default by those parties to be material.

#### c. Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group has sufficient working capital to pay all debts; thus, there is no liquidity risk.

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2022 and 2021, the Group had available unutilized bank loan facilities as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Unsecured bank overdraft facility, reviewed annually and payable on call:		
Amount used	\$ 1,907,183	\$ 760,000
Amount unused	<u>10,609,477</u>	<u>10,378,800</u>
	<u>\$ 12,516,660</u>	<u>\$ 11,138,800</u>
Secured bank overdraft facility:		
Amount used	\$ 5,143,980	\$ 1,858,175
Amount unused	<u>3,348,123</u>	<u>4,410,000</u>
	<u>\$ 8,492,103</u>	<u>\$ 6,268,175</u>

### Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

#### December 31, 2022

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 552	\$ 3,580,627	\$ 1,194,920	\$ -
Lease liabilities	48,623	535,409	1,983,160	961,504
Floating interest rate liabilities	12,069	1,222,680	5,768,310	-
Fixed interest rate liabilities	<u>4,798</u>	<u>3,751,493</u>	<u>346,105</u>	<u>922,227</u>
	<u>\$ 66,042</u>	<u>\$ 9,090,209</u>	<u>\$ 9,292,495</u>	<u>\$ 1,883,731</u>

Additional information about the maturity analysis for financial liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	\$ 48,623	\$ 535,409	\$ 1,983,160	\$ 902,053	\$ 59,451
Fixed interest rate liabilities	<u>4,798</u>	<u>3,751,493</u>	<u>346,105</u>	<u>922,227</u>	<u>-</u>
	<u>\$ 53,421</u>	<u>\$ 4,286,902</u>	<u>\$ 2,329,265</u>	<u>\$ 1,824,280</u>	<u>\$ 59,451</u>

December 31, 2021

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ -	\$ 4,572,046	\$ 1,338,748	\$ -
Lease liabilities	50,718	550,539	2,031,627	1,056,924
Floating interest rate liabilities	416	4,571	555,190	-
Fixed interest rate liabilities	<u>7,767</u>	<u>385,607</u>	<u>5,580,020</u>	<u>933,392</u>
	<u>\$ 58,901</u>	<u>\$ 5,512,763</u>	<u>\$ 9,505,585</u>	<u>\$ 1,990,316</u>

Additional information about the maturity analysis for financial liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	\$ 50,718	\$ 550,539	\$ 2,031,627	\$ 1,018,999	\$ 37,925
Fixed interest rate liabilities	<u>7,767</u>	<u>385,607</u>	<u>5,580,020</u>	<u>933,392</u>	<u>-</u>
	<u>\$ 58,485</u>	<u>\$ 936,146</u>	<u>\$ 7,611,647</u>	<u>\$ 1,952,391</u>	<u>\$ 37,925</u>

### 32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties were disclosed below:

#### Related Parties and their Relationships with the Group

<u>Related Party</u>	<u>Relationship with the Group</u>
Sinyi Land Administration Agent Joint Office	Related party in substance
H&B Business Co., Ltd.	Related party in substance
Sinyi Cultural Foundation	Related party in substance
Taiwan Regional Revitalization Foundation	Related party in substance

(Continued)

<u>Related Party</u>	<u>Relationship with the Group</u>
Yu-Hao Co., Ltd.	Corporate shareholder (direct investment using the equity method)
Sinyi Co., Ltd.	The Chairman of the Company (Note)
Yu-Heng Co., Ltd.	Corporate shareholder (indirect investment using the equity method)
Beijing Sinyi Guaranty Co., Ltd.	Related party in substance
Global Real Estate Appraisal Office	Related party in substance
Ken Investment Co., Ltd.	Related party in substance
Sin-Heng Limited.	Related party in substance
Sinyeh Co., Ltd.	Related party in substance
Sinyi Public Welfare Foundation	Related party in substance
Sinyi Real Estate Appraisal Office	Related party in substance
Sinyi Interior Design Co., Ltd.	Associate
Prospect Hospitality Co., Ltd.	The Company's director is its director

(Concluded)

Note: The Chairman was newly elected by the board of Sinyi Co., Ltd. on May 19, 2022.

### Operating Revenue

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Service revenue		
The Company's director is its director	<u>\$ 7,885</u>	<u>\$ 5,318</u>

### Trade Receivables - Related Parties

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
The Company's director is its director	<u>\$ 646</u>	<u>\$ 655</u>

### Other Payables to Related Parties

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Other related parties - related parties in substance	<u>\$ 31,184</u>	<u>\$ 22,663</u>

Parts of other payables to related parties were financing. Information on the financing for the years ended December 31, 2022 and 2021 were as follows:

	<u>For the Year Ended December 31, 2022</u>				
	<u>Highest Balance During the Period</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Interest Expense</u>	<u>Interest Payable</u>
Other related parties - related parties in substance	<u>\$ 24,332</u>	<u>\$ 23,803</u>	-	<u>\$ -</u>	<u>\$ 6,100</u>

**For the Year Ended December 31, 2021**

	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Expense</b>	<b>Interest Payable</b>
Other related parties - related parties in substance	<u>\$ 23,636</u>	<u>\$ 14,770</u>	-	<u>\$ -</u>	<u>\$ 6,011</u>

The financing above were unsecured.

**Remuneration of Key Management Personnel**

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Short-term employee benefits	\$ 143,935	\$ 168,731
Other long-term employee benefits	<u>12,995</u>	<u>13,888</u>
	<u>\$ 156,930</u>	<u>\$ 182,619</u>

Other long-term benefits included a long-term incentive plan approved by the Company's board of directors to encourage senior management to contribute further to the sustainable growth of the Company. Senior managers will be entitled to such incentive when they continue to serve for three years starting from the following year after obtaining the qualification and the bonus is calculated on the basis of the Company's operating performance or individual performance.

**Other Transactions with Related Parties**

a. Rental income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	\$ 7,451	\$ 7,427
The chairman of the company	57	-
Corporate shareholder (direct investment using the equity method)	57	114
Corporate shareholder (indirect investment using the equity method)	57	57
Associates	<u>34</u>	<u>34</u>
	<u>\$ 7,656</u>	<u>\$ 7,632</u>

The rental rates are based on the prevailing rates in the surrounding area. The Group collects rentals from related parties on a monthly basis.

b. Other benefits

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	\$ 1,395	\$ 1,378
Corporate shareholder (indirect investment using the equity method)	<u>286</u>	<u>-</u>
	<u>\$ 1,681</u>	<u>\$ 1,378</u>

Other benefits are mainly derived from management consulting services provided to the related parties, etc.

c. Service costs

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	<u>\$ 3,861</u>	<u>\$ 24,619</u>

d. General and administrative expenses

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	<u>\$ 20,177</u>	<u>\$ 41,859</u>

Service costs and general and administrative expenses are mainly payment for services related to real estate registration, cadaster access service and management consulting, etc.

e. Lease agreements

	<b><u>For the Year Ended December 31</u></b>	
	<b>2022</b>	<b>2021</b>
Lease liabilities - related parties in substance	<u>\$ -</u>	<u>\$ 5,946</u>
	<b><u>December 31</u></b>	
	<b>2022</b>	<b>2021</b>
<u>Interest expense</u>		
Related parties in substance	<u>\$ 19</u>	<u>\$ 88</u>

The rental rates are based on the prevailing rates in the surrounding area. The Group collects rentals from related parties on a monthly basis.

f. Other receivables

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	\$ 1,001	\$ 2,459
Corporate shareholder (indirect investment using the equity method)	<u>50</u>	<u>-</u>
	<u>\$ 1,051</u>	<u>\$ 2,459</u>

### 33. MORTGAGED OR PLEDGED ASSETS

The Group's assets mortgaged or pledged as collateral for bank loans, other financial institutions or other contracts were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Property, plant and equipment (including investment properties)		
Land	\$ 4,125,647	\$ 4,191,664
Building	344,004	384,741
Other financial assets		
Pledged time deposits and demand deposits	2,039,521	340,883
Inventories	<u>2,968,785</u>	<u>3,534,406</u>
	<u>\$ 9,477,957</u>	<u>\$ 8,451,694</u>

### 34. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

- a. The Group is involved in claims that arise in the ordinary course of brokerage and escrow business; the other party may claim against the Group through legal proceedings. On the basis of past experience and consultations with legal counsel, management of the Group has measured the possible effects of the contingent lawsuits on its financial condition in brokerage and escrow business.
- b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to \$5,000 thousand.
- c. The Company have endorsed Hong Kong Real Estate, An-Sin, Sinyi International and Jiu Xin Estate has endorsed Kunshan Dingxian Trading in obtaining financing limit of \$1,044,140 thousand, \$2,600,000 thousand, \$153,550 thousand and \$18,699 thousand, respectively. Refer to Note 36, Table 2 for the details.
- d. As of December 31, 2022, the Group had signed construction contracts and land use rights but not yet paid for \$1,564,109 thousand, and \$307,399 thousand, respectively.



- e. Jiu Xin Estate property developer in mainland China, sold real estate and guaranteed the mortgage bank loans of some of its customers (including natural persons and juridical persons); the guarantee amounted to \$39,628 thousand as of December 31, 2022. The amount of mortgage loan was remitted to Jiu Xin Estate for payment of the property sold according to local practice. If a customer breached a mortgage contract, Jiu Xin Estate will return to the banks only the amount of mortgage received. Therefore, Jiu Xin Estate is not exposed to risk of material loss from the guarantee. The guarantee is just a selling feature in the real estate development industry in China and it does not bear the economic substance and risk of ordinary endorsement. In addition, according to the Q&A No. 35 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” (the Regulations) announced on December 26, 2012 by the SFB, the above guarantee provided by Jiu Xin Estate to its customers is similar to an escrow, instead of endorsement as defined in the Regulations.

### 35. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group’s significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2022

	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,493,694	4.408	\$ 6,584,202
JPY	3,206,147	0.2324	745,109
USD	88,687	30.710	2,723,568
MYR	11,723	6.972	81,729
Non-monetary items			
RMB	16,940	4.408	74,670
JPY	1,189,715	0.2324	276,490
<u>Financial liabilities</u>			
Monetary items			
RMB	130,047	4.408	573,247
JPY	1,626,317	0.2324	377,956

December 31, 2021

	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,926,898	4.344	\$ 8,370,447
JPY	2,191,892	0.2405	527,150
USD	2,329	27.680	64,463
MYR	7,946	6.644	52,796
Non-monetary items			
RMB	28,440	4.344	123,543
JPY	1,317,881	0.2405	316,950
<u>Financial liabilities</u>			
Monetary items			
RMB	266,085	4.344	1,155,875
JPY	1,212,591	0.2405	291,628

The Group is mainly exposed to foreign currency risk from USD, RMB, JPY and MYR. The following information was aggregated by the functional currencies of the Group and the exchange rates between respective functional currencies and the presentation currency were disclosed. The realized and unrealized foreign exchange gains and losses were as follows:

Functional Currency	<b>For the Year Ended December 31</b>			
	<b>2022</b>		<b>2021</b>	
	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	\$ (35,333)	1 (NTD:NTD)	\$ 14,868
USD	29.8045 (USD:NTD)	(51,846)	28.009 (USD:NTD)	(859)
RMB	4.4218 (RMB:NTD)	58,963	4.3413(RMB:NTD)	12
JPY	0.2275 (JPY:NTD)	231	0.2554 (JPY:NTD)	(2)
MYR	6.7728 (MYR:NTD)	(225)	6.762 (MYR:NTD)	125
HKD	3.8055 (HKD:NTD)	-	3.603 (HKD:NTD)	(21)
		<u>\$ (28,210)</u>		<u>\$ 14,123</u>

### 36. SEPARATELY DISCLOSED ITEMS

Information on significant transactions and information on investees:

- a. Financing provided: Table 1 (see the attached)
- b. Endorsements/guarantees provided to others: Table 2 (see the attached)
- c. Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Table 3 (see the attached)

- d. Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None
- e. Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: Table 4 (see the attached)
- f. Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
- g. Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None
- h. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
- i. Information about derivative: None
- j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 5 (see the attached)
- k. Information on investees: Table 6 (see the attached)

Information on investments in mainland China:

- a. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the mainland China area: Table 7 (see the attached)
- b. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
  - 1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None
  - 2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None
  - 3) The amount of property transactions and the amount of the resultant gains or losses: None
  - 4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2 (see the attached)
  - 5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (see the attached)
  - 6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

Information on major shareholders:

The name of major shareholders, number of shares, percentage of ownership about the ownership of 5% or greater (Table 8)

### 37. SEGMENT INFORMATION

- a. The Group is in the operation of local and international real-estate brokerage business, real-estate developing business and tourism business. The Group provides information to the chief operating decision maker for the purpose of resources allocation and assessment of segment performance. The information gives emphasis on related laws on real-estate transactions in different countries that may affect the adoption of different marketing strategies.

Management has determined reportable segments as follows:

#### Real estate brokerage segment

- 1) Companies in Taiwan.
- 2) Companies in mainland China and other foreign companies.

#### Real estate development segment

- 1) Companies in Taiwan.
- 2) Companies in mainland China and other foreign companies.

#### Tourism segment

- 1) Companies in Taiwan
- 2) Companies in mainland China and other foreign companies.

The following table was an analysis of the Group's revenue, result of operations and assets of segments for the years ended December 31, 2022 and 2021:

	Real Estate Brokerage		Real Estate Lease Construction and Development		Tourism		Elimination	Consolidated
	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others		
For the year ended December 31, 2022								
Revenues from external customers	\$ 10,482,576	\$ 570,884	\$ 1,117,122	\$ 1,641,409	\$ 2,090	\$ -	\$ -	\$ 13,814,081
Inter-segment revenues	100,764	34,291	348	30,438	45	-	(165,886)	-
Segment revenues	<u>\$ 10,583,340</u>	<u>\$ 605,175</u>	<u>\$ 1,117,470</u>	<u>\$ 1,671,847</u>	<u>\$ 2,135</u>	<u>\$ -</u>	<u>\$ (165,886)</u>	13,814,081
Rental income from investment property								(90,355)
Consolidated revenues								<u>\$ 13,723,726</u>
Operating profit (loss)	<u>\$ 1,508,829</u>	<u>\$ (195,262)</u>	<u>\$ 216,026</u>	<u>\$ 37,878</u>	<u>\$ (867)</u>	<u>\$ (96,415)</u>	<u>\$ 161,243</u>	\$ 1,631,432
Operating income from investment property								(54,130)
Operating income								<u>\$ 1,577,302</u>
Segment assets	<u>\$ 10,791,599</u>	<u>\$ 11,174,948</u>	<u>\$ 8,128,626</u>	<u>\$ 14,251,143</u>	<u>\$ 9,587</u>	<u>\$ 1,677,941</u>	<u>\$ (12,028,601)</u>	\$ 34,005,243
Investments accounted for by the equity method								65,434
Total assets								<u>\$ 34,070,677</u>
For the year ended December 31, 2021								
Revenues from external customers	\$ 13,717,354	\$ 555,997	\$ 103,723	\$ 4,517,084	\$ 1,886	\$ -	\$ -	\$ 18,896,044
Inter-segment revenues	282,011	42,272	696	51,550	-	-	(376,529)	-
Segment revenues	<u>\$ 13,999,365</u>	<u>\$ 598,269</u>	<u>\$ 104,419</u>	<u>\$ 4,568,634</u>	<u>\$ 1,886</u>	<u>\$ -</u>	<u>\$ (376,529)</u>	18,896,044
Rental income from investment property								(103,723)
Consolidated revenues								<u>\$ 18,792,321</u>
Operating profit (loss)	<u>\$ 2,953,947</u>	<u>\$ (274,887)</u>	<u>\$ (105,245)</u>	<u>\$ 492,119</u>	<u>\$ (1,395)</u>	<u>\$ (58,740)</u>	<u>\$ 192,478</u>	\$ 3,198,277
Operating income from investment property								(66,198)
Operating income								<u>\$ 3,132,079</u>
Segment assets	<u>\$ 9,598,657</u>	<u>\$ 2,227,738</u>	<u>\$ 6,318,931</u>	<u>\$ 16,302,380</u>	<u>\$ 7,022</u>	<u>\$ 1,517,713</u>	<u>\$ (3,098,271)</u>	\$ 32,869,170
Investments accounted for by the equity method								51,622
Total assets								<u>\$ 32,920,792</u>

The Group uses the operating profit (loss) as the measurement for segment profit. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Product and labor service information

The Group's primarily business are real estate brokerage business, agency sale business, and developing business. The related information are as following:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Real estate brokerage revenue	\$ 9,752,261	\$ 12,285,497
Sales of real estate agency	1,301,199	1,987,854
Developing business revenue	2,668,176	4,517,084
Others	<u>2,090</u>	<u>1,886</u>
	<u>\$ 13,723,726</u>	<u>\$ 18,792,321</u>

c. Location information

Operating segments information had disclosed location information; therefore, no location information is required to be disclosed.

d. Major customers

No single customer accounts for at least 10% of the Group's revenue; therefore, no customer information is required to be disclosed.

TABLE 1

## SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Related Parties	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Interest Rate	Type of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Ending Balance of Collateral		Financing Limit for Each Borrowing Company	Financing Company's Financing Amount Limits	Remark (Note 14)
													Item	Value			
0	Sinyi Realty Inc.	Sinyi Development Inc. Sinyi Morefun Tourism Development Ltd. Jin Mei Travel Service Co., Ltd.	Other receivables Other receivables Other receivables	Yes Yes Yes	\$ 2,362,901 (US\$ 32,215 thousand) 5,000	\$ 2,052,709 - 5,000	\$ 1,699,809 - 2,000	1.34%-1.52% 5.2% 1.52%	Short-term financing Short-term financing Short-term financing	- - -	Working capital Working capital Working capital	- - -	\$ 3,545,694 (Note 1) 3,545,694 (Note 1) 3,545,694 (Note 1)	\$ 4,727,593 (Note 1) 4,727,593 (Note 1) 4,727,593 (Note 1)	\$ 14,713 656 21		
1	Sinyi Real Estate (Shanghai) Limited	Jin Xin Estate (Wuxi) Limited	Other receivables	Yes	(RMB 856,140 thousand)	-	-	4.75%	Short-term financing (Note 10)	-	Working capital	-	2,018,353 (Note 2)	3,027,529 (Note 2)	-		
		Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	(RMB 362,313 thousand)	357,048 (RMB 81,000 thousand)	357,048 (RMB 81,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	2,018,353 (Note 2)	3,027,529 (Note 2)	13,310		
2	Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd.	Other receivables	Yes	(RMB 29,075 thousand)	22,040 (RMB 5,000 thousand)	22,040 (RMB 5,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	(131,728) (Note 3,6)	(197,592) (Note 3,6)	910		
		Suzhou Sinyi Real Estate Inc.	Other receivables	Yes	(RMB 270,360 thousand)	251,256 (RMB 57,000 thousand)	251,256 (RMB 57,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	(131,728) (Note 3,6)	(197,592) (Note 3,6)	10,678		
		Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd.	Other receivables	No	(RMB 57,184 thousand)	29,357 (RMB 6,660 thousand)	29,357 (RMB 6,660 thousand)	6%	Short-term financing	-	Working capital	-	(26,345) (Note 4,6)	(32,932) (Note 4,6)	1,691		
		YiShan Shanghai Real Estate Management Consulting Inc. (Note 15)	Other receivables	Yes	(RMB 15,285 thousand)	-	-	4.75%	Short-term financing	-	Working capital	-	(26,345) (Note 5,6)	(32,932) (Note 5,6)	307		
3	Lunheng Business Management (Shanghai) Ltd.	Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	(RMB 117,156 thousand)	-	-	4.75%	Short-term financing (Note 10)	-	Working capital	-	1,407,548 (Note 7)	2,111,322 (Note 7)	940		
		Jiu Xin Estate (Wuxi) Limited	Other receivables	Yes	(RMB 946,260 thousand)	925,680 (RMB 210,000 thousand)	925,680 (RMB 210,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	1,407,548 (Note 7)	2,111,322 (Note 7)	44,107		
4	Sinyi Realty Inc. Japan	Sinyi Realty Inc.	Other receivables	Yes	(JPY 36,105 thousand)	-	-	2%	Short-term financing (Note 10)	-	Working capital	-	322,186 (Note 8)	483,279 (Note 8)	9		
5	Sinyi Asset Management Co., Ltd.	Sinyi Realty Inc.	Other receivables	Yes	(JPY 24,070 thousand)	-	-	2%	Short-term financing (Note 10)	-	Working capital	-	63,044 (Note 9)	94,566 (Note 9)	13		
6	Sinyi Global Asset Management Co., Ltd	Sinyi Realty Inc.	Other receivables	Yes	(RMB 120,000 thousand)	120,000	120,000	1.45%	Short-term financing	-	Working capital	-	339,984 (Note 11)	566,640 (Note 11)	1,012		
7	Sinyi International Limited	Sinyi Realty Inc.	Other receivables	Yes	(US\$ 1,676,640 thousand)	859,880 (US\$ 28,000 thousand)	859,880 (US\$ 28,000 thousand)	5.2%	Short-term financing (Note 10)	-	Working capital	-	6,125,123 (Note 12)	9,800,197 (Note 12)	37,640		
8	Xin Yeh Business Administration (Shanghai) Ltd.	Sinyi Real Estate (Shanghai) Limited	Other receivables	Yes	(RMB 1,789,200 thousand)	1,763,200 (RMB 400,000 thousand)	1,763,200 (RMB 400,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	1,861,537 (Note 13)	2,792,305 (Note 13)	23,248		

(Continued)

- Note 1: The maximum total financing provided should not exceed 40% of Sinyi Realty Inc.'s net worth. The individual lending amount should not exceed 30% of Sinyi Realty Inc.'s net worth.
- Note 2: The maximum total financing provided should not exceed 150% of Sinyi Real Estate (Shanghai) Limited's net worth. The individual lending amount should not exceed 100% of Sinyi Real Estate (Shanghai) Limited's net worth.
- Note 3: The maximum total financing provided should not exceed 300% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 200% of Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)'s net worth.
- Note 4: If the short-term financing provided by Shanghai Sinyi Real Estate Inc. to the borrowing company is for the purpose of strategic consideration, the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth and the individual lending amount should not exceed 40% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 5: The financing provided by Shanghai Sinyi Real Estate Inc. for borrowing company which is owned 80% to less than 100% of its voting shares directly or indirectly by Shanghai Sinyi Real Estate Inc., the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 40% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 6: Shanghai Sinyi Real Estate Limited will propose an improvement plan in accordance with the regulations due to the decrease in net worth as of December 31, 2022, and the capital loan is over the limit.
- Note 7: The financing provided by Lunheng Business Management (Shanghai) Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Lunheng Business Management (Shanghai) Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Lunheng Business Management (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Lunheng Business Management (Shanghai) Ltd.'s net worth.
- Note 8: The financing provided by Sinyi Realty Inc. Japan for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Realty Inc. Japan or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Realty Inc. Japan's net worth. The individual lending amount should not exceed 100% of Sinyi Realty Inc. Japan's net worth.
- Note 9: The financing provided by Sinyi Asset Management Co., Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Asset Management Co., Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Asset Management Co., Ltd.'s net worth. The individual lending amount should not exceed 100% of Sinyi Asset Management Co., Ltd.'s net worth.
- Note 10: The restriction provided that such short term, i.e. within one year or the Company's operating cycle, financing amount not exceeding 40% of the lender's net worth shall not apply to intercompany loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares.
- Note 11: The financing provided by Sinyi Global Asset Management Co., Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Global Asset Management Co., Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 5 times of Sinyi Global Asset Management Co., Ltd.'s net worth. The individual lending amount should not exceed 3 times of Sinyi Global Asset Management Co., Ltd.'s net worth.
- Note 12: The financing provided by Sinyi International Limited for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi International Limited or Sinyi Realty Inc., the maximum total financing provided should not exceed 80% of Sinyi International Limited's net worth. The individual lending amount should not exceed 50% of Sinyi International Limited's net worth.
- Note 13: The financing provided by Xin Yeh Business Administration (Shanghai) Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Xin Yeh Business Administration (Shanghai) Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth.
- Note 14: Interest recognized in the current period.
- Note 15: Ke Wei Shanghai Real Estate Management Consulting Inc. changed its name to YiShan Shanghai Real Estate Management Consulting Inc. in September 2022.

(Concluded)

## SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Amount of Endorsement/Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity Per Financial Statement (%)	Maximum Total Endorsement/Guarantee Allowed to Be Provided by the Endorser/Guarantor	Guarantee Given by Parent on Behalf of Subsidiaries	Guarantee Given by Subsidiaries on Behalf of the Company	Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Nature of Relationship											
0	Sinyi Realty Inc.	Sinyi Real Estate (Hong Kong) Limited	Indirectly 100% owned subsidiary	\$ 9,455,186 (Note 1)	\$ 1,095,310 (US\$ 34,000 thousand)	\$ 1,044,140 (US\$ 34,000 thousand)	\$ -	\$ -	8.83	\$ 17,728,474 (Note 1)	Yes	No	No	Note 3
		An-Sin Real Estate Management Ltd.	Directly 51% owned subsidiary	9,455,186 (Note 1)	2,600,000	2,600,000	-	-	22.00	17,728,474 (Note 1)	Yes	No	No	Note 4
		Sinyi International Limited	Directly 100% owned subsidiary	9,455,186 (Note 1)	161,075 (US\$ 5,000 thousand)	153,550 (US\$ 5,000 thousand)	-	-	1.30	17,728,474 (Note 1)	Yes	No	No	Note 5
1	Jiu Xin Estate (Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	Business dealings	4,795,468 (Note 2)	19,114 (RMB 4,242 thousand)	18,699 (RMB 4,242 thousand)	18,699 (RMB 4,242 thousand)	-	0.31	5,994,336 (Note 2)	No	No	Yes	Note 6

Note 1: For those subsidiaries Sinyi Realty Inc. (the "Company") has over 50% ownership directly or indirectly, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of the Company's net worth. The maximum total endorsement/guarantee should not exceed 150% of Sinyi Realty Inc.'s net worth.

Note 2: For those subsidiaries which Jiu Xin Estate (Wuxi) Limited (hereafter referred to as "Jiu Xin") has over 80% of ownership directly or indirectly, or the Company holds 100% of the voting shares, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of Jiu Xin's net worth. The maximum total endorsement/guarantee should not exceed 100% of Jiu Xin's net worth.

Note 3: In response to the short term foreign currency borrowing needs of the Group's overseas subsidiaries to improve the efficiency of the Group's capital management, the Company shares its part of line of credit of bank with Sinyi Real Estate (Hong Kong) Limited and provides endorsement guarantees in accordance with the terms of the credit.

Note 4: In response to An-Sin's operational the Company provides endorsement guarantees in accordance with the terms of the credit for the purpose of increasing the credit line of An-Sin.

Note 5: In response to the group's exchange rate hedging needs, the Company provide Sinyi International Limited endorsement guarantee according to the bank quota conditions.

Note 6: In response to the demand for building materials purchased by Kunshan Dingxian Trading Co., Ltd. to support the construction project of Jiu Xin, Jiu Xin provides the purchase amount equivalent guarantee at the request of suppliers.



## SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES)  
DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022			Note	
				Shares/Units	Carrying Value	Percentage of Ownership (%)		Market Value or Net Asset Value
Sinyi Realty Inc.	Listed shares E.SUN Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	4,562,282	\$ 109,723	-	\$ 109,723	
	Unlisted shares Han Yu Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,000,000	34,467	11	34,467	
	NOwnews Network Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,049,632	14,139	9	14,139	
	Pehome Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	196,350	-	8	-	
	Cité Publishing Holding Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	7,637	-	1	-	
	Cité Information Services Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	106,392	-	1	-	
	B Current Impact Investment Fund 3	-	Financial assets at fair value through other comprehensive income - non-current	1,000,000	12,673	10	12,673	
	LEJU Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	364,964	44,125	11	44,125	
	B Current Impact Investment Fund 5 LP	-	Financial assets at fair value through profit or loss - non-current	-	2,500	-	2,500	
	Listed shares Orix Corp.	-	Financial assets at fair value through other comprehensive income - current	561,300	276,490	-	276,490	
	Shanghai Sinyi Real Estate Inc.	Unlisted shares Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	34,500,000	74,670	2	74,670
		Taicang Yalong Management Consulting Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	150,000	-	-	-

## SINYI REALTY INC. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party		Pricing Reference	Purpose of Acquisition	Other Terms		
							Property Owner	Relationship				Transaction Date	Amount
Zhancheng Tourism Development Sdn. Bhd.	Right-of-use - land	2022.12.21	\$ 314,370 (MYR 45,093 thousand)	Paid 2% of total price	Treasure Sage Sabah SDN. BHD. (Malaysia)	Related party in substance	Amylia Edmund, WEE GOK SHUN, WEE WUI NEE, WONG SIEW GUEN, LPL 118 CORPORATION SDN. BHD.	-	2018/12/31 2019/3/21 2019/4/29 2019/6/18 2019/12/31 2020/12/30	MYR 42,660 thousand	The counter-party's acquisition price, including interest on the necessary capital and the buyer's costs, amounted to MYR45,093 thousand.	The investment of real estate is for the tourism industry.	-

Note: Prepayments for right-of-use assets - land is from Zhancheng signed an agreement to acquire right-of-use of land at Pulau Mengalum, Sabah, Malaysia in 2022 and incompleting the legal progress of the possession right transfer.

**SINYI REALTY INC. AND SUBSIDIARIES**  
**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Company Name	Counterparty	Flow of Transactions	Transaction Details			Percentage to Consolidated Total Assets/Revenue (%)
				Financial Statement Account	Amount	Payment Terms	
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd. Sinyi Development Inc.	a a	Trade receivables Other receivables	\$ 93,620 1,699,809	Regular settlement For working capital, rate at 1.34%-1.52%	- 5
1	Sinyi Global Asset Management Co., Ltd.	Sinyi Realty Inc.	b	Other receivables	120,000	For working capital, rate at 1.45%	-
2	Sinyi International Limited	Sinyi Realty Inc. Sinyi Real Estate (Shanghai) Limited	b c	Other receivables Other receivables	859,880 1,842,600	For working capital, rate at 5.2% Surplus repatriation	3 5
3	Sinyi Real Estate (Shanghai) Limited	Shanghai Sinyi Real Estate Inc.	c	Other receivables	375,048	For working capital, rate at 4.75%	1
4	Lunheng Business Management (Shanghai) Ltd.	Jiu Xin Estate (WuXi) Limited	c	Other receivables	925,680	For working capital, rate at 4.75%	3
5	Jiu Xin Estate (WuXi) Limited	Kunshan Dingxian Trading Co., Ltd.	c	Contract assets	80,786	-	-
6	Shanghai Sinyi Real Estate Inc.	Suzhou Sinyi Real Estate Inc.	c	Other receivables	251,256	For working capital, rate at 4.75%	1
7	Xin Yeh Business Administration (Shanghai) Ltd.	Sinyi Real Estate (Shanghai) Limited	c	Other receivables	1,763,200	For working capital, rate at 4.75%	5

Note 1: Parties to the intercompany transactions are identified and numbered (in first column) as follows:

- a. "0" for Sinyi Realty Inc.
- b. Subsidiaries are numbered from "1".

Note 2: Flows of transactions are categorized as follows:

- a. From a parent company to its subsidiary.
- b. From a subsidiary to its parent company.
- c. Between subsidiaries.

Note 3: Percentage to consolidated total assets is calculated by dividing the amount of a particular asset or liability account by the consolidated total of assets as of December 31, 2022.  
Percentage to consolidated total revenues is calculated by dividing the amount of a particular revenue or cost or expense account by the consolidated total operating revenues for the year ended December 31, 2022.

Note 4: The table is disclosed by the Company based on the principle of materiality.

