



Sinyi Realty Inc.

2023 Annual General Shareholders' Meeting

Meeting Handbook (Translation)

Meeting Time: 9:30 a.m., May, 18, 2023

Meeting Venue: Center for Public & Business Administration Education of National
Chengchi University (No. 187, Jinghua Street, Daan Dist., Taipei City)

Method: Hybrid shareholders' meeting

(The shareholders' meeting will be convened in a physical way with video assisted)

Video conference platform: Taiwan Depository & Clearing Corporation

Website: <https://www.stockvote.com.tw>

Note to Readers :

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 version shall prevail.

Table of Contents

I. Agenda of Annual General Shareholders' Meeting	1
II. Report Items	
1. To report the business of 2022	2
2. To report 2022 employees' compensation and directors' compensation	2
3. To report Audit Committee's review of the business report, financial statements and earnings distribution proposal of 2022	2
4. To report Audit Committee's communications with the chief internal auditor	3
5. To report amendments to the Company's "Sustainable Development Best Practice Principles"	3
6. To report the Company's concrete promotion plans for sustainable development programs	3
7. To report the operation of the Company's board of directors and its functional committees of 2022	3
8. To report the annual directors' remuneration of 2022	4
9. To report the related party transactions of 2022 derived from non-operating activities	4
III. Ratification Items	
1. To ratify 2022 business report and financial statements	5
2. To ratify 2022 earning distribution proposal	6
3. To ratify the amendments to the Company's "Regulations of Governing Transactions with Group Enterprises, Specific Companies, and Related Parties"	7
IV. Extempore Motion	8
V. Adjournment	8
VI. Attachments	
1. Business Report of 2022	9
2. Audit Committee's Review Report	13
3. Communications with internal audit officers by the Audit Committee	14
4. Comparison Table of Amendments for the "Sustainable Development Best Practice Principles"	18
5. Concrete Promotion Plans for Sustainable Development Programs	19
6. Report on Operation of the Company's Board of Directors and its Functional Committees of 2022	21
7. Detailed of the Annual Directors' Remuneration of 2022	25
8. Detailed of related party transactions of 2022 derived from non-operating activities	27
9. Independent auditors' report and financial statements for the year of 2022	28
10. Comparison Table of Amendments for the Regulations of Governing Transactions with Group Enterprises, Specific Companies, and Related Parties	48

VII. Appendix

1. Articles of Incorporation	68
2. Rules and Procedures of Shareholders' Meeting.....	73
3. Sustainable Development Best Practice Principles.....	86
4. Regulations of Governing Transactions with Group Enterprises, Specific Parties and Related Parties.....	94
5. Table of Shareholding Status of Directors	97
6. The impact of stock dividend to the Company's operation, EPS, and shareholders' ROI	98

I. Agenda of Annual General Shareholders' Meeting

1. Chairperson to announce the commencement of meeting

2. Chairperson's address

3. Report Items

- (1) To report the business of 2022.
- (2) To report 2022 employees' compensation and directors' compensation.
- (3) To report Audit Committee's review of the business report, financial statements and earnings distribution proposal of 2022.
- (4) To report Audit Committee's communications with the chief internal auditor.
- (5) To report amendments to the Company's "Sustainable Development Best Practice Principles".
- (6) To report the Company's concrete promotion plans for sustainable development programs.
- (7) To report the operation of the Company's board of directors and its functional committees of 2022.
- (8) To report the annual director's remuneration of 2022.
- (9) To report the related party transactions of 2022 derived from non-operating activities

4. Ratification Items

- (1) To ratify 2022 business report and financial statements.
- (2) To ratify 2022 earning distribution proposal.
- (3) To ratify the amendments to the Company's "Regulations of Governing Transactions with Group Enterprises, Specific Companies, and Related Parties"

5. Extempore Motions

6. Adjournment

II. Report items

Item 1:

Subject: To report the business of 2022.

Descriptions:

1. Business report of the Company is in the Attachment 1 from Page 9-12 of this meeting handbook.
2. Please review.

Item 2:

Subject: To report 2022 employees' compensation and directors' compensation.

Descriptions:

1. It is in accordance with Article 20 of the Articles of Incorporation of the Company.
2. The amount of income before tax before deducting employees' compensation and directors' compensation for the year 2022 is NT\$1,525,966,882, which is multiplied by 1% and 0.34798% are NT\$15,259,669 and NT\$5,310,000 in cash for the employees and directors , respectively. The total amount is NT\$20,569,669.
3. Please review.

Item 3:

Subject: To report Audit Committee's review of the business report, financial statements and earnings distribution proposal of 2022.

Descriptions:

1. The board of directors has, in accordance with Article 18 of the Articles of Incorporation and Article 228 of the Company Act, prepared business report, financial statements and earning distribution proposal for the year of 2022 which have been audited by the audit committee, and are deemed no inappropriateness. Therefore, ratification report from Audit Committee for financial statements is attached in accordance with Article 14-4 of the Securities & Exchange Act and Article 219 of the Company Act, as detailed in Attachment 2 on page 13 of this meeting handbook.
2. Please review.

Item 4:

Subject: To report Audit Committee's communications with the chief internal auditor.

Descriptions:

1. Communications with internal auditing officers by the Audit Committee, as detailed in Attachment 3 from Page 14-17 of this meeting handbook.
2. Please review.

Item 5:

Subject: To report amendments to the Company's "Sustainable Development Best Practice Principles".

Descriptions:

1. In order to continue to implement sustainable development, the company intends to revise the "Sustainable Development Best Practice Principles".
2. Comparison tables of amended articles of "Sustainable Development Best Practice Principles" of the Company are detailed in Attachment 4 from Page 18 of this meeting handbook.
3. Please review.

Item 6:

Subject: To report the Company's concrete promotion plans for sustainable development programs.

1. In order to continue to implement sustainable development, the Company proposed to set up concrete promotion plans for sustainable development. Plans for promoting sustainable development are detailed in Attachment 5 from Page 19-20 of this meeting handbook.
2. Please review.

Item 7:

Subject: To report the operation of the Company's board of directors and its functional committees of 2022.

Descriptions:

1. In order to enhance the effectiveness of the Company's board of directors, the Company has established an audit committee, a remuneration committee and a

nomination committee. The report on the operation of the Company's board of directors and its functional committees for 2022 are detailed in Attachment 6 from Page 21-24 of this meeting handbook.

2. Please review.

Item 8:

Subject: To report the annual directors' remuneration of 2022.

Descriptions:

1. In accordance with the Company's Corporate Governance Principles, and to inform shareholders of the remuneration of the directors, the Company's 2022 directors' remuneration policy, individual remuneration content and amount are detailed in Attachment 7 from Page 25-26 of this meeting handbook.
2. Please review.

Item 9:

Subject: To report the related party transactions of 2022 derived from non-operating activities.

Descriptions:

1. In order to improve corporate governance and protect shareholders' rights and interests, the related party transactions of 2022 derived from non-operating activities are detailed in Attachment 8 on Page 27 of this meeting handbook.
2. Please review.

III. Ratification Items

Item 1

Proposed by the board of directors

Subject: To ratify 2022 business report and financial statements.

Descriptions:

1. It is in accordance with Article 18 of Articles of Incorporation of the Company, Article 228 of the Company Act, and Article 36 of the Securities & Exchange Act.
2. Financial statements of the Company for the year of 2022 have been audited by CPAs Mr. Wang Pan-Fa and Mr. Shih Chin-Chuan of Deloitte & Touche, and the independent auditors' report thereof has been issued.
3. Business report, independent auditors' report and financial statements of the Company for the year of 2022 are submitted, as detailed in Attachment 1 on Page 9-12 and Attachment 9 from Page 28-47 of this meeting handbook.
4. Submitted for acceptance.

