

## Sinyi Realty Inc.

### Audit Committee's communications with the chief internal auditor of 2024

Date	Mode	Issues to communicate	Comment from the independent directors
February 2, 2024	Audit Committee	Report on performance in internal audit	Noted.
February 26, 2024	Forum	Internal control self-assessment and internal assessment execution report of internal audit	Chairperson expressed approval for the Audit Office's promotion of the group's internal control self-assessment digitization and online operations. He hopes that during communication with various units about the internal control self-assessment process, more efforts will be made to encourage the use of digital technology tools to enhance and improve the internal control processes in all operational areas, thus making the self-assessment work more effective. The Chief Auditor, Ms. Chou Su-Hsiang responded that the group's internal control self-assessment operations have been fully digitized, continuously moving towards ESG paperless practices and improving operational efficiency. The next steps will involve tracking the improvement of areas identified for enhancement in subsidiary self-assessments and assisting various units in evaluating potential process optimizations during internal control self-assessments.
	Audit Committee	Report on performance in internal audit	Noted.
		Discussion on representation of internal control system for 2023	The proposal was passed after Chairperson consulted all the members present without any other opinion, and then was proposed to BOD for resolution.
April 9, 2024	Audit Committee	Report on performance in internal audit	Noted.
April 29, 2024	Audit Committee	Report on performance in internal audit	Noted.
		Group major risk management report of 2024Q1	<ol style="list-style-type: none"> <li>Chairperson expressed concerns over the bleak outlook for China real estate market and the sluggish sales of Shanshuijiating project. He stated that the management team should classify the sales progress of this project as a significant risk and present a special report on how to effectively reduce the unsold inventory of the project in the future. Additionally, he suggested that the Audit Office, when managing major risks, should consider the impact of specific events on the company, rather than focusing excessively on the number of specific event risk indicators (KRIs) achieved.</li> <li>Committee Member Mr. Wu Chih-Wei also acknowledged the systemic risk emerging in China real estate market. Given the substantial inventory value of Shanshuijiating project, he emphasized the need to explore methods for quickly reducing the inventory to enhance the group's financial flexibility.</li> <li>Apart from the aforementioned suggestions, Chairperson consulted all attending committee members and confirmed no additional opinions.</li> </ol>

			Chairperson then concluded the case as acknowledged and directed it to be reported to the Board of Directors.
July 15, 2024	Audit Committee	Report on performance in internal audit	Noted.
July 30, 2024	Audit Committee	Report on performance in internal audit	Noted.
		Group major risk management report of 2024Q2	Noted.
October 28, 2024	Forum	The internal audit unit's execution of work for 2024 and the draft plan of internal audit for 2025.	Chairperson stated that the importance of digital tool applications in internal auditing is indeed increasing in the future. It is recommended to engage in exchanges and discussions with accounting firms or consider purchasing their developed auditing systems to improve the audit efficiency.
	Audit Committee	Report on performance in internal audit	Chairperson inquired whether the Audit Office currently has any major litigation cases and emphasized that any such cases in the future should be reported in a timely manner. After confirming that no other opinions were raised by the attending committee members, Chairperson concluded the case as acknowledged and directed it to be reported to the Board of Directors.
		The Company's Group Major Risk of 2025 and implementation status in the third quarter of 2024	1. Chairperson noted that the Group's major risk items for 2025 were approved internally by TEM and submitted to Audit Committee. However, the proposal only listed the risk items for 2025 without substantive content, such as the reasons for selecting these major risks. Additionally, it was deemed more appropriate for TEM convener to present the report. Following Chairperson's guidance, the Audit Office decided to withdraw the proposal regarding the Group's major risk items for 2025. 2. Regarding the execution status of risk management for Q3 of 2024, Chairperson consulted all attending committee members, and with no objections, the proposal was approved and submitted to the Board of Directors for resolution.
		The amendment of "Internal Audit Implementation Guidance".	The proposal was passed after Chairperson consulted all the members present without any other opinion, and then was proposed to BOD for resolution.
December 27, 2024	Audit Committee	Report on performance in internal audit	1. Committee Member Mr. Wu Chih-Wei inquired whether improper treatment of colleagues by peers had been addressed in accordance with the law and whether psychological counseling and support had been provided. Chairperson suggested that subsequent improvement measures should be specific and clear, and that related handling procedures and regulations should be reviewed to ensure effective implementation. Furthermore, the Company should take a more proactive and attentive approach to safeguarding the physical, mental, and spiritual well-being of employees, creating a higher-quality work environment. 2. The proposal was passed after Chairperson consulted all the members present without any other opinion, and then was proposed to BOD for

			resolution.
		The Company's internal audit plan for 2025	<p>1. Committee Member Mr. Jhan Hong-Chih inquired about the lack of clear written procedures for digital advertising expenditures identified in the audit of the procurement and payment cycle for 2024. He asked whether this issue was due to the practical challenges of fluctuating ad placement unit prices and the flexible adjustment of placement costs based on performance. He also inquired whether relevant procedures had since been established. Audit Office Executive Manager Mr. Chang Tsung-Ti responded that the marketing unit had already formulated written procedures and explained their details.</p> <p>2. Chairperson noted that the audit plan for 2025 was comprehensive, incorporating past audit findings and future plans. Chairperson recommended that, following the principle of materiality, the previously proposed group-wide major risk items marked as "red" should be reported to the Audit Committee quarterly. However, if the risk remains "red" for two consecutive quarters, a progress update and countermeasures should be reported to the Committee.</p> <p>3. The proposal was passed after Chairperson consulted all the members present without any other opinion, and then was proposed to BOD for resolution.</p>
		The Company's proposal to amend the internal control system to include "Sustainable Information Management"	The proposal was passed after Chairperson consulted all the members present without any other opinion.