TABLE 6

## SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022		Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)			
Sinyi Realty Inc.	Sinyi International Limited Sinyi Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa 4 <sup>th</sup> Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding Investment holding	\$ 10,407,073 1,905,584	\$ 10,407,073 1,905,584	345,248,785 57,277,000	100 100	\$ 238,885 (202,122)	\$ 238,885 (202,122)	
	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	2,035,005	2,035,005	203,500,000	100	106,883	97,358	Note 4
	Sinyi Global Asset Management Co., Ltd. Heng-Yi Intelligent Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage Information software, data processing and electronic information providing service	29,180 28,000	29,180 28,000	5,000,000 1,200,000	100 80	33,137 (989)	33,137 (791)	
	Jui-Jin Consultants Co., Ltd. Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Management consulting Publication	5,000 4,960	5,000 4,960	500,000 -	100 99	(34) (608)	(34) (603)	
	An-Sin Real Estate Management Ltd. Sinyi Interior Design Co., Ltd. Yowoo Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management Interior design Information software, data processing and electronic information providing service	25,500 950 38,875	25,500 950 28,875	7,650,000 95,000 3,500,000	51 19 100	26,343 4,289 (9,953)	13,435 816 (9,953)	
	Rakuya International Info. Co., Ltd.	12F, No. 105, Dunhua S. Rd., Sec. 2, Daan District, Taipei City, Taiwan	Information software wholesale and retail	19,076	19,076	2,580,745	23	71,441	16,080	
	Sin Chium Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinaang, 50450 Kuala Lumpur, Malaysia	Investment holding	1,795,572	1,795,572	243,537,766	100	(38,219)	(38,219)	
	Sinyi Real Estate Consulting Limited Sinyi Holding Sdn. Bhd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan Unit 20-1, Level 20, Menara Prestige, No. 1, Jalan Pinaang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Production of instructions of real estate Investment holding	- 57,158	8,000 29,384	- 8,000,000	- 100	(8,406) (12,463)	(8,406) (12,463)	Note 2
	Sinyi Morefun Tourism Development Ltd.	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands	Investment holding	130,679	36,942	14,390	100	(45,814)	(45,814)	
	Jin Mei Travel Service Co., Ltd. Sinkang Administration Sdn. Bhd.	9F-2, No. 50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan Unit 20-1, Level 20, Menara Prestige, No. 1, Jalan Pinaang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Tourism Tourism	8,310 31,965	8,310 -	- 8,000,000	100 100	(738) (18,228)	(738) (6,263)	Note 3
	Zhansin Tourism Development Sdn. Bhd. Zhaicheng Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88450 Kota Kinabalu Sabah, Malaysia Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism Tourism	3,400 15,591	- -	500,000 2,500,000	100 100	(64) (1,553)	(33) (1,085)	Note 3 Note 3
	Sinyi International Limited	Forever Success International Ltd. Sinyi Realty Inc. Japan	3 <sup>rd</sup> Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius 2 <sup>nd</sup> Floor, Shortisu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Investment holding Real estate brokerage, management and identification	68,741 58,064	68,741 58,064	2,216,239 16,000	100 100	(21,756) 45,187	(21,756) 45,187
Sinyi Limited	Sinyi Development Ltd. Sinyi Estate Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding Investment holding	3,919,127 6,360,046	3,919,127 6,360,344	133,506,209 208,510,749	100 100	204,788 21,411	204,788 21,411	
Inane International Limited	Inane International Limited Ke Wei Hk Realty Limited	4 <sup>th</sup> Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I. Rooms 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, HK	Investment holding Investment holding	1,647,792 95,129	1,647,792 95,129	51,935,840 2,675,000	100 99	(208,317) (3,366)	(208,317) (3,366)	
An-Sin Real Estate Management Ltd.	Max Success International Limited	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands	Investment holding	66,174	66,174	1,584,000	100	-	-	
Sinyi Realty Inc. Japan	An-Sin Real Estate Management Ltd. Sinyi Asset Management Co., Ltd. Tokyo Sinyi Real Estate Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan 2 <sup>nd</sup> Floor, Shortisu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan 3 <sup>rd</sup> Floor, No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management Real estate brokerage, management and identification Real estate brokerage	100,000 10,746 5,000	100,000 10,746 5,000	10,000,000 600 500,000	100 100 100	16,105 9,469 (154)	16,105 9,469 (154)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Room 802, 8 Floor, Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Hong Kong	Investment holding	3,888,107	3,888,107	131,640,306	100	205,121	205,121	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022		Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)			
Sinyi Estate Ltd.	Sinyi Estate (Hong Kong) Limited	Unit 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	\$ 6,351,124	\$ 6,351,124	207,010,749	100	\$ 5,988,441	\$ 27,998	
Sinyi Development Inc.	Da-Chia Construction Co., Ltd. Sinyi Real Estate Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories Development, construction, rental and sale of residential building and factories	800 800	800 800	80,000 80,000	100 100	330 253	(34) (34)	
Sin Chium Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd. Pegasus Holding Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pnang, 50450 Kuala Lumpur, Malaysia Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pnang, 50450 Kuala Lumpur, Malaysia	Management and identification Investment holding	39,987 42,160	39,987 42,160	5,443,949 5,741,100	49 100	3,944 4,169	(3,257) (3,480)	
Pegasus Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pnang, 50450 Kuala Lumpur, Malaysia	Management and identification	41,619	41,619	5,666,151	51	4,105	(6,647)	(3,390)
Yowoo Technology Inc.	Heng-Yi Intelligent Technology Inc. Lin Yue Traffic Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service Manpower dispatch and merchandise delivery	7,000 20,500	7,000 19,300	300,000 2,620,000	20 100	1,666 3,088	(989) (293)	(198) (293)
Simju Holding Sdn. Bhd.	Sinhong International Sdn. Bhd. Sinkang Administration Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Investment holding Tourism	- -	- 28,556	- -	- -	(130) -	(63) (18,228)	(63) (11,965)
Sinyi Morefun Tourism Development Ltd.	Sinyi Infinite Limited Sinyi Elite Limited Sinyi Unique Limited	Coastal Building, Wickham S Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands. Coastal Building, Wickham S Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands. Coastal Building, Wickham S Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding Investment holding Investment holding	3,481 - 17,794	3,481 - 3,481	3,119 - 3,619	100 - 100	3,352 21 16,052	(38) (69) (550)	(38) (69) (550)
Sinyi Elite Limited	Zhaanyi Tourism Development Sdn. Bhd.	Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	-	-	-	-	(71)	(69)	(69)
Sinyi Infinite Limited	Zhansin Tourism Development Sdn. Bhd.	Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	-	3,481	-	-	-	(64)	(31)
Sinyi Unique Limited	Zhancheng Tourism Development Sdn. Bhd.	Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism Tourism	- -	3,481 3,481	- -	- -	- -	(1,553)	(468)

Note 1: The Group established the subsidiaries in 2020; as of December 31, 2022, the capital injection had not been completed.

Note 2: The Company merged Sinyi Real Estate Consulting Limited on August 31, 2022

Note 3: In November and December 2022, the Company acquired 100% of the shares of Sinkang, Zhansin and Zhancheng from Sinyi, Infinite and Unique, respectively.

Note 4: The investment income or loss recognized by the investment company includes the recognition of upstream and downstream transactions and the amortization of the difference between the cost of investment and the net value of the equity in the investment.

(Concluded)

**SINYI REALTY INC. AND SUBSIDIARIES**  
**INFORMATION ON INVESTMENTS IN MAINLAND CHINA**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Value as of December 31, 2022 (Note 1)	Accumulated Inward Remittance of Earnings as of December 31, 2022
					Outflow	Inflow						
YiShan Shanghai Real Estate Management Consulting Inc. (Note 9)	Real estate brokerage and management consulting	RMB 21,938	Investment in company located in mainland China indirectly through Ke Wei HK Realty Limited and Shanghai Sinyi Real Estate Inc.	\$ 81,859	\$ -	\$ -	\$ 81,859	\$ (3,368)	100	\$ (3,368)	\$ (11,304)	\$ -
Shanghai Sinyi Real Estate Inc. (Note 2)	Real estate brokerage	RMB 295,632	Investment in company located in mainland China indirectly through Inane International Limited	1,294,418	-	-	1,294,418	(190,138)	100	(190,138)	(65,864)	-
Beijing Sinyi Real Estate Ltd. (Note 2)	Real estate brokerage	RMB 34,747	Investment in company located in mainland China indirectly through Inane International Limited	149,955	-	-	149,955	(361)	100	(361)	(20,551)	-
Shanghai Zhi Xin allograph Ltd.	Real estate brokerage and management consulting	RMB 11,968	Investment in company located in mainland China indirectly through Inane International Limited	17,095	-	-	17,095	(17,727)	100	(17,727)	(15,341)	-
Suzhou Sinyi Real Estate Inc. (Note 2)	Real estate brokerage and management consulting	RMB 68,000	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	22,414	-	-	22,414	(87,052)	100	(87,052)	(73,447)	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 3)	Real estate fund investment management	RMB1,636,300	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 2)	Real estate brokerage and management consulting	RMB 27,200	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	43,766	-	-	43,766	(16,903)	100	(16,903)	(27,370)	-
Shanghai Shang Tuo Investment Management Consulting Inc.	Real estate brokerage and management consulting	RMB 5,961	Investment in company located in mainland China indirectly through Forever Success International Ltd.	27,432	-	-	27,432	(3,582)	100	(3,582)	43,785	-
Chengdu Sinyi Real Estate Co., Ltd. (Note 4)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Inane International Limited	62,005	-	-	62,005	-	-	-	-	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Note 5)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Inane International Limited	37,295	-	-	37,295	-	-	-	-	-
Sinyi Real Estate (Shanghai) Limited	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 802,513	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,868,747	-	-	3,868,747	205,285	100	205,285	2,018,353	1,218,297

(Continued)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Value as of December 31, 2022 (Note 1)	Accumulated Inward Remittance of Earnings as of December 31, 2022
					Outflow	Inflow						
Hua Yun Renovation (Shanghai) Co., Ltd.	Professional construction, building decoration, construction, hard ware, building materials wholesale	RMB 8,000	Investment in company located in mainland China indirectly through Forever Success International Ltd.	\$ 40,465	\$ -	\$ -	\$ 40,465	\$ (7,296)	100	\$ (7,296)	\$ 119,859	\$ -
Kunshan Dingxian Trading Co., Ltd.	Construction materials, furniture, sanitary ware and ceramic products wholesale	RMB 6,000	Investment in company located in mainland China indirectly through Sinyi Development Ltd.	31,020	-	-	31,020	28,502	100	28,502	238,201	-
Shanghai Chang Yuan Co., Ltd.	Property, business and management consulting	RMB 2,200	Investment in company located in mainland China indirectly through Shanghai Shang Tuo Investment Management Consulting Inc.	-	-	-	-	(4,652)	100	(4,652)	5,029	-
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	Real estate marketing planning and management consulting	RMB 100	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	(14)	100	(14)	754	-
Jiu Xin Estate (Wuxi) Limited (Note 2)	Real estate development	USD 207,000	Investment in company located in mainland China indirectly through Sinyi Estate (Hong Kong) Limited	3,900,696	-	-	3,900,696	33,680	100	33,680	5,994,336	-
Suzhou ZHI XIN Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 3,000	Investment in company located in Mainland China indirectly through Shanghai ZHI XIN Allograph Ltd.	-	-	-	-	(1,460)	100	(1,460)	(667)	-
Lunheng Business Management (Shanghai) Ltd.	Business management consulting, financial advisory and marketing strategy	RMB 311,400	Investment in company located in Mainland China indirectly through Hua Yun Renovation (Shanghai) Co., Ltd. and Sinyi Real Estate (Shanghai) Limited	-	-	-	-	45,329	100	45,329	1,407,548	-
Xin Yeh Business Administration (Shanghai) Ltd.	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 400,000	Investment in company located in Mainland China indirectly through Sinyi Real Estate (Shanghai) Limited	-	-	-	-	50,353	100	50,353	1,861,537	-
Sinyi Real Estate (Wuxi) Limited (Note 3)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	RMB 100	Investment in company located in Mainland China indirectly through Xin Yeh Business Administration (Shanghai) Ltd.	-	-	-	-	4,931	100	4,931	(1,936)	-
Taicang Yalong Management Consulting Co., Ltd.	Business management consulting, interior decoration and marketing strategy	RMB 1,000	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	(Note 7)	-	(Note 7)	-	-
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Note 8)	Real estate marketing planning and management consulting	RMB -	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-

Accumulated Outflow for Investment in Mainland China as of December 31, 2022	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 6)
\$9,577,167	\$22,523,067	\$ -

(Continued)

Note 1: The carrying value was converted into New Taiwan dollars at the exchange rates of US\$1=NT\$30.71 and US\$1=RMB6.9669 on December 31, 2022.

Note 2: Some of the investments were made indirectly through earnings of the Company's subsidiary in China.

Note 3: Investments were made indirectly through the earnings of the Company's subsidiary in China.

Note 4: The Corporation has been liquidated in June 2019.

Note 5: The Corporation has been liquidated in June 2017.

Note 6: The Company has acquired the certification of operation headquarters issued by the Ministry of Economic Affairs, ROC.

Note 7: Investments in equity instruments at FVTOCI, measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income.

Note 8: The Company established the subsidiaries in 2020, as of December 31, 2022, the capital injection had not been completed.

Note 9: Ke Wei Shanghai Real Estate Management Consulting Inc. changed its name to YiShan Shanghai Real Estate Management Consulting Inc. in September 2022.

(Concluded)



**SINYI REALTY INC. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS  
AS OF DECEMBER 31, 2022**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Sinyi Co., Ltd.	210,238,285	28.53
Yu Hao Co., Ltd.	208,937,108	28.36
Sinyi Employee Stock Ownership Trust Account which opened with CITIC Bank	39,538,799	5.36

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed separately by the trustee who opened the trust account by client. For information on insider equity declarations by shareholders who hold more than 10% of the ownership in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares they hand over to the trust and have the right to exercise decision-making power over the trust property, etc., please refer to the Public Information Observatory.

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders  
Sinyi Realty Inc.

### Opinion

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

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

### Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of Company's financial statements for the year ended December 31, 2022 are stated as follows:

#### Evaluation of Profit and Loss Recognition of Investments Accounted for Using the Equity Method - Revenue Earned from Sales of Real Estate

As stated in Note 11 to the accompanying financial statements, as of December 31, 2022, the carrying amount of the investment in Sinyi Development Inc. (Sinyi Development) accounted for using the equity method is NT\$1,638,150 thousand, representing 6% of the Company's assets. For the year ended December 31, 2022, the amount of profit accounted for using the equity method is NT\$97,358 thousand, representing 7% of the Company's total comprehensive income. We identified the financial position and performance of Sinyi Development to have material impact on the Company's financial statements.

For the year ended December 31, 2022, revenue from the sales of real estate of Sinyi Development was NT\$1,026,767 thousand. Refer to Note 4 to the consolidated financial statements for the 2022 accounting policies of real estate sales revenue of Sinyi Development. When the company's real estate has reached the expected state of use and it has been accepted and qualified for use by relevant departments and the filing procedures have been completed, Sinyi Development issues a transfer notice of real estate based on the terms of the contract and recognizes sales revenue on the date of transfer. Since revenue from sales of real estate must be recognized after the real estate meets the above conditions, the recognition of revenue earned from the sale of real estate is regarded as a key audit matter.

We tested the control to understand the timing of the revenue recognition of the sales of real estate. We also evaluated the design and implementation of the relevant control of Sinyi Development. We selected samples from sales transactions of the current year to review the sales contracts signed by both parties to understand the terms and conditions of the contracts, verified whether the collection records of such sales are consistent with the sales prices stated in contracts. We also verified the transfer notices and relevant transfer records to confirm that the revenue from sales of real estate was recognized after the completion of the transfer procedures and verified that the revenue was earned and was properly recorded in the correct accounting period.

#### Valuation of Inventories - Investments Accounted for Using the Equity Method

As stated in Note 11 to the accompanying financial statements, as of December 31, 2022, the carrying amount of the investments in Sinyi International Limited ("Sinyi International") and Sinyi Development, which were accounted for using the equity method, was NT\$12,250,247 thousand and NT\$1,638,150 thousand, representing 44% and 6% of the Company's assets, respectively. For the year ended December 31, 2022, the share of profit (loss) of the investments in Sinyi International and Sinyi Development, which were accounted for using the equity method was NT\$238,885 thousand and NT\$97,358 thousand, representing 17% and 7% of the Company's total comprehensive income, respectively. Therefore, the financial position and performance of Sinyi International and Sinyi Development would have a material impact on the Company's financial statements.

As of December 31, 2022, the total carrying amount of inventories of Sinyi International, Sinyi International's subsidiaries, and Sinyi Development were NT\$9,928,737 thousand. Due to changes in the overall economic environment and related business regulations, the Company had to take into consideration reasonable estimates of the future selling price and additional costs as well as changes in the economy, when assessing during the assessment of the net realizable value of inventories, to determine whether the valuation of inventories is appropriate. Since the carrying amount of inventory was considered significant to the financial statements and the valuation of the net realizable value of inventories is subject to management's significant judgment, the valuation of inventory has been identified as a key audit matter.

We focused on the valuation of inventories at the balance sheet date. We selected samples from the inventory balance, and assessed and tested the net realizable value of inventories estimated by the management as well as the reasonableness of the key parameters used in the valuation. The procedures included but were not limited to the following: We inspected the latest actual transaction price or market transaction price of similar real estate, and determined that the net realizable value of inventories was not lower than the carrying amount through recalculations. We verified the accuracy of the valuation of inventories by inspecting the selected samples and re-performed the calculation procedures.

Refer to Note 4 to the consolidated financial statements for the accounting policies related to the valuation of inventories, Note 5 for the description of critical accounting judgments and key sources of estimation uncertainty, and Note 10 for the related presentation and disclosures.

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

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the 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 financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pan-Fa Wang and Chin-Chuan Shih.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 22, 2023

#### Notice to Readers

*The accompanying financial statements are intended only to present the financial position, financial performance 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 applied in the Republic of China.*

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.*

**SINYI REALTY INC.**
**BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
**(In Thousands of New Taiwan Dollars)**

ASSETS	2022		2021	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 4 and 6)	\$ 601,894	2	\$ 658,568	3
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	109,723	1	119,892	-
Notes receivable (Notes 4 and 9)	64,802	-	96,745	-
Trade receivables (Notes 4 and 9)	634,364	2	949,317	4
Trade receivables from related parties (Notes 4 and 29)	93,620	1	174,781	1
Other receivables (Notes 4 and 9)	30,546	-	23,515	-
Other receivables from related parties (Notes 4 and 29)	1,731,616	6	334,474	1
Current tax assets (Notes 4 and 24)	270	-	2,867	-
Other financial assets (Notes 10 and 30)	5,000	-	5,000	-
Other current assets (Note 16)	20,491	-	23,707	-
Total current assets	<u>3,292,326</u>	<u>12</u>	<u>2,388,866</u>	<u>9</u>
<b>NON-CURRENT ASSETS</b>				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	2,500	-	-	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	105,404	-	111,183	-
Investments accounted for using the equity method (Notes 4, 11 and 29)	16,069,803	57	15,619,751	59
Property, plant and equipment (Notes 4, 12 and 30)	3,307,586	12	2,868,183	11
Right-of-use assets (Notes 4 and 13)	2,948,536	11	2,876,567	11
Investment properties (Notes 4, 14 and 30)	2,151,179	8	2,523,093	10
Intangible assets (Notes 4 and 15)	36,794	-	49,217	-
Deferred tax assets (Notes 4 and 24)	94,566	-	82,483	-
Refundable deposits	115,523	-	99,404	-
Other non-current assets (Note 16)	6,104	-	6,293	-
Total non-current assets	<u>24,837,995</u>	<u>88</u>	<u>24,236,174</u>	<u>91</u>
<b>TOTAL</b>	<u>\$ 28,130,321</u>	<u>100</u>	<u>\$ 26,625,040</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Other payables (Notes 19 and 29)	\$ 2,383,867	8	\$ 3,107,737	12
Other payables to related parties (Note 29)	979,880	3	160,125	-
Current tax liabilities (Notes 4 and 24)	286,574	1	599,063	2
Lease liability - current (Notes 4, 13 and 29)	465,160	2	438,987	2
Current portion of long-term borrowings and bonds payable (Note 18)	3,700,000	13	-	-
Other current liabilities (Note 19)	138,256	1	237,478	1
Total current liabilities	<u>7,953,737</u>	<u>28</u>	<u>4,543,390</u>	<u>17</u>
<b>NON-CURRENT LIABILITIES</b>				
Bonds payable (Note 18)	900,000	3	4,600,000	17
Long-term borrowings (Notes 17 and 30)	3,799,931	14	1,149,814	4
Deferred tax liabilities (Notes 4 and 24)	30,614	-	-	-
Lease liabilities - non-current (Notes 4, 13 and 29)	2,538,098	9	2,479,167	9
Net defined benefit liabilities - non-current (Notes 4 and 20)	6,679	-	154,267	1
Guarantee deposits received	32,150	-	37,211	-
Other non-current liabilities (Notes 11 and 19)	1,050,129	4	1,225,717	5
Total non-current liabilities	<u>8,357,601</u>	<u>30</u>	<u>9,646,176</u>	<u>36</u>
Total liabilities	<u>16,311,338</u>	<u>58</u>	<u>14,189,566</u>	<u>53</u>
<b>EQUITY (Note 21)</b>				
Ordinary shares	7,368,465	26	7,368,465	28
Capital surplus	63,790	-	63,896	-
Retained earnings				
Legal reserve	2,762,813	10	2,518,043	10
Special reserve	1,061,567	4	772,692	3
Unappropriated earnings	1,518,347	5	2,773,945	10
Total retained earnings	<u>5,342,727</u>	<u>19</u>	<u>6,064,680</u>	<u>23</u>
Other equity (Notes 4 and 21)				
Exchange differences on translating the financial statements of foreign operations	(997,561)	(3)	(1,302,170)	(5)
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	41,562	-	240,603	1
Total other equity	<u>(955,999)</u>	<u>(3)</u>	<u>(1,061,567)</u>	<u>(4)</u>
Total equity	<u>11,818,983</u>	<u>42</u>	<u>12,435,474</u>	<u>47</u>
<b>TOTAL</b>	<u>\$ 28,130,321</u>	<u>100</u>	<u>\$ 26,625,040</u>	<u>100</u>

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

## SINYI REALTY INC.

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE				
Service revenue (Notes 4 and 22)	\$ 10,077,630	100	\$ 13,297,719	100
OPERATING COSTS (Notes 20, 23 and 29)	<u>7,548,670</u>	<u>75</u>	<u>9,357,465</u>	<u>70</u>
GROSS PROFIT	<u>2,528,960</u>	<u>25</u>	<u>3,940,254</u>	<u>30</u>
OPERATING EXPENSES (Notes 20, 23 and 29)				
General and administrative expense	1,079,356	11	1,050,359	8
Expected credit loss (reversed) (Note 9)	<u>200</u>	<u>-</u>	<u>(180)</u>	<u>-</u>
Total operating expenses	<u>1,079,556</u>	<u>11</u>	<u>1,050,179</u>	<u>8</u>
PROFIT FROM OPERATIONS	<u>1,449,404</u>	<u>14</u>	<u>2,890,075</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Notes 23 and 29)	17,914	-	2,422	-
Rental income (Note 29)	104,477	1	119,080	1
Dividend income	3,572	-	2,839	-
Other gains (Notes 11, 14, 23 and 29)	12,342	-	83,300	1
Finance costs (Notes 23 and 29)	(155,498)	(1)	(126,965)	(1)
Share of profit or loss of subsidiaries, associates and joint ventures (Note 4)	<u>73,187</u>	<u>1</u>	<u>(80,104)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>55,994</u>	<u>1</u>	<u>572</u>	<u>-</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,505,398	15	2,890,647	22
INCOME TAX EXPENSE (Notes 4 and 24)	<u>(282,062)</u>	<u>(3)</u>	<u>(540,806)</u>	<u>(4)</u>
NET PROFIT FOR THE YEAR	<u>1,223,336</u>	<u>12</u>	<u>2,349,841</u>	<u>18</u>

(Continued)

## SINYI REALTY INC.

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2022		2021	
	Amount	%	Amount	%
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 20)	\$ 146,801	1	\$ (16,599)	-
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	(72,662)	(1)	6,223	-
Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using the equity method	(125,939)	(1)	52,522	-
Income tax (expense) benefit relating to items that will not be reclassified subsequently to profit or loss (Note 24)	(29,360)	-	3,320	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>304,609</u>	<u>3</u>	<u>(236,485)</u>	<u>(2)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>223,449</u>	<u>2</u>	<u>(191,019)</u>	<u>(2)</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>	<u>\$ 1,446,785</u>	<u>14</u>	<u>\$ 2,158,822</u>	<u>16</u>
<b>EARNINGS PER SHARE (Note 25)</b>				
From continuing operations				
Basic	<u>\$ 1.66</u>		<u>\$ 3.19</u>	
Diluted	<u>\$ 1.66</u>		<u>\$ 3.18</u>	

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

(Concluded)



**SINYI REALTY INC.**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021  
(In Thousands of New Taiwan Dollars)**

	Ordinary Shares	Retained Earnings			Unappropriated Earnings			Other Equity			Total Equity
		Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Investments in Equity	Instruments at Fair Value through Other Comprehensive Income	Income		
BALANCE AT JANUARY 1, 2021	\$ 7,368,465	\$ 63,896	\$ 2,345,792	\$ 587,315	\$ 1,936,515	\$ (1,065,685)	\$ 292,993	\$ 11,529,291			
Appropriation of 2020 earnings	-	-	172,251	-	(172,251)	-	-	-			
Legal reserve	-	-	-	-	(185,377)	-	-	-			
Special reserve	-	-	185,377	-	(1,252,639)	-	-	-		(1,252,639)	
Cash dividends	-	-	-	-	-	-	-	-		-	
Net profit for the year ended December 31, 2021	-	-	-	-	2,349,841	-	-	-		2,349,841	
Other comprehensive (loss) income for the year ended December 31, 2021, net of income tax	-	-	-	-	(14,349)	(236,485)	59,815	59,815		(191,019)	
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	2,335,492	(236,485)	59,815	59,815		2,158,822	
Disposal of the equity instruments at fair value through other comprehensive income	-	-	-	-	112,205	-	(112,205)	(112,205)		-	
BALANCE AT DECEMBER 31, 2021	7,368,465	63,896	2,518,043	772,692	2,773,945	(1,302,170)	240,603	12,435,474			
Appropriation of 2021 earnings	-	-	244,770	-	(244,770)	-	-	-		-	
Legal reserve	-	-	-	-	(288,875)	-	-	-		-	
Special reserve	-	-	-	288,875	(2,063,170)	-	-	-		(2,063,170)	
Cash dividends	-	-	-	-	-	-	-	-		-	
Different between acquisition price and carrying amount arising from acquisition of subsidiaries	-	(106)	-	-	-	-	-	(106)		(106)	
Net profit for the year ended December 31, 2022	-	-	-	-	1,223,336	-	-	1,223,336		1,223,336	
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	117,881	304,609	(199,041)	(199,041)		223,449	
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	1,341,217	304,609	(199,041)	(199,041)		1,446,785	
BALANCE AT DECEMBER 31, 2022	\$ 7,368,465	\$ 63,790	\$ 2,762,813	\$ 1,061,567	\$ 1,518,347	\$ (997,561)	\$ 41,562	\$ 11,818,983			

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

# SINYI REALTY INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	\$ 1,505,398	\$ 2,890,647
Adjustments for:		
Depreciation expenses	558,897	532,027
Amortization expenses	26,005	23,481
Expected credit loss recognized (reversed) on trade receivables	200	(180)
Finances costs	155,498	126,965
Interest income	(17,914)	(2,422)
Dividend income	(3,572)	(2,839)
Share of (profit) loss of subsidiaries, associates and joint ventures	(73,187)	80,104
Loss on disposal of property, plant and equipment	2,387	2,014
Loss (gain) on disposal of investment properties	199	(7,253)
Impairment loss recognized on non-financial assets	10,460	9,310
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(2,500)	-
Notes receivable	31,943	(283)
Trade receivables	314,918	11,717
Trade receivables from related parties	81,161	(12,392)
Other receivables	(7,369)	(21,865)
Other receivables from related parties	(11,333)	(2,206)
Other current assets	3,578	(10,355)
Other payables	(751,358)	634,478
Other current liabilities	(101,157)	33,480
Other operating liabilities	(179,741)	360,123
Cash generated from operations	1,542,513	4,644,551
Interest received	17,941	2,739
Interest paid	(142,170)	(149,873)
Income tax paid	(602,513)	(428,779)
Net cash generated from operating activities	<u>815,771</u>	<u>4,068,638</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets through other comprehensive income	(56,714)	(6,569)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	786
Purchase of long-term investments accounted for using the equity method	(182,465)	(36,932)
Return of capital from equity method investee	-	321,770
Payments for property, plant and equipment	(121,288)	(101,937)
Proceeds from disposal of property, plant and equipment	17	372
Increase in refundable deposits	(17,333)	(9,282)
Other receivables from related parties	(1,385,809)	(316,000)
Payments for intangible assets	(12,985)	(33,850)
Net cash inflow on acquisition of subsidiary	8,148	-

(Continued)

# SINYI REALTY INC.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars)

	2022	2021
Payments for investment properties	\$ (56,880)	\$ (32,200)
Proceeds from disposal of investment properties	745	64,691
Decrease (increase) in other non-current assets	190	(582)
Dividends received	<u>61,521</u>	<u>69,165</u>
Net cash used in investing activities	<u>(1,762,853)</u>	<u>(80,568)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of bonds payable	-	(700,000)
Proceeds from long-term borrowings	14,861,367	11,874,814
Repayments of long-term borrowings	(12,211,250)	(12,545,000)
(Proceed from) refund of guarantee deposits received	(5,061)	6,450
Increase in other payables to related parties	819,000	-
Decrease in other payables to related parties	-	(848,780)
Repayment of the principal portion of lease liabilities	(445,854)	(427,885)
Dividends paid to owners of the Company	<u>(2,063,170)</u>	<u>(1,252,639)</u>
Net cash generated from (used in) financing activities	<u>955,032</u>	<u>(3,893,040)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(64,624)</u>	<u>(33,245)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(56,674)	61,785
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>658,568</u>	<u>596,783</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 601,894</u>	<u>\$ 658,568</u>

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

(Concluded)

# SINYI REALTY INC.

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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### 1. GENERAL INFORMATION

Sinyi Realty Inc. (the “Company”) was incorporated in January 1987 and is engaged in the operation of a full-service real-estate brokerage business. The head office is situated in Taipei City, Taiwan, Republic of China (ROC). The Company continues to expand by establishing branches in Taiwan and highly focuses on promoting its brand value.

In August 1999, the Securities and Futures Bureau (SFB) approved the trading of the Company’s ordinary shares on the Taipei Exchange (TPEX) in the ROC. In September 2001, the SFB approved the Company’s application for shifting its shares listing on TPEX to the Taiwan Stock Exchange (TWSE).

The financial statements are presented in New Taiwan dollars, the functional currency of the Company.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Audit Committee and board of directors and authorized for issue on February 22, 2023.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Company’s accounting policies.

- b. New IFRSs to be endorsed by the FSC for application starting from 2023.

New IFRSs	Effective Date Announced by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 1)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 2)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 3)

Note 1: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 2: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 3: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the financial statements were authorized for issue, the Company assesses that the application of above standards and interpretations will not impact the Company's financial position and financial performance.

- c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC.

<b>New IFRSs</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024

Note 1: Unless stated otherwise, the above IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

As of the date the financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of above standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Statement of compliance

The financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

- b. Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing its financial statements, the Company used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the financial statements to be the same with the amounts attributable to the owners of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatment are made to investments accounted for using the equity method, share of profit or loss of subsidiaries, associates and joint ventures as appropriate, in the financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue; and
- Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

d. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

e. Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purpose of presenting the financial statements, the assets and liabilities of the Company's foreign operations (including the subsidiaries and associates operating in other countries or those that use currencies that are different from the Company) are translated into the New Taiwan dollar using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the year. Exchange differences are recognized in other comprehensive income.