Resolution:

Item 2

Proposed by the board of directors

Subject: To ratify 2022 earning distribution proposal.

Descriptions:

1. It is in accordance with Article 18 and Article 20-1 of the Articles of Incorporation of the Company and Article 228 of the Company Act.
2. The beginning undistributed earnings of the Company for the year of 2022 is NT\$ 177,129,819. After adding NT\$117,441,158 for the re-measurement of defined benefit obligation and NT\$440,262 due to long-term investment in shares of the Company, respectively, the adjusted beginning undistributed earnings is NT\$295,011,239. Additionally adding 2022 earnings after tax of NT\$1,223,335,594, and deducting appropriated legal reserve of NT\$134,121,701 and adding reversal of special reserve of NT\$105,567,656, the 2022 distributable earnings is NT\$1,489,792,788. It is proposed to distribute cash dividends to shareholders in the amount of NT\$884,215,800. 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 a cash dividend of NT\$1.2 (the amount which each shareholder receive will be rounded to dollar; remaining amount for fractional shares is recorded as other income of the Company).
3. 2022 earning distribution table is proposed as follows:

Items	Amount (NT dollars)
Beginning undistributed earnings (a)	\$ 177,129,819
Add: Re-measurement of defined benefit obligation (b)	117,441,158
Add: Adjustment to undistributed earnings due to long-term investment in shares defined benefit obligation(c)	<u>440,262</u>
Adjusted beginning undistributed earnings(d)=(a+b+c)	295,011,239
Add: Net income of 2022(e)	1,223,335,594
Less: Appropriation of legal reserve (f) =(b+c+e)×10%	(134,121,701)
Add: Reversal of Special reserve(g)	<u>105,567,656</u>
Current distributable earnings (h) =(d+e-f+g)	1,489,792,788
Propose to distribute items:	
Less: Bonuses to shareholders(i)	(<u>884,215,800</u>)
Ending undistributed earnings (j)=(h-i)	<u>\$ 605,576,988</u>
Notes: Amount of current earnings distribution will be paid from 2022 net income first.	

Chairperson: Sinyi Co., Ltd.

Representative: Liu Yuan-Chih

General Manager: Chen Li-Hsin

Chief Accountant: Wu Hsiao-Jen

4. Upon ratification of this proposal at the annual meeting of shareholders, it is proposed to authorize Chairperson of the board of directors to determine ex-dividend date, distribution date and other relevant affairs. If subsequently the number of outstanding shares is affected by buyback of shares of the Company or transfer, conversion or cancellation of treasury shares, resulting in change in the ratio of distribution of cash dividend to shareholders from earnings, it is proposed to authorize Chairperson of the board of directors to adjust the ratio of distribution of dividend.
5. Submitted for acceptance.

Resolution:

Item 3

Proposed by the board of directors

Subject: To ratify the amendments to the Company's "Regulations of Governing Transactions with Group Enterprises, Specific Companies, and Related Parties"

Descriptions:

1. To adapt to legal amendments and needs of practice, the Company proposed to rename "Regulations of Governing Transactions with Group Enterprises, Specific Companies, and Related Parties" to be "Regulations of Governing Financial and Business Matters Between the Company and its Related Parties" .
2. Comparison tables of amended articles of "Regulations of Governing Financial and Business Matters Between the Company and its Related Parties" of which name is "Regulations of Governing Transactions with Group Enterprises, Specific Companies, and Related Parties" of the Company are detailed in Attachment 10 from Page 48-67 of this meeting handbook.
3. Please review.

IV. Extempore Motion

V. Adjournment

VI. Attachments

Attachment 1

Sinyi Realty Inc.

Business Report of 2022

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 people-oriented spirit, 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 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 the adverse 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, "Jiapi", which had already been sold out is scheduled to be delivered the houses by the beginning of 2025. Project "Jiapi" 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

Year		Year 2022	Year 2021
Items			
Financial income/expenditure	Operation revenue	13,724	18,792
	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 early 2024. The residential land in Nanzih District of Kaohsiung will also integrate green building and energy-saving concepts with Sinyi Development Inc'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 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.

Chairperson: Sinyi Co., Ltd.

General Manager: Chen Li-Hsin

Chief Accountant: Wu Hsiao-Jen

Representative: Liu Yuan-Chih

Attachment 2

Sinyi Realty Inc.

Audit Committee's Review Report

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, 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

Sinyi Realty Inc.

Audit Committee's communications with the chief internal auditor of 2022

Date	Mode	Issues to communicate	Comment from the independent directors
01/27/2022	Audit Committee	Report on performance in internal audit	Noted.
02/25/2022	Forum	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	Report on performance in internal audit	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 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 Audit Office stated that it would review and assist relevant units to formulate better control points or operating procedures to avoid the above situation.
		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.
03/31/2022	Audit Committee	Report on performance in internal audit	Noted.
04/28/2022	Audit Committee	Report on performance in internal audit	Noted.
05/30/2022	Audit Committee	Report on performance in internal audit	Noted.
06/13/2022	Audit Committee	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.
06/21/2022	Audit Committee	Report on performance in internal audit	Noted.
07/26/2022	Audit Committee	Report on performance in internal audit	<ol style="list-style-type: none"> 1. Committee Member Mr. Wu Chih-Wei inquired about the purpose and possible 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. 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. 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.
09/07/2022	Audit Committee	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>
09/27/2022	Audit Committee	Report on performance in internal audit	Noted.
10/26/2022	Forum	<p>1. The internal audit unit's execution of work for 2022 and the draft plan of internal audit for 2023</p> <p>2. Communication between the Audit Committee and CPA about the audit planning of 2022 financial statements.</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>
	Audit Committee	Report on performance in internal audit	Noted.
12/21/2022	Audit Committee	Report on performance in internal audit	Noted.
		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 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.
--	--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Attachment 4

Sinyi Realty Inc.
Tables of Comparison of Amended Sustainability Development
Best Practice Principles

Amended Article	Current Article	Description
<u>Article 27-1</u> <u>The Company should continue to pour resources into cultural and artistic activities or cultural and creative industries through donations, sponsorship, investment, procurement, strategic cooperation, corporate voluntary technical services, or other support models to promote cultural development.</u>	(Nil)	Revision was made in accordance with Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Sinyi Realty Inc.