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

f. Investments accounted for using the equity method

Investments in subsidiaries and associates are accounted for by using the equity method.

1) Investments in subsidiaries

Subsidiaries are the entities controlled by the Company.

Under the equity method, the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary after the date of acquisition. Besides, the Company also recognizes the Company's share of the change in other equity of the subsidiary.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company's loss of control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of the investment and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of a subsidiary equals or exceeds its interest in that subsidiary (which includes any carrying amount of the investment in subsidiary accounted for using the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues to recognize its share of further losses.

The acquisition cost in excess of the acquisition-date fair value of the identifiable net assets acquired is recognized as goodwill. Goodwill is not amortized. The acquisition-date fair value of the net identifiable assets acquired in excess of the acquisition cost is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the financial statements of the invested company as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company ceases to have control over a subsidiary, any retained investment is measured at fair value at that date and the difference between the previous carrying amount of the subsidiary attributable to the retained interest and its fair value is included in the determination of the gain or loss. Furthermore, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Profits and losses from downstream transactions with a subsidiary are eliminated in full. Profits and losses from upstream transactions with a subsidiary and transactions between subsidiaries are recognized in the Company's financial statements only to the extent of interests in the subsidiary that are not related to the Company.

## 2) Investments in associates

An associate is an entity over which the Company has significant influence and that is not a subsidiary.

The Company uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of equity of associates attributable to the Company.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Company's ownership interest is reduced due to the additional subscription of new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.



g. Property, plant and equipment

Property, plant and equipment are stated at cost less recognized accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If the lease term of the item of property, plant and equipment is shorter than its useful life, it is depreciated over its lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Freehold investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

i. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

- j. Impairment of property, plant and equipment, right-of-use assets, investment properties and intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

- k. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

- 1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

- a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

- i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL.

Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends, interest earned and remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 28.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables (including related parties) at amortized cost, other receivables (including related parties), other financial assets and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Company always recognizes lifetime expected credit loss (ECL) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

## l. Provisions

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## m. Revenue recognition

The Company identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

### Revenue from rendering of services

Revenue from rendering of services are real estate brokerage and agency sale business and will be recognized when performance obligations are completed.

## n. Leasing

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

### 1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Company assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

### 2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and in-substance fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in the amounts expected to be payable under a residual value guarantee, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the balance sheets.

The Company entered into a rent concession with the lessor as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2022, and no material change in other lease terms and conditions. The Company elects to apply the practical expedient to all of these rent concessions and, therefore, does not assess whether the rent concessions are lease modifications. Instead, the Company recognizes the reduction in lease payment in profit or loss as a deduction of expenses of variable lease payments, in the period in which the events or conditions that trigger the concession occur, and makes a corresponding adjustment to the lease liability.

o. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement (comprising actuarial gains and losses, effect of changes to the asset ceiling and return on plan assets excluding interest) is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

### 3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plan except that remeasurement is recognized in profit or loss.

### p. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### 1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

#### 2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred tax for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

## 5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Company considers the possible impact of the recent development of the COVID-19 and its economic environment implications when making its critical accounting estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

### Key Sources of Estimation Uncertainty

#### Impairment of property, plant and equipment, investment property and right-of-use assets

Impairment of property, plant and equipment, investment property and right-of-use assets is evaluated based on the recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Any changes in the market prices or future cash flows will affect the recoverable amount of the equipment and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

## 6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Cash on hand	\$ 15,528	\$ 21,325
Checking accounts and demand deposits	536,366	609,563
Cash equivalents		
Time deposits with original maturities of three months or less	<u>50,000</u>	<u>27,680</u>
	<u>\$ 601,894</u>	<u>\$ 658,568</u>

The interest rate ranges of cash in bank at the end of the reporting period were as follows:

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Interest rates range	0%-0.46%	0%-0.20%



## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	2022	2021
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic investments unlisted shares	\$ <u>2,500</u>	\$ <u>-</u>

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### Investment in Equity Instruments at FVTOCI

	<u>December 31</u>	
	2022	2021
<u>Current</u>		
Domestic investments		
Listed shares	\$ <u>109,723</u>	\$ <u>119,892</u>
<u>Non-current</u>		
Domestic investments		
Unlisted shares	\$ <u>105,404</u>	\$ <u>111,183</u>

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as the management believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

## 9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>December 31</u>	
	2022	2021
<u>Notes receivable</u>		
Operating-gross carrying amount	\$ <u>64,802</u>	\$ <u>96,745</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 635,066	\$ 949,819
Less: Allowance for impairment loss	<u>(702)</u>	<u>(502)</u>
	\$ <u>634,364</u>	\$ <u>949,317</u>
<u>Other receivables</u>		
Interest receivables	\$ 16	\$ 43
Others	33,378	26,320
Less: Allowance for impairment loss	<u>(2,848)</u>	<u>(2,848)</u>
	\$ <u>30,546</u>	\$ <u>23,515</u>

a. Trade receivables

The average credit period for the rendering of services was 30 to 60 days. No interest was charged on trade receivables. The refund liability for trade receivables from real estate brokerage service revenue was estimated based on historical experience. Since the Company collected the receivables for providing real estate agent services from clients under escrow custody, the uncollectible risk is insignificant. Except for collections from real estate brokerage services rendered to individuals, for the real estate agency sales business, the Company adopted a policy of using other publicly available financial information or its own trading records to rate its major customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit conditions of its counterparties are continuously monitored.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables (including overdue receivables) based on the Company's provision matrix.

December 31, 2022

	Less than 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate (Note 1)	0%	0%	0%-0.3%	0%-5%	0%-25%	
Gross carrying amount	\$ 565,460	\$ 54,580	\$ 50,480	\$ 25,739	\$ 9,713	\$ 705,972
Refund liabilities (Note 2)	(26,354)	(3,909)	(3,733)	(2,226)	(6,104)	(42,326)
Loss allowance (Lifetime ECL)	-	-	(44)	(200)	(458)	(702)
Amortized cost	<u>\$ 539,106</u>	<u>\$ 50,671</u>	<u>\$ 46,703</u>	<u>\$ 23,313</u>	<u>\$ 3,151</u>	<u>\$ 662,944</u>

December 31, 2021

	Less than 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate (Note 1)	0%	0%	0%-0.22%	0%-8.4%	0%-29%	
Gross carrying amount	\$ 927,742	\$ 38,867	\$ 55,484	\$ 19,202	\$ 9,672	\$ 1,050,967
Refund liabilities (Note 2)	(54,815)	(2,265)	(3,382)	(1,726)	(4,403)	(66,591)
Loss allowance (Lifetime ECL)	-	-	(82)	(281)	(139)	(502)
Amortized cost	<u>\$ 872,927</u>	<u>\$ 36,602</u>	<u>\$ 52,020</u>	<u>\$ 17,195</u>	<u>\$ 5,130</u>	<u>\$ 983,874</u>

Note 1: Refund liabilities were not included.

Note 2: Refund liabilities were recognized under other current liabilities and other non-current liabilities.

The movements of the loss allowance of trade receivables were as follows:

	<u>2022</u>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2022	\$ 502	\$ 2,848
Add: Net remeasurement of loss allowance	<u>200</u>	<u>-</u>
Balance at December 31, 2022	<u>\$ 702</u>	<u>\$ 2,848</u>

	<u>2021</u>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2021	\$ 682	\$ 5,268
Less: Net remeasurement of loss allowance	<u>(180)</u>	<u>(2,420)</u>
Balance at December 31, 2021	<u>\$ 502</u>	<u>\$ 2,848</u>

b. Other receivables

Other receivables were the payments made on behalf of others and rental receivables.

## 10. OTHER FINANCIAL ASSETS

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Restricted assets	<u>\$ 5,000</u>	<u>\$ 5,000</u>

Restricted assets is the operating guarantee for real-estate brokerage. Refer to Note 30.

The interest rate of restricted assets was as follows:

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Restricted assets	1.435%	0.81%

## 11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<b>2022</b>	<b>2021</b>
Investments in subsidiaries	\$ 16,004,369	\$ 15,568,129
Investments in associates	<u>65,434</u>	<u>51,622</u>
	<u>\$ 16,069,803</u>	<u>\$ 15,619,751</u>

a. Investments in subsidiaries

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Sinyi International Limited	\$ 12,250,247	\$ 11,752,222
Sinyi Limited	187,876	476,798
Sinyi Development Inc.	1,638,150	1,540,792
Sinyi Global Asset Management Co., Ltd.	113,328	119,799
Heng-Yi Intelligent Technology Inc.	6,664	7,455
Jui-Inn Consultants Co., Ltd.	781	815
Sinyi Culture Publishing Inc.	1,731	2,334
An-Sin Real Estate Management Ltd.	131,748	135,717
Yowoo Technology Inc.	5,695	5,648
Sin Chiun Holding Sdn. Bhd.	1,524,059	1,490,001
Sinyi Real Estate Consulting Limited	-	(11,134)
Sinju Holding Sdn. Bhd.	32,759	16,444
Sinyi Morefun Tourism Development Ltd.	63,715	15,607
Jin Mei Travel Service Co., Ltd.	3,759	4,497
Sinkang Administration Sdn. Bhd.	25,669	-
Zhansin Tourism Development Sdn. Bhd.	3,429	-
Zhancheng Tourism Development Sdn. Bhd.	<u>14,759</u>	<u>-</u>
	16,004,369	15,556,995
Add: Credit balance of investments accounted for using the equity method classified as non-current liabilities (Note 19)	<u>-</u>	<u>11,134</u>
	<u>\$ 16,004,369</u>	<u>\$ 15,568,129</u>

At the end of the reporting period, the proportion of ownership and voting rights in subsidiaries held by the Company was as follows:

<b>Company Name</b>	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Sinyi International Limited	100%	100%
Sinyi Limited	100%	100%
Sinyi Development Inc.	100%	100%
Sinyi Global Asset Management Co., Ltd.	100%	100%
Heng-Yi Intelligent Technology Inc.	80%	80%
Jui-Inn Consultants Co., Ltd.	100%	100%
Sinyi Culture Publishing Inc.	99%	99%
An-Sin Real Estate Management Ltd.	51%	51%
Yowoo Technology Inc.	100%	100%
Sin Chiun Holding Sdn. Bhd.	100%	100%
Sinyi Real Estate Consulting Limited	-	100%
Sinju Holding Sdn. Bhd.	100%	100%
Sinyi Morefun Tourism Development Ltd.	100%	100%
Jin Mei Travel Service Co., Ltd.	100%	100%
Sinkang Administration Sdn. Bhd.	100%	-
Zhansin Tourism Development Sdn. Bhd.	100%	-
Zhancheng Tourism Development Sdn. Bhd.	100%	-

Refer to Note 33 for the details of subsidiaries indirectly held by the Company.

Refer to Note 12 to the consolidated financial statements for the year ended December 31, 2022 for changes of the proportion of ownership and voting rights in subsidiaries held by the Company.

The goodwill \$2,870 thousand, generated from the acquisition of Jin Mei in November 2020, was mainly due to the expected increase in revenue through its tourism for the upcoming business in Malaysia. Since the actual operating income for tourism did not grow as expected, the Group assessed that the future recoverable amount is less than its carrying amount, thus an impairment loss was recognized in 2021 and classified as other gains and losses. Refer to Note 23.

The board of directors of the Company and Sinyi Real Estate Consulting Limited resolved to merge on March 31, 2022, and the consolidated base date was August 31, 2022. The Company was the surviving company while Sinyi Real Estate Consulting Limited was the dissolved company.

The investments in subsidiaries accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2022 and 2021 were based on the subsidiaries' audited financial statements for the same years.

b. Investments in associates

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Associates that are not individually material		
Sinyi Interior Design Co., Ltd.	\$ 16,213	\$ 18,481
Rakuya International Info. Co., Ltd.	<u>49,221</u>	<u>33,141</u>
	<u>\$ 65,434</u>	<u>\$ 51,622</u>

As of the end of the reporting period, the proportion of ownership and voting rights in associates held by the Company was as follows:

<b>Name of Associate</b>	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Sinyi Interior Design Co., Ltd.	19%	19%
Rakuya International Info. Co., Ltd.	23%	23%

The summarized financial information in respect of the Company's associates that are not individually material is set out below.

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
The Company's shares		
Net income for continuing operations	\$ 16,896	\$ 11,277
Other comprehensive (loss) income	<u>(2,587)</u>	<u>2,740</u>
Total comprehensive income for the year	<u>\$ 14,309</u>	<u>\$ 14,017</u>

Even with less than 20% of the voting rights of Sinyi Interior Design Co., Ltd., the Company is able to exercise significant influence over it; therefore, the investment is accounted for using the equity method.

The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of the investments for the years ended December 31, 2022 and 2021 were based on unaudited financial statements. The Company's management believes the unaudited financial statements of investees do not have a material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income.

## 12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Cost</u>								
Balance at January 1, 2022	\$ 2,404,500	\$ 376,604	\$ 1,958	\$ 375,319	\$ 557,744	\$ 108,393	\$ 4,580	\$ 3,829,098
Additions	-	-	-	35,116	47,029	3,491	35,652	121,288
Disposals	-	-	-	(10,145)	(25,964)	-	-	(36,109)
Acquisitions through business combinations	-	-	-	2,078	1,775	-	-	3,853
Transferred from investment properties	381,158	56,661	-	-	-	-	-	437,819
Transferred to investment properties	-	-	-	-	-	-	(7,124)	(7,124)
Reclassification	-	-	-	-	3,872	160	(4,032)	-
Balance at December 31, 2022	<u>\$ 2,785,658</u>	<u>\$ 433,265</u>	<u>\$ 1,958</u>	<u>\$ 402,368</u>	<u>\$ 584,456</u>	<u>\$ 112,044</u>	<u>\$ 29,076</u>	<u>\$ 4,348,825</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2022	\$ -	\$ 145,690	\$ 1,833	\$ 290,868	\$ 432,607	\$ 89,917	\$ -	\$ 960,915
Depreciation expense	-	10,401	125	29,755	44,048	5,687	-	90,016
Disposals	-	-	-	(10,003)	(23,702)	-	-	(33,705)
Acquisitions through business combinations	-	-	-	975	1,209	-	-	2,184
Transferred from investment properties	-	21,829	-	-	-	-	-	21,829
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 177,920</u>	<u>\$ 1,958</u>	<u>\$ 311,595</u>	<u>\$ 454,162</u>	<u>\$ 95,604</u>	<u>\$ -</u>	<u>\$ 1,041,239</u>
Net carrying amount at December 31, 2022	<u>\$ 2,785,658</u>	<u>\$ 255,345</u>	<u>\$ -</u>	<u>\$ 90,773</u>	<u>\$ 130,294</u>	<u>\$ 16,440</u>	<u>\$ 29,076</u>	<u>\$ 3,307,586</u>
<u>Cost</u>								
Balance at January 1, 2021	\$ 2,418,960	\$ 378,754	\$ 1,958	\$ 360,105	\$ 516,091	\$ 101,026	\$ 1,029	\$ 3,777,923
Additions	-	-	-	34,742	54,372	6,338	6,485	101,937
Disposals	-	-	-	(19,528)	(12,719)	-	(1,905)	(34,152)
Transferred to investment properties	(14,460)	(2,150)	-	-	-	-	-	(16,610)
Reclassification	-	-	-	-	-	1,029	(1,029)	-
Balance at December 31, 2021	<u>\$ 2,404,500</u>	<u>\$ 376,604</u>	<u>\$ 1,958</u>	<u>\$ 375,319</u>	<u>\$ 557,744</u>	<u>\$ 108,393</u>	<u>\$ 4,580</u>	<u>\$ 3,829,098</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2021	\$ -	\$ 136,821	\$ 1,708	\$ 283,635	\$ 407,918	\$ 84,451	\$ -	\$ 914,533
Depreciation expense	-	9,654	125	26,602	37,086	5,466	-	78,933
Disposals	-	-	-	(19,369)	(12,397)	-	-	(31,766)
Transferred to investment properties	-	(785)	-	-	-	-	-	(785)
Balance at December 31, 2021	<u>\$ -</u>	<u>\$ 145,690</u>	<u>\$ 1,833</u>	<u>\$ 290,868</u>	<u>\$ 432,607</u>	<u>\$ 89,917</u>	<u>\$ -</u>	<u>\$ 960,915</u>
Net carrying amount at December 31, 2021	<u>\$ 2,404,500</u>	<u>\$ 230,914</u>	<u>\$ 125</u>	<u>\$ 84,451</u>	<u>\$ 125,137</u>	<u>\$ 18,476</u>	<u>\$ 4,580</u>	<u>\$ 2,868,183</u>

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings - main buildings	21-60 years
Transportation equipment	6 years
Office equipment	3-6 years
Leased assets	3-5 years
Other equipment	3-15 years

- There was no interest capitalized during the years ended December 31, 2022 and 2021.
- Refer to Note 30 for the details of property, plant and equipment pledged as collateral.

### 13. LEASE ARRANGEMENTS

#### a. Right-of-use assets

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Carrying amounts</u>		
Buildings	\$ 2,937,871	\$ 2,863,759
Office equipment	1,254	1,774
Transportation equipment	2,362	1,731
Other equipment	<u>7,049</u>	<u>9,303</u>
	<u>\$ 2,948,536</u>	<u>\$ 2,876,567</u>
	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Additions to right-of-use assets	<u>\$ 550,029</u>	<u>\$ 551,851</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 455,677	\$ 435,050
Office equipment	520	519
Transportation equipment	1,684	1,298
Other equipment	<u>2,476</u>	<u>6,852</u>
	<u>\$ 460,357</u>	<u>\$ 443,719</u>

#### b. Lease liabilities

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Carrying amounts</u>		
Current	<u>\$ 465,160</u>	<u>\$ 438,987</u>
Non-current	<u>\$ 2,538,098</u>	<u>\$ 2,479,167</u>

Range of discount rate for lease liabilities was as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Buildings	0.93%-1.62%	0.94%-1.29%
Office equipment	1.20%-1.29%	1.20%-1.29%
Transportation equipment	1.20%-1.28%	1.20%
Other equipment	0.93%-1.62%	0.94%-1.29%

#### c. Material leasing activities and terms

The Company leases buildings for the use of office spaces and branch stores with lease terms of 1 to 20 years. The Company does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Company is prohibited from transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

Lease arrangements under operating leases for the leasing out of freehold investment properties are set out in Note 14.

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Expenses relating to short-term and low-value asset leases	<u>\$ 17,583</u>	<u>\$ 21,709</u>
Total cash outflow for leases	<u>\$ 497,691</u>	<u>\$ 484,353</u>

The Company's leases of certain assets qualify as short-term leases and low-value asset leases. The Company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

#### 14. INVESTMENT PROPERTIES

	<b>For the Year Ended December 31, 2022</b>		
	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2022	\$ 2,297,697	\$ 382,539	\$ 2,680,236
Additions	54,659	2,221	56,880
Disposals	(1,037)	(163)	(1,200)
Transferred to property, plant and equipment	(381,158)	(56,661)	(437,819)
Transferred from property, plant and equipment	<u>-</u>	<u>7,124</u>	<u>7,124</u>
Balance at December 31, 2022	<u>\$ 1,970,161</u>	<u>\$ 335,060</u>	<u>\$ 2,305,221</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 8,480	\$ 148,663	\$ 157,143
Depreciation expense	-	8,524	8,524
Impairment loss	10,050	410	10,460
Disposals	(207)	(49)	(256)
Transferred to property, plant and equipment	<u>-</u>	<u>(21,829)</u>	<u>(21,829)</u>
Balance at December 31, 2022	<u>\$ 18,323</u>	<u>\$ 135,719</u>	<u>\$ 154,042</u>
Net carrying amount at December 31, 2022	<u>\$ 1,951,838</u>	<u>\$ 199,341</u>	<u>\$ 2,151,179</u>
	<b>For the Year Ended December 31, 2021</b>		
	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2021	\$ 2,321,204	\$ 382,089	\$ 2,703,293
Additions	31,428	772	32,200
Disposals	(69,395)	(2,472)	(71,867)
Transferred from property, plant and equipment	<u>14,460</u>	<u>2,150</u>	<u>16,610</u>
Balance at December 31, 2021	<u>\$ 2,297,697</u>	<u>\$ 382,539</u>	<u>\$ 2,680,236</u>

(Continued)



	<b>For the Year Ended December 31, 2021</b>		
	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ 16,074	\$ 138,898	\$ 154,972
Depreciation expense	-	9,375	9,375
Impairment loss	6,286	154	6,440
Disposals	(13,880)	(549)	(14,429)
Transferred from property, plant and equipment	<u>-</u>	<u>785</u>	<u>785</u>
Balance at December 31, 2021	<u>\$ 8,480</u>	<u>\$ 148,663</u>	<u>\$ 157,143</u>
Net carrying amount at December 31, 2021	<u>\$ 2,289,217</u>	<u>\$ 233,876</u>	<u>\$ 2,523,093</u>

(Concluded)

The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties as of December 31, 2022 and 2021 was as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Year 1	\$ 99,022	\$ 118,039
Year 2	88,051	108,217
Year 3	40,385	94,538
Year 4	393	47,617
Year 5	119	310
Year 6 onwards	<u>114</u>	<u>5</u>
	<u>\$ 228,084</u>	<u>\$ 368,726</u>

The investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings - main buildings 30-60 years

The total fair value of the Company's investment properties as of December 31, 2022 and 2021 was \$4,496,359 thousand and \$4,031,680 thousand, respectively. Besides, the total fair value of the Company's freehold land and buildings as of December 31, 2022 and 2021 was \$6,716,336 thousand and \$5,268,077 thousand, respectively. The fair value was determined by the management of the Company using the valuation model that market participants would generally use in determining fair value, and the fair value was measured by using Level 3 inputs. The valuation model was based on the sales comparison approach and direct capitalization method, where fair value indicators of the different valuation techniques are weighed and adjustments are made by reference to the available market information on the measurement date. The Company assessed that for part of the investment properties, the recoverable amount is less than the carrying amount; and recognized an impairment loss of \$10,460 thousand and \$6,440 thousand, classified as other gains and losses in 2022 and 2021, respectively.

All of the Company's investment properties were held under freehold interests. The carrying amount of the investment properties that had been pledged by the Company to secure borrowings is disclosed in Note 30.

## 15. INTANGIBLE ASSETS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
System software costs	\$ <u>36,794</u>	\$ <u>49,217</u>
	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Cost</u>		
Balance at beginning of year	\$ 305,342	\$ 271,492
Additions	12,985	33,850
Acquisitions through business combinations	597	-
Disposals	<u>(144)</u>	<u>-</u>
Balance at end of year	<u>\$ 318,780</u>	<u>\$ 305,342</u>
<u>Accumulated amortization</u>		
Balance at beginning of year	\$ 256,125	\$ 232,644
Amortization expense	26,005	23,481
Disposals	<u>(144)</u>	<u>-</u>
Balance at end of year	<u>\$ 281,986</u>	<u>\$ 256,125</u>
Net carrying amount at end of year	<u>\$ 36,794</u>	<u>\$ 49,217</u>

The above intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives as follows:

System software costs	2-5 years
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## 16. OTHER ASSETS

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Prepaid expenses	\$ 20,431	\$ 23,681
Overdue receivables	6,104	4,403
Temporary payments	60	26
Others	<u>-</u>	<u>1,890</u>
	<u>\$ 26,595</u>	<u>\$ 30,000</u>
Current	\$ 20,491	\$ 23,707
Non-current	<u>6,104</u>	<u>6,293</u>
	<u>\$ 26,595</u>	<u>\$ 30,000</u>

## 17. BORROWINGS

### Long-term borrowings

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Secured borrowings</u>		
Bank loans	\$ 2,100,000	\$ 400,000
<u>Unsecured borrowings</u>		
Line of credit borrowings	1,400,000	450,000
Long-term commercial papers	300,000	300,000
Less: Discount on long-term commercial paper	<u>(69)</u>	<u>(186)</u>
Long-term borrowings	<u>\$ 3,799,931</u>	<u>\$ 1,149,814</u>

In order to increase working capital, the Company applies for revolving loans from banks and issues financial commercial papers.

The long-term commercial papers not yet due are as follows:

### December 31, 2022

<b>Acceptance Agency</b>	<b>Face Value</b>	<b>Discount Amount</b>	<b>Book Value</b>	<b>Interest Rate Range</b>	<b>Collateral</b>
International Bills Finance Corporation	\$ 150,000	\$ (34)	\$ 149,966	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(35)</u>	<u>149,965</u>	0.938%	-
	<u>\$ 300,000</u>	<u>\$ (69)</u>	<u>\$ 299,931</u>		

### December 31, 2021

<b>Acceptance Agency</b>	<b>Face Value</b>	<b>Discount Amount</b>	<b>Book Value</b>	<b>Interest Rate Range</b>	<b>Collateral</b>
International Bills Finance Corporation	\$ 150,000	\$ (93)	\$ 149,907	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(93)</u>	<u>149,907</u>	0.938%	-
	<u>\$ 300,000</u>	<u>\$ (186)</u>	<u>\$ 299,814</u>		

The long-term borrowings of the Group were as follows:

		<b>December 31</b>	
		<b>2022</b>	<b>2021</b>
	<b>Details of Borrowings</b>		
E.SUN Bank	Credit facility: \$2,420,000 thousand. Period: April 27, 2021 to April 27, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	\$ 1,100,000	\$ 100,000
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 1, 2020 to September 30, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Company repaid all the debts in September 2022.	-	300,000
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 21, 2022 to September 20, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	1,000,000	-
DBS Bank	Credit facility: \$200,000 thousand and US\$40,000 thousand. Period: January 11, 2021 to January 11, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Company repaid all the debts in March 2022.	-	300,000
DBS Bank	Credit facility: \$200,000 thousand and US\$40,000 thousand. Period: January 21, 2022 to January 21, 2024. Interest is paid monthly and principal is repaid at maturity.	500,000	-
Taiwan Cooperative Bank	Credit facility: \$500,000 thousand. Period: July 22, 2022 to July 22, 2024. Interest is paid monthly and principal is repaid at maturity.	300,000	-
Hua Nan Bank	Credit facility: \$500,000 thousand. Period: May 21, 2021 to May 21, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Company repaid all the debts in April 2022.	-	150,000
Bank of Taiwan	Credit facility: \$200,000 thousand. Period: March 11, 2022 to March 11, 2024. Interest is paid monthly and principal is repaid at maturity.	100,000	-
Mega Bank	Credit facility: \$500,000 thousand. Period: September 28, 2022 to September 28, 2025. Interest is paid monthly and principal is repaid at maturity.	500,000	-
Total long-term borrowings		<u>\$ 3,500,000</u>	<u>\$ 850,000</u>

Refer to Note 30 for the details of assets pledged as collateral for long-term borrowings.

As of December 31, 2022 and 2021, the effective interest rates of the company's long-term credit borrowings were 1.451%-1.905% and 0.88%-0.92%, respectively, and those of the company's long-term secured borrowings were 1.48%-1.7488% and 0.90%-0.93%, respectively.

## 18. BONDS PAYABLE

	<u>December 31</u>	
	2022	2021
Domestic unsecured bonds	\$ 4,600,000	\$ 4,600,000
Less: Current portion	<u>(3,700,000)</u>	<u>-</u>
	<u>\$ 900,000</u>	<u>\$ 4,600,000</u>

The major terms of domestic unsecured bonds were as follows:

Issuance Period	Total Amount (In Thousands)	Coupon Rate	Repayment and Interest Payment
May 2018 to May 2023	\$ 1,900,000	1.07%	Principal is repaid at maturity. Interest is paid annually.
July 2018 to July 2023	1,800,000	1.05%	Principal is repaid at maturity. Interest is paid annually.
November 2019 to November 2029	900,000	1.25%	Principal is repaid at maturity. Interest is paid annually.

## 19. OTHER LIABILITIES

	<u>December 31</u>	
	2022	2021
<u>Current</u>		
Other payables	\$ 2,383,867	\$ 3,107,737
Other liabilities	<u>138,256</u>	<u>237,478</u>
	<u>\$ 2,522,123</u>	<u>\$ 3,345,215</u>
<u>Non-current</u>		
Other liabilities	<u>\$ 1,050,129</u>	<u>\$ 1,225,717</u>

a. Other payables were as follows:

	<u>December 31</u>	
	2022	2021
<u>Other payables - accrued expenses</u>		
Payables for performance bonus and salaries	\$ 1,745,030	\$ 2,451,984
Payables for annual leave	146,168	153,379
Advertisement payable	113,593	102,163
Payables for labor and health insurance	89,286	114,636
Interest payables	36,865	23,537
Payables for employees bonuses and remuneration of directors	20,570	34,047
Payables for professional fees	4,932	19,650

(Continued)

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Other payables - accrued expenses</u>		
Others	\$ 130,392	\$ 100,687
	<u>\$ 2,286,836</u>	<u>\$ 3,000,083</u>
<u>Other payables - others</u>		
Other receipts under custody	\$ 68,486	\$ 71,011
<u>Other payables to related parties</u>		
Others	\$ 28,545	\$ 36,643
		(Concluded)

b. Other liabilities were as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Current</u>		
VAT payable and other tax payable	\$ 84,287	\$ 155,509
Refund liabilities	36,222	62,188
Others	<u>17,747</u>	<u>19,781</u>
	<u>\$ 138,256</u>	<u>\$ 237,478</u>
<u>Non-current</u>		
Long-term bonus payable	\$ 1,044,025	\$ 1,210,180
Refund liabilities	6,104	4,403
Credit balance of investments accounted for using the equity methods	<u>-</u>	<u>11,134</u>
	<u>\$ 1,050,129</u>	<u>\$ 1,225,717</u>

- 1) The refund liabilities were estimated based on historical experience of actual discounts given, and recognized as a reduction of operating revenue in the period the related services were provided.
- 2) Senior management and employee who meet the performance standards under the bonus rules are eligible for performance bonuses. Performance bonuses to be paid one year later are recorded as other non-current liabilities.