Concrete promotion plans for Sustainable Development Principles programs

Topic	Target of 2023 Program
Environment	<p>1. Achieving Net Zero Emissions Goals</p> <ul style="list-style-type: none"> Greenhouse gas (Category 1+2) reduction by 4.2% Increase the proportion of renewable energy by 16% Implemented the ISO 14064-1 organizational greenhouse gas inventory and expanded the scope of the inventory to Sinyi Japan Continue to promote key suppliers' greenhouse gas inventory and reduction Promote 17 sustainable stores and demonstration sites to achieve PAS 2060 carbon neutrality <p>2. Obtain certifications and marks</p> <ul style="list-style-type: none"> Obtained various ISO certifications, including ISO 14067 Service Carbon Footprint, ISO 14046 Water Footprint, ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 46001 Water Resource Efficiency Management System Promote the Environmental Protection Agency's Green Office Label certification <p>3. Improve environmental influence</p> <ul style="list-style-type: none"> Continuous implementation of green procurement policies Respond to domestic and foreign initiatives and activities: <ul style="list-style-type: none"> -Carbon Disclosure Program (CDP) -Science Based Target initiative (SBTi) -BCSD Nature and Biodiversity Initiative Platform Continue to promote environmental education and environmental rehabilitation <ul style="list-style-type: none"> -Support for "endangered plant conservation activities" -Research on natural carbon sinks and carbon rights acquisition
Social	<p>1. Efforts to attract outstanding talents</p> <ul style="list-style-type: none"> Execute Management Associate Plan of Sinyi Shape the work brands that new generations yearn for Cultivation of key functions of colleagues and supervisors Execute the personal development plan for key talents Develop a digital learning environment Refined compensation, leave and performance system of business units <p>2. Healthy and happy workplaces</p> <ul style="list-style-type: none"> Obtain the certification of ISO45001 Occupational Safety and Health Create a high-quality work field Optimize employee opinion communication mechanism Flexible hours for work-life balance Flexible benefits that meet employee needs <p>3. Digital innovation can create service capabilities that exceed expectations</p> <ul style="list-style-type: none"> Make good use of digital tools to improve service efficiency Further application of DiNDON Smart House Appreciation, a zero-touch service Diffusion of residential life services <p>4. Combine resources to strengthen influential powers</p> <ul style="list-style-type: none"> Plan community services and carry out cross-industry cooperation in the direction of the United Nations Sustainable Development Goals Continuously promote community development program, expand exchanges among different ethnic groups Continues to assist local characteristics, industries, talent mining and resource

Topic	Target of 2023 Program
	<p>matching, so as to achieve the goal of balanced development of urban and rural areas through Taiwan Regional Revitalization Foundation</p> <ul style="list-style-type: none"> • Promote multi-flexible community volunteer services • In response to the impact of the epidemic, the Sinyi Lecture Hall resumed to physical, conveying the spirit of co-creation, co-learning, and co-benefits • In cooperation with cross-disciplinary units and the use of emerging media, jointly initiate corporate ethics issues through the combination with online and offline media through the Sinyi Cultural Foundation and the Chinese Association for Ethical Education of Enterprises <p>5.Sound supply chain management</p> <ul style="list-style-type: none"> • Obtained ISO 20400 sustainable procurement certification • Share learning resources and initiatives, and jointly commit to Sinyi Group's 2030 Net Zero Declaration with key suppliers • Strengthen the connotation of "Environmental, Social and Corporate Governance (ESG)" in the supplier selection procedures or forms, including supplier ESG risk self-assessment form, legitimate business behavior and sustainable development commitment, deepening the connotation of visits, tracking supplier social impact, jointly improve ESG sustainable performance
Governance	<p>1. Effectively perform the functions of directors</p> <ul style="list-style-type: none"> • Execute the three-year outsourcing director performance evaluation plan <p>2.Improve information transparency and disclosure</p> <ul style="list-style-type: none"> • Continue to publish various reports <p>3.Improving Due Diligence Governance</p> <ul style="list-style-type: none"> • Obtained the top 5% of the listed companies annual corporate governance evaluation in 2023 • Receive corporate governance system evaluation certification • Implementation of annual audit plan and audit of subsidiaries • Continue to optimize the information security framework <p>4.Sustainable governance culture</p> <ul style="list-style-type: none"> • Continue to issue TCFD reports and pass verification • Obtained various ISO certifications • Continue to refine and monitor the Group's major risk management

Attachment 6

Sinyi Realty Inc. Report on Operation of the Company's Board of Directors and its Functional Committees of 2022

1. The operation of the Company's Board of Directors

In Year 2022, the board of directors of the Company convened a total of Eleven (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	Representative appointed by Sinyi Co., Ltd.: 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	91%	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. Step down 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%	

2. The operation of the Company's Audit Committee

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, 8 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%	

3. The operation of the Company's Remuneration Committee

In 2022, the Remuneration Committee convened a total of 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	-	100%	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 member	Hong San-Xiong	3	-	100%	Former Member. Step down on May 19, 2022, 3 times of should be attendance.
Total		24	-	100%	

4. The operation of the Company's Nomination Committee

In 2022, the Nomination Committee convened a total of 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(Convener)	Jhan Hong-Chih	3	-	100%	Nil
Committee member	Yen Lou-Yu	3	-	100%	Nil
Committee member	Chou Chun-Chi	3	-	100%	Nil

Title	Name	Times of Attendance in Person	Times of Attendance by Proxy	Actual Attendance Ratio	Remarks
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.
Former Committee member	Hong San-Xiong	2	-	100%	Former Member. Step down on May 19, 2022, 3 times of should be attendance.
Total		15	-	100%	

Attachment 7

Sinyi Realty Inc.
2022 directors' remuneration policy, individual remuneration content and amount

Expressed in Thousands of New Taiwan Dollars

Title	Name	Remuneration for Directors								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		Remuneration Received by Concurrent Employees														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)				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	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	Share Bonus	Share Bonus	Cash Bonus	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		
Chairperson	Sinyi Co., Ltd.	-	-	-	-	2,077	2,077	-	-	2,077	0.17%	2,077	0.17%	-	-	-	-	-	-	-	-	-	-	2,077	0.17%	2,077	0.17%	Nil
	Representative of Sinyi Co., Ltd.: Liu Yuan-Chih	-	-	-	-	-	-	-	-	-	-	9,037	9,037	240	240	10	-	10	-	-	-	-	-	9,287	0.76%	9,287	0.76%	1,237
Vice Chairperson	Chou Ken-Yu	-	-	-	-	433	433	-	-	433	0.03%	4,327	4,327	108	108	10	-	10	-	-	-	-	-	4,878	0.40%	4,878	0.40%	77
Director	Chou Chun-Chi	-	-	-	-	-	-	1,691	1,691	1,691	0.14%	-	-	-	-	-	-	-	-	-	-	-	-	1,691	0.14%	1,691	0.14%	Nil
Independent Director	Jhan Hong-Chih	1,200	1,200	-	-	700	700	55	55	1,955	0.16%	-	-	-	-	-	-	-	-	-	-	-	-	1,955	0.16%	1,955	0.16%	Nil
Independent Director	Yen Lou-Yu	1,200	1,200	-	-	700	700	65	65	1,965	0.16%	-	-	-	-	-	-	-	-	-	-	-	-	1,965	0.16%	1,965	0.16%	Nil
Independent Director	Lee Yi-Li	1,200	1,200	-	-	700	700	60	60	1,960	0.16%	-	-	-	-	-	-	-	-	-	-	-	-	1,960	0.16%	1,960	0.16%	Nil
Independent Director	Wu Chih-Wei	743	743	-	-	433	433	45	45	1,221	0.10%	-	-	-	-	-	-	-	-	-	-	-	-	1,221	0.10%	1,221	0.10%	Nil
Former	Sinyi Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Nil

Chairperson	Representative of Sinyi Co., Ltd.: Hsueh Chien-Ping(Note 8)	-	-	-	-	-	-	-	-	-	-	4,944	6,247	153	153	-	-	-	-	-	-	-	-	5,097 0.41%	6,400 0.52%	763
Former Director	Sinyi Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Nil
	Representative of Sinyi Co., Ltd.: Chou Ken-Yu(Note 8)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Nil
Former Independent Director	Hong San-Xiong(Note 8)	460	460	-	-	267	267	20	20	747 0.06%	747 0.06%	-	-	-	-	-	-	-	-	-	-	-	-	747 0.06%	747 0.06%	Nil
Total		4,803	4,803	-	-	5,310	5,310	1,936	1,936	12,049 0.98%	12,049 0.98%	18,308	19,611	501	501	20	-	20	-	-	-	-	-	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. Jan 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.

Attachment 8

Sinyi Realty Inc.

The Related Party Transactions of 2022 derived from Non-operating Activities

The Company has been investing in “We are ONE” project for a long time, assisting individuals or groups who are interested in promoting community development. However, most of the community projects are to assist individual cases. Therefore, in order to develop local creation cases into a complete Taiwan creation system, the Company intends to support Taiwan Regional Revitalization Foundation to promote Taiwan's creation system for a long time. Through the spirit of people-oriented, combined with local creation and innovation, we plan to revitalize local industries, create employment and promote population return, to achieve the goal of balancing Taiwan.

On March 31, 2022, the Company's board of directors has resolved to donate NT\$5,800 thousand to Taiwan Regional Revitalization Foundation to support its work plan for 2022.

The foundation implemented a number of projects in 2022 to deepen the interaction and learning with local teams, including:

- (1) "Looking for a way to create a private school-local creation and seeing a school trip", listening to the voices of nearly 90 local creation teams.
- (2) Sharing of 1,000-minute life stories in the 17th series of podcast produced and broadcasted by "Local Voices".
- (3) Hold a series of lectures on local creation, empowerment and brain supplementation.
- (4) Hold the "Afternoon Pitch Matchmaking Fair".
- (5) The community takes root and cultivates the local creation seed plan.
- (6) Start Taiwan and Malaysia Local Creation Platform to share the experience of regional revitalization.
- (7) Publish the first "Regional Creativity Physical Examination Report" in Taiwan, which will not only be provided to people from all walks of life who are concerned about local creativity, but will also serve as the direction of the Foundation's future efforts.

Attachment 9

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Sinyi Realty Inc.

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	%
CURRENT ASSETS				
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)	<u>350,441</u>	<u>1</u>	<u>238,433</u>	<u>1</u>
Total current assets	<u>22,117,079</u>	<u>65</u>	<u>21,384,030</u>	<u>65</u>
NON-CURRENT ASSETS				
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)	<u>6,104</u>	<u>-</u>	<u>6,294</u>	<u>-</u>
Total non-current assets	<u>11,953,598</u>	<u>35</u>	<u>11,536,762</u>	<u>35</u>
TOTAL	<u>\$ 34,070,677</u>	<u>100</u>	<u>\$ 32,920,792</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
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)	<u>339,643</u>	<u>1</u>	<u>377,476</u>	<u>1</u>
Total current liabilities	<u>11,132,132</u>	<u>33</u>	<u>8,532,006</u>	<u>26</u>
NON-CURRENT LIABILITIES				
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)	<u>1,167,818</u>	<u>3</u>	<u>1,304,907</u>	<u>4</u>
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>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)				
Ordinary shares	<u>7,368,465</u>	<u>22</u>	<u>7,368,465</u>	<u>22</u>
Capital surplus	<u>63,790</u>	<u>-</u>	<u>63,896</u>	<u>-</u>
Retained earnings				
Legal reserve	2,762,813	8	2,518,043	8
Special reserve	1,061,567	3	772,692	2
Unappropriated earnings	<u>1,518,347</u>	<u>5</u>	<u>2,773,945</u>	<u>9</u>
Total retained earnings	<u>5,342,727</u>	<u>16</u>	<u>6,064,680</u>	<u>19</u>
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	<u>41,562</u>	<u>-</u>	<u>240,603</u>	<u>1</u>
Total other equity	<u>(955,999)</u>	<u>(3)</u>	<u>(1,061,567)</u>	<u>(3)</u>
Total equity attributable to owners of the Company	11,818,983	35	12,435,474	38
NON-CONTROLLING INTERESTS (Note 24)	<u>126,497</u>	<u>-</u>	<u>130,243</u>	<u>-</u>
Total equity	<u>11,945,480</u>	<u>35</u>	<u>12,565,717</u>	<u>38</u>
TOTAL	<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	304,605	2	(236,485)	(1)
Other comprehensive income (loss) for the year, net of income tax	224,453	2	(191,736)	(1)
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	12,872	-	20,518	-
	<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	13,876	-	19,801	-
	<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									
						Other Equity		Total	Non-controlling Interests	Total Equity
						Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Investments in Equity Instruments at Fair Value through Other Comprehensive Income			
	Share Capital		Retained Earnings							
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings					
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										
Legal reserve	-	-	172,251	-	(172,251)	-	-	-	-	-
Special reserve	-	-	-	185,377	(185,377)	-	-	-	-	-
Cash dividends	-	-	-	-	(1,252,639)	-	-	(1,252,639)	-	(1,252,639)
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										
Legal reserve	-	-	244,770	-	(244,770)	-	-	-	-	-
Special reserve	-	-	-	288,875	(288,875)	-	-	-	-	-
Cash dividends	-	-	-	-	(2,063,170)	-	-	(2,063,170)	-	(2,063,170)
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
CASH FLOWS FROM OPERATING ACTIVITIES		
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	(457,749)	7,032,338
CASH FLOWS FROM INVESTING ACTIVITIES		
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>
CASH FLOWS FROM FINANCING ACTIVITIES		
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>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>133,629</u>	<u>(27,441)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,236,333)	3,163,099
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>9,546,619</u>	<u>6,383,520</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 8,310,286</u>	<u>\$ 9,546,619</u>

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

(Concluded)

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)

	2022		2021	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
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	3,292,326	12	2,388,866	9
NON-CURRENT ASSETS				
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	24,837,995	88	24,236,174	91
TOTAL	\$ 28,130,321	100	\$ 26,625,040	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
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	7,953,737	28	4,543,390	17
NON-CURRENT LIABILITIES				
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	8,357,601	30	9,646,176	36
Total liabilities	16,311,338	58	14,189,566	53
EQUITY (Note 21)				
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	5,342,727	19	6,064,680	23
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	(955,999)	(3)	(1,061,567)	(4)
Total equity	11,818,983	42	12,435,474	47
TOTAL	\$ 28,130,321	100	\$ 26,625,040	100

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	%
OTHER COMPREHENSIVE INCOME (LOSS)				
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>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 1,446,785</u>	<u>14</u>	<u>\$ 2,158,822</u>	<u>16</u>
EARNINGS PER SHARE (Note 25)				
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)

			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	Total Equity
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								
Legal reserve	-	-	172,251	-	(172,251)	-	-	-
Special reserve	-	-	-	185,377	(185,377)	-	-	-
Cash dividends	-	-	-	-	(1,252,639)	-	-	(1,252,639)
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	(191,019)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	2,335,492	(236,485)	59,815	2,158,822
Disposal of the equity instruments 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
Appropriation of 2021 earnings								
Legal reserve	-	-	244,770	-	(244,770)	-	-	-
Special reserve	-	-	-	288,875	(288,875)	-	-	-
Cash dividends	-	-	-	-	(2,063,170)	-	-	(2,063,170)
Different between acquisition price and carrying amount arising from acquisition of subsidiaries	-	(106)	-	-	-	-	-	(106)
Net profit for the year ended December 31, 2022	-	-	-	-	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)	223,449
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	1,341,217	304,609	(199,041)	1,446,785
BALANCE AT DECEMBER 31, 2022	<u>\$ 7,368,465</u>	<u>\$ 63,790</u>	<u>\$ 2,762,813</u>	<u>\$ 1,061,567</u>	<u>\$ 1,518,347</u>	<u>\$ (997,561)</u>	<u>\$ 41,562</u>	<u>\$ 11,818,983</u>

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
CASH FLOWS FROM OPERATING ACTIVITIES		
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	815,771	4,068,638
CASH FLOWS FROM INVESTING ACTIVITIES		
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>
CASH FLOWS FROM FINANCING ACTIVITIES		
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)

Attachment 10

Sinyi Realty Inc.