## 20. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the balance sheets in respect of the Company's defined benefit plan were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Present value of defined benefit obligation	\$ 636,110	\$ 740,836
Fair value of plan assets	<u>(629,431)</u>	<u>(586,569)</u>
Deficit	<u>6,679</u>	<u>154,267</u>
Net defined benefit liabilities	<u>\$ 6,679</u>	<u>\$ 154,267</u>

Movements in net defined benefit liabilities were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit (Assets) Liabilities</b>
Balance at January 1, 2021	<u>\$ 730,207</u>	<u>\$ (580,593)</u>	<u>\$ 149,614</u>
Service cost			
Current service cost	2,615	-	2,615
Net interest expense (income)	<u>3,651</u>	<u>(2,928)</u>	<u>723</u>
Recognized in profit or loss	<u>6,266</u>	<u>(2,928)</u>	<u>3,338</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(7,410)	(7,410)
Actuarial loss - changes in demographic assumptions	24,813	-	24,813
Actuarial gain - experience adjustments	<u>(804)</u>	<u>-</u>	<u>(804)</u>
Recognized in other comprehensive income	<u>24,009</u>	<u>(7,410)</u>	<u>16,599</u>
Contributions from the employer	<u>-</u>	<u>(15,284)</u>	<u>(15,284)</u>
Benefits paid	<u>(19,646)</u>	<u>19,646</u>	<u>-</u>
Balance at December 31, 2021	<u>740,836</u>	<u>(586,569)</u>	<u>154,267</u>
Service cost			
Current service cost	1,865	-	1,865
Net interest expense (income)	<u>3,819</u>	<u>(3,000)</u>	<u>819</u>
Recognized in profit or loss	<u>5,684</u>	<u>(3,000)</u>	<u>2,684</u>

(Continued)

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit (Assets) Liabilities</b>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	\$ -	\$ (47,256)	\$ (47,256)
Actuarial gain - changes in financial assumptions	(71,107)	-	(71,107)
Actuarial gain - experience adjustments	<u>(28,438)</u>	<u>-</u>	<u>(28,438)</u>
Recognized in other comprehensive income	<u>(99,545)</u>	<u>(47,256)</u>	<u>(146,801)</u>
Contributions from the employer	<u>-</u>	<u>(16,008)</u>	<u>(16,008)</u>
Business combinations	<u>22,910</u>	<u>(8,411)</u>	<u>14,499</u>
Benefits paid	<u>(33,775)</u>	<u>31,813</u>	<u>(1,962)</u>
Balance at December 31, 2022	<u>\$ 636,110</u>	<u>\$ (629,431)</u>	<u>\$ 6,679</u> (Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plan is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Operating costs	\$ 1,770	\$ 2,989
General and administrative expenses	<u>914</u>	<u>349</u>
	<u>\$ 2,684</u>	<u>\$ 3,338</u>

Through the defined benefit plan under the Labor Standards Act, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government or corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Discount rates	1.50%	0.50%
Expected rates of salary increase	3.00%	3.00%



If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Discount rates		
0.25% increase	<u>\$ (15,898)</u>	<u>\$ (20,549)</u>
0.25% decrease	<u>\$ 16,456</u>	<u>\$ 21,333</u>
Expected rates of salary increase		
0.25% increase	<u>\$ 15,933</u>	<u>\$ 20,468</u>
0.25% decrease	<u>\$ (15,475)</u>	<u>\$ (19,830)</u>

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
The expected contributions to the plan for the next year	<u>\$ 16,206</u>	<u>\$ 10,007</u>
The average duration of the defined benefit obligation	10.18 years	11.22 years

## 21. EQUITY

### Share Capital

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Number of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>
Share capital authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>736,847</u>	<u>736,847</u>
Share capital issued	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>

As of December 31, 2022, the Company has issued share capital of \$7,368,465, divided into 736,847 thousand ordinary shares at \$10 per share.

The ordinary shares issued, which have par value of \$10, carry one vote and a right to dividends.

### Capital Surplus

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>May be used to offset a deficit</u>		
Arising from expired stock options	<u>\$ 63,790</u>	<u>\$ 63,896</u>

The capital surplus from shares issued in excess of par (additional arising from expired stock options) is used to offset a deficit.

## Retained Earnings and Dividend Policy

- a. Under the dividend policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, please refer to Employee benefits expense in Note 23 (Compensation of Employees and Remuneration of Directors).
- b. In addition, according to the revised Articles of Incorporation of the Company, the dividend policy of the Company is to distribute dividends in light of the present and future development plan, taking into consideration the investment environment, fund demands, and domestic competition status, as well as factors of interests of shareholders. However, the amount of proposed earnings distribution of the current year may not be less than 20% of the accumulated distributable earnings. In distributing dividends and bonuses to shareholders, the distribution may be made by shares or cash, of which cash dividends may not be less than 10% of the total amount of dividends.
- c. Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.
- d. The appropriations of earnings for 2021 and 2020, which had been approved in the shareholders' meetings held on May 19, 2022 and May 21, 2021, respectively, were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For the Year Ended</u>		<u>For the Year Ended</u>	
	<u>December 31</u>		<u>December 31</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Legal reserve	\$ 244,770	\$ 172,251	\$ -	\$ -
Special reserve	288,875	185,377	-	-
Cash dividends	2,063,170	1,252,639	2.80	1.70

- e. The appropriations of earnings for 2022 had been proposed by the Company's board of directors on February 22, 2023. The appropriations and dividends per share were as follows:

	<u>Appropriation</u>	<u>Dividends Per</u>
	<u>of Earnings</u>	<u>Share (NT\$)</u>
Legal reserve	\$ 134,122	\$ -
Reversal of special reserve	(105,568)	-
Cash dividends	884,216	1.20

The appropriations of earnings for 2022 are subject to the resolution of the shareholders in their meeting to be held on May 18, 2023.

## Other Equity Items

### a. Exchange differences on translating the financial statements of foreign operations

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e., New Taiwan dollars) were recognized directly in other comprehensive income and accumulated in the exchange differences on translation of foreign operations. Gains and losses on hedging instruments that were designated as hedging instruments for hedges of net investments in foreign operations were included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve were reclassified to profit or loss on the disposal of the foreign operation.

### b. Unrealized gains or losses on financial assets at fair value through other comprehensive income

Unrealized gains or losses on financial assets at fair value through other comprehensive income represents the cumulative gains and losses arising on the revaluation of financial assets at fair value through other comprehensive income, that have been defined to recognize in other comprehensive income. The accumulated amounts of unrealized gains or losses on financial assets at fair value through other comprehensive income did not reclassified to gains or losses when dispose of investment.

## 22. REVENUE

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Real estate brokerage revenue	\$ 8,778,153	\$ 11,332,401
Sales of real estate agency	<u>1,299,477</u>	<u>1,965,318</u>
	<u>\$ 10,077,630</u>	<u>\$ 13,297,719</u>

The Company's revenue is composed of rendering of services comes from real-estate brokerage and agency sale business. The Company recognizes revenues when performance obligations are satisfied and recognizes the right to receive the consideration as accounts receivable, refer to Note 9 for the details.

## 23. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations consisted of the following:

### Interest Income

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Interest income		
Cash in bank	\$ 1,684	\$ 1,415
Borrowings to related parties	15,390	-
Others	<u>840</u>	<u>1,007</u>
	<u>\$ 17,914</u>	<u>\$ 2,422</u>

## Other Gains and Losses

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Impairment loss of investment properties	\$ (10,460)	\$ (6,440)
Losses on disposal of property, plant and equipment	(2,387)	(2,014)
(Losses) gains on disposal of investment properties	(199)	7,253
Net foreign exchange (losses) gains	(34,522)	14,753
Administration service revenue	49,410	40,587
Impairment loss of investments accounted for using the equity method	-	(2,870)
Others	<u>10,500</u>	<u>32,031</u>
	<u>\$ 12,342</u>	<u>\$ 83,300</u>

## Finance Costs

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Interest on bank loans	\$ 32,077	\$ 21,546
Interest on bonds payable	50,480	52,721
Interest on lease liabilities	34,254	34,759
Interest on loans from related parties	38,674	17,928
Others	<u>13</u>	<u>11</u>
	<u>\$ 155,498</u>	<u>\$ 126,965</u>

## Depreciation and Amortization

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Property, plant and equipment	\$ 90,016	\$ 78,933
Right-of-use assets	460,357	443,719
Intangible assets	26,005	23,481
Investment properties	<u>8,524</u>	<u>9,375</u>
	<u>\$ 584,902</u>	<u>\$ 555,508</u>
An analysis of depreciation by function		
Operating costs	\$ 521,195	\$ 495,957
General and administrative expenses	29,178	26,695
Other losses	<u>8,524</u>	<u>9,375</u>
	<u>\$ 558,897</u>	<u>\$ 532,027</u>
An analysis of amortization by function		
Operating costs	\$ 2,610	\$ 2,202
General and administrative expenses	<u>23,395</u>	<u>21,279</u>
	<u>\$ 26,005</u>	<u>\$ 23,481</u>

## Operating Expenses Directly Related to Investment Properties

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Direct operating expenses from investment properties		
Generating rental income	\$ 25,664	\$ 27,262
Not generating rental income	<u>118</u>	<u>117</u>
	<u>\$ 25,782</u>	<u>\$ 27,379</u>

## Employee Benefits Expense

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Employee benefits expense (including salary expense and labor and health insurance expense)	<u>\$ 5,682,794</u>	<u>\$ 7,449,972</u>
Post-employment benefits		
Defined contribution plan	212,781	204,842
Defined benefit plan (Note 20)	<u>2,684</u>	<u>3,338</u>
	<u>215,465</u>	<u>208,180</u>
Remuneration of directors	<u>10,358</u>	<u>9,810</u>
Other employee benefits	<u>182,714</u>	<u>154,893</u>
Total employee benefits	<u>\$ 6,091,331</u>	<u>\$ 7,822,855</u>
Summary by function		
Operating costs	\$ 5,513,451	\$ 7,270,775
General and administrative expenses	<u>577,880</u>	<u>552,080</u>
	<u>\$ 6,091,331</u>	<u>\$ 7,822,855</u>

## Compensation of Employees and Remuneration of Directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 1% and no higher than 1%, respectively, of net profit before income tax, of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2022 and 2021 which have been approved by the Company's board of directors on February 22, 2023 and February 25, 2022, respectively, were as follows:

### Accrual rate

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Compensation of employees	1.00%	1.00%
Remuneration of directors	0.35%	0.16%

### Amount

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
	<b>Cash</b>	<b>Cash</b>
Compensation of employees	\$ 15,260	\$ 29,247
Remuneration of directors	5,310	4,800

If there is a change in the proposed amounts after the date the annual financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate in the following year.

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the financial statements for the years ended December 31, 2021 and 2020.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors in 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

#### Impairment Loss Recognized on Non-financial Assets

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Investments accounted for using the equity method (included in other operating income and expenses, net)	\$ -	\$ 2,870
Investment property (included in other operating income and expenses, net)	<u>10,460</u>	<u>6,440</u>
	<u>\$ 10,460</u>	<u>\$ 9,310</u>

#### 24. INCOME TAXES RELATING TO CONTINUING OPERATION

##### a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Current tax		
In respect of the current year	\$ 282,808	\$ 588,801
Income tax expense of unappropriated earnings	-	5,612
Land value increment tax	-	121
In respect of the prior years	10,083	(23,063)
Deferred tax		
In respect of the current year	<u>(10,829)</u>	<u>(30,665)</u>
Income tax expense recognized in profit or loss	<u>\$ 282,062</u>	<u>\$ 540,806</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Profit before tax from continuing operations	<u>\$ 1,505,398</u>	<u>\$ 2,890,647</u>
Income tax expense calculated at the statutory rate	\$ 301,080	\$ 578,129
Nondeductible expenses in determining taxable income	63	16,345
Tax-exempt income	(15,312)	-
		(Continued)

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Additional income tax on unappropriated earnings	\$ -	\$ 5,612
Land value increment tax	-	121
Adjustments for prior years' tax	10,083	(23,063)
Unrecognized deductible temporary differences	<u>(13,852)</u>	<u>(36,338)</u>
Income tax expense recognized in profit or loss	<u>\$ 282,062</u>	<u>\$ 540,806</u> (Concluded)

b. Income tax (expenses) benefit recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement of defined benefit plan	<u>\$ (29,360)</u>	<u>\$ 3,320</u>

c. Current tax assets and liabilities

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Current tax assets		
Tax refund receivables	<u>\$ 270</u>	<u>\$ 2,867</u>
Current tax liabilities		
Income tax payables	<u>\$ 286,574</u>	<u>\$ 599,063</u>

d. Deferred tax assets and liabilities

The Company has offset certain deferred tax assets and deferred tax liabilities which met the offset criteria.

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2022

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Temporary differences				
Refund liabilities	\$ 13,318	\$ (4,853)	\$ -	\$ 8,465
Defined benefit obligation	1,411	(1,411)	-	-
Allowance for impairment loss	1,265	-	-	1,265

(Continued)

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
Employee benefits	\$ 60,669	\$ 3,630	\$ -	\$ 64,299
Others	<u>5,820</u>	<u>14,717</u>	<u>-</u>	<u>20,537</u>
	<u>\$ 82,483</u>	<u>\$ 12,083</u>	<u>\$ -</u>	<u>\$ 94,566</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Defined benefit obligation	\$ -	\$ 1,254	\$ 29,360	\$ 30,614 (Concluded)

For the year ended December 31, 2021

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Temporary differences				
Refund liabilities	\$ 11,159	\$ 2,159	\$ -	\$ 13,318
Defined benefit obligation	480	(2,389)	3,320	1,411
Allowance for impairment loss	1,265	-	-	1,265
Employee benefits	25,041	35,628	-	60,669
Others	<u>10,553</u>	<u>(4,733)</u>	<u>-</u>	<u>5,820</u>
	<u>\$ 48,498</u>	<u>\$ 30,665</u>	<u>\$ 3,320</u>	<u>\$ 82,483</u>

- e. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized

As of December 31, 2022 and 2021, the taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities have been recognized were \$190,422 thousand and \$245,717 thousand, respectively.

- f. Income tax assessments

The Company's tax returns through 2019 have been assessed by the tax authorities.



## 25. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Basic EPS	<u>\$ 1.66</u>	<u>\$ 3.19</u>
Diluted EPS	<u>\$ 1.66</u>	<u>\$ 3.18</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

### Net Profit for the Year

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Profit for the year	<u>\$ 1,223,336</u>	<u>\$ 2,349,841</u>

Weighted average number of ordinary shares outstanding (in thousands of shares):

	<u>For the Year Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
Weighted average number of ordinary shares used in the computation of basic earnings per share	736,847	736,847
Effect of dilutive potential ordinary shares:		
Bonus issued to employees	<u>697</u>	<u>1,157</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>737,544</u>	<u>738,004</u>

Since the Company is allowed to settle the compensation to employees by cash or shares, the Company presumed that the entire amount of the compensation will be settled in shares and the resulting potential shares are included in the weighted average number of outstanding shares used in the calculation of diluted earnings per share, as the shares have a dilutive effect. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares is included in the calculation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

## 26. CASH FLOW INFORMATION

### Changes in Liabilities Arising from Financing Activities

For the year ended December 31, 2022

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bonds payable (including current portion)	\$ 4,600,000	\$ -	\$ -	\$ -	\$ -	\$ 4,600,000
Long-term borrowings (including current portion)	1,149,814	2,650,117	-	-	-	3,799,931
Guarantee deposits received	37,211	(5,061)	-	-	-	32,150
Other payables to related parties	160,125	819,000	-	755	-	979,880
Lease liabilities	<u>2,918,154</u>	<u>(445,854)</u>	<u>550,029</u>	<u>15,183</u>	<u>(34,254)</u>	<u>3,003,258</u>
	<u>\$ 8,865,304</u>	<u>\$ 3,018,202</u>	<u>\$ 550,029</u>	<u>\$ 15,938</u>	<u>\$ (34,254)</u>	<u>\$ 12,415,219</u>

For the year ended December 31, 2021

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bonds payable (including current portion)	\$ 5,300,000	\$ (700,000)	\$ -	\$ -	\$ -	\$ 4,600,000
Long-term borrowings (including current portion)	1,820,000	(670,186)	-	-	-	1,149,814
Guarantee deposits received	30,761	6,450	-	-	-	37,211
Other payables to related parties	1,042,150	(848,780)	-	(33,245)	-	160,125
Lease liabilities	<u>2,805,848</u>	<u>(427,885)</u>	<u>551,851</u>	<u>23,099</u>	<u>(34,759)</u>	<u>2,918,154</u>
	<u>\$ 10,998,759</u>	<u>\$ (2,640,401)</u>	<u>\$ 551,851</u>	<u>\$ (10,146)</u>	<u>\$ (34,759)</u>	<u>\$ 8,865,304</u>

## 27. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as a going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

Key management personnel of the Company review the capital structure on a quarterly basis. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Company may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

## 28. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

Except as detailed in the following table, management believes the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values or their fair values cannot be reliably measured.

December 31, 2022

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 4,600,000	\$ -	\$ 4,552,040	\$ -	\$ 4,552,040

December 31, 2021

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 4,600,000	\$ -	\$ 4,651,194	\$ -	\$ 4,651,194

The fair values of the financial liabilities included in the Level 2 category above have been determined in accordance with market price based on a discounted cash flow analysis, with the most significant observable inputs being the bond duration, interest rates and credit ratings, etc.

### b. Fair value of financial instruments measured at fair value on a recurring basis

#### 1) Fair value hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic unlisted shares - equity investments	\$ -	\$ -	\$ 2,500	\$ 2,500
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 109,723	\$ -	\$ -	\$ 109,723
Domestic unlisted shares - equity investments	-	-	105,404	105,404
	\$ 109,723	\$ -	\$ 105,404	\$ 215,127

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 119,892	\$ -	\$ -	\$ 119,892
Domestic unlisted shares - equity investments	<u>-</u>	<u>-</u>	<u>111,183</u>	<u>111,183</u>
	<u>\$ 119,892</u>	<u>\$ -</u>	<u>\$ 111,183</u>	<u>\$ 231,075</u>

There were no transfers between Level 1 and Level 2 in the current and prior periods.

## 2) Reconciliation of Level 3 fair value measurements of financial instruments

2022

	<u>Financial Assets at FVTPL Equity Instruments</u>	<u>Financial Assets at FVTOCI Equity Instruments</u>
Balance at January 1, 2022	\$ -	\$ 111,183
Addition	2,500	56,714
Recognized in other comprehensive (loss) income	<u>-</u>	<u>(62,493)</u>
Balance at December 31, 2022	<u>\$ 2,500</u>	<u>\$ 105,404</u>

2021

	<u>Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments</u>
Balance at January 1, 2021	\$ 116,152
Addition	6,569
Disposal	(1,607)
Recognized in other comprehensive (loss) income	<u>(9,931)</u>
Balance at December 31, 2021	<u>\$ 111,183</u>

3) Valuation technique and inputs applied for Level 3 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Domestic unlisted shares	The market approach is used as appropriate based on the nature of the valuation target. In the determining the fair value of the valuation target, the total value of individual assets and liabilities covered by the valuation target is assessed based on the balance sheet, at the same time taking into consideration the liquidity discount and the discount for lack of marketability, in order to reflect the overall value of the target company.

Due to the lack of quoted prices in an active market, the fair values of the Company's investments in equity instruments categorized within Level 3 of the fair value hierarchy are determined based on the valuations generally used by market participants. Quantitative information is not disclosed since it is not possible to fully grasp the relationship between the unobservable inputs and the fair value.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 2,500	\$ -
Financial assets at amortized cost (Note 1)	3,277,365	2,341,804
Financial assets at FVTOCI	215,127	231,075
<u>Financial liabilities</u>		
Amortized cost (Note 2)	12,839,853	10,265,067

Note 1: The balance included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, notes receivable (including related parties), trade receivables (including related parties), other receivables (including related parties), other financial assets and refundable deposits.

Note 2: The balance included financial liabilities measured at amortized cost, which comprise other payables (including related parties), bonds payable (including current portion of long-term borrowings and bonds payable), long-term borrowings, guarantee deposits received and long-term bonus payable (classified as other non-current liabilities).

**Financial Risk Management Objectives and Policies**

The Company's major financial instruments included equity, trade receivables, other payables, bonds payable, borrowings and lease liabilities. The Company's Corporate Treasury function provides services to the business and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company seeks to ensure sufficient funding readily available when needed with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by Audit Committees and/or Board of Directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, Corporate Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis.

a. Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

1) Foreign currency exchange

Most of the Company's operating activities are in Taiwan, which is denominated in New Taiwan dollars. Therefore, the operating activities in Taiwan are not exposed to foreign currency risk. The Company took foreign operations as strategic investments and did not hedge the risk.

For the carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, refer to Note 32.

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 1% increase and decrease in the New Taiwan dollar ("NTD", the functional currency) against the relevant foreign currencies. A negative number below indicates an increase in profit before income tax or equity where the NTD strengthens 1% against the relevant currency. For a 1% weakening of the NTD against the relevant currency, the balances below would be negative if the other factors remain unchanged.

	<b>For the Year Ended December 31</b>					
	<b>2022</b>			<b>2021</b>		
	<b>USD</b>	<b>MYR</b>	<b>RMB</b>	<b>USD</b>	<b>MYR</b>	<b>RMB</b>
Equity	\$ 39,176	\$ 15,927	\$ -	\$ 3,436	\$ 14,764	\$ -
Profit or loss	71	7	1	334	11	8

2) Interest rate risk

The Company is exposed to interest rate risk on investments and borrowings; interest rates could be fixed or floating. The investments and part of borrowings are fixed-interest rates and measured at amortized cost, and changes in interest will not affect future cash flows. Another part of borrowings are floating-interest rates, and changes in interest will affect future cash flows, but will not affect fair value.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of reporting period were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Fair value interest rate risk		
Financial assets	\$ -	\$ 27,680
Financial liabilities	7,903,189	8,278,093
Cash flow interest rate risk		
Financial assets	55,000	5,000
Financial liabilities	4,479,880	550,000

### Interest rate sensitivity analysis

The Company was exposed to cash flow interest rate risk in relation to floating rate financial assets or liabilities, and the financial assets, short-term and long-term borrowings will be affected by the changes in market interest rate accordingly. If the market interest rate increased/decreased by 1%, the Company's cash outflow will increase/decrease by \$44,249 thousand and \$5,450 thousand for the years ended December 31, 2022 and 2021, respectively.

### 3) Other price risk

The Company is exposed to equity price risk through its investments in domestic listed shares.

If equity prices had been 1% higher/lower, pre-tax profit for the year ended December 31, 2022 would have increased/decreased by \$25 thousand as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the years ended December 31, 2022 and 2021 would have increased/decreased by \$2,151 thousand and \$2,311 thousand as a result of the changes in fair value of financial assets at FVTOCI.

### b. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from operating activities, primarily trade receivables, and from investing activities, primarily the fixed-income investments and other financial instruments.

#### Business related credit risk

The Company is mainly engaged in the operation of real-estate brokerage business and the customers of the Company are the people who buy and sell houses. The revenue from agency service is also received through the housing performance guarantee, so the concentration credit risk of trade receivable is immaterial.

#### Financial credit risk

The credit risk of bank deposits, fixed-income investments and other financial instruments are regularly controlled and monitored by the Company's Corporate Treasury function. The counterparties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Company's exposure to default by those parties to be material.

### c. Liquidity risk

The Company's current liability exceeds its current assets of \$4,661,411 thousand. The Company currently has unused borrowing limit \$10,185,500 thousand sufficient to meet all contractual obligations, so there is no liquidity risk with being unable to raise funds to perform contractual obligations.

The Company manages liquidity risk by monitoring and maintaining a certain level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Company relies on bank borrowings as a significant source of liquidity. As of December 31, 2022 and 2021, the Company had available unutilized bank loan facilities as follows:

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Unsecured bank overdraft facility, reviewed annually and payable on call:		
Amount used	\$ 1,700,000	\$ 750,000
Amount unused	<u>8,265,500</u>	<u>8,663,800</u>
	<u>\$ 9,965,500</u>	<u>\$ 9,413,800</u>
Secured bank overdraft facility:		
Amount used	\$ 2,100,000	\$ 400,000
Amount unused	<u>1,920,000</u>	<u>3,920,000</u>
	<u>\$ 4,020,000</u>	<u>\$ 4,320,000</u>

Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

December 31, 2022

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ -	\$ 2,383,867	\$ 1,076,175	\$ -
Lease liabilities	41,453	456,232	1,745,315	889,984
Variable interest rate liabilities	8,570	213,974	4,464,206	-
Fixed interest rate liabilities	<u>4,739</u>	<u>3,727,095</u>	<u>346,105</u>	<u>922,227</u>
	<u>\$ 54,762</u>	<u>\$ 6,781,168</u>	<u>\$ 7,631,801</u>	<u>\$ 1,812,211</u>

Additional information about the maturity analysis for financial liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	\$ 41,453	\$ 456,232	\$ 1,745,315	\$ 855,889	\$ 34,095
Fixed interest rate liabilities	<u>4,739</u>	<u>3,727,095</u>	<u>346,105</u>	<u>922,227</u>	<u>-</u>
	<u>\$ 46,192</u>	<u>\$ 4,183,327</u>	<u>\$ 2,091,420</u>	<u>\$ 1,778,116</u>	<u>\$ 34,095</u>



December 31, 2021

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ -	\$ 3,107,737	\$ 1,247,391	\$ -
Lease liabilities	39,121	431,121	1,674,365	896,836
Variable interest rate liabilities	416	4,571	555,190	-
Fixed interest rate liabilities	<u>4,666</u>	<u>211,454</u>	<u>4,366,777</u>	<u>933,392</u>
	<u>\$ 44,203</u>	<u>\$ 3,754,883</u>	<u>\$ 7,843,723</u>	<u>\$ 1,830,228</u>

Additional information about the maturity analysis for financial liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	\$ 39,121	\$ 431,121	\$ 1,674,365	\$ 887,088	\$ 9,748
Fixed interest rate liabilities	<u>4,666</u>	<u>211,454</u>	<u>4,366,777</u>	<u>933,392</u>	<u>-</u>
	<u>\$ 43,787</u>	<u>\$ 642,575</u>	<u>\$ 6,041,142</u>	<u>\$ 1,820,480</u>	<u>\$ 9,748</u>

## 29. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Company and related parties were disclosed below:

### a. Related parties and their Relationships with the Company

<u>Related Party</u>	<u>Relationship with the Company</u>
Sinyi Land Administration Agent Joint Office	Related party in substance
Sinyi Cultural Foundation	Related party in substance
Sinyi Real Estate Appraisal Office	Related party in substance
Yu-Hao Co., Ltd.	Corporate shareholder (direct investment using the equity method)
Sinyi Co., Ltd.	The Chairman of the Company (Note 1)
Yu-Heng Co., Ltd.	Corporate shareholder (indirect investment using the equity method)
Ken Investment Co., Ltd.	Related party in substance
Sin-Heng Limited	Related party in substance
Sin-Yeh Co., Ltd.	Related party in substance
Sinyi Public Welfare Foundation	Related party in substance
Taiwan Regional Revitalization Foundation	Related party in substance
Sinyi Interior Design Co., Ltd.	Associate
Sinyi Real Estate Consulting Limited (Note 2)	Subsidiaries
An-Sin Real Estate Management Ltd.	Subsidiaries
Sinyi Global Asset Management Co., Ltd.	Subsidiaries
Jui-Inn Consultants Co., Ltd.	Subsidiaries
Yowoo Technology Inc.	Subsidiaries

(Continued)

<u>Related Party</u>	<u>Relationship with the Company</u>
Sinyi Culture Publishing Inc.	Subsidiaries
Sinyi Development Inc.	Subsidiaries
An-Shin Real Estate Management Ltd.	Subsidiaries
Sinyi Realty Inc. Japan	Subsidiaries
Tokyo Sinyi Real Estate Co., Ltd.	Subsidiaries
Heng-Yi Intelligent Technology Inc.	Subsidiaries
Da-Chia Construction Co., Ltd.	Subsidiaries
Sinyi Real Estate Co., Ltd.	Subsidiaries
Sinyi International Limited	Subsidiaries
Sinyi Morefun Tourism Development Ltd.	Subsidiaries
Jin Mei Travel Service Co., Ltd.	Subsidiaries
Lunheng Business Management (Shanghai) Ltd.	Subsidiaries
Xin Yeh Business Administration (Shanghai) Ltd.	Subsidiaries
Fidelity Property Consultant Sdn. Bhd.	Subsidiaries
Sinyi Asset Management Co., Ltd.	Subsidiaries

(Concluded)

Note 1: The Chairman was newly elected by the board of Sinyi Co., Ltd. on May 19, 2022.

Note 2: The merger date base of the Company and Sinyi Real Estate Consulting Limited was set on August 31, 2022. The Company was the surviving company while Sinyi Real Estate Consulting Limited was the dissolved company.

b. Trade receivables from related parties

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
An-Sin Real Estate Management Ltd.	<u>\$ 93,620</u>	<u>\$ 174,781</u>

Trade receivables from related parties represent amounts collected on behalf of the Company. The related parties will transfer the amount to the Company after closing the deals.

c. Other receivables from related parties

	<u>December 31</u>	
	<u>2022</u>	<u>2021</u>
Other related parties		
Related parties in substance	\$ 968	\$ 2,393
Corporate shareholder (indirect investment using the equity method)	50	-
Subsidiaries		
Sinyi Development Inc.	1,704,453	321,295
Sinyi Realty Inc. Japan	9,305	4,955
Sinyi Global Asset Management Co., Ltd.	12,237	3,159
An-Shin Real Estate Management Ltd.	1,815	1,744
Others	<u>2,788</u>	<u>928</u>
	<u>\$ 1,731,616</u>	<u>\$ 334,474</u>

Other receivables from related parties are mainly management consulting services receivable and rental receivable. Refer to f. Borrowings to related parties.

d. Other payables to related parties

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	\$ 212	\$ 415
Subsidiaries		
Sinyi Global Asset Management Co., Ltd.	23,317	14,980
Sinyi Real Estate Consulting Limited	-	13,947
Yowoo Technology Inc.	3,456	4,044
An-Sin Real Estate Management Ltd.	1,186	1,832
Others	<u>374</u>	<u>1,425</u>
	<u>\$ 28,545</u>	<u>\$ 36,643</u>

e. Loans from related parties

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
Sinyi Global Asset Management Co., Ltd.	\$ 120,000	\$ 100,000
Sinyi International Limited	859,880	-
Sinyi Realty Inc. Japan	-	36,075
Sinyi Asset Management Co., Ltd.	<u>-</u>	<u>24,050</u>
	<u>\$ 979,880</u>	<u>\$ 160,125</u>

Interest expense

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
Sinyi Global Asset Management Co., Ltd.	\$ 1,012	\$ 907
Sinyi Realty Inc. Japan	9	1,009
Sinyi Asset Management Co., Ltd.	13	615
Sinyi International Limited	37,640	-
Lunheng Business Management (Shanghai) Ltd.	-	11,041
Xin Yeh Business Administration (Shanghai) Ltd.	<u>-</u>	<u>4,356</u>
	<u>\$ 38,674</u>	<u>\$ 17,928</u>

The Company obtained loans from related parties which were financing of funds at rates comparable to market interest rates. The loans from related parties are unsecured.

<b>For the Year Ended December 31, 2022</b>					
	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Expense</b>	<b>Interest Payable</b>
Subsidiaries					
Sinyi Global Asset Management Co., Ltd.	\$ 120,000	\$ 120,000	1.45%	\$ 1,012	\$ 281
Sinyi International Limited	1,650,600	859,880	5.20%	37,640	11,778
Sinyi Realty Inc. Japan	36,075	-	2.00%	9	-
Sinyi Asset Management Co., Ltd.	<u>24,050</u>	<u>-</u>	2.00%	<u>13</u>	<u>-</u>
	<u>\$ 1,830,725</u>	<u>\$ 979,880</u>		<u>\$ 38,674</u>	<u>\$ 12,059</u>
<b>For the Year Ended December 31, 2021</b>					
	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Expense</b>	<b>Interest Payable</b>
Subsidiaries					
Sinyi Global Asset Management Co., Ltd.	\$ 100,000	\$ 100,000	0.98%	\$ 907	\$ 222
Sinyi Realty Inc. Japan	69,075	36,075	2.00%	1,009	134
Sinyi Asset Management Co., Ltd.	41,445	24,050	2.00%	615	90
Lunheng Business Management (Shanghai) Ltd.	393,930	-	4.75%	11,041	-
Xin Yeh Business Administration (Shanghai) Ltd.	<u>437,700</u>	<u>-</u>	4.75%	<u>4,356</u>	<u>-</u>
	<u>\$ 1,042,150</u>	<u>\$ 160,125</u>		<u>\$ 17,928</u>	<u>\$ 446</u>

f. Borrowings to related parties

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
Sinyi Development Inc.	\$ 1,699,809	\$ 316,000
Jin Mei Travel Service Co., Ltd.	<u>2,000</u>	<u>-</u>
	<u>\$ 1,701,809</u>	<u>\$ 316,000</u>

Interest income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
Sinyi Development Inc.	\$ 14,713	\$ -
Others	<u>677</u>	<u>-</u>
	<u>\$ 15,390</u>	<u>\$ -</u>

The financing provided to related parties was at an interest rate close to the market rate. The unsecured borrowings is expected to be reacquired within a year. There will not be expected credit lost after evaluation. Relevant information are as follows:

<b>For the Year Ended December 31, 2022</b>					
	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Income</b>	<b>Interest Receivable</b>
Subsidiaries					
Sinyi Development Inc.	\$ 1,699,809	\$ 1,699,809	1.34%-1.52%	\$ 14,713	\$ 6,310
Jin Mei Travel Service Co., Ltd.	2,000	2,000	5.20%	21	1
Sinyi Morefun Tourism Development Ltd.	<u>1,000</u>	<u>-</u>	1.52%	<u>656</u>	<u>-</u>
	<u>\$ 1,702,809</u>	<u>\$ 1,701,809</u>		<u>\$ 15,390</u>	<u>\$ 6,311</u>
<b>For the Year Ended December 31, 2021</b>					
	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Income</b>	<b>Interest Receivable</b>
Subsidiaries					
Sinyi Development Inc.	<u>\$ 316,000</u>	<u>\$ 316,000</u>	0.91%-0.92%	<u>-</u>	<u>-</u>

g. Remuneration of key management personnel

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Short-term employee benefits	\$ 93,306	\$ 109,896
Other long-term employee benefits	<u>12,995</u>	<u>13,888</u>
	<u>\$ 106,301</u>	<u>\$ 123,784</u>

Other long-term employee benefits included a long-term incentive plan approved by the Company's board of directors to encourage senior management to contribute further to the sustainable growth of the Company. Senior managers will be entitled to such incentive when they continue to serve for three years starting from the following year after obtaining the qualification and the bonus is calculated on the basis of the Company's operating performance or individual performance.

h. Other transactions with related parties

1) Service revenue

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Subsidiaries		
Others	<u>\$ 51,447</u>	<u>\$ 93,092</u>

Service revenue is mainly derived from real estate brokerage services provided to the related parties.