Regulations of Governing Transactions with Group Enterprises, Specific Parties and Related Parties

Comparison Table of Amendments

Amended Name	Original Name	Description of amendment
<u>Regulations of Governing Financial and Business Matters Between the Company and its Related Parties</u>	<u>Regulations of Governing Transactions with Group Enterprises, Specific Parties and Related Parties</u>	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
Article 1 <u>To ensure sound financial and business interactions between this Corporation and its affiliated enterprises and to prevent non arm's-length transactions and improper channeling of interests with respect to the purchase and sale of goods, the acquisition and disposal of assets, the provision of endorsements and guarantees, and loans of funds between this Corporation and its affiliated enterprises, these Rules are adopted pursuant to Article 17 of the Company's Corporate Governance Principles.</u>	Article 1 <u>To assure the ligality and properness of transactions with group enterprises, specific companies and related parties, the Company hereby formulates these Rules in accordance with the Company Act, Statements of Financial Accounting Standards, and relevent regulations of securities competent authority.</u>	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
Article 2 <u>Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, financial and business matters between the Company and any of its related parties shall be handled in accordance with the provisions of these Regulations.</u>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
(Delete)	Article 2 <u>A company under any of the</u>	Revision in accordance with the

Amended articles	Original articles	Description of amendment
	<p><u>following circumstances shall be deemed as a group enterprise of the Company:</u></p> <p><u>I. Having the relation of parent company, subsidiary and affiliated company.</u></p> <p><u>II. If the Company and its related party hold a majority of outstanding voting shares of another company, then such other company and the Company are of group enterprises.</u></p> <p><u>III. If an investor company, which values the Company by equity method, and related party of such investor company aggregately holds a majority of outstanding voting shares of the Company, then such investor company and the Company are of group enterprises.</u></p> <p><u>IV. A person who holds a majority of outstanding voting shares or capital amount of the Company and other company is the same shareholder.</u></p> <p><u>V. If a majority of total number of directors, supervisors, and general managers of the Company and other company are same, then such other company and the Company are of group enterprises. Its calculation includes spouse, children and relatives within the second degree of kinship of such persons.</u></p>	<p>amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.</p>
(Delete)	<p><u>Article 3</u></p> <p><u>A company under any of the following circumstances shall be deemed as a specific company of the Company:</u></p> <p><u>I. Holding more than twenty percent (inclusive) but less than fifty percent of total outstanding shares of the Company.</u></p> <p><u>II. Such company and its directors, supervisors and shareholders</u></p>	<p>Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.</p>

Amended articles	Original articles	Description of amendment
	<p><u>holding more than ten percent of total shares aggregately hold more than thirty percent (inclusive) of total outstanding shares of the applicant company, and two parties have records of financial or business transactions. Shares held by the above said persons include those held by their spouses, minor children, and in the name of others.</u></p> <p><u>III. More than thirty percent (inclusive) of sale revenues of the Company are come from such company and its affiliated companies.</u></p>	
<p><u>Article 3</u> Related parties used in these Rules are determined in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers”. <u>The term "affiliated enterprise" as used herein means an enterprise that, in accordance with Article 369-1 of the Company Act, exists independently and has either of the following relationships with this Corporation:</u></p> <p><u>I. A relationship of control or subordination.</u></p> <p><u>II. A relationship of mutual investment. In determining whether a relationship of control or subordination under the preceding subparagraph exists, the substance of the relationship shall be considered in addition to the legal form.</u></p>	<p><u>Article 4</u> Related parties used in these Rules are determined in accordance with <u>the Company Act</u>, “Regulations Governing the Preparation of Financial Reports by Securities Issuers” <u>and generally accepted accounting principles.</u></p>	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
<p><u>Article 4</u> <u>The Company shall establish an effective internal control system in regard to its own and its related parties (including affiliated enterprises) overall operational activities, and shall continue to review the system in order to adapt to changes in the internal and external environment and ensure that the</u></p>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>system's design and operation remain effective.</u></p> <p><u>The Company shall ensure that any subsidiary develops an effective internal control system, taking into account the laws and regulations of the jurisdiction in which the subsidiary is located and the nature of its operations. For any related parties that is not a public company, the Company shall still, in consideration of the degree of influence it has on the Company's business and finances, require that it develop effective systems for internal control and for managing financial, business, and accounting matters.</u></p>		
<p>Article 5</p> <p><u>In addition to implementing the adopted internal control system, the Company shall pay close attention to the following matters when exercising supervision over the operation and management of its affiliated enterprises:</u></p> <p>I. <u>The Company shall obtain an appropriate number of director and supervisor seats in the affiliated enterprise in accordance with the percentage of the shares it holds.</u></p> <p>II. <u>A director that the Company assigns to an affiliated enterprise shall regularly attend the affiliate's board meetings, and in order to monitor its operation, shall carefully review its corporate objectives and strategy, financial position, business performance, cash flows, and important contracts, as reported by the various members of the affiliate enterprise's management. The director assigned to the affiliated enterprise shall ascertain the cause of any irregularity found, compile a record, and report the matter to the chairperson or general</u></p>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>manager of the Company.</u></p> <p>III. <u>A supervisor assigned to an affiliated enterprise by the Company shall supervise the affiliate's business operations, investigate its financial and business conditions, and review its books, records and audit reports, and may also request reports from the affiliate's board of directors or managerial officers. For any irregularity that may be found, the supervisor assigned to the affiliate shall ascertain the cause, compile a record, and report to the chairperson or general manager of the Company.</u></p> <p>IV. <u>The Company shall assign competent personnel to assume important positions at its affiliated enterprise, such general manager, financial officer, or internal audit officer, in order to assume the duties and responsibilities of management, decision-making, and supervision and evaluation.</u></p> <p>V. <u>The Company, in consideration of the type of business, scale of operations, and number of personnel of a subsidiary, shall instruct the subsidiary in the procedures and methods for establishing an internal audit unit and adopting internal control system self-inspection operations.</u></p> <p>VI. <u>In addition to reviewing the audit reports or self-inspection reports submitted by each subsidiary, the internal audit personnel of the Company must also carry out audits of the subsidiaries on a scheduled or unscheduled basis. After audit findings and recommendations have been presented, they shall instruct the audited subsidiaries to make any necessary corrections, and shall</u></p>		

Amended articles	Original articles	Description of amendment
<p><u>prepare follow-up reports on a regular basis to ensure that the subsidiaries have taken appropriate corrective measures in a timely manner.</u></p> <p><u>VII. Subsidiaries of the Company shall regularly submit monthly financial statements for the preceding month, including balance sheets, income statements, statements of expenses, statements of cash flow and cash flow forecasts, accounts receivable aging schedules and statements of delinquent accounts receivable, aging inventory analyses, and statements of loans to others and endorsements/guarantees. In the event of irregularities, analysis reports shall also be submitted to allow management and control by the Company. Other affiliated enterprises shall also regularly submit financial statements for the preceding quarter, including balance sheets and income statements, for analysis and review by the Company.</u></p>		
(Delete)	<p><u>Article 5</u> <u>Transactions used in these Rules refer to transfers of resources or obligations between the Company and group enterprises, specific companies or related parties whether or not considerations are paid therefore. Scope of transactions includes following:</u> <u>I. Fund Lending</u> <u>II. Endorsement/guarantee</u> <u>III. Asset transaction</u> <u>IV. Service transaction</u> <u>V. Leasehold transaction</u> <u>VI. Other transaction (expenditure of donation etc.)</u></p>	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
<p><u>Article 6</u> <u>A managerial officer of the Company may not concurrently serve as a managerial officer of any affiliated</u></p>	(Nil)	Revision in accordance with the amended Regulations of