2) Rental income

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	\$ 7,451	\$ 7,427
Corporate shareholder (direct investment using the equity method)	57	114
Corporate shareholder (indirect investment using the equity method)	57	57
The Chairman of the Company	57	-
Associates	34	34
Subsidiaries		
An-Shin Real Estate Management Ltd.	7,360	7,288
Sinyi Real Estate Consulting Limited	-	4,173
Sinyi Development Inc.	3,815	3,815
Others	<u>141</u>	<u>174</u>
	<u>\$ 18,972</u>	<u>\$ 23,082</u>

3) Other benefits

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related parties		
Related parties in substance	\$ 1,395	\$ 1,378
Corporate shareholder (indirect investment using the equity method)	286	-
Subsidiaries		
Sinyi Realty Inc. Japan	21,411	12,248
Sinyi Development Inc.	6,055	9,218
An-Shin Real Estate Management Ltd.	6,286	6,671
Sinyi Global Asset Management Co., Ltd.	7,122	4,882
Others	<u>2,469</u>	<u>1,825</u>
	<u>\$ 45,024</u>	<u>\$ 36,222</u>

Other benefits are mainly derived from management consulting services provided to the related parties and their income. The rental rates are based on the prevailing rates in the surrounding area. The Company collects rentals from related parties on a monthly basis.

4) Operating costs

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related party		
Related parties in substance	\$ 3,861	\$ 24,619
Subsidiaries		
Sinyi Real Estate Consulting Limited	85,094	133,458
Others	<u>18,619</u>	<u>24,658</u>
	<u>\$ 107,574</u>	<u>\$ 182,735</u>

5) General and administrative expenses

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Other related party		
Related parties in substance	\$ 6,433	\$ 27,200
Subsidiaries		
Others	<u>20,603</u>	<u>22,529</u>
	<u>\$ 27,036</u>	<u>\$ 49,729</u>

Operating costs and general and administrative expenses are mainly payment for services related to instructions of real estate, actual price registration, real estate registration, cadaster access service and rental expense, etc.

6) Lease agreements

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Lease liabilities - related parties in substance	<u>\$ -</u>	<u>\$ 5,946</u>

	<b>For the Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<u>Interest expense</u>		
Related parties in substance	<u>\$ 19</u>	<u>\$ 88</u>

The rental rates are based on the prevailing rates in the surrounding area. The Company collects rentals from related parties on a monthly basis.

7) Endorsement and guarantee

As of December 31, 2022, the Company has endorsed Sinyi Real Estate (Hong Kong) Limited, An-Sin Real Estate Management Ltd. and Sinyi International Limited in obtaining financing limit of \$1,044,140 thousand, \$2,600,000 thousand and \$153,550 thousand, respectively. As of December 31, 2021, the Company has endorsed Sinyi Real Estate (Hong Kong) Limited and An-Sin Real Estate Management Ltd. in obtaining financing limit of \$941,120 thousand and \$2,600,000 thousand, respectively.

### 30. MORTGAGE OR PLEDGED ASSETS

The Company's assets mortgaged or pledged as collateral for bank loans, other financial institutions or other contracts were as follows:

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
Property, plant and equipment (including investment properties)		
Land	\$ 4,125,647	\$ 4,191,664
Building	344,004	384,741
Other financial assets - pledged time deposits	<u>5,000</u>	<u>5,000</u>
	<u>\$ 4,474,651</u>	<u>\$ 4,581,405</u>

### 31. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Company were as follows:

- a. The Company is involved in claims that arise in the ordinary course of brokerage and escrow business; the other party may claim against the Company through legal proceedings. On the basis of past experience and consultations with legal counsel, management of the Company has measured the possible effects of the contingent lawsuits on its financial condition in brokerage and escrow business.
- b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to \$5,000 thousand.

### 32. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company's significant financial assets and liabilities, denominated in foreign currencies were as follows:

	<b>December 31, 2022</b>		
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 230	30.710	\$ 7,054
MYR	95	6.972	666
RMB	17	4.408	73
Non-monetary items			
USD	127,567	30.710	3,917,582
MYR	228,454	6.972	1,592,693
	<b>December 31, 2021</b>		
	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 1,206	27.680	\$ 33,393
MYR	169	6.644	1,123
RMB	173	4.344	753
Non-monetary items			
USD	12,412	27.680	343,567
MYR	222,205	6.644	1,476,399

The Company is mainly exposed to foreign currency risk from the USD. The following information was aggregated by the functional currencies of the Company, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The realized and unrealized foreign exchange gains (losses) for the years ended December 31, 2022 and 2021, respectively, were as follows:



For the Year Ended December 31				
2022			2021	
Functional Currency	Exchange Rate	Net Foreign Exchange (Loss)	Exchange Rate	Net Foreign Exchange Gain
NTD	1 (NTD:NTD)	<u>\$ (34,522)</u>	1 (NTD:NTD)	<u>\$ 14,753</u>

### 33. SEPARATELY DISCLOSED ITEMS

Information on significant transactions and information on investees:

- a. Financing provided: Table 1 (see the attached)
- b. Endorsements/guarantees provided to others: Table 2 (see the attached)
- c. Marketable securities held (excluding investments in subsidiaries, associates and jointly controlled entities): Table 3 (see the attached)
- d. Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None
- e. Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: Table 4 (see the attached)
- f. Disposal of individual real estate at prices of at least NT\$100 million or 20% of the paid-in capital: None
- g. Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None
- h. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
- i. Trading in derivative instruments: None
- j. Information on investees: Table 5 (see the attached)

Information on investments in mainland China:

- a. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the mainland China area: Table 6 (see the attached)
- b. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
  - 1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None
  - 2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None

- 3) The amount of property transactions and the amount of the resultant gains or losses: None
- 4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2 (see the attached)
- 5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (see the attached)
- 6) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receiving of services: None

Information on major shareholders:

The name of major shareholders, number of shares, percentage of ownership about the ownership of 5% or greater (Table 7)

### **34. SEGMENT INFORMATION**

The Company had disclosed its segment information in accordance with the regulations in the consolidated financial statements as of and for the years ended December 31, 2022 and 2021. The disclosure of segment information is not required for the Company's separate financial statements.

TABLE 1

## SINYI REALTY INC.

FINANCING PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Related Parties	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Interest Rate	Type of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Ending Balance of Collateral		Financing Limit for Each Borrowing Company	Financing Company's Financing Amount Limits	Remark (Note 14)
													Item	Value			
0	Sinyi Realty Inc.	Sinyi Development Inc. Sinyi Morefun Tourism Development Ltd. Jin Mei Travel Service Co., Ltd.	Other receivables Other receivables Other receivables	Yes Yes Yes	\$ 2,362,901 (US\$ 32,215 thousand) 5,000	\$ 2,052,709 - 5,000	\$ 1,699,809 - 2,000	1.34%-1.52% 5.2% 1.52%	Short-term financing Short-term financing Short-term financing	- - -	Working capital Working capital Working capital	- - -	\$ 3,545,694 (Note 1) 3,545,694 (Note 1) 3,545,694 (Note 1)	\$ 4,727,593 (Note 1) 4,727,593 (Note 1) 4,727,593 (Note 1)	\$ 14,713 656 21		
1	Sinyi Real Estate (Shanghai) Limited	Jin Xin Estate (Wuxi) Limited	Other receivables	Yes	856,140 (RMB 190,000 thousand)	-	-	4.75%	Short-term financing (Note 10)	-	Working capital	-	2,018,353 (Note 2)	3,027,529 (Note 2)	-		
		Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	362,313 (RMB 81,000 thousand)	357,048 (RMB 81,000 thousand)	357,048 (RMB 81,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	2,018,353 (Note 2)	3,027,529 (Note 2)	13,310		
2	Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd.	Other receivables	Yes	29,075 (RMB 6,500 thousand)	22,040 (RMB 5,000 thousand)	22,040 (RMB 5,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	(131,728) (Note 3,6)	(197,592) (Note 3,6)	910		
		Suzhou Sinyi Real Estate Inc.	Other receivables	Yes	270,360 (RMB 60,000 thousand)	251,256 (RMB 57,000 thousand)	251,256 (RMB 57,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	(131,728) (Note 3,6)	(197,592) (Note 3,6)	10,678		
		Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd.	Other receivables	No	57,184 (RMB 12,859 thousand)	29,357 (RMB 6,660 thousand)	29,357 (RMB 6,660 thousand)	6%	Short-term financing	-	Working capital	-	(26,345) (Note 4,6)	(32,932) (Note 4,6)	1,691		
		YiShan Shanghai Real Estate Management Consulting Inc. (Note 15)	Other receivables	Yes	15,285 (RMB 3,500 thousand)	-	-	4.75%	Short-term financing	-	Working capital	-	(26,345) (Note 5,6)	(32,932) (Note 5,6)	307		
3	Lunheng Business Management (Shanghai) Ltd.	Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	117,156 (RMB 26,000 thousand)	-	-	4.75%	Short-term financing (Note 10)	-	Working capital	-	1,407,548 (Note 7)	2,111,322 (Note 7)	940		
		Jiu Xin Estate (Wuxi) Limited	Other receivables	Yes	946,260 (RMB 210,000 thousand)	925,680 (RMB 210,000 thousand)	925,680 (RMB 210,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	1,407,548 (Note 7)	2,111,322 (Note 7)	44,107		
4	Sinyi Realty Inc. Japan	Sinyi Realty Inc.	Other receivables	Yes	36,105 (JPY 150,000 thousand)	-	-	2%	Short-term financing (Note 10)	-	Working capital	-	322,186 (Note 8)	483,279 (Note 8)	9		
5	Sinyi Asset Management Co., Ltd.	Sinyi Realty Inc.	Other receivables	Yes	24,070 (JPY 100,000 thousand)	-	-	2%	Short-term financing (Note 10)	-	Working capital	-	63,044 (Note 9)	94,566 (Note 9)	13		
6	Sinyi Global Asset Management Co., Ltd	Sinyi Realty Inc.	Other receivables	Yes	120,000	120,000	120,000	1.45%	Short-term financing	-	Working capital	-	339,984 (Note 11)	566,640 (Note 11)	1,012		
7	Sinyi International Limited	Sinyi Realty Inc.	Other receivables	Yes	1,676,640 (US\$ 56,000 thousand)	859,880 (US\$ 28,000 thousand)	859,880 (US\$ 28,000 thousand)	5.2%	Short-term financing (Note 10)	-	Working capital	-	6,125,123 (Note 12)	9,800,197 (Note 12)	37,640		
8	Xin Yeh Business Administration (Shanghai) Ltd.	Sinyi Real Estate (Shanghai) Limited	Other receivables	Yes	1,789,200 (RMB 400,000 thousand)	1,763,200 (RMB 400,000 thousand)	1,763,200 (RMB 400,000 thousand)	4.75%	Short-term financing (Note 10)	-	Working capital	-	1,861,537 (Note 13)	2,792,305 (Note 13)	23,248		

(Continued)

- Note 1: The maximum total financing provided should not exceed 40% of Sinyi Realty Inc.'s net worth. The individual lending amount should not exceed 30% of Sinyi Realty Inc.'s net worth.
- Note 2: The maximum total financing provided should not exceed 150% of Sinyi Real Estate (Shanghai) Limited's net worth. The individual lending amount should not exceed 100% of Sinyi Real Estate (Shanghai) Limited's net worth.
- Note 3: The maximum total financing provided should not exceed 300% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 200% of Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)'s net worth.
- Note 4: If the short-term financing provided by Shanghai Sinyi Real Estate Inc. to the borrowing company is for the purpose of strategic consideration, the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth and the individual lending amount should not exceed 40% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 5: The financing provided by Shanghai Sinyi Real Estate Inc. for borrowing company which is owned 80% to less than 100% of its voting shares directly or indirectly by Shanghai Sinyi Real Estate Inc., the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 40% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 6: Shanghai Sinyi Real Estate Limited will propose an improvement plan in accordance with the regulations due to the decrease in net worth as of December 31, 2022, and the capital loan is over the limit.
- Note 7: The financing provided by Lunheng Business Management (Shanghai) Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Lunheng Business Management (Shanghai) Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Lunheng Business Management (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Lunheng Business Management (Shanghai) Ltd.'s net worth.
- Note 8: The financing provided by Sinyi Realty Inc. Japan for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Realty Inc. Japan or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Realty Inc. Japan's net worth. The individual lending amount should not exceed 100% of Sinyi Realty Inc. Japan's net worth.
- Note 9: The financing provided by Sinyi Asset Management Co., Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Asset Management Co., Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Asset Management Co., Ltd.'s net worth. The individual lending amount should not exceed 100% of Sinyi Asset Management Co., Ltd.'s net worth.
- Note 10: The restriction provided that such short term, i.e. within one year or the Company's operating cycle, financing amount not exceeding 40% of the lender's net worth shall not apply to intercompany loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares.
- Note 11: The financing provided by Sinyi Global Asset Management Co., Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Global Asset Management Co., Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 5 times of Sinyi Global Asset Management Co., Ltd.'s net worth. The individual lending amount should not exceed 3 times of Sinyi Global Asset Management Co., Ltd.'s net worth.
- Note 12: The financing provided by Sinyi International Limited for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi International Limited or Sinyi Realty Inc., the maximum total financing provided should not exceed 80% of Sinyi International Limited's net worth. The individual lending amount should not exceed 50% of Sinyi International Limited's net worth.
- Note 13: The financing provided by Xin Yeh Business Administration (Shanghai) Ltd. for borrowing company, which is owned 100% of its voting shares directly or indirectly by Xin Yeh Business Administration (Shanghai) Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth.
- Note 14: Interest recognized in the current period.
- Note 15: Ke Wei Shanghai Real Estate Management Consulting Inc. changed its name to YiShan Shanghai Real Estate Management Consulting Inc. in September 2022.

(Concluded)

## SINYI REALTY INC.

ENDORSEMENT/GUARANTEE PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Amount of Endorsement/Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity Per Financial Statement (%)	Maximum Total Endorsement/Guarantee Allowed to Be Provided by the Endorser/Guarantor	Guarantee Given by Parent on Behalf of Subsidiaries	Guarantee Given by Subsidiaries on Behalf of the Company	Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Nature of Relationship											
0	Sinyi Realty Inc.	Sinyi Real Estate (Hong Kong) Limited	Indirectly 100% owned subsidiary	\$ 9,455,186 (Note 1)	\$ 1,095,310 (US\$ 34,000 thousand)	\$ 1,044,140 (US\$ 34,000 thousand)	\$ -	\$ -	8.83	\$ 17,728,474 (Note 1)	Yes	No	No	Note 3
		An-Sin Real Estate Management Ltd.	Directly 51% owned subsidiary	9,455,186 (Note 1)	2,600,000	2,600,000	-	-	22.00	17,728,474 (Note 1)	Yes	No	No	Note 4
		Sinyi International Limited	Directly 100% owned subsidiary	9,455,186 (Note 1)	161,075 (US\$ 5,000 thousand)	153,550 (US\$ 5,000 thousand)	-	-	1.30	17,728,474 (Note 1)	Yes	No	No	Note 5
1	Jiu Xin Estate (Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	Business dealings	4,795,468 (Note 2)	19,114 (RMB 4,242 thousand)	18,699 (RMB 4,242 thousand)	18,699 (RMB 4,242 thousand)	-	0.31	5,994,336 (Note 2)	No	No	Yes	Note 6

Note 1: For those subsidiaries Sinyi Realty Inc. (the "Company") has over 50% ownership directly or indirectly, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of the Company's net worth. The maximum total endorsement/guarantee should not exceed 150% of Sinyi Realty Inc.'s net worth.

Note 2: For those subsidiaries which Jiu Xin Estate (Wuxi) Limited (hereafter referred to as "Jiu Xin") has over 80% of ownership directly or indirectly, or the Company holds 100% of the voting shares, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of Jiu Xin's net worth. The maximum total endorsement/guarantee should not exceed 100% of Jiu Xin's net worth.

Note 3: In response to the short term foreign currency borrowing needs of the Group's overseas subsidiaries to improve the efficiency of the Group's capital management, the Company shares its part of line of credit of bank with Sinyi Real Estate (Hong Kong) Limited and provides endorsement guarantees in accordance with the terms of the credit.

Note 4: In response to An-Sin's operational the Company provides endorsement guarantees in accordance with the terms of the credit for the purpose of increasing the credit line of An-Sin.

Note 5: In response to the group's exchange rate hedging needs, the Company provide Sinyi International Limited endorsement guarantee according to the bank quota conditions.

Note 6: In response to the demand for building materials purchased by Kunshan Dingxian Trading Co., Ltd. to support the construction project of Jiu Xin, Jiu Xin provides the purchase amount equivalent guarantee at the request of suppliers.

## SINYI REALTY INC.

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES)  
DECEMBER 31, 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2022			Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	
Sinyi Realty Inc.	Listed shares E.SUN Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	4,562,282	\$ 109,723	-	\$ 109,723
	Unlisted shares Han Yu Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,000,000	34,467	11	34,467
	NOwnews Network Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,049,632	14,139	9	14,139
	Pehome Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	196,350	-	8	-
	Cité Publishing Holding Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	7,637	-	1	-
	Cité Information Services Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	106,392	-	1	-
	B Current Impact Investment Fund 3	-	Financial assets at fair value through other comprehensive income - non-current	1,000,000	12,673	10	12,673
	LEJU Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	364,964	44,125	11	44,125
	B Current Impact Investment Fund 5 LP	-	Financial assets at fair value through profit or loss - non-current	-	2,500	-	2,500
	Listed shares Orix Corp.	-	Financial assets at fair value through other comprehensive income - current	561,300	276,490	-	276,490
	Unlisted shares Cura Investment Management (Shanghai) Co., Ltd. Taicang Yalong Management Consulting Co., Ltd.	- - -	Financial assets at fair value through other comprehensive income - non-current Financial assets at fair value through other comprehensive income - non-current Financial assets at fair value through other comprehensive income - non-current	34,500,000 150,000	74,670 -	2 -	74,670 -

## SINYI REALTY INC.

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer		Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship			
Zhancheng Tourism Development Sdn. Bhd.	Right-of-use - land	2022.12.21	\$ 314,370 (MYR 45,093 thousand)	Paid 2% of total price	Treasure Sage Sabah SDN. BHD. (Malaysia)	Related party in substance	Property Owner	Relationship	The counter-party's acquisition price, including interest on the necessary capital and the buyer's costs, amounted to MYR45,093 thousand.	The investment of real estate is for the tourism industry.	-
							Amylia Edmund, WEE GIOK SHUN, WEE WUI NEE, WONG SIEW GUEN, LPL 118 CORPORATION SDN. BHD.	-	2018/12/31 2019/3/21 2019/4/29 2019/6/18 2019/12/31 2020/12/30	MYR 42,660 thousand	

Note: Prepayments for right-of-use assets - land is from Zhancheng signed an agreement to acquire right-of-use of land at Pulau Mengalum, Sabah, Malaysia in 2022 and in completed the legal progress of the possession right transfer.

TABLE 5

## SINYI REALTY INC.

INFORMATION ON INVESTEEES  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022		Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)			
Sinyi Realty Inc.	Sinyi International Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	\$ 10,407,073	\$ 10,407,073	345,248,785	100	\$ 238,885	\$ 238,885	Note 4
	Sinyi Limited	4 <sup>th</sup> Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding	1,905,584	1,905,584	57,277,000	100	(202,122)	(202,122)	
Sinyi Development Inc.	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	2,035,005	2,035,005	203,500,000	100	106,883	106,883	
	Sinyi Global Asset Management Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage	29,180	29,180	5,000,000	100	33,137	33,137	
	Heng-Yi Intelligent Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	28,000	28,000	1,200,000	80	(989)	(791)	
	Jui-Jin Consultants Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Management consulting	5,000	5,000	500,000	100	781	(34)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	-	99	1,731	(608)	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	25,500	25,500	7,650,000	51	131,748	13,435	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	16,213	816	
	Yowoo Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	38,875	28,875	3,500,000	100	5,695	(9,953)	
	Rakuya International Info. Co., Ltd.	12F, No. 105, Dunhua S. Rd., Sec. 2, Daan District, Taipei City, Taiwan	Information software wholesale and retail	19,076	19,076	2,580,745	23	49,221	71,441	
	Sin Chium Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pnang, 50450 Kuala Lumpur, Malaysia	Investment holding	1,795,572	1,795,572	243,537,766	100	1,524,059	(38,219)	
Sinyi Real Estate Consulting Limited	Sinyi Holding Sdn. Bhd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Production of instructions of real estate	-	8,000	-	-	(8,406)	(8,406)	Note 2
	Sinjia Holding Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No. 1, Jalan Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Investment holding	57,158	29,384	8,200,000	100	32,759	(12,463)	
	Sinyi Morefun Tourism Development Ltd.	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands	Investment holding	130,679	36,942	14,390	100	63,715	(45,814)	
	Jin Mei Travel Service Co., Ltd.	9F-2, No. 50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan	Tourism	8,310	8,310	-	100	3,759	(738)	
	Sinkang Administration Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No. 1, Jalan Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Tourism	31,965	-	8,000,000	100	25,669	(18,228)	
	Zhansin Tourism Development Sdn. Bhd.	Lot No. 6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88450 Kota Kinabalu Sabah, Malaysia	Tourism	3,400	-	500,000	100	3,429	(64)	
	Zhaicheng Tourism Development Sdn. Bhd.	Lot No. 6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	15,591	-	2,500,000	100	14,759	(1,553)	
	Forever Success International Ltd.	3 <sup>rd</sup> Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius	Investment holding	68,741	68,741	2,216,239	100	152,715	(21,756)	
	Sinyi Realty Inc. Japan	2 <sup>nd</sup> Floor, Shortisu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage, management and identification	58,064	58,064	16,000	100	322,186	45,187	
	Sinyi Limited	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	3,919,127	3,919,127	133,506,209	100	2,210,387	204,788
Sinyi Estate Ltd.		TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	6,360,046	6,360,344	208,510,749	100	6,009,363	21,411	
Inane International Limited		4 <sup>th</sup> Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding	1,647,792	1,647,792	51,935,840	100	(100,027)	(208,317)	
Ke Wei Hk Realty Limited		Rooms 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, HK	Investment holding	95,129	95,129	2,675,000	99	(10,367)	(3,355)	
Inane International Limited	Max Success International Limited	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands	Investment holding	66,174	66,174	1,584,000	100	11,103	-	
An-Sin Real Estate Management Ltd.	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	100,000	100,000	10,000,000	100	125,343	16,105	
Sinyi Realty Inc. Japan	Sinyi Asset Management Co., Ltd.	2 <sup>nd</sup> Floor, Shortisu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage, management and identification	10,746	10,746	600	100	63,044	9,469	
	Tokyo Sinyi Real Estate Co., Ltd.	3 <sup>rd</sup> Floor, No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage	5,000	5,000	500,000	100	19,050	(154)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Room 802, 8 Floor, Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Hong Kong	Investment holding	3,888,107	3,888,107	131,640,306	100	2,001,294	205,121	

(Continued)



Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2022		Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)			
Sinyi Estate Ltd.	Sinyi Estate (Hong Kong) Limited	Unit 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	\$ 6,351,124	\$ 6,351,124	207,010,749	100	\$ 5,988,441	\$ 27,998	
Sinyi Development Inc.	Da-Chia Construction Co., Ltd. Sinyi Real Estate Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories Development, construction, rental and sale of residential building and factories	800 800	800 800	80,000 80,000	100 100	330 253	(34) (34)	
Sin Chium Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd. Pegasus Holding Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pnang, 50450 Kuala Lumpur, Malaysia Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pnang, 50450 Kuala Lumpur, Malaysia	Management and identification Investment holding	39,987 42,160	39,987 42,160	5,443,949 5,741,100	49 100	3,944 4,169	(3,257) (3,480)	
Pegasus Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pnang, 50450 Kuala Lumpur, Malaysia	Management and identification	41,619	41,619	5,666,151	51	4,105	(6,647)	(3,390)
Yowoo Technology Inc.	Heng-Yi Intelligent Technology Inc. Lin Yue Traffic Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service Manpower dispatch and merchandise delivery	7,000 20,500	7,000 19,300	300,000 2,620,000	20 100	1,666 3,088	(989) (293)	(198) (293)
Simju Holding Sdn. Bhd.	Sinhong International Sdn. Bhd. Sinkang Administration Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No. 1, Jalan Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia Unit 20-1, Level 20, Menara Prestige, No. 1, Jalan Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Investment holding Tourism	- -	- 28,556	- -	- -	(130) -	(63) (18,228)	(63) (11,965)
Sinyi Morefun Tourism Development Ltd.	Sinyi Infinite Limited	Coastal Building, Wickham S Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding	3,481	3,481	3,119	100	3,352	(38)	(38)
Sinyi Elite Limited	Sinyi Elite Limited Sinyi Unique Limited	Coastal Building, Wickham S Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands. Coastal Building, Wickham S Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding Investment holding	- 17,794	- 3,481	- 3,619	- 100	21 16,052	(69) (550)	(69) (550)
Sinyi Infinite Limited	Zhanyi Tourism Development Sdn. Bhd. Zhansin Tourism Development Sdn. Bhd.	Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism Tourism	- -	- 3,481	- -	- -	(71) -	(69) (64)	(69) (31)
Sinyi Unique Limited	Zhancheng Tourism Development Sdn. Bhd.	Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah, Malaysia Pnang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Tourism	-	3,481	-	-	-	(1,553)	(468)

Note 1: The Group established the subsidiaries in 2020, as of December 31, 2022, the capital injection had not been completed.

Note 2: The Company merged Sinyi Real Estate Consulting Limited on August 31, 2022

Note 3: In November and December 2022, the Company acquired 100% of the shares of Sinkang, Zhansin and Zhancheng from Sinyi, Infinite and Unique, respectively.

Note 4: The investment income or loss recognized by the investment company includes the recognition of upstream and downstream transactions and the amortization of the difference between the cost of investment and the net value of the equity in the investment.

(Concluded)

## SINYI REALTY INC.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Value as of December 31, 2022 (Note 1)	Accumulated Inward Remittance of Earnings as of December 31, 2022
					Outflow	Inflow						
YiShan Shanghai Real Estate Management Consulting Inc. (Note 9)	Real estate brokerage and management consulting	RMB 21,938	Investment in company located in mainland China indirectly through Ke Wei HK Realty Limited and Shanghai Sinyi Real Estate Inc.	\$ 81,859	\$ -	\$ -	\$ 81,859	\$ (3,368)	100	\$ (3,368)	\$ (11,304)	\$ -
Shanghai Sinyi Real Estate Inc. (Note 2)	Real estate brokerage	RMB 295,632	Investment in company located in mainland China indirectly through Inane International Limited	1,294,418	-	-	1,294,418	(190,138)	100	(190,138)	(65,864)	-
Beijing Sinyi Real Estate Ltd. (Note 2)	Real estate brokerage	RMB 34,747	Investment in company located in mainland China indirectly through Inane International Limited	149,955	-	-	149,955	(361)	100	(361)	(20,551)	-
Shanghai Zhi Xin allograph Ltd.	Real estate brokerage and management consulting	RMB 11,968	Investment in company located in mainland China indirectly through Inane International Limited	17,095	-	-	17,095	(17,727)	100	(17,727)	(15,341)	-
Suzhou Sinyi Real Estate Inc. (Note 2)	Real estate brokerage and management consulting	RMB 68,000	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	22,414	-	-	22,414	(87,052)	100	(87,052)	(73,447)	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 3)	Real estate fund investment management	RMB1,636,300	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 2)	Real estate brokerage and management consulting	RMB 27,200	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	43,766	-	-	43,766	(16,903)	100	(16,903)	(27,370)	-
Shanghai Shang Tuo Investment Management Consulting Inc.	Real estate brokerage and management consulting	RMB 5,961	Investment in company located in mainland China indirectly through Forever Success International Ltd.	27,432	-	-	27,432	(3,582)	100	(3,582)	43,785	-
Chengdu Sinyi Real Estate Co., Ltd. (Note 4)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Inane International Limited	62,005	-	-	62,005	-	-	-	-	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Note 5)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Inane International Limited	37,295	-	-	37,295	-	-	-	-	-
Sinyi Real Estate (Shanghai) Limited	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 802,513	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,868,747	-	-	3,868,747	205,285	100	205,285	2,018,353	1,218,297

(Continued)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2022	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Value as of December 31, 2022 (Note 1)	Accumulated Inward Remittance of Earnings as of December 31, 2022
					Outflow	Inflow						
Hua Yun Renovation (Shanghai) Co., Ltd.	Professional construction, building decoration, construction, hard ware, building materials wholesale	RMB 8,000	Investment in company located in mainland China indirectly through Forever Success International Ltd.	\$ 40,465	\$ -	\$ -	\$ 40,465	\$ (7,296)	100	\$ (7,296)	\$ 119,859	\$ -
Kunshan Dingxian Trading Co., Ltd.	Construction materials, furniture, sanitary ware and ceramic products wholesale	RMB 6,000	Investment in company located in mainland China indirectly through Sinyi Development Ltd.	31,020	-	-	31,020	28,502	100	28,502	238,201	-
Shanghai Chang Yuan Co., Ltd.	Property, business and management consulting	RMB 2,200	Investment in company located in mainland China indirectly through Shanghai Shang Tuo Investment Management Consulting Inc.	-	-	-	-	(4,652)	100	(4,652)	5,029	-
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	Real estate marketing planning and management consulting	RMB 100	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	(14)	100	(14)	754	-
Jiu Xin Estate (Wuxi) Limited (Note 2)	Real estate development	USD 207,000	Investment in company located in mainland China indirectly through Sinyi Estate (Hong Kong) Limited	3,900,696	-	-	3,900,696	33,680	100	33,680	5,994,336	-
Suzhou ZHI XIN Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 3,000	Investment in company located in Mainland China indirectly through Shanghai ZHI XIN Allograph Ltd.	-	-	-	-	(1,460)	100	(1,460)	(667)	-
Lunheng Business Management (Shanghai) Ltd.	Business management consulting, financial advisory and marketing strategy	RMB 311,400	Investment in company located in Mainland China indirectly through Hua Yun Renovation (Shanghai) Co., Ltd. and Sinyi Real Estate (Shanghai) Limited	-	-	-	-	45,329	100	45,329	1,407,548	-
Xin Yeh Business Administration (Shanghai) Ltd.	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 400,000	Investment in company located in Mainland China indirectly through Sinyi Real Estate (Shanghai) Limited	-	-	-	-	50,353	100	50,353	1,861,537	-
Sinyi Real Estate (Wuxi) Limited (Note 3)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	RMB 100	Investment in company located in Mainland China indirectly through Xin Yeh Business Administration (Shanghai) Ltd.	-	-	-	-	4,931	100	4,931	(1,936)	-
Taicang Yalong Management Consulting Co., Ltd.	Business management consulting, interior decoration and marketing strategy	RMB 1,000	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	(Note 7)	-	(Note 7)	-	-
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Note 8)	Real estate marketing planning and management consulting	RMB -	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-

Accumulated Outflow for Investment in Mainland China as of December 31, 2022	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 6)
\$9,577,167	\$22,523,067	\$ -

(Continued)

Note 1: The carrying value was converted into New Taiwan dollars at the exchange rates of US\$1=NT\$30.71 and US\$1=RMB6.9669 on December 31, 2022.

Note 2: Some of the investments were made indirectly through earnings of the Company's subsidiary in China.

Note 3: Investments were made indirectly through the earnings of the Company's subsidiary in China.

Note 4: The Corporation has been liquidated in June 2019.

Note 5: The Corporation has been liquidated in June 2017.

Note 6: The Company has acquired the certification of operation headquarters issued by the Ministry of Economic Affairs, ROC.

Note 7: Investments in equity instruments at FVTOCI, measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income.

Note 8: The Company established the subsidiaries in 2020, as of December 31, 2022, the capital injection had not been completed.

Note 9: Ke Wei Shanghai Real Estate Management Consulting Inc. changed its name to YiShan Shanghai Real Estate Management Consulting Inc. in September 2022.

(Concluded)

**SINYI REALTY INC. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS  
AS OF DECEMBER 31, 2022**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Sinyi Co., Ltd.	210,238,285	28.53
Yu Hao Co., Ltd.	208,937,108	28.36
Sinyi Employee Stock Ownership Trust Account which opened with CITIC Bank	39,538,799	5.36

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed separately by the trustee who opened the trust account by client. For information on insider equity declarations by shareholders who hold more than 10% of the ownership in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares they hand over to the trust and have the right to exercise decision-making power over the trust property, etc., please refer to the Public Information Observatory.

VI. The financial problems of the Company and its affiliated enterprises found as of the printing date of this Annual Report issuance and the impact of such problems upon the Company's financial standing : Nil

## **Chapter Seven. Review of Financial Conditions, Operating Results, and Risk Management**

### I. Analysis on Consolidated Financial Reports

Expressed in Thousands of New Taiwan Dollars

Item	Year	2022/12/31	2021/12/31	Change		Reason
				Amount	%	
Current assets		22,117,079	21,384,030	733,049	3	
Financial assets measured at fair value through other comprehensive income		180,074	234,726	(54,652)	(23)	Note 1
Property, plant and equipment		3,800,121	3,504,681	295,440	8	
Right-of-use assets		4,742,488	4,822,700	(80,212)	(2)	
Investment assets		1,934,534	2,174,234	(239,700)	(11)	
Intangible assets		44,056	59,936	(15,800)	(26)	Note 2
Other assets		1,252,325	740,485	511,840	69	Note 3
Total assets		34,070,677	32,920,792	1,149,885	3	
Current liabilities		11,132,132	8,532,006	2,600,126	30	Note 4
Non-current liabilities		10,993,065	11,823,069	(830,004)	(7)	
Total liabilities		22,125,197	20,355,075	1,770,122	9	
Capital stock		7,368,465	7,368,465	-	-	
Capital surplus		63,790	63,896	(106)	-	
Retained earnings		5,342,727	6,064,680	(721,953)	(12)	
Other equity		(955,999)	(1,061,567)	105,568	na.	
The equity contributed to the parent company		11,818,983	12,435,474	(616,491)	(5)	
Non-controlled equity		126,497	130,243	(3,746)	(3)	
Total equity		11,945,480	12,565,717	(620,237)	(5)	

1. Analysis on change with increase/decrease up to 20% with amount up to NT\$10 million in the past two years:

Note 1. Financial assets measured at fair value through other comprehensive income decrease, mainly because of three major reasons: (1) the stocks of NOWNEWS NETWORK CO., LTD. were evaluated at fair value, resulting in a net decrease of NT\$59 million; (2) the fair value of Shanghai Cura Investment & Management Co., Ltd. decreased by NT\$50 million, while the fair value of Hanyu Group and B Current Impact Investment Fund 3 increased by NT\$10 million; (3) New domestic stock investment in Leju Technology Limited and a net increase of NT\$44 million in market value after evaluation.

Note 2. Intangible assets decreased by NT\$16 million, primarily due to the amortization of the Company's computer software.

Note 3. Other assets increased by NT\$512 million, primarily due to Sinyi International's securing a short-term loan of NT\$860 million with a US dollar CD, and the pledged refundable deposit being decreased by NT\$332 million for

Jiusin Real Estate Limited's fully repaying the bank development loan.  
 Note 4. Current liabilities increased by NT\$2,600 million, mainly due to long-term corporate bonds of NT\$3,700 million, which are expected to mature in 2023 and are converted to long-term liabilities due within one year.

2. Action plan in reaction to the above material changes:  
 Since the total amount of NT\$3,700 million corporate bonds issued in May and July, 2018 amounted to NT\$1,900 million and NT\$1,800 million, respectively, expected to mature in May and July, 2023, respectively, the Company will proceed to plan to apply for project financing borrowing facilities or issuance of corporate bonds in response.

## II. Analysis on financial performance

- (I) Comparative Analysis on the operating revenue and net profit before tax over the past two years

Expressed in Thousands of New Taiwan Dollars

Item \ Year	2022	2021	Amount in increase/decrease	Ratio of change %	Description
Net operating revenue	13,723,726	18,792,321	(5,068,595)	(27)	Note 1
Operating cost	10,484,618	13,866,304	(3,381,686)	(24)	Note 1
Gross profit	3,239,108	4,926,017	(1,686,909)	(34)	Note 1
Operating expenses	1,661,806	1,793,938	(132,132)	(7)	
Operating profit	1,577,302	3,132,079	(1,554,777)	(50)	Note 1
Non-Operating revenues and expenditures	84,723	96,862	(12,139)	(13)	
Net profit before tax from continuing operations	1,662,025	3,228,941	(1,566,916)	(49)	Note 1
Income tax expense	425,817	858,582	(432,765)	(50)	Note 2
Net profit for the year	1,236,208	2,370,359	(1,134,151)	(48)	Note 1, 2



Analysis on change with increase/decrease up to 20% with amount up to NT\$10 million in the past two years:

1. Net operating income and operating costs decreased by NT\$5,069 million and NT\$3,382 million respectively, mainly due to the fact that the Company's real estate brokerage business was negatively affected by the socio-economic factors, and the sales dropped sharply. The revenue from real estate brokerage business of the Company decreased by NT\$3,178 million, relevant bonus costs and the transformation plan-related expenses decreased by NT\$1,807 million. As a result, the Company's operating cost decreased by NT\$1,756 million, and the operating profit decreased by NT\$1,453 million, which contributes to the consolidated operating gross profit, operating profit and net profit before tax from continuing operations decreasing by NT\$1,687 million, NT\$1,555 million and NT\$1,567 million, respectively.
2. Income tax expenses decreased by NT\$433 million, mainly due to the decrease of financial performance of the Company in 2022, resulting in income tax expenses decreasing by NT\$259 million compared with the same period last year. In addition, the dividend withholding tax of NT\$214 million was generated by Sinyi Real Estate (Shanghai) Limited according to the estimated profit remitted overseas in 2022 (no such matter this year).

(II) Anticipated sales volumes and the reasons:

The Company itself is as the agency for selling of real estates and providing sales service of real estate. Thus, no estimation of sale volume can be disclosed.

The main business of the Company's subsidiaries, Sinyi Development, Shanghai Real Estate and JiuXin Estate is to build houses for selling. Current estimated sale volume of the developing projects is as follows:

Expressed in Thousands of New Taiwan Dollars

Subsidiary	Project	Location	Estimated units available for sale	Estimated/ actual delivered unit	Sales rate (%) as of March 31, 2022(note1)	Status
Sinyi Development	Jiapi	Yi-wen First Street, Banqiao District, New Taipei City	114	2025	100%	Under the process of construction
JiuXin Estate	Shan ShuiJiating	Intersection of Zhuangyuan road and DongCheng road, BinHu District, Wuxi City	608	2021-2024	69%	Under the process of sale and delivering the houses

Note 1: Sales rate means the number of houses sold/total estimated number of houses to be sold.

(III) Potential impact upon the future financial standing and the countermeasures

Even though the continuous impact from the government's control and unfavorable external factors over recent years, the number of property transferred (excluding first-time registrations) for 2022 were about 180 thousand with the decrease rate of 16%

compared to the previous year. By emphasizing the concept of market cultivation and community service, and insisting the improvement of service quality through the innovative and flexible marketing model of “Sinyi comprehensive real estate platform” to integrate the advantages of the branch channels effectively, the Company recorded a growth of 24% in revenue and 50% in operating income. Looking forward to 2023, the rising interest rate environment is expected to slightly reduce consumer confidence so as the transaction volume in the second half of the year may be adjusted down. The Company will master new technology to innovate the customer service, increase the productive capacity, and expand the market share.

The Company’s real estate development subsidiaries continued to sell houses of Project “Shanshuijiating”. Sinyi Development finished pre-sale of the inventory for Projects “Jiahe” and “Jiabin” and Project “Jiahe” started to deliver house units in December 2022. We planned for delivering house units of Project “Jiabin” in the first quarter of 2024. In addition, in December 2021, the Company’s acquired the land of the “Xin Zhuang Fuduxin” for NT\$1.053 billion, which will be injected into the perpetual element in this project and plan for the pre-sale in the middle of 2024. And the Company acquired the land of the “Land No. 361, Lantian Middle Section, Nanzi District, Kaohsiung” at the amount of NT\$1.277 billion. The funds required for the land which will be temporarily disbursed by the Company’s working capital. On the other hand, in response to the bank's financing policy for real estate development projects, the Company shall apply land development loan at an appropriate time. The development business unit will carefully evaluate of suitable development plans based on the balance of external affairs and self-assessment. As for the real estate brokerage in Mainland China, in response to the China government’s housing market policy and the current uncertain market risks, the focus was to improve the functions of senior management, improve the quality of customer service, responsibility scope of branches, and make good use of digital technology. In Japan, we continued to use remote connection and video contracting for better customer experience. We shall focus on increasing the number of consignments and refer consumers from Taiwan to Japan for local purchases with high-quality customer services.

### III. Analysis on cash flow

#### (I) Analysis on currency in cash flow in most recent years. (Based on consolidated financial report)

In Thousands of New Taiwan Dollars

Year	2022	2021	Increase/(decrease) ratio%
Item			
Cash flow ratio%	-	82.37%	(100%)
Cash Flow Adequacy Ratio%	126.45%	132.24%	(4%)
Cash reinvestment ratio%	-	22.11%	(100%)
Analysis and explanation of increase and decrease ratio :			
1. The cash flow ratio decreased by 100%, mainly due to the payment of income tax, land value increment tax and a number of bonuses in the 2022 for the high profit for 2021, coupled with the increase in inventory of land in 2022, resulting in the net cash outflow from operating activities totaled NT\$458 million. In addition, current liabilities increased by NT\$2,600 million, mainly due to the long-term corporate bonds of NT\$3,700 million, which are expected to mature in 2023, being transferred to current liabilities.			

2. The cash reinvestment ratio decreased by 100%, mainly due to net cash outflow from operating activities totaling NT\$458 million and cash dividends in 2022 NT\$2,063 million distributed for the high profit in 2021.

(II) Improvement plan for insufficient liquidity:

There was round NT\$500 million cash outflow from operation activities in 2022, due to land acquisition and land value increment tax at a total amount of NT\$616 million generated by the Project "Sinyi Jiating", which resulted in higher income tax expenses. The Company's profits are stable and the line of credit is sufficient, and there should not be the concern of the insufficient liquidity.

(III) Analysis on the cash flow performance in one year ahead:

Expressed in Thousands of New Taiwan Dollars

Consolidated cash balance at beginning of the term (1)	Anticipated net cash flow from the operating activities (2)	Anticipated net cash flow from the investment activities (3)	Anticipated net cash flow from the financing activities (4)	Anticipated surplus (shortfall) amount in consolidation (1) + (2) + (3) + (4)	Anticipated countermeasures against shortage in cash	
					Investment plans	Financing plans
8,310,286	6,332,152	(1,734,342)	(2,794,914)	10,113,182	-	-

IV. Major capital expenditures in recent years and the impact upon financial and business concerns

- (I) Facts and sources of major capital expenditures and capital sources: Over the recent year, the Company has had no significant capital expenditure
- (II) Potential benefit anticipated to yield: Nil.

V. The policies in outward investment, causes leading to profits or loss, countermeasures and investment plans anticipated in one year ahead

1. To increase demand for residential zone, the Company acquired in 2019 and 2020, a total of 300 hectares of right-of-use land in Mengalum Island in Sabah, Malaysia for the plan to enter the market of high-end holiday resorts and hotels. Due to the island's large area and abundant natural resources, it is expected to adopt a low-density development approach. Under the slowdown of the COVID-19, the management team of the tourism business group went to Malaysia to carry out related work, and the Malaysian government gradually opened up the movement control order. With sustainability as its business philosophy, the Company will focus on preliminary preparations such as the restoration of islands and carbon rights research. Therefore, in order to maintain the development momentum of the tourism business, the Company, through another subsidiary, Zhancheng Tourism Development Sdn. Bhd (hereinafter referred to as Zhancheng), purchased a piece of land in Melinsung in Sabah, Malaysia, and expected to build a five-star hotel or resort centre. Looking forward to 2023, the team of the tourism business will not only continue to carry out restoration activities on the Mengalum Island and the surrounding ocean, but also proactively carry out hotel

design. After obtaining the construction approval from the government this year, the construction will officially start. The Company will increase the cash capital no more than the amount of MYR 100,000 thousand to Zhancheng to meet its capital needs in 2023. During the planning and construction period expected in the next few years, the team of tourism business will still operate at a loss at the initial stage.

2. Sinyi Estate (Hong Kong) Limited acquired the land on behalf of Sinyi group in September, 2017 and set up a subsidiary, JiuXin Estate, to conduct the development residential project of the land and to execute the sales plan. In accordance with the IFRSs, we recognize the revenue and profit when we deliver the completed unit to the clients from June 2021. After the sales of the whole project improved in the first half of 2021, it was slowed down in the second half of the year due to the impact of Mainland China government's real estate market policy. As of the end of 2022, a total of 408 sets were sold (accumulative sales rate was 67%), and it was still profitable throughout the year; in 2023, large-sized soft-furnished sample houses will be added to present a visual experience. Online platform and offline channel will be integrated, and through old customer introduction, self-develop, intermediary channels and so on to increase the willingness of the new target clients.
3. Shanghai Sinyi and Suzhou Sinyi Real Estate Inc. ("Suzhou Sinyi") in 2019 introduced "Amoeba-style operations" project which realizes each employee's value, improves each management indicator, and thereby enhances various management index. Shanghai Sinyi performed relatively steadily, but it still failed to turn a loss into a profit. Suzhou Sinyi was seriously affected by the loss of personnel due to the continuous upgrade of the second-hand housing control policy in 2022, as well as the fierce industry competition, which seriously caused poor performance of Suzhou Sinyi. These subsidiaries will increase their productivity through "Amoeba Management" in 2023.

## VI. The Analysis and evaluation on the risk control policies, organizational frameworks and potential risks in the latest year and as of the printing date of this Annual Report

### (I) Risk control policies, organizational frameworks:

To put the potential risks into effective control, the Company and the subsidiaries have set up relevant risk managerial policies to boost the Company's external values and increase forward-looking quality of policymaking process. Here at Sinyi Conglomerate, the entire staff members have participated in the implementation and valuation of the risk management policies.

Here at Sinyi Conglomerate, the units enumerated below are in charge of operation of the risk management organization:

1. Board of Directors: Being the highest oversight unit for risk management, the Board of Directors of the Company should approve the risk management policies, procedures and risk tolerance. The Board of Directors delegates the Audit Committee (its functional committee) to review the risk management policies implementation reports and audit reports quarterly to assure that the risk management policies system would be put into effective implementation.
2. Risk management team: Served by the Total Ethics Management Committee (TEM), the risk management team is responsible for:
  - i. Supervise the effectiveness of the operation of the risk management system

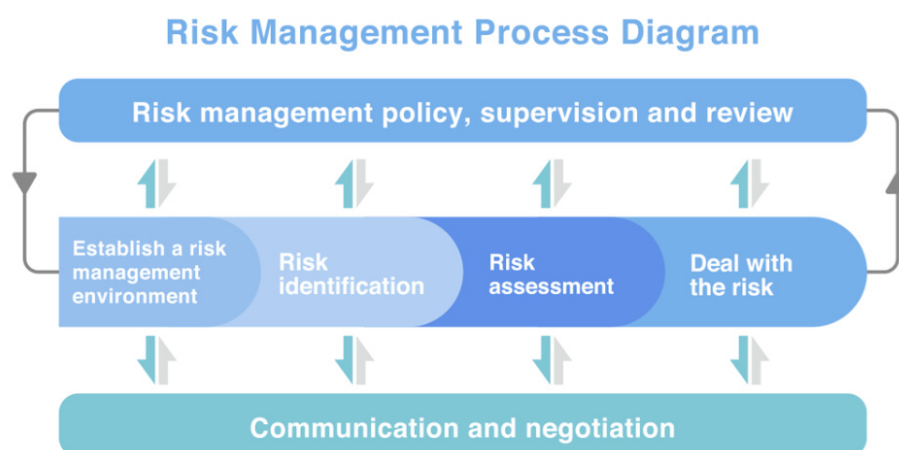
- and mechanism.
- ii. Review the annual risk management report and risk execution report to ensure that risks are properly identified, evaluated and dealt with.
3. Risk management unit: The Group's major risk project overall management unit and the top executives of each risk execution unit, is responsible for:
    - i. Design, build, promote, coordinate and maintain a risk management system.
    - ii. Collect and prepare annual risk management reports and risk execution reports.
    - iii. Track and monitor the progress and results of the risk management plan.
    - iv. Regularly submit risk management results to the risk management team and internal audit units.
  4. Risk execution unit: each unit is responsible for:
    - i. Implement the risk management system and improvement plan within the scope of execution powers and responsibilities.
    - ii. Collect and summarize the risk management items identified by the risk execution unit, impact levels and improvement plans.
    - iii. Regularly report the risk management results to the risk management unit.
  5. Risk audit unit: assumed by the internal audit office of the Group, responsible for:
    - i. Evaluate the effectiveness of the operation of the risk management system and mechanism.
    - ii. Based on the risk assessment results, formulate a risk-based annual audit plan, and perform regular or irregular internal audits.
    - iii. Periodically submit the risk management results to the audit committee for review opinions and then submit a report to the board of directors.

Table of main risk items and risk management units:

Attributes of risks	Contents of risks	Risk management units
Personal risks	1. Workplace personal safety risks: including traffic accidents, workplace and site safety etc. 2. Employee recognition and talent retention: the turnover of personnel or supervisors, and the recognition of the organization by colleagues	Human Resources Department

Reputation (media) risk	The risks of damaging reputations due to negative reports online or by press media	Public Affairs Department, Marketing Department, Customer Services Department, Selling Agency Department, Human Resources Department
Information risk	Potential risks in interruption or damage in information, divulgence in information	Digital Intelligence Center
Project schedule risk	The risks of fproject’s schedule management, management of sales schedule, payment collection schedule management.	Development business across the Taiwan Straits East Malaysia tourism development business
Financial risk	The risks of financial liquid and lack credit of fulfillment guarantee.	Finance Division
Climate change risk	The risk of fail to achieve the target of the greenhouse gas reduction and the risk of increasing the Company’ operating costs due to climate change	The General Manager’s Office

## (II) Risk Management Process and Execution



### I . Risk Management Process

#### 1. Establish a risk management environment

##### i. Environmental elements of risk management:

- a. External environment: we should pay close attention to its changing trends, including political, economic, legal, social, cultural, technological, natural disaster events, and related industries, and evaluate its impact on the overall operational impact, analysis of possible opportunities and threats.
- b. Internal environment: we should understand the major risks and have a full grasp of the company's own advantages, disadvantages and capabilities.

## 2. Identification of Risks

The Risk Execution Unit is responsible for identifying the risks that affect the company's sustainable operation and the achievement of business performance goals. After confirming, The Risk Execution Unit shall take actions and there should be a systematic record of risk identification related information.

## 3. Evaluation of Risks

The Risk Execution Unit shall evaluate the identified risks, the degree of impact of potential risks and the probability of occurrence, the degree of risk treatment with reference to the tolerance of risky projects.

## 4. Control Measures

Risk treatment includes seeking alternative strategies, formulating and implementing action plans, and monitoring and reviewing the results of the plan. When formulating control measures, the selected strategy and execution content must be stated, including the authority unit to implement the plan, resource requirements, execution schedule and monitoring indicators.

## 5. Monitoring mechanism

Risk Owner is the responsible for supervising the implementation. The Board of Directors of the Company confirms the effectiveness of risk management policies by reviewing risk management reports and audit reports

## 6. Communication and negotiation

The Company has established effective communication and reporting systems, so that internal and external risk information can be identified, evaluated and communicated in a timely manner, and the Control Measures are also known to all colleagues and other stakeholders of the Company, So that all colleagues shall take responsibilities or be supported by stakeholders.

## II. Execution

The Company's risk management for 2022 is based on the implementation of risk management procedures in accordance with the above risk management organization, and the report delivered by Internal Audit Office to the Audit Committee and the Board on a quarterly basis on the Group's material risk management objectives and achievements for that quarter.

1. Regarding to risk from the development units, Committee member Ms. Lee Yi-Li asked about the implication of the reduction of overdue payment in the Project "Shanshuijiating", when the amount of collection from customers was not as much as expected, and requested the audit office to report the amount of overdue payment in the next Audit Committee meeting, as well as financial action plans if the overdue amount is significant. Regarding to the Risk of employment, the Chairperson of the Audit Committee suggested that the managers' turnover rate should focus on exploring the reasons for the turnover rate of well-performed managers. In addition, because many long-term controlling objectives of the subsidiary's development business are displayed as red warning signs of high risk, more attention should be paid or the setting of this indicator should be re-examined. Audit Committee thereafter proposed the report above to the Board of Directors.

2. On December 21, 2022, the Chairperson of Audit Committee asked about the difference between the risk management in 2022 and 2023. The Auditor-General, Ms. Chou Su-Hsiang, explained that the five major risk items at the group level were all the same. However, after the guidance of the committee members in the previous communication meeting, the importance of KRI was re-examined. The number of risk KRIs has been streamlined compared to 2022, and the business level or department level is linked to its annual goals to formulate relevant risk items and management measures. Audit Committee thereafter proposed the report above to the Board of Directors.

(III) Analysis on the evaluation of risk issues:

1. The impact incurred by change in interest rate, exchange rate, inflation upon the Company's profit and/or loss and the future countermeasures:

Expressed in Thousands of New Taiwan Dollars, %

Descriptions	2022
Interest income/expenditure, net	124,330
Gain (loss) in foreign exchange, net	(28,210)
Ratio of net interest income/expenditure to	0.91%
Ratio of net interest expenditure to net profit before	7.48%
Ratio of gain (loss) in foreign exchange to operating	0.21%
Ratio of gain (loss) in foreign exchange to net profit	1.70%

(1) Interest rate risk:

Interest rate risk refers to the risk of changes in the fair value of financial instruments and changes in cash flow due to changes in market interest rates. The interest rate risk of the Company and its subsidiaries mainly comes from fixed and floating interest rate income investments and borrowings.

A. The impact on the profit and loss of the Company and its subsidiaries:

The carrying amounts of the financial assets and financial liabilities with fair value interest rate risk that the Company and its subsidiaries were exposed to at the end of 2022 were NT\$2,987,968 thousand and NT\$8,251,423 thousand, respectively. The financial assets and financial liabilities with cash flow interest rate risk were NT\$64,000 thousand and NT\$6,751,163 thousand, respectively. The Company's income investment and part of its borrowings are mainly fixed interest rates and are measured by amortized cost, so changes in interest rates will not affect future cash flows. The other part of the borrowings bears with floating interest rate which will affect future cash flows. Therefore, changes in market interest rates will cause the effective interest rates of short-term and long-term borrowings to fluctuate, which will cause future cash flows to fluctuate. If the market interest rate rises by 1%, it will increase the cash outflow by NT\$66,872 thousand in 2022. In 2022, influenced by the Russo-Ukraine war, the US interest rate hike, and the COVID-19 epidemic, domestic interest rates were raised four times, with a cumulative increase of 2.5 yards. Coupled with domestic inflation factors and the government's housing crackdown policy, the domestic housing market has



shrunk significantly. In Taiwan, whether interest rates in 2023 are expected to rise depends on domestic price fluctuations and the interest rates affected by the US Federal Reserve's shrinking the balance sheet. With reference to the Central Bank information, it is expected that Taiwan's monetary policy will be tightened, the future domestic interest rates will fluctuate due to the US interest rate. If that inflation in Taiwan has fallen below 2%, it will be conditional to suspend interest rate hikes; in addition, considering the overall economic performance of the country, it is expected that there will be a limited rate of interest rate hikes in 2023, so interest rate fluctuations should not have a major impact on the Company's profits and losses.

B. Future countermeasures:

Due to the current domestic financial institution lending rates still at a relatively low level and the huge demand for funds for development projects and after taking into account of liquidity and safety considerations, the Company will retain part of the funds for operating turnover with the rest being prioritized for repayment financial institution borrowing. The Company has planned to have part of the idle funds of the subsidiary of Shanghai Real Estate to be remitted from the Mainland China in 2022 by means of distribution of retained earnings for the benefit of overall use. If the Company's other subsidiaries have idle funds, they are not only used to undertake short-term time deposits, but also continue to plan for inter-subsidiary capital loans. The Company will closely observe interest rate trends and adjust the deposit period of financial assets and liabilities immediately. In addition, the Company's operating conditions are stable and financially sound, and it has a good relationship with banks. It will assess the reasonableness of market interest rates in a timely manner to strive for the best borrowing rate.

(2) Exchange rates:

The Company and its subsidiaries are primarily engaged in the brokerage and development of real estates. There are no needs to export products or import raw materials. Whilst the development business run by some subsidiaries needs to import certain building and decorative materials, the import value is a small portion of the total costs. The cash injections to overseas subsidiaries are exposed to exchange rate risks but the holding periods of these foreign currencies tend to be short. Hence, exchange rates do not have a major impact on the profit and loss of the Company and its subsidiaries. The net assets of overseas subsidiaries owned by the Company are expressed in foreign currencies. Given the long and indefinite holding periods and the high hedging cost, we do not hedge the foreign currency exposures of the net assets at overseas subsidiaries. However, we keep a close eye on exchange rate changes and adjust these net assets accordingly. In the end of 2022, the net exchange loss of foreign currency of the consolidated financial report of the Company was NT\$28,210 thousand, accounting 0.44% of net profit before income tax. When the exchange rate fluctuates 1%, it has the impact of 2021 equity or profit as below lists:(Expressed in thousand dollars):

Years Ended December 31, 2021			
(expressed in NT thousand)			
RMB	JPY	USD	MYR

	\$	\$		
Equity	60,109	3,672	\$9,150	\$681
Profit or loss	17,733	49	619	7

(3) Inflation:

The Company and subsidiaries are primarily engaged in the development and brokerage of real estates. In case of a raise in commodity prices or inflation, the prices of real estate would relatively secure in preserving the values and appreciation. To put it in more understandable terms, a raise in commodity prices or inflation would stimulate a demand for real estate purchase and would function as a positive stimulus to the Company.

2. Policies for engaging in high-risk, high-leverage investments, loans to others, endorsements, and derivative commodity transactions, the main reasons for profit or loss, and future countermeasures::

(1) High risk, high leverage investment: the Company does not engage in derivative financial instruments or high risk, high leverage investment.

(2) Loans granted to others:

The Company and its subsidiaries lend their fund mainly to those related parties which are 100% directly or indirectly owned by the Company. Therefore, no material default risk will be incurred.

- A. To achieve flexibility in working capital of Shanghai Real Estate and consider the fact that the project “Shanshuijiating” of JiuXin Estate had not started the pre-selling activities, Shanghai Real Estate loaned RMB 400 million to JiuXin Estate in January 2020. JiuXin Estate had repaid RMB 210 million and RMB 190 million in 2020 and 2021, respectively.
- B. Shanghai Real Estate offered Shanghai Sinyi Real Estate credit facilities with up to RMB 81 million, which had been fully drawn down by the end of 2022.
- C. Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi) and Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi) borrowed money from Shanghai Sinyi after assessing their revenue and capital status. As of the end of 2022, the above actual expenditure amounts were RMB 5,000 thousand and RMB 57,000 thousand.
- D. To conduct strategic cooperation with others to develop selling agency business, Shanghai Sinyi Real Estate lent RMB 5,850 thousand with loan period not more than 1 year to Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd. for developing the real estate. Taking the delayed schedule of real estate development, Shanghai Sinyi Real Estate approved in 2022 to refund another loan not more than RMB 6,660 thousand to Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd. for the repayment of the capital of RMB 5,850 thousand and the related interest expense. As of December 31, 2022, the balance of Shanghai Sinyi Real Estate’s loan to Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd. was RMB 6,660 thousand.
- E. To facilitate the funding of the Group, Lunheng Business Management (Shanghai) Ltd. offered credit facilities to JiuXin Estate (Wuxi) Limited RMB 210 million, which had been fully drawn down by the end of 2022.
- F. In order to facilitate the funding of the Group, Sinyeh Co., Ltd. loaned RMB 400,000 thousand to Shanghai Sinyi Real Estate, which had been fully drawn down by the end of 2022.
- G. In order to facilitate the funding of the Group, Sinyi International Limited loaned

US\$ 56,000 thousand to the Company, of which the company repaid US\$ 28,000 thousand in 2022. As of the end of the 2022, the actual capital loan balance between Sinyi International Limited and the company was US\$28,000 thousand.

- H. To facilitate the funding of the Group, Sinyi Global Asset Management Co., Ltd. offered credit facilities NT\$ 120 million to the Company by the end of 2022.
- I. In order to continue the development momentum of the real estate development business, considering that the long time limit of raising cash capital and land financing loans from financial institutions will not meet in a timely manner the demand of the participation of Sinyi Development in land purchase plans such as the real estate development bidding project, the Company gave loans in installments or make arevolving credit facilitieswithin one year up to NT\$600 million to Sinyi Development. The terms of the loan had expired by the end of 2022.
- J. The Company agreed to offer Sinyi Development with credit facilities NT\$1,053,305 thousand to assist it in obtaining the land of district of Fuduxin in Xinzhuang, New Taipei City. The borrowings will be repaid in batches whenSinyi Development obtains land financing borrowings form the bank and the amount collected from the Project "Jiahe", which is expected to be delivered house units in the fourth quarter 2022. Since the above-mentioned outstanding loan is NT\$352,901 thousand due on January 3, 2022, the Company provided an additional loan no more than NT\$352,900 thousand to Sinyi Development for repaying the old one by borrowing new one which can be fully repaid after the Project "Jiahe" is fully handed over in the first quarter of 2023.
- K. In 2022, the Company loaned to Sinyi Development at the amount of NT\$500,000 thousand, NT\$400,000 thousand, and NT\$446,908 thousand respectively, in the aggregate amount of NT\$1,346,908 thousand which were mainly used to pay for land acquisition on Nanzi District, Kaohsiung City at the amount of NT\$1,276,880 thousand. The land will be used for residential construction.
- L. In order to facilitate the funding of the Group, the Company loaned NT\$2,000 thousand to Jin Mei Travel Service Co., Ltd, which had been fully drawn down by the end of 2022.