Amended articles	Original articles	Description of amendment
<u>enterprise of the Company, and shall not operate the same type of business as the Company, either on the officer's own behalf or with another party, unless otherwise approved by a resolution of the board of directors. The division of powers and responsibilities between the Company and its affiliated enterprises with respect to personnel management shall be clearly identified, and personnel transfers between the two shall be avoided. However, where personnel support or transfer is indeed necessary, the scope of work, division of powers and responsibilities, and allocation of costs shall be specified in advance.</u>		Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
<u>Article 7</u> <u>The Company shall establish an effective system of communication with each affiliated enterprise with respect to financial and business matters, and to mitigate credit risks, shall regularly conduct comprehensive risk assessments of their banks, principal clients, and suppliers. With respect to an affiliated enterprise with which it has financial and business interactions, the Company shall especially maintain close control over material financial and business items for the purpose of risk management.</u>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
<u>Article 8</u> <u>Any loans or endorsements/guarantees between the Company and related parties shall be carefully assessed and carried out in compliance with the provisions of the Regulations Governing Lending of Funds and Making of Endorsements/Guarantees by Public Companies and with the procedures prescribed by the Company regarding loans to others and provision of endorsements/guarantees.</u> <u>With respect to the provision of loans, endorsements, or guarantees between</u>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>the Company and related parties, the matters set out below shall be closely reviewed, and results of the assessment submitted to the board of directors. Any loan of funds shall be made only by a resolution of the board of directors, and no other party may be authorized to decide on the matter. The board of directors, in accordance with the preceding paragraph, may authorize the chairperson to provide an endorsement or guarantee within a specific limit, provided it is subsequently submitted to and ratified by the next board meeting:</u></p> <p><u>I. The necessity and the reasonableness of the loan or the endorsement or guarantee. When funds are loaned or an endorsement or guarantee is made because of business dealings, an assessment shall be made of whether the amount of the loan or amount of the endorsement or guarantee is commensurate with the total amount of the business involved. When short-term financing is needed, the reasons for and the circumstances surrounding the loan shall be set out.</u></p> <p><u>II. A credit check and a risk assessment of the counterparty requesting the loan or the endorsement or guarantee.</u></p> <p><u>III. The effects on the Company's operational risk and financial position and the rights and interests of its shareholders.</u></p> <p><u>IV. Whether collateral must be obtained, and an appraisal of its value.</u></p> <p><u>Any endorsement or guarantee provided pursuant to Article 5, paragraph 2 of the Regulations Governing Lending of Funds and Making of Endorsements/Guarantees by any subsidiaries of the Company shall first be submitted for a resolution</u></p>		

Amended articles	Original articles	Description of amendment
<p><u>by the board of directors of the Company.</u></p> <p><u>Any proposed loan between the Company and its parent or a subsidiary, or between its subsidiaries, shall be submitted for a resolution by the board of directors. The chairperson may also be authorized, with respect to a specific borrowing counterparty, and within a limit resolved by the board of directors and a period not to exceed 1 year, to provide an accreting loan or to make available a revolving line of credit.</u></p> <p><u>The board of directors shall give full consideration to each independent director's opinion with respect to loans, endorsements, or guarantees between the Company and any of its related parties. Specific opinions by independent directors expressing assent or dissent, and the reasons for dissent, shall be included in the minutes of board meetings.</u></p> <p><u>When a loan of funds for short-term financing is necessary between any two foreign companies in which the Company directly or indirectly holds 100 percent of the voting shares, the loan amount is not subject to the restriction of 40 percent of the net worth of the company making the loan. The amount of an endorsement or guarantee between two companies in which the Company directly or indirectly holds 90 percent or more of the voting shares may not exceed 10 percent of the Company's net worth, except for endorsements or guarantees between two companies in which the Company directly or indirectly holds 100 percent of the voting shares.</u></p> <p><u>The Company shall properly implement subsequent control measures with respect to loans or endorsements or guarantees. When there is a likelihood of overdue claims or the occurrence of loss, the</u></p>		

Amended articles	Original articles	Description of amendment
<p><u>Company shall adopt appropriate conservatory measures to safeguard its rights and interests.</u></p>		
<p><u>Article 9</u> Price terms and payment methods shall be expressly stipulated for any business interaction between the Company and any related party. The purpose, pricing, and terms of a transaction, and its formal and substantive nature and the related handling procedures, shall not differ markedly from those of a normal transaction with a non-related party, nor may they be obviously unreasonable.</p> <p><u>When the Company need to purchase from a related party, purchasing personnel shall thoroughly evaluate the reasonableness of the price quoted by the affiliated enterprise based on market prices and other transaction terms and conditions. Except in special circumstances, or given advantageous conditions that differ from those of ordinary suppliers, under which the granting of preferential pricing or terms of payment can be reasonably stipulated, any other prices and payment terms shall be commensurate with those offered to ordinary suppliers.</u></p> <p><u>Price quotes for the sale to a related party shall be made with reference to current market prices. Except in cases of long-term cooperation or other special factors that are different from ordinary clients, under which reasonable stipulations may be made to grant preferential pricing or terms of payment, any other prices and payment terms shall be commensurate with those offered to ordinary clients.</u></p> <p><u>For professional or technical services provided between the Company and an related party , both parties shall enter into a contract stipulating the scope of the services, fees charged,</u></p>	<p><u>Article 6</u> Price terms and payment methods shall be expressly stipulated for any business interaction between the Company and any related party. The purpose, pricing, and terms of a transaction, and its formal and substantive nature and the related handling procedures, shall not differ markedly from those of a normal transaction with a non-related party, nor may they be obviously unreasonable. <u>If their contents or conditions are inconsistent with general commercial practice in arm length transaction, the unit in charge shall report the same to the chairman for decision.</u></p> <p><u>Fund lending, endorsment & guarantee, and its asset or share investment transactions with respect to group enterprises, specific companies and related parties shall be processed in accordance with relvant “Operational Procedures for Lending Funds to Others”, “Procedures for Endorsement & Guarantee”, and “Procedures for Acquisition or Disposal of Assets” of the Company.</u></p>	<p>Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.</p>