(3)Endorsements/ guarantees rendered to others:

- A. To fund the development business in China, the Company previously applied the facility by US\$34 million shared with Sinyi Real Estate (Hong Kong) Ltd., 100% indirectly owned by the Company. Meanwhile, the Company provided guarantees for Sinyi Real Estate (Hong Kong) Ltd. in order to fund the short-term capital requirement of overseas subsidiaries. As of the end of 2022, the drawn down balance of the guaranteed facility was US\$0.
- B. To provide the guarantees to KunshanDingshan Trading Co., Ltd., for up to RMB 4,242 thousand in order to fund its purchase of building materials. As of the end of 2022, the drawn down balance of the guaranteed facility was RMB 4,242 million.
- C. In response to the growth of the Company's business, the Company provided a guarantee line of not more than NT\$2,600 million for An-Sin Real Estate Management Ltd., 51% directly owned by the Company, to apply to the bank for the increase of credit facilities of escrow, which had been approved by the bank.

The Company shall provide the bank with the equal amount of time-deposit as a pledge while drawing down the facilities. As of the end of 2022, the drawn down balance of the facility was NT\$0.

- D. In order to meet the needs of the Group to avoid exchange rate risks, the Company endorsed Sinvi International Limited with a guarantee amount of US\$5,000 thousand, and the drawn down balance of the facility was NT\$0.
3. The research & development programs and the research & development expenses plan:
- (1) The Company continues to invest in the collection, construction and application of big data, deepen the data-driven culture and combine AI technology, digital marketing technology to apply into service scenarios or processes. As to the customer service, in addition to continuing to refine the function of DiNDONsmart house, we cooperated with other industries to develop AI smart matching, to accurately help potential buyers look for properties. We also implemented a data governance as a pioneer in shaping digitization with PropTech and launched transaction membership system. Through the membership, we activated digital members. In the future, through PropTech and relevant tools, concepts such as paperless and contactless will be refined in various service. The budget of which in 2022 will be expected to be NT\$ 50 million.
- (2) Sinyi Development and Shanghai Real Estate have completed BIM design tools and the introduction of information exchange platform in order to reduce delay caused by weak information transmission and exchange during the entire life cycle of construction projects, improving design efficiency to reduce engineering drawing costs and to provide a collaborative platform to improve development efficiency. Sinyi Development dedicated to modifying the BIM model and improving the overall planning, and the budget is expected to be 5 million in 2023.
4. The impact of important domestic and foreign policy and legal changes on the Company's financial business and corresponding measures:

In 2022, due to the strong interest rate hike in the United States, the domestic central bank raised interest rates, the epidemic situation intensified, and the Russia-Ukraine war caused a surge in raw materials, high inflation, and a sharp drop in the stock market, which led to a significant decline in housing market buying momentum. There has been a turning point. The number of transferred buildings in Taiwan has dropped to 318,000, hit a three-year low, and a buyer's market has gradually formed. With investors leaving the market and rigid demand as the mainstream of the market, if there is a loosening and downward revision of housing prices in the future, it will be beneficial to the long-term development of the housing market. Facing the uncertainties of the global economy, the domestic government passed the "Equal Land Title Regulations" in the third reading at the beginning of 2023. Among them, the prohibition of resale of pre-sale houses is not retrospective, so it did not have a big impact on real estate confidence. Looking forward to the future, the company will continue to use digital technology to assist customers in house viewing and video services, and focus on business districts and communities within the scope of branch responsibility to provide trustworthy and high-quality services.

As for the development business in Taiwan, following Project "Jiahe" in Banqiao District, New Taipei City, the development and delivery of houses began in December 2022 and the revenue was recognized. In 2022 and 2023, the recognized revenue was NT\$1,027 million and NT\$1,911 million, respectively. And another Project "Jiapien" that

has been sold out is still under construction and is expected to be handed over in early 2025. As for the Taiwan development business, continuing the momentum and reputation of the two construction projects, "Jiahe" and "Jiabin" in Banqiao, New Taipei City, Sinyi Development has acquired the land in Fuduxin in Xinzhuang District, New Taipei City, and started the residential development plan which will integrate the elements and characteristics of Sinyi's spirit of sustainability into the architectural design.

In Shanghai, a total of 180,000 secondhand housing transactions were made, which was the lowest volume in the past five years. The area has been mainly affected by the epidemic within a span of 3 months. Although many cities have relaxed restrictions on home purchases, while Shanghai's policy remained unchanged, but there are still micro-adjustments from time to time. On the other hand, Suzhou's COVID-19 outbreak caused downturn from the second half of the previous year. However, with the liberalization of the epidemic policy and the full implementation of the bailout policy for real estate companies, it is expected that the property market will further recover in 2023. "Houses are for living in and not for speculative investment" will still be the tone-setting of the real estate policy in 2023. Our real estate brokerage business in mainland China shall focus on community management and local district management. With lean organization and good cost control, the business unit head will lead colleagues on the front line, implement the quality of customer service to meet customer needs, and focus on increasing productivity.

Sales of First-hand Residential Properties in 2022 has hit a new low since 2016. One of the reasons was that in terms of COVID-19 impact on household income, people were to delay their purchase; On the other hand, lots of real estate companies broke out frequently, the wait-and-see attitude of buyers was getting stronger, so the sales were weak. In terms of policies, although the governments have made lots of efforts, and many cities have introduced loosening policies, the recovery of the sales was not as good as expected due to weak demand. The inventory of homes for sale on the market in Wuxi has been going up and there were a long selling cycle. Real estate companies were affected by the poor performance of sales and under financial pressure, so the investor confidence has weakened. In the fluctuating market, some home buyers took a wait-and-see attitude. Since the end of 2022, the cumulative sales rate of Project "Shanshuijiating" was 67%, of which 30 units were sold in 2022. The development business in China continued to make good use of referrals from purchased customers and strengthen the customer's perception of existing houses to improve sales results.

5. The impact of technological changes and industrial changes on the company's financial business and corresponding measures:

As early as 1997, the Company launched a professional real estate website, and has continued to make breakthroughs in the digital field in order to provide consumers with a better digital experience. In recent years, the Company has been more actively investing in real estate technology (PropTech), enabled technology to empower and create more intimate services. Nowadays we have already accumulated data in regard of customer behaviors on the Internet. Through the "AI Smart Matching" developed by the Company, these online behavior information can be quickly integrated with the data of offline services to improve the efficiency of matchmaking. With the help of AI, the most suitable item shall appear on the top of the potential client list. The integration of online and offline information also helps the real estate brokerage business to find the potential needs of customers. "DiNDON smart house" viewing

technology allows customers to browse every corner of houses, and it can not only make online space estimates, but also change the decoration style of the house and construct the public's imagination of homes. The Company also introduced the "AI Audio guidance service", which equipped with the audio guide of the smart real estate agent to "share information" about the living functions and transaction prices about the property to consumers, creating a more attentive service that is closer to consumers.

Our real estate development business continued to improve and optimize our BIM, which made the cost more effective to control, and through applying the smart building and higher level green building marks. Our vision is to facilitate a cozy and smart living environment with all the necessary amenities and bring residents and communities closer together.

Tourism across the world started to recover, and the Company has also accelerated the pace of purchasing a land of nearly 80,000 square meters near the beach on the island of Sabah, Malaysia. It is expected to actively build a five-star tourist hotel or resort, and become the first choice for local and international tourists to vacation in Sabah in the future.

6. The impact of information system damage on the company's financial business and countermeasures:

The Group set up our information system framework and high-feasible back-up mechanism based on the level of risk to insure the service would not be broken down. We also sync and offsite backup our back-up information, doing emergency drill to insure the information system is functional and secure, to reduce the risk of information break down or impair and to insure the system is in accordance with the expected date of recovering.

The Company has concluded the information security policy and related administration regulations to insure the confidentiality, integrity and availability of internal information assets and to conform to the relevant laws and regulations. Also, based on the level of risk, we continue to plan to build the appropriate software and hardware facilities related to information security to reduce the risk of confidentiality outflow.

As of the end of 2022 and until this annual report set in print, there are no information system incidents or damages already occurred or likely to occur to have material and adverse effects on the Company's business or operations. Also, the Group was not involved with any legal cases or investigations related to the information security.

7. The impact of corporate image change on corporate crisis management and countermeasures:

The Company has been engaged in corporate social responsibility and public welfare activities for a long time. It has won many awards over the years and has a good image. It won the Asia Responsible Entrepreneurship Awards (AREA) "Responsible Business Leadership Award" for the fifth time in 2022. The "Human Investment Award" has also won the "Global Corporate Sustainability Report Award" from the Taiwan Sustainability Institute for four consecutive years, the "Taiwan Corporate Sustainability Award" for the eighth time, and "National Corporate Citizenship Award" hosted by the "Commonwealth Magazine" for 16 consecutive years. "The "Top 5 Percent of Listed Group" in the Corporate Governance Evaluation of the Stock

Exchange for eight consecutive years shows that the Group has spared no effort in sustainable development. The Company's corporate image comes from years of hard work accumulated by all colleagues in the group. It is also the most important asset of the Group. The Company always pays attention to whether the Company's decision or colleagues' behavior harms the Company's image. For corporate image crisis management, a crisis management team has been established. According to various crisis situations, it can be grouped flexibly, analyze and review the causes of the crisis, and quickly propose crisis treatment plans based on the possible effects of the crisis to reduce the harm to the Company's image.

8. The benefits anticipated from merger/acquisition (M&A), potential risks and countermeasures:

The Company and its subsidiaries made no major acquisitions in 2022.

9. The expected benefits, possible risks and countermeasures of the expansion of the plant

The Company and its subsidiaries are mainly engaged in the real estate brokerage service and there is no need to expand plant capacities. We continue with a prudent and stable pace for the expansion of our branch networks, primarily through leasing. In Taiwan, the opening of a new store costs an average of NT\$2.2 million for the initial renovations. Whilst it is possible to terminate the contract early, a penalty of one to two month rent is required. The rental costs in other areas depend on local supply and demand dynamics. We regularly review whether our stores are in competitive locations, and if not, we evaluate whether a relocation is in order. The development business run by our subsidiaries shall not have expansion of plant capacities, either.

10. The impact from centralized input or output business performance, potential risks and countermeasures:

We do not have customer concentration risk, as we are completely free of such risks as our customers are just general public in the society. Although there are equipment repair expense and upgrading and labor expenditure, the amount is not significant. In addition, there is no demand for goods and there is no such risk. Our subsidiaries in property development business acquire ownership or right-of-use land from the government or various landowners. Our development team selects quality local constructors as subcontractors via a bidding process. In order to ensure the quality and the progress of engineering works, we send our own personnel to sites for monitoring and supervision. Also, our development business in Mainland China makes purchases from CURA, a platform currently being set up by large developers in Mainland China. All the vendors on this platform are leading companies and the platform can afford stable supplies, without shortage of materials. Finally, our products of residential project are sold to the general public; therefore, there is no sale concentration risk.

11. The impact from huge transfer or conversion by directors and key shareholders holding over 10% of the total shares, potential risks and countermeasures:

Our board members and major shareholders with over 10% holdings are all long term shareholders. In fact, our major shareholders are directly involved in our operations. By the end of 2022 and by the time the 2023 annual report is printed, there has been no transfer of any major stake or change of major shareholders. Therefore, there should not be any significant influence or risk associated with the transfer of major stakes or

change of large shareholders. All our major subsidiaries are 100% owned by us and hence there is no transfer of significant shareholdings.

12. The impact from the change in managerial power, potential risks and countermeasures:

In the long-run, our controlling power has been secured and stable in structure, and the risk from a change is minor, and main shareholders operate the Company directly.

13. For all litigious and non-litigious events, please expressly enumerate the involved facts, target amounts, starting dates of the litigation, major parties involved and the progress as of the printing date of this Annual Report for the cases where the Company, the Company's directors and supervisors, general manager, substantial responsible persons, key shareholders holding over 10% of the total outstanding shares and the auxiliary firms in the major litigious, non-litigious or administrative events the outcome of which might have a significant impact upon the shareholders' equity or stock prices:

The major litigation, non-litigation or administrative litigation related to the Company and its subsidiaries have been disclosed in the relevant notes of the 2022 financial report. As of the publication date of the annual report in 2023, the Company and its subsidiaries did not have any major litigation, non-litigation or administrative litigation.

14. Other important risks and responding measures:

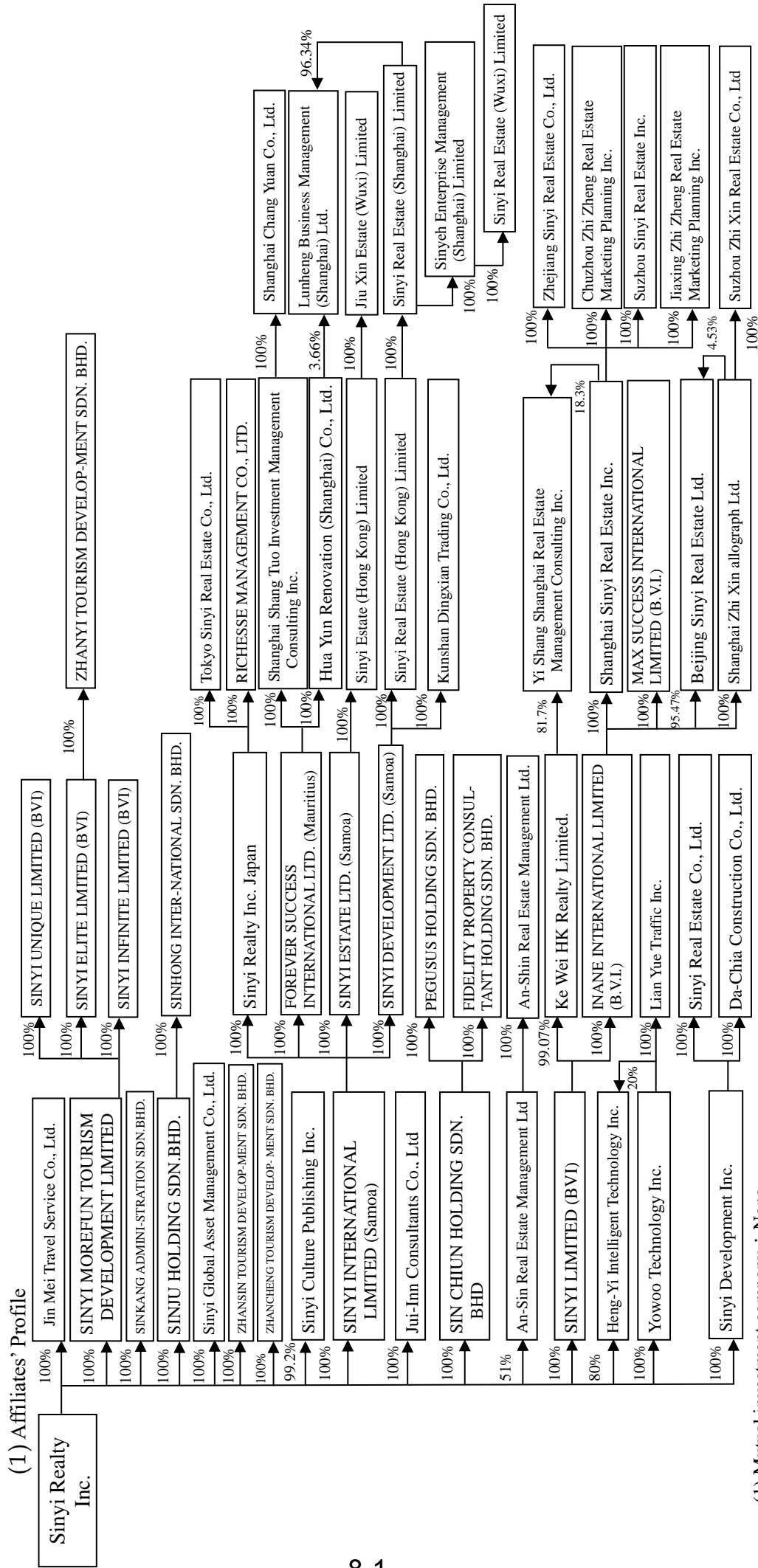
In 2022, with the popularization of vaccines and the recovery of the global economy, the Company and its subsidiaries strengthen and optimize systems such as remote customer reception and online inspections through O2O service. In the process of enterprise digitization, we encouraged partial experiments and pondered professional consultants' suggestions, which will help the Company to transform step by step.

VII. Other significant events: Nil.



## Chapter Eight. Special Disclosure

### I. Investment Holding structure



(1) Mutual investment company : None.

(2) In accordance with the Company Law Article 369 of the presumption of those who have control and affiliation: not applicable.

## (2) Affiliates' Profile

Unit: thousand dollars

Name	Date of incorporation	Address	Paid-in capital	Main business
<u>Control Company</u> Sinyi Realty Inc.	01/21/1987	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 7,368,465	Real estate brokerage
<u>Affiliated Company</u> SINYI INTERNATIONAL LIMITED	11/10/2005	Equity Trust Chambers, P.O. BOX 3269, Apia, Samoa.	NT\$ 10,602,590 (US\$ 345,239)	Investment holding
SINYI LIMITED	11/19/1996	4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	NT\$ 1,758,977 (US\$ 57,277)	Investment holding
Sinyi Development Inc.	03/05/1998	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 2,035,000	Development, construction, rental and sale of residential building and factories
Sinyi Global Asset Management Co., Ltd.	01/19/2010	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 50,000	Real estate brokerage
Heng-Yi Intelligent Technology Inc.	09/05/2013	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 15,000	Information software, data processing and electronic information providing services
Jui-Inn Consultants Co., Ltd.	07/08/2005	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 5,000	Management consulting
Sinyi Culture Publishing Inc.	08/22/1995	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 5,000	Publication
An-Sin Real Estate Management Ltd.	05/09/1995	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 150,000	Real estate management

(Continued)

Name	Date of incorporation	Address	Paid-in capital	Main business
Yowoo Technology Inc.	04/03/2014	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 15,000	Information software, data processing and electronic information providing service
Lian Yue Traffic Inc.	12/09/2013	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 26,200	Manpower dispatch and Merchandise delivery
Jin Mei Travel Service Co., Ltd.	02/04/2005	9F.-2, No.50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan	NT\$ 9,000	Tourism
SIN CHIUN HOLDING SDN. BHD.	10/19/2016	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	NT\$ 1,697,848 (MYR 243,538)	Investment holding
SINJU HOLDING SDN. BHD.	09/19/2019	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	NT\$ 57,167 (MYR 8,200)	Investment holding
SINYI MOREFUN TOURISM DEVELOPMENT LIMITED	08/10/2020	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B. V. I.	NT\$ 135,124 (US\$ 4,400)	Investment holding
INANE INTERNATIONAL LIMITED	10/05/1992	4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	NT\$ 1,594,950 (US\$ 51,936)	Investment holding
Ke Wei HK Realty Limited.	04/11/2008	Rooms 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	NT\$ 82,917 (US\$ 2,700)	Investment holding

(Continued)

Name	Date of incorporation	Address	Paid-in capital	Main business
FOREVER SUCCESS INTERNATIONAL LTD.	11/18/2005	3rd Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius.	NT\$ 68,061 (US\$ 2,216)	Investment holding
Sinyi Realty Japan Inc.	12/01/2009	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	NT\$ 37,184 (JPY 160,000)	Real estate brokerage, management and identification
SINYI DEVELOPMENT LTD.	07/04/2012	TMF Chambers, P.O. Box 3269, Apia, Samoa.	NT\$ 2,257,376 (US\$ 73,506)	Investment holding
SINYI ESTATE LTD.	10/07/2014	TMF Chambers, P.O. Box 3269, Apia, Samoa.	NT\$ 6,403,365 (US\$ 208,511)	Investment holding
MAX SUCCESS INTERNATIONAL LIMITED	01/02/2004	Palm Grove House, P.O. Box 438, Road Town, Torola, B. V. I.	NT\$ 48,645 (US\$ 1,584)	Investment holding
An-Shin Real Estate Management Ltd.	09/14/2009	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 100,000	Real estate management
RICHESE MANAGEMENT CO., LTD.	12/24/2010	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	NT\$ 6,972 (JPY 30,000)	Real estate brokerage, management and identification
Tokyo Sinyi Real Estate Co., Ltd.	07/31/2015	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 5,000	Real estate brokerage
Sinyi Real Estate (Hong Kong) Limited.	08/14/2012	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	NT\$ 2,198,067 (HKD 558,168)	Investment holding
Sinyi Estate (Hong Kong) Limited.	12/04/2014	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	NT\$ 6,357,300 (US\$ 207,011)	Investment holding

(Continued)

Name	Date of incorporation	Address	Paid-in capital	Main business
Da-Chia Construction Co., Ltd.	02/10/2014	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 800	Development, construction, rental and sale of residential building and factories
Sinyi Real Estate Co., Ltd.	02/10/2014	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	NT\$ 800	Development, construction, rental and sale of residential building and factories
PEGUSUS HOLDING SDN. BHD.	01/26/2017	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	NT\$ 40,025 (MYR 5,741)	Investment holding
FIDELITY PROPERTY CONSULTANT SDN.BHD.	02/15/2017	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	NT\$ 77,455 (MYR 11,110)	Investment holding
SINKANG ADMINSTRATION SDN. BHD.	09/24/2019	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia.	NT\$ 83,659 (MYR 12,000)	Tourism
SINHONG INTERNATIONAL SDN. BHD.	09/20/2019	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia.	-	Investment holding
SINYI INFINITE LIMITED	08/10/2020	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B. V. I.	NT\$ 3,747 (US\$ 122)	Investment holding
SINYI ELITE LIMITED	08/10/2020	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B. V. I.	NT\$ 92 (US\$ 3)	Investment holding

(Continued)

Name	Date of incorporation	Address	Paid-in capital	Main business
SINYI UNIQUE LIMITED	08/10/2020	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B. V. I.	NT\$ 19,102 (US\$ 622)	Investment holding
Yi Shang Shanghai Real Estate Management Consulting Inc.	03/21/2000	Rooms 3303, No. 222, Middle Huaihai Road, Huangpu District, Shanghai, China	NT\$ 96,705 (CNY 21,938)	Real estate brokerage and management consulting
Shanghai Sinyi Real Estate Inc.	04/22/1993	Room 103, No.508, Dongchang Road, Pudong New District, Shanghai, China	NT\$ 1,294,331 (CNY 293,632)	Management consulting
Beijing Sinyi Real Estate Ltd.	01/06/2004	S-239, II seat, Blue Castle International, No.3, Xidawang Road, Chaoyang District, Beijing, China	NT\$ 153,163 (CNY 34,747)	Real estate brokerage
Shanghai Zhi Xin allograph Ltd.	02/07/2005	Room 101, Building 39, No. 227, Rushan Road, Pudong new district, Shanghai, China.	NT\$ 52,756 (CNY 11,968)	Management consulting
Shanghai Shang Tuo Investment Management Consulting Inc.	04/11/2007	Rooms 3-103, No. 574, Qingxi Road, Pudong New District, Shanghai, China	NT\$ 26,274 (CNY 5,961)	Management consulting
Hua Yun Renovation (Shanghai) Co., Ltd.	07/07/2014	Room H06, 1F, No.225, North Fute Road, Free Trade Testing Zone (Shanghai), China	NT\$ 35,264 (CNY 8,000)	Professional construction, building decoration construction, interior decoration, hard ware, general merchandise, building materials wholesale
Kunshan Dingxian Trading Co., Ltd.	10/31/2014	No. 5, Hai-Xing Rd., Huaqiao Economic Development Zone, Kunshan City, China	NT\$ 26,448 (CNY 6,000)	Trading, wholesale of construction material, furniture and toiletries

(Continued)

Name	Date of incorporation	Address	Paid-in capital	Main business
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	08/19/2020	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88450 Kota Kinabalu Sabah, Malaysia	NT\$ 3,486 (MYR 500)	Tourism
ZHANYI TOURISM DEVELOPMENT SDN. BHD.	08/19/2020	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	-	Tourism
ZHANCHENG TOURISM DEVELOPMENT SDN. BHD.	08/19/2020	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	NT\$ 87,145 (MYR 12,500)	Tourism
Sinyi Real Estate (Shanghai) Limited.	02/07/2013	Room1708, No.1218, Yung-Sheng Street, Jiading District, Shanghai, China	NT\$ 1,636,099 (CNY 371,166)	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management
Shanghai Chang Yuan Co., Ltd.	08/16/2017	Rooms 7-J1748, 7F, No.328, Jia-Jian Road, Jiading District, Shanghai, China	NT\$ 9,698 (CNY 2,200)	Property, business and management consulting
Suzhou Sinyi Real Estate Inc.	03/18/2005	Room 2101, Building 2, Gate-of-the-Orient Building, No. 199, Xingang Street, Suzhou Industrial District, Suzhou City, China	NT\$ 299,744 (CNY 68,000)	Real estate brokerage and management consulting
Zhejiang Sinyi Real Estate Co., Ltd.	06/06/2005	Room 604, North Building, Modern Collection Center, 161 Shaoxing Road, Xiacheng District, Hangzhou, China	NT\$ 119,898 (CNY 27,200)	Management consulting

(Continued)

Name	Date of incorporation	Address	Paid-in capital	Main business
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	08/22/2017	Rooms 6-917, Chun-Jiang Center, Jiaxing Economic & Technological Development Zone, Jiaxing City, China	NT\$ 441 (CNY 100)	Real estate marketing planning and management consulting
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc.	11/06/2020	Room 1-224, International Technology Innovation Center, Nan Qiao Qu , Chuzhou City, China	NT\$ - (CNY -)	Real estate marketing planning and management consulting
Jiu Xin Estate (Wuxi) Limited.	11/01/2017	Rooms 3-205-22, No.100, Jin-Xi Road, Science and Education Pioneer Park, Binhu District, Wuxi, China	NT\$ 6,356,970 (US\$ 207,000)	Real estate development
Suzhou Zhi Xin Real Estate Co., Ltd.	06/25/2018	Room 2101, building 2, Gate-of-the-Orient Building, No.199, Xingang Street, Suzhou Industrial District, Suzhou City, China	NT\$ 13,224 (CNY 3,000)	Real estate brokerage
Lunheng Business Management (Shanghai) Ltd.	09/05/2018	RoomJT3054, 7F, Building #7, No. 328, Jiajian Road, Jiading District, Shanghai, China	NT\$ 1,372,651 (CNY 311,400)	Financial and marketing consulting, business marketing planning
SinYeh Enterprise Management (Shanghai) Limited.	04/05/2019	RoomJT3561, 7F, Building #7, No. 328, Jiajian Road, Jiading District, Shanghai, China	NT\$ 1,763,200 (CNY 400,000)	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management
Sinyi Real Estate (Wuxi) Limited.	07/10/2019	West, 8th Floor, Building 1, No.50, Xiuxi Road, Binhu District, Wuxi, China	NT\$ 441 (CNY 100)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.



Note: Exchange rate : NTD/USD = 1/30.71; NTD/CNY = 1/4.408; NTD/JPY = 1/0.2324; NTD/MYR = 1/6.9716; NTD/HKD = 1/3.938

- (3) The same shareholder information of companies presumed to have control and affiliation relationship: None.
- (4) The businesses operated by the affiliates:

A. The businesses operated by the Company and the Company's affiliates:

Real estate brokerage and rental, real estate market research, management consulting, development, construction, rental and sale of residential building, tourism, investment and publications.

B. When the affiliates associate with each other, their dealings described below:

- a. An-Sin Real Estate Management Ltd. takes the escrow service and collects the agency fee charged to customers on behalf of the Company. The agency fee will be given to the Company while the transactions completed.
- b. Kunshan Dingshan Trading Co., Ltd., Shanghai Shang Tuo Investment Management Consulting Inc. and Hua Yun Renovation (Shanghai) Co., Ltd. sell some building materials and provide labor consulting services to Sinyi Real Estate (Shanghai) Limited and Jiu Xin Estate (Wuxi) Limited.
- c. The Company and Sinyi Realty Japan Inc. cooperate together. The Company assists in handling the briefing in Taiwan, and introduces those customers who intend to buy real estate in Japan to Sinyi Realty Japan Inc, and then Sinyi Realty Japan Inc will pay the professional service fees to the Company.
- d. Lian Yue Traffic Inc. provides delivery services to Yowoo Technology Inc. for its food & beverage delivery service platform.
- e. Yowoo Technology Inc. provided services of program development for the Company.
- f. The Company provide brokerage services of selling the newly-built houses developed by Sinyi Development Inc.
- g. The Company provides information technology, management advice, HR management services to its subsidiaries and charges resource utilization fees accordingly. Shanghai Sinyi Real Estate Inc. provides the abovementioned services to Suzhou Sinyi Real Estate Inc. and Zhejiang Sinyi Real Estate Co., Ltd. and charges resource utilization fees accordingly.

## (5) Directors, supervisors, and general managers of affiliates

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
<u>Controlling Company</u> Sinyi Realty Inc.	Chairperson	Sinyi Co., Ltd. Representative: Liu Yuan-Chih	210,238,285 shares	28.53%
	Vice Director	Representative: Chou Ken-Yu	-	-
	Director	Chou Chun-Chi	20,307,354 shares	2.76%
	Director	Jhan Hong-Chih	9,378,622 shares	1.27%
	Director	Yen Lou-Yu	-	-
	Director	Lee Yi-Li	-	-
	General Manager	Wu Chih-We Chen Li-Hsing	511,446 shares	0.06%
<u>Affiliated Company</u> SINYI INTERNATIONAL LIMITED	Director	Sinyi Realty Inc. Representative: Chou Chun-Chi	345,248,785 shares	100.00%
SINYI LIMITED	Director	Sinyi Realty Inc. Representative: Chou Ken-Yu	57,277,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Chou Chun-Chi	57,277,000 shares	100.00%
Sinyi Development Inc.	Chairperson	Sinyi Realty Inc. Representative: Chou Chun-Chi	203,500,000 shares	100.00%
	Director	Sinyi Realty Inc.	-	-
	Director	Representative: Chen Chin-Hong	203,500,000 shares	100.00%
	Supervisor	Sinyi Realty Inc. Representative: Chen Chih-Huan	203,500,000 shares	100.00%
	General Manager	Sinyi Realty Inc. Representative: Lin Chiu-Chin Chen Chin-Hong	203,500,000 shares	100.00%

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Sinyi Global Asset Management Co., Ltd.	Chairperson	Sinyi Realty Inc. Representative: Chen Li-Hsing	5,000,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Lin San-Chih	5,000,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Wu Hsiao-Jean	5,000,000 shares	100.00%
	Supervisor	Sinyi Realty Inc. Representative: Chen Chih-Huan	5,000,000 shares	100.00%
	General Manager	Lin San-Chih	-	-
Heng-Yi Intelligent Technology Inc.	Chairperson	Sinyi Realty Inc. Representative: Liu Yuan-Chih	1,200,000 shares	80.00%
	Director	Sinyi Realty Inc. Representative: Chou Ken-Yu	1,200,000 shares	80.00%
	Director	Sinyi Realty Inc. Representative: Chen Chih-Huan	1,200,000 shares	80.00%
	Supervisor	Lin Chiu-Chin	-	-
Jui-Inn Consultants Co., Ltd.	Chairperson	Sinyi Realty Inc. Representative: Chou Chuang-Yun	500,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Chen Chih-Huan	500,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Wu Hsiao-Jean	500,000 shares	100.00%
	Supervisor	Sinyi Realty Inc. Representative: Lin Chiu-Chin	500,000 shares	100.00%
Sinyi Culture Publishing Inc	Chairperson	Sinyi Realty Inc. Representative: Chou Chun-Chi	4,960 thousand 30 thousand	99.20% 0.60%
An-Sin Real Estate Management Ltd.	Chairperson	Sinyi Realty Inc. Representative: Chou Chun-Chi	7,650,000 shares 450,000 shares	51.00% 3.00%

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Yowoo Technology Inc.	Director	Sinyi Realty Inc. Representative: Chou Wang Mei-Wen	7,650,000 shares	51.00%
	Director	Sinyi Realty Inc. Representative: Chang Fon-Rong	150,000 shares	1.00%
	Director	Taishin International Bank Representative: Wu Tung-Liang	7,650,000 shares	51.00%
	Director	Fan Teng Investment Ltd. Representative: Kao Chih-Shang	4,500,000 shares	-
	Supervisor General Manager	Pei Chen-Pang Chang Fon-Rong	1,500,000 shares	30.00%
	Chairperson	Sinyi Realty Inc. Representative: Chen Chih-Huan	1,500,000 shares	-
	Director	Sinyi Realty Inc. Representative: Chang Hsu	1,500,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Wu Hsiao-Jean	1,500,000 shares	-
	Supervisor General Manager	Sinyi Realty Inc. Representative: Chen Shih-Yi Su Shou-Jen	1,500,000 shares	100.00%
Lian Yue Traffic Inc.	Chairperson	Yowoo Technology Inc. Representative: Su Shou-Jen	2,620,000 shares	100.00%
	Director	Yowoo Technology Inc. Representative: Chang Hsu	-	-
	Director	Yowoo Technology Inc. Representative: Chen Chih-Huan	2,620,000 shares	100.00%
	Supervisor	Yowoo Technology Inc. Representative: Chen Shih-Yi	2,620,000 shares	-
			2,620,000 shares	100.00%

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Jin Mei Travel Service Co., Ltd.	Chairperson	Sinyi Realty Inc. Representative: Chang Hsu	9,000 shares	100.00%
SIN CHIUN HOLDING SDN. BHD.	Director	Sinyi Realty Inc. Representative: Chou Chun-Chi	243,537,766 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Chow Kok Yein	243,537,766 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Su I-Chieh	243,537,766 shares	100.00%
SINJU HOLDING SDN. BHD.	Chairperson	Sinyi Realty Inc. Representative: Chou Ken-Yu	8,200,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Chow Kok Yein	8,200,000 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Su I-Chieh	8,200,000 shares	100.00%
SINYI MOREFUN TOURISM DEVELOPMENT LIMITED	Chairperson	Sinyi Realty Inc. Representative: Chou Chun-Chi	14,390 shares	100.00%
	Director	Sinyi Realty Inc. Representative: Su I-Chieh	14,390 shares	100.00%
INANE INTERNATIONAL LIMITED (B.V.I.)	Director	SINYI LIMITED Representative: Chou Chun-Chi	51,935,840 shares	100.00%
	Director	SINYI LIMITED Representative: Chou Ken-Yu	51,935,840 shares	100.00%
Ke Wei HK Realty Limited	Director	SINYI LIMITED Representative: Liu Yuan-Chih	2,675,000 shares	99.07%
FOREVER SUCCESS INTERNATIONAL LTD.	Director	SINYI INTERNATIONAL LIMITED Representative: Chou Chun-Chi	2,216,239 shares	100.00%
	Director	SINYI INTERNATIONAL LIMITED Representative: Chou Ken-Yu	2,216,239 shares	100.00%

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Sinyi Realty Japan Inc.	Chairperson	SINYI INTERNATIONAL LTD. Representative: Ho Wei-Hung	16,000 shares	100.00%
	Director	SINYI INTERNATIONAL LTD. Representative: Chou Chun-Chi	16,000 shares	100.00%
	Director	SINYI INTERNATIONAL LTD. Representative: Chen Chih-Huan	16,000 shares	100.00%
	Supervisor	SINYI INTERNATIONAL LTD. Representative: Su I-Chieh	16,000 shares	100.00%
SINYI DEVELOPMENT LTD.	Director	SINYI INTERNATIONAL LTD. Representative: Chou Chun-Chi	73,506,209 shares	100.00%
SINYI ESTATE LTD.	Director	SINYI INTERNATIONAL LTD. Representative: Chou Chun-Chi	208,510,749 shares	100.00%
MAX SUCCESS INTERNATIONAL LIMITED	Director	INANE INTERNATIONAL LIMITED Representative: Chou Chun-Chi	1,584,000 shares	100.00%
An-Shin Real Estate Management Ltd.	Chairperson	An-Sin Real Estate Management Ltd. Representative: Kao Chih-Shang	10,000,000 shares	100.00%
	Director	An-Sin Real Estate Management Ltd. Representative: Chou Wang Mei-Wen	10,000,000 shares	100.00%
	Director	An-Sin Real Estate Management Ltd. Representative: Chou Chun-Chi	10,000,000 shares	100.00%
	Director	An-Sin Real Estate Management Ltd. Representative: Ou Chih-Hsiung	10,000,000 shares	100.00%
	Director	An-Sin Real Estate Management Ltd. Representative: Wu Tung-Hsiung	10,000,000 shares	100.00%
	Supervisor	An-Sin Real Estate Management Ltd. Representative: Pei Chen-Pang	10,000,000 shares	100.00%
	General Manager	Ou Chih-Hsiung	-	-

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
RICHESS MANAGEMENT CO., LTD.	Chairperson	Sinyi Realty Japan Inc. Representative: Ho Wei-Hung	600 shares	100.00%
	Director	Sinyi Realty Japan Inc. Representative: Chou Chun-Chi	600 shares	100.00%
	Director	Sinyi Realty Japan Inc. Representative: Chen Chih-Huan	600 shares	100.00%
	Supervisor	Sinyi Realty Japan Inc. Representative: Su I-Chieh	600 shares	100.00%
Tokyo Sinyi Real Estate Co., Ltd.	Chairperson	Sinyi Realty Japan Inc. Representative: Ho Wei-Hung	500,000 shares	100.00%
	Director	Sinyi Realty Japan Inc. Representative: Chou Ken-Yu	500,000 shares	100.00%
	Director	Sinyi Realty Japan Inc. Representative: Chen Chih-Huan	500,000 shares	100.00%
	Supervisor	Sinyi Realty Japan Inc. Representative: Lin Chiu-Chin	500,000 shares	100.00%
	General Manager	Ho Wei-Hung	-	-
Sinyi Real Estate (Hong Kong) Limited	Director	SINYI DEVELOPMENT LTD. Representative: Chou Ken-Yu	71,640,200 shares	100.00%
	Director	SINYI DEVELOPMENT LTD. Representative: Chen Chih-Huan	71,640,200 shares	100.00%
	Director	SINYI DEVELOPMENT LTD. Representative: Chung Chung-Hua	71,640,200 shares	100.00%
Sinyi Real Estate (Hong Kong) Limited	Director	SINYI ESTATE LTD. Representative: Chou Chun-Chi	207,010,749 shares	100.00%
	Director	SINYI ESTATE LTD. Representative: Chung Chung-Hua	207,010,749 shares	100.00%
Da-Chia Construction Co., Ltd	Chairperson	Sinyi Development Inc. Representative: Chou Chun-Chi	80,000 shares	100.00%
	Director	Sinyi Development Inc. Representative: Chou Chun-Chi	80,000 shares	100.00%

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Sinyi Real Estate Co., Ltd.	Director	Representative: Wu Hsiao-Jean Sinyi Development Inc.	-	-
	Supervisor	Representative: Li Jian-Kun Sinyi Development Inc.	80,000 shares	100.00%
	Chairperson	Representative: Chen Chih-Huan Sinyi Development Inc.	-	-
	Director	Representative: Chou Chun-Chi Sinyi Development Inc.	80,000 shares	100.00%
	Director	Representative: Wu Hsiao-Jean Sinyi Development Inc.	-	-
PEGUSUS HOLDING SDN. BHD.	Supervisor	Representative: Li Jian-Kun Sinyi Development Inc.	80,000 shares	100.00%
	Director	Representative: Chen Chih-Huan SIN CHIUN HOLDING SDN. BHD.	-	-
	Director	Representative: Lai Hsin Wei SENG SAW MOI	5,741,100 shares (Preferred shares)	100.00%
	Director	TING KIEN HWA	1 share	-
FIDELITY PROPERTY CONSULTANT SDN.BHD.	Director	SIN CHIUN HOLDING SDN. BHD.	5,443,949 shares	49.00%
	Director	Representative: Lai Hsin Wei PEGUSUS HOLDING SDN. BHD.	-	-
	Director	Representative: SENG SAW MOI PEGUSUS HOLDING SDN. BHD.	5,666,151 shares	51.00%
SINKANG ADMINISTRATION SDN. BHD.	Director	Representative: TING KIEN HWA	5,666,151 shares	51.00%
	Chairperson	Sinyi Realty Inc.	-	-
	Director	Representative: Chou Chun-Chi Sinyi Realty Inc.	12,000,000 shares	100.00%
	Director	Representative: Su I-Chieh Sinyi Realty Inc.	-	-
	Director	Representative: Chow Kok Yein	12,000,000 shares	100.00%

(Continued)



Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
SINHONG INTERNATIONAL SDN. BHD.	Chairperson	SINJU HOLDING SDN. BHD. Representative: Chou Ken-Yu	-	-
	Director	SINJU HOLDING SDN. BHD. Representative: Su I-Chieh	-	-
	Director	SINJU HOLDING SDN. BHD. Representative: Chou Kok Yein	-	-
SINYI INFINITE LIMITED	Chairperson	SINYI MOREFUN TOURISM DEVELOPMENT LIMITED Representative: Chou Ken-Yu	3,119 shares	100.00%
SINYI ELITE LIMITED	Chairperson	SINYI MOREFUN TOURISM DEVELOPMENT LIMITED Representative: Chou Ken-Yu	-	-
SINYI UNIQUE LIMITED	Chairperson	SINYI MOREFUN TOURISM DEVELOPMENT LIMITED Representative: Chou Ken-Yu	3,619 shares	100.00%
Yi Shang Shanghai Real Estate Management Consulting Inc.	Chairperson	Jia Hai-Bo	Ke Wei HK Realty Limited	82.00%
	Director	Chang Hsu	Holds 96,705 thousand (CNY 21,938 thousand)	
	Director	Chou Hao-Kang		
	General Manager	Syu Yan-Wei		
Shanghai Sinyi Real Estate Inc.	Chairperson	Lin Zong-Sheng	INANE INTERNATIONAL LIMITED	100.00%
	Director	Chou Chun-Chi	Holds 1,294,331 thousand (CNY 293,632 thousand)	
	Director	Chou Hao-Kang		
	General Manager	Lin Zong-Sheng		
Beijing Sinyi Real Estate Ltd.	Chairperson	Hung Chien-Huan	INANE INTERNATIONAL LIMITED	95.00%
	Director	Chou Chun-Chi	Holds 153,163 thousand (CNY 34,747 thousand)	
	Director	Chou Wang Mei-Wen		

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Shanghai Zhi Xin allograph Ltd.	General Manager	Hung Chien-Huan		
	Chairperson	Lin Zong-Sheng	INANE INTERNATIONAL LIMITED	100.00%
Shanghai Shang Tuo Investment Management Consulting Inc.	Director	Chang Chien-Ping	Holds 52,756 thousand (CNY 11,968 thousand)	100.00%
	Director	Niu, Tan-Yen	FOREVER SUCCESS	100.00%
Hua Yun Renovation (Shanghai) Co., Ltd.	Chairperson	Chen Chin-Hong	INTERNATIONAL LTD.	-
	Director	Hsu Hung-Chih	Holds 26,274 thousand (CNY 5,961 thousand)	100.00%
Kunshan Dingxian Trading Co., Ltd.	Director	Liu Yuan-Chih	FOREVER SUCCESS	100.00%
	Chairperson	Hsu Hung-Chih	INTERNATIONAL LTD.	-
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Director	Chung Chung-Hua	Holds 35,264 thousand (CNY 8,000 thousand)	100.00%
	Director	Chen Chih-Huan	SINYI DEVELOPMENT LTD.	
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Supervisor	Wang Min-Feng	Holds 26,448 thousand (CNY 6,000 thousand)	
	Chairperson	Chung Chung-Hua	500,000 shares	100.00%
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Director	Hsu Hung-Chih	-	-
	Director	Chen Chih-Huan	500,000 shares	100.00%
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Supervisor	Wang Min-Feng	-	-
	Chairperson	Sinyi Realty Inc.	500,000 shares	100.00%
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Director	Representative: Chou Chun-Chi	-	-
	Director	Sinyi Realty Inc.	500,000 shares	100.00%
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Director	Representative: Su I-Chieh	-	-
	Director	Sinyi Realty Inc.	500,000 shares	100.00%
ZHANSIN TOURISM DEVELOPMENT SDN. BHD.	Director	Representative: Chow Kok Yein	-	-
	Director	Sinyi Realty Inc.	500,000 shares	100.00%

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
ZHANYI TOURISM DEVELOPMENT SDN. BHD.	Chairperson	SINYI ELITE LIMITED	-	-
	Director	Representative: Chou Ken-Yu SINYI ELITE LIMITED	-	-
	Director	Representative: Su I-Chieh SINYI ELITE LIMITED	-	-
		Representative: Chow Kok Yein	-	-
ZHANCHENG TOURISM DEVELOPMENT SDN. BHD.	Chairperson	Sinyi Realty Inc.	12,500,000 shares	100.00%
	Director	Representative: Chou Chun-Chi Sinyi Realty Inc.	12,500,000 shares	100.00%
	Director	Representative: Su I-Chieh Sinyi Realty Inc.	12,500,000 shares	100.00%
		Representative: Chow Kok Yein	-	-
Sinyi Real Estate (Shanghai) Limited	Chairperson	Chen Chin-Hong	Sinyi Real Estate (Hong Kong) Limited (CNY)	100.00%
	Director	Chou Chun-Chi	Holds 1,636,099 thousand	-
	Director	Chung Chung-Hua	(CNY 371,166 thousand)	-
	Supervisor	Su I-Chieh		
Shanghai Chang Yuan Co., Ltd.	Director	Chung Chung-Hua	Shanghai Shang Tuo Investment Management Consulting Inc.	100.00%
	Supervisor	Chen Chih-Huan	Holds 9,698 thousand	-
Suzhou Sinyi Real Estate Inc.	Chairperson	Chang Chien-Ping	Shanghai Sinyi Real Estate Inc.	100.00%
	Director	Liu Yuan-Chih	Holds 299,744 thousand	
	Director	Niu Tan-Yen	(CNY 68,000 thousand)	
	Supervisor General Manager	Chou Hao-Kang Chang Chien-Ping		

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership%
Zhejiang Sinyi Real Estate Co., Ltd	Chairperson	Chang Chien-Ping	Shanghai Sinyi Real Estate Inc.	100.00%
	Director	Chou Chuang-Yun	Holds 119,898 thousand (CNY 27,200 thousand)	
	Director	Chou Hao-Kang		
	Supervisor	Chen Chih-Huan		
	General Manager	Chang Chien-Ping		
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	Chairperson	Lin Zong-Sheng	Shanghai Sinyi Real Estate Inc.	100.00%
	Director	Chou Hao-Kang	Holds 441 thousand (CNY 100 thousand)	
	Director	Chang Jian-Ping		
	Supervisor	Jhu Sin-Hua		
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc.	Director	Syu Yan-Wei	-	-
	Supervisor	Chang Jian-Ping	-	-
Jiu Xin Estate (Wuxi) Limited	Chairperson	Chung Chung-Hua	Sinyi Real Estate (Hong Kong) Limited	100.00%
	Director	Chou Chun-Chi	Holds 6,356,970 thousand (USD 207,000 thousand)	
	Director	Chen Chin-Hong		
	Supervisor	Wang Min-Feng		
	General Manager	Hsu Hung-Chih		
Lunheng Business Management (Shanghai) Ltd.	Director	Chung Chung-Hua	Hua Yun Renovation (Shanghai) Co., Ltd.	100.00%
	Supervisor	Chen Chih-Huan	Holds 1,372,651 thousand (CNY 311,400 thousand)	

(Continued)

Company name	Title	Name/Representatives	Holding shares	
			Shares or investment amount	Ownership %
Suzhou Zhi Xin Real Estate Co., Ltd.	Director	Niu, Tan-Yen	Shanghai Zhi Xin allograph Ltd.	100.00%
	Director	Chang Jian-Ping	13,224 thousand (CNY 3,000 thousand)	-
	Director	Xu Yan-Wei		
	Supervisor General Manager	Chou Hao-Kang Chang Jian-Ping		
Sin Yeh Enterprise Management (Shanghai) Limited.	Director	Chen Chin-Hong	Sinyi Real Estate (Shanghai) Limited	100.00%
	Director	Chou Chun-Chi	Holds 1,763,200 thousand (CNY 400,000 thousand)	
	Director	Hsu Hung-Chih		
	Supervisor	Chen Chih-Huan	Sin Yeh Enterprise Management (Shanghai) Limited. Holds 441 thousand (CNY 100 thousand)	100.00%
Director	Chung Chung-Hua			
Sinyi Real Estate (Wuxi) Limited	Director	Chen Chih-Huan		

## (6) Affiliates' Operating Highlights

Unit: in NT\$ thousands except for EPS in dollar

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income(loss) (after tax)	EPS (NT\$, after tax)
<u>Control Company</u> Sinyi Realty Inc.	\$ 7,368,465	\$ 28,130,321	\$16,311,338	\$ 11,818,983	\$10,077,630	\$ 1,449,404	\$ 1,223,336	\$ 1.66
<u>Affiliated Company</u> SINYI INTERNATIONAL LIMITED	10,602,590	14,025,881	1,775,634	12,250,247	-	( 26)	238,885	0.69
SINYI LIMITED	1,758,977	187,876	-	187,876	-	( 140)	( 202,122)	( 3.53)
Sinyi Development Inc.	2,035,000	6,194,674	4,546,998	1,647,675	1,027,116	161,897	106,883	0.53
Sinyi Global Asset Management Co., Ltd.	50,000	300,109	186,781	113,328	234,464	40,426	33,137	6.63
Heng-Yi Intelligent Technology Inc.	15,000	8,410	80	8,330	2,879	( 1,000)	( 989)	( 0.66)
Sinyi Culture Publishing Inc.	5,000	2,454	709	1,745	388	44	( 608)	-
Jui-Inn Consultants Co., Ltd.	5,000	781	-	781	-	( 34)	( 34)	( 0.07)
An-Sin Real Estate Management Ltd.	150,000	280,458	22,131	258,328	98,205	11,729	26,343	1.76

(Continued)

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income (loss) (after tax)	EPS (NT\$, after tax)
Yowoo Technology Inc.	\$ 15,000	\$ 11,603	\$ 5,536	\$ 6,067	\$ 27,774	(\$ 10,866)	(\$ 10,064)	(\$ 6.71)
Lian Yue Traffic Inc.	26,200	3,877	789	3,088	8,295	( 302)	( 298)	( 0.11)
Jin Mei Travel Service Co., Ltd.	9,000	9,587	5,828	3,759	2,134	( 867)	( 738)	-
SIN CHIUN HOLDING SDN. BHD.	1,697,848	1,537,671	13,612	1,524,059	-	( 31,522)	( 38,219)	( 0.16)
SINJU HOLDING SDN. BHD.	57,167	32,826	66	32,759	-	( 107)	( 12,462)	( 1.71)
SINYI MOREFUN TOURISM DEVELOPMENT LIMITED (BVI)	135,124	66,897	3,182	63,715	-	( 44,510)	( 45,814)	( 4,042.90)
INANE INTERNATIONAL LIMITED	1,594,950	( 99,719)	308	( 100,027)	-	( 95)	( 208,317)	( 4.01)
Ke Wei HK Realty Limited	82,917	( 9,740)	724	( 10,464)	-	( 82)	( 3,366)	( 1.25)
FOREVER SUCCESS INTERNATIONAL LIMITED	68,061	163,749	11,034	152,715	-	( 170)	( 21,756)	( 9.82)
Sinyi Realty Japan Inc.	37,184	585,000	262,813	322,186	330,003	58,121	45,187	2,824.19
SINYI DEVELOPMENT LTD.	2,257,376	4,082,677	1,872,290	2,210,387	-	( 22)	204,788	1.53
SINYI ESTATE LTD.	6,403,365	6,009,363	-	6,009,363	-	( 6,588)	21,411	0.10

(Continued)

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income (loss) (after tax)	EPS (NT\$, after tax)
MAX SUCCESS INTERNATIONAL LIMITED	\$ 48,645	\$ 11,103	\$ -	\$ 11,103	\$ -	\$ -	\$ -	\$ -
An-Shin Real Estate Management Ltd.	100,000	168,351	43,008	125,343	133,704	19,654	16,105	1.61
RICHESSE MANAGEMENT CO., LTD.	6,972	305,012	241,968	63,044	73,807	5,862	9,469	15,781.67
Tokyo Sinyi Real Estate Co., Ltd.	5,000	19,085	34	19,050	-	( 160)	( 154)	( 0.31)
Sinyi Real Estate (Hong Kong) Limited	2,198,067	3,883,478	1,882,183	2,001,294	-	( 209)	205,121	1.56
Sinyi Real Estate (Hong Kong) Limited	6,357,300	5,994,542	6,101	5,988,441	-	( 104)	27,998	0.14
Da-Chia Construction Co., Ltd.	800	330	-	330	-	( 34)	( 34)	( 0.43)
Sinyi Real Estate Co., Ltd.	800	253	-	253	-	( 34)	( 34)	( 0.43)
PEGUSUS HOLDING SDN. BHD.	40,025	4,197	28	4,169	-	( 90)	( 3,480)	( 0.61)
FIDELITY PROPERTY CONSULTANT SDN.BHD.	77,455	10,080	2,031	8,048	5,433	( 6,734)	( 6,647)	( 0.60)
SINKANG ADMINISTRATION SDN. BHD.	55,773	29,256	3,587	25,669	-	( 18,350)	( 18,228)	( 2.59)

(Continued)



Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income (after tax)	EPS (NT\$, after tax)
SINHONG INTERNATIONAL SDN. BHD.	\$ -	\$ 3	\$ 133	(\$ 130)	\$ -	(\$ 63)	(\$ 63)	\$ -
SINYI INFINITE LIMITED	3,747	3,352	-	3,352	-	( 7)	( 38)	( 12.18)
SINYI ELITE LIMITED	92	21	-	21	-	-	( 69)	-
SINYI UNIQUE LIMITED	19,102	16,061	9	16,052	-	( 73)	( 550)	( 152.23)
Yi Shang Shanghai Real Estate Management Consulting Inc.	96,705	262	11,566	( 11,304)	-	( 3,062)	( 3,363)	-
Shanghai Sinyi Real Estate Inc	1,294,331	546,771	612,634	( 65,864)	97,333	( 91,895)	( 190,138)	-
Beijing Sinyi Real Estate Ltd.	153,163	17,555	38,106	( 20,551)	-	( 421)	( 361)	-
Shanghai Zhi Xin allograph Ltd	52,756	12,428	27,769	( 15,341)	23,110	( 16,293)	( 17,727)	-
Shanghai Shang Tuo Investment Management Consulting Inc.	26,274	45,717	1,932	43,785	656	620	( 3,582)	-
Hua Yun Renovation (Shanghai) Co., Ltd.	35,264	147,327	27,468	119,859	7,833	( 11,629)	( 7,296)	-
Kunshan Dingxian Trading Co., Ltd.	26,448	336,920	98,719	238,201	-	( 5,747)	28,502	-
ZHANSIN TOURISM DEVELOPMENT SDN BHD	3,486	3,468	39	3,429	-	( 80)	( 64)	( 0.13)

(Continued)

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income (after tax)	EPS (NT\$, after tax)
ZHANYI TOURISM DEVELOPMENT SDN BHD	\$ -	\$ 5	\$ 76	(\$ 71)	\$ -	(\$ 69)	(\$ 69)	\$ -
ZHANCHENG TOURISM DEVELOPMENT SDN BHD	17,429	330,088	315,328	14,759	-	( 1,635)	( 1,554)	( 0.63)
Sinyi Real Estate (Shanghai) Limited	1,636,099	5,795,102	3,776,750	2,018,353	52,501	( 71,876)	205,285	-
Shanghai Chang Yuan Co., Ltd.	9,698	22,117	17,088	5,029	20,744	( 7,076)	( 4,652)	-
Suzhou Sinyi Real Estate Inc.	299,744	281,730	359,638	( 77,909)	46,370	( 87,895)	( 87,052)	-
Zhejiang Sinyi Real Estate Co., Ltd.	119,898	3,832	31,335	( 27,504)	6,882	( 18,476)	( 16,903)	-
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	441	768	14	754	-	( 17)	( 14)	-
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc	-	-	-	-	-	-	-	-
Jiu Xin Estate(Wuxi) Limited	6,356, 970	7,928,471	1,934,135	5,994,336	1,593,510	122,799	33,680	-
Suzhou Zhi Xin Real Estate Co., Ltd.	13,224	3,273	3,940	( 667)	1,495	( 19,851)	( 1,460)	-

(Continued)

Company name	Paid-in capital	Total assets	Total liabilities	Net worth	Operating revenue	Operating income (loss)	Net income (after tax)	EPS (NT\$, after tax)
Lunheng Business Management (Shanghai) Ltd.	\$ 1,372,651	\$ 1,407,645	\$ 97	\$ 1,407,548	\$ -	(\$ 374)	\$ 45,329	\$ -
SinYeh Enterprise Management (Shanghai) Limited.	1,763,200	1,862,083	546	1,861,537	-	( 760)	50,353	-
Sinyi Real Estate (Wuxi) Limited	441	385	2,322	( 1,936)	17,347	4,847	4,931	-

Note 1: Exchange rate as of December 31: 1/30.71; NTD/CNY = 1/4.408; NTD/JPY = 1/0.2324; NTD/MYR = 1/6.9716; NTD/HKD = 1/3.938

Average exchange rate: NTD/USD = 1/29.8045; NTD/CNY = 1/ 4.4218 NTD/JPY = 1/ 0.2275; NTD/MYR = 1/6.7728; NTD/HKD = 1/3.8055

(7) Consolidated Financial Statements of affiliates

**DECLARATION**

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2022 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Accounting Standard 10 “Consolidated and Separate Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

SINYI REALTY INC.

By

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February 22, 2023

(8) Affiliation report

A. DECLARATION OF THE COMPANY

DECLARATION

It is hereby declared that the affiliation report of Sinyi Realty Inc. (the “Company”) for the year ended December 31, 2022 is prepared by the Company in accordance with “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”. There are no significant inconsistencies between the information disclosed in the affiliation report and in the notes of financial statements for the above period.

Very truly yours,

SINYI REALTY INC.

By

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February 22, 2023

## (2) THE INDEPENDENT AUDITORS' OPINION ON AFFILIATION REPORT

### B. AFFILIATION REPORT OF INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors  
Sinyi Realty Inc.

We have audited the 2022 financial statements of Sinyi Realty Inc. (the “Company”) in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China and issued an audit report with an unqualified opinion on February 22, 2023. The objectivity of the audit is to express opinion on the overall fairness of the financial statements. The affiliation report for 2022 attached is prepared by the Company in accordance with “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”. We have conducted the necessary review procedures including acquiring the representation letter and checking the related financial information of the affiliation report. In our opinion, the Company’s affiliation report for 2022 is prepared in accordance with “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” and the financial information of the affiliation report is consistent with those in financial statements and no significant amendments are needed.

February 22, 2023

(3) Relationship between affiliated and controlling companies:

Unit: share; %

Control Company Name	Reason for Control	Holding and pledged shares of Control Company		Directors, supervisors or managers assigned by the Control Company		
		Holding shares	Ownership %	Pledged shares	Title	Name
Yu-Heng Co., Ltd.	Indirect ownership of the Company through the following companies: Sinyi Co., Ltd.	210,238,285	28.53%		Chairperson	Liu Yuan-Chih
	Yu-Hao Co., Ltd.	208,937,108	28.36%		-	-

(4) Transactions between affiliated and controlling companies: None.

(5) Endorsements between affiliated and controlling companies: None.

(6) Other matters between affiliated and controlling companies which have material impact on the financial and business affairs: None.

**II.** In latest fiscal year and as of the printing date of this Annual Report, the status of Conducting Private Placements of Securities: None.

**III.** In latest fiscal year and as of the printing date of this Annual Report, the details of the Company's subsidiaries' holding or disposing the Company's shares: None.

**IV.** Other necessary supplementary description matters: In accordance with the regulations in Article 13 of "Code of Ethics of Directors and Managers" of the Company, the Code is disclosed as follows:

## **Sinyi Realty Inc.**

### **Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers**

Date:1997.12.28 (Announced)  
2021.09.24 (1<sup>st</sup> revised)

#### **Article 1**

To ensure the ethical conduct of the Company's directors and managerial officers to comply with the related regulations and protect the interests of the Company and the shareholders when the directors and managerial officers engage in the business operations for the Company based on the exercise of their power, The Company set forth the Guidelines for the Adoption of Codes of Ethical Conduct for Directors and Managerial Officers (hereinafter, "the Guidelines")

#### **Article 2**

The Guidelines applies to the Company's directors and managerial officers (including the general manager, vice general managers, deputy assistant general managers, chief financial and chief accounting officers and other persons authorized to manage affairs and sign documents on behalf of a company).

#### **Article3**

The directors and managerial officers shall deal with the Company's affair in the honest, faithful, law-abiding, just, fair and ethical and moral self-disciplined manner and follow the related laws and regulations, the Company's articles of incorporation and resolutions of the shareholders meeting.

#### **Article 4**

The directors and managerial officers shall recuse any conflicts of interest when personal interest intervenes or is likely to intervene in the overall interest of the Company , as for example when a director or managerial officer of the Company is unable to perform his/her duties in an objective and efficient manner, or when a person in such a position takes advantage of his/her position in the Company to obtain improper benefits for either himself/herself or his/her spouse, or relatives within the second degree of kinship.

The directors and managerial officers shall voluntarily explain to the Company's board of directors any affairs which conflicts of interest may occur. The related laws and the Company's regulations shall be abided by under the considerations of the Company's best interest, especially when the Company provides loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or managerial officer works.

#### **Article 5**

The directors and managerial officers shall maintain or increase the Company's reasonable and proper benefits. The directors and managerial officers shall not seek an opportunity to pursue personal gain or obtain personal gain by using the Company's property or information or taking advantage of their positions and shall not operate any business which is the same as that of the Company unless they get approval of shareholders meeting or board of directors under the related laws or the Company's articles of incorporation.



## **Article 6**

The directors and managerial officers shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.

## **Article 7**

The directors and managerial officers shall not treat all suppliers and customers, competitors, and employees unfairly and obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

## **Article 8**

The directors and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

## **Article 9**

The directors and managerial officers shall comply with the Company Act, the Securities and Exchange Act and other applicable laws, regulations, and bylaws and abide by the Company's regulations. The Company shall also at all times provide the newest amendments of laws and its regulations to the directors and managerial officers.

## **Article 10**

The Company's employees shall report to the Company's independent directors or chief internal auditor upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. After the violation reporting case has been clarified and recognized, the Company shall provide incentive according to its personnel management rules. The Company shall properly handle the violation reporting information in a confidential and responsible way and shall do its best efforts to protect the safety of informants and protect them from threats of any forms, even they are anonymous informers. Any hostile and dishonest reporters should be enlightened and shall be punished to improve conduct if necessary.

## **Article 11**

When the directors and managerial officers violate the Guidelines, the Company shall inform and punish the violators according to the laws and the Company's personnel management rules and without delay disclose on the Market Observation Post System (MOPS) the title and name of violator, the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. The Company shall establish a relevant complaint system to provide the violator with remedies.

## **Article 12**

Any directors and managerial officers need exemption from compliance with the code shall be adopted by a resolution of the board of directors, and that information on the

title and name of persons of exemption, the date on which the board of directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company.

**Article 13**

The Guidelines shall be disclosed in its annual reports and prospectuses and on the MOPS.

**Article 14**

The Guidelines, and any amendments hereto, shall be proposed by the board of directors and reported at the shareholders meeting.

## **Chapter Nine. Matters with Major Impact**

- I. The matters with a major impact on the shareholders' equity or securities price set forth in Item 2, Section 2 of Article 36 of Securities and Exchange Act of the latest year and as of the printing date of the annual report: None.