Amended articles	Original articles	Description of amendment
<p><u>time period, payment terms, and after-sales service. The contract shall be implemented after approval by the general manager or the chairperson of the Company, and all contract terms and conditions shall comply with normal business practice.</u></p> <p><u>By the end of each month, the accounting personnel of both the Company and its related parties shall perform cross checks of the purchases and sales of goods between them for the preceding month and the related balances of accounts payable and receivable. If any discrepancies are found, accounting personnel shall identify the cause and prepare a reconciliation statement.</u></p>		
<p><u>Article 9-1</u></p> <p><u>If the Company purchases and sells goods, conducts labor services or technical service transactions from related parties, and the transaction amount is expected to reach 5% of the Company's latest consolidated total assets or net consolidated operating income in the latest year, in addition to the applicable provisions of the standards for the treatment of assets acquired or disposed of by a publicly offered company, or a transaction between the Company and the parent company, subsidiaries or subsidiaries, the following information shall be submitted to the board of directors for approval before the transaction may be made:</u></p> <p>I. <u>The project, purpose, necessity and expected benefits of the transaction.</u></p> <p>II. <u>The reason for selecting the related party as the transaction counterparty.</u></p> <p>III. <u>The principle of calculating the transaction price and the upper limit of the estimated transaction amount for the whole year.</u></p> <p>IV. <u>An explanation of whether the</u></p>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>trading conditions comply with normal commercial terms and do not harm the interests of the Company and shareholders.</u></p> <p>V. <u>Restrictions on transactions and other important matters.</u></p> <p><u>For transactions with related parties in the preceding paragraph, the following matters shall be submitted to report to the latest shareholders' meeting after the end of the year:</u></p> <p>I. <u>Actual transaction amount and terms.</u></p> <p>II. <u>Whether it is handled in accordance with the principle of calculation of the transaction price approved by the board of directors.</u></p> <p>III. <u>Whether the maximum transaction amount for the whole year approved by the board of directors has not been exceeded. If the maximum transaction amount has been exceeded, the reason, necessity and reasonableness should be stated.</u></p>		
(Delete)	<p>Article 7</p> <p><u>The Company's financial department shall establish a name list of group enterprises, specific companies, and related parties, and shall periodically evaluate whether the status of increase or decrease occurs. The management of accounts receivable and payable due to transactions with related parties shall be subject to requirements of relevant internal control operation, including cross-check of balance of accounts receivable and payable. If any difference is found, its reason should be understood and the reconciliation shall be made. "Matters affect stock price and shareholders' equity" of transactions with related parties shall be published and reported in accordance with requirements of competent authority. Significant transactions shall be properly</u></p>	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
	<u>disclosed in accordance with requirements of financial accounting standards.</u>	
(Delete)	<p><u>Article 8</u> <u>In preparing financial reports, for matters to be disclosed under the preceding article, the Company shall separately state the transaction amount or balance of each related party, which is more than ten percent of total transaction amount or balance of such transaction of the Company in that period, and may sum up the remainder.</u></p>	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.
<p><u>Article 10</u> <u>Any asset transaction, derivative trading, merger, demerger, acquisition, or share transfer between the Company and an related party shall be conducted in accordance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies and the procedures for acquisition and disposal of assets prescribed by the Company.</u></p> <p><u>When the Company makes an acquisition of securities from or a disposition of securities to an related party, or an acquisition from an unaffiliated enterprise of securities whose underlying is the stock of an affiliated enterprise, it shall first obtain the financial statements of the issuing company for the most recent period, audited and attested or reviewed by a certified public accountant (CPA), for reference in appraising the transaction price. If the amount of the transaction is 20 percent or more of the Company's paid-in capital, 10 percent of its total assets, or NT\$300 million or more, it shall also request a CPA to provide an opinion on the reasonableness of the transaction price, except for securities having a public quotation for active markets or are otherwise stipulated by the Financial Supervisory</u></p>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>Commission.</u></p> <p><u>When the Company engages in the acquisition of memberships or intangible assets from or their disposition to any of its affiliated enterprises, if the amount of the transaction is 20 percent or more of the Company's paid-in capital, 10 percent of its total assets, or NT\$300 million or more, it shall request a CPA to provide an opinion on the reasonableness of the transaction price.</u></p>		
<p>Article 11</p> <p><u>When the Company intends to conduct any acquisition or disposal of real property from or to any of its related parties, or to conduct an acquisition or disposal of assets other than real property from or to any of its related parties in which the transaction amount is furthermore 20 percent or more of the Company's paid-in capital, 10 percent of its total assets, or NT\$300 million or more, with the exception of the purchase or sale of government bonds, repo or reverse repo bond transactions, or subscription to or redemption of domestic money market funds, it shall have the following matters approved by the board of directors and recognized by the Audit Committee before it may enter into a contract for the transaction and pay the required monies:</u></p> <p>I. <u>An appraisal issued by a professional appraiser as required by regulations, or a CPA opinion.</u></p> <p>II. <u>The purpose, necessity, and projected benefits of the acquisition or disposal of real property.</u></p> <p>III. <u>The reason for choosing the related party as a trading counterparty.</u></p> <p>IV. <u>Information relating to appraisal of the reasonableness of the preliminary transaction terms</u></p>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>when acquiring real property from a related party pursuant with Article 16 and 17 of Regulations Governing the Acquisition and Disposal of Assets by Public Companies issued by Financial Supervisory Commission.</u></p> <p>V. <u>The date and price at which the real property was originally acquired by the related party, the trading counterparty, and the trading counterparty's relationship with the Company and its related party.</u></p> <p>VI. <u>Monthly cash flow forecasts for a full year commencing from the scheduled month of contract signing, and an evaluation of the necessity of the transaction and the reasonableness of the utilization of funding.</u></p> <p>VII. <u>Any restrictions on the transaction and other important stipulations.</u></p> <p>VIII. <u>An opinion issued by a CPA engaged to review whether the transaction with the related party conforms to ordinary commercial terms and whether it is not damaging to the interests of the Company and its minority shareholders.</u></p> <p><u>When the amount of the transaction under the preceding paragraph is 20 percent or more of the Company's paid-in capital, 10 percent of its total assets, or NT\$300 million or more, the Company shall obtain an appraisal report issued by a professional appraiser. If the discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount, the Company shall additionally request a CPA to provide a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price, and it shall be approved by a</u></p>		

Amended articles	Original articles	Description of amendment
<p><u>majority of the directors in attendance at a board of directors meeting attended by two-thirds or more of the directors.</u></p> <p><u>In an acquisition of real property or right-of use assets from a related party, if the actual transaction price is higher than the appraised transaction cost, and no objective evidence can be presented and no concrete opinion that the transaction is reasonable can be obtained from a professional appraiser and a CPA, the board of directors shall thoroughly review the transaction and determine whether it may prejudice the rights and interests of the Company and its shareholders, and when necessary, shall refuse to enter into the transaction. The Audit Committee shall also exercise their supervisory powers in respect of such a transaction, and when necessary shall notify the board of directors to stop the transaction.</u></p> <p><u>When a transaction as described under the preceding paragraph has been approved by the board of directors and recognized by the Audit Committee, the Company shall set aside a special reserve against the difference between the transaction price and the appraised cost, and may not distribute the difference or use it for capital increase or for issuance of bonus shares. In addition, the Company shall report the handling of the above transaction to the shareholders meeting and shall disclose the details of the transaction in the annual report and any prospectus.</u></p> <p><u>In the following cases of a related party transaction, after the board of directors approves it, the information in paragraph 1 shall still be submitted to the shareholders' meeting for resolution, and shareholders with their own interests shall not participate in the</u></p>		

Amended articles	Original articles	Description of amendment
<p><u>voting:</u></p> <p>I. <u>The Company or a subsidiary of the Company that is not a domestic public offering has the transaction mentioned in the first paragraph, and the transaction amount reaches more than 10% of the total assets of the Company.</u></p> <p>II. <u>According to the provisions of the Company Law, the articles of association of the Company or internal operating procedures, the transaction amount and conditions have a significant impact on the Company's operation or shareholders' rights.</u></p> <p><u>If the Company and related parties have the transaction mentioned in the first paragraph, the actual transaction (including the actual transaction amount, transaction terms and information in first Paragraph) shall be submitted to the latest shareholders' meeting report after the end of the year.</u></p> <p><u>The Company shall, in accordance with the provisions of this article, obtain the consent of more than one-half of all members of the Audit Committee and submit a resolution of the board of directors to apply the provisions of paragraph 4 and 5 of Article 6 of the Regulations Governing the Acquisition and Disposal of Assets by a Public Company.</u></p>		
<p><u>Article 12</u></p> <p>With respect to any financial or business interaction between the Company and any related party that requires a resolution of the board of directors, full consideration shall be given to each independent director's opinion. Specific opinions by independent directors expressing assent or dissent, and the reasons for dissent, shall be included in the</p>	<p><u>Article 9</u></p> <p>With respect to any financial or business interaction between the Company and any related party that requires a resolution of the board of directors, full consideration shall be given to each independent director's opinion. Specific opinions by independent directors expressing assent or dissent, and the reasons for dissent, shall be included in the</p>	<p>Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.</p>

Amended articles	Original articles	Description of amendment
<p>minutes of board meetings.</p> <p><u>When a director is an interested party with respect to a particular agenda item, that director shall enter into recusal and may neither vote on that item nor exercise voting rights as proxy for another director. Directors shall maintain self-discipline among themselves and may not enter into relationships of inappropriate mutual support with other directors. A director's spouse, second relative or other internal blood relative, or a company with which the director has a controlling subordinate relationship, shall be deemed to have an interest in the matter of the preceding meeting.</u></p> <p><u>Upon discovering that, in the course of their duties, the board of directors or a director has committed a violation of law or regulation, the articles of incorporation, or a shareholders meeting resolution, an independent director shall immediately notify the board of directors or the individual director to cease the misconduct, and shall take appropriate measures to curb expansion of the misconduct. When necessary, an independent director shall also file a report with the relevant regulatory authority or agency.</u></p>	<p>minutes of board meetings.</p> <p><u>In performing its duties, if the audit committee of the Company finds any abnormality of transactions with related parties, it may request the board of director for explanation, and report its audit results to the shareholders' meeting for process.</u></p>	
<p>Article 13</p> <p><u>The Company, in compliance with the requirements of laws and regulations regarding matters that must be publicly disclosed or filed and the deadlines for so doing, shall make timely arrangements for the provision by each subsidiary of required financial and business information, or to retain CPAs to audit or review the financial reports of each subsidiary.</u></p> <p><u>The Company shall publicly disclose the consolidated balance sheets, consolidated statements of comprehensive income, and CPA review reports covering affiliated</u></p>	(Nil)	<p>Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.</p>

Amended articles	Original articles	Description of amendment
<p><u>enterprises by the deadlines for the filing of the annual financial reports under applicable laws and regulations. Information on any increase, decrease, or other change in affiliated enterprises shall be filed with the TWSE within 2 days of the change.</u></p> <p><u>Information on any material transaction between the Company and a related party shall be fully disclosed in the annual report, financial statements, the three reporting forms for affiliated enterprises, and prospectuses.</u></p> <p><u>If a related party experiences financial difficulties, the Company shall obtain its financial statements and related materials in order to assess the resulting effect on the finances, business, or operations of the Company, and when necessary, appropriate conservatory measures shall be adopted to safeguard the Company's rights as a creditor. Under the above circumstances, in addition to specifying the resulting effect on the Company's financial position in its annual report and prospectus, the Company shall also make a timely announcement of material information on the Market Observation Post System (MOPS).</u></p>		
<p>Article 14 <u>When any of the following circumstances applies to a related party, the Company shall make a public disclosure and regulatory filing on its behalf:</u></p> <p>I. <u>For a subsidiary whose shares have not been publicly issued domestically, the dollar amount of the subsidiary's acquisition or disposal of assets, endorsements or guarantees for others, and loans of funds to others meets the criteria for public disclosure and regulatory filing.</u></p> <p>II. <u>The parent or the subsidiary undergoes bankruptcy or</u></p>	(Nil)	Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.

Amended articles	Original articles	Description of amendment
<p><u>reorganization proceedings pursuant to applicable laws and regulations.</u></p> <p>III. <u>A major policy is adopted by resolution of the affiliated enterprise's board of directors that has a material effect on the rights and interests of the shareholders or the securities prices of the Company.</u></p> <p>IV. <u>Any matter regarding a subsidiary or the unlisted (neither TWSE nor GTSM listed) parent of the Company constitutes material information required to be announced under the provisions of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities and of the GreTai Securities Market Procedures for Verification and Disclosure of Material Information of Companies with GTSM Listed Securities.</u></p>		
<p><u>Article 15</u> These Regulations shall be implemented after being adopted by the board of directors. The same procedure shall apply to amendment thereto.</p>	<p><u>Article 10</u> These Regulations shall be implemented after being adopted by the board of directors <u>and futher recognized by the sharheolders' meeting.</u> The same procedure shall apply to amendment thereto.</p>	<p>Revision in accordance with the amended Regulations of Governing Financial and Business Matters Between the Company and its Related Parties issued by TWSE.</p>

VII. Appendix

Appendix 1

Sinyi Realty Inc. Articles of Incorporation

Section I - General Provisions

- Article 1 The Corporation shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 信義房屋股份有限公司 in the Chinese language, and Sinyi Realty Inc. (hereinafter, the “Company”) in the English language.
- Article 2 The scope of business of the Company shall be as follows:
1. H701010 Residence and Buildings Lease Construction and Development
 2. H701020 Industrial Factory Buildings Lease Construction and Development
 3. H704031 Real Estate Agencies
 4. H704041 Real Estate Agency Operation
 5. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Company may provide endorsement and guarantee and act as a guarantor. The Company also may invest in other companies. The total amount of the Company’s investment in other companies may be more than forty percent of the Company’s paid-up capital.
- Article 3 The Company is headquartered in Taipei and if necessary, may set up branch offices at home and abroad as resolved by the Company’s board of directors.
- Article 4 (Deleted)

Section II - Capital Stock

- Article 5 The total capital stock of the Company shall be in the amount of 10,000,000,000 New Taiwan Dollars, divided into 100,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments conducted by the Company’s board of directors.
- A total amount of 150,000,000 New Taiwan Dollars, divided into 15,000,000 shares at ten New Taiwan Dollars each, among the total capital stock in the preceding paragraph should be reserved for issuing of employee stock options in installment pursuant to the resolution of board of directors.
- In the event that the Company becomes duly entitled to purchase back its own shares, the board of directors is authorized to do so in accordance with laws and regulations.

Article 6 (Deleted)

Article 7 The share certificates of the Company shall in principle without exception be in registered form, attached with serial numbers, signed by, or affixed with the seals of, at least three directors, and authenticated by the competent governmental authority or a registration institution authorized thereby before issuance. Shares issued by the Company need not be in certificate form, but shall be registered with a securities depository enterprise.

Article 8 The shareholders' register shall be suspended for 60 days prior to an ordinary shareholders meeting, or for 30 days prior to an extraordinary shareholders meeting, or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Section III SHAREHOLDERS' MEETING

Article 9 The Company's shareholders' meeting shall be of two types, ordinary shareholders' meeting and extraordinary shareholders' meeting. Ordinary shareholders' meeting shall be convened at least once a year, and shall be convened within six months after close of each fiscal year. Extraordinary shareholders' meeting shall be convened when necessary in accordance with the relevant laws and regulations.

Article 9-1 The shareholders' meeting may be held by video conference or other methods announced by the central competent authority. The requirements, operating procedures, and other matters to be complied with for the adoption of video shareholders' meetings shall be governed by the regulations of the competent authority if otherwise stipulated.

Article 10 When a shareholder for any reasons cannot attend the shareholders' meeting in person, he/she/it may attend the meeting by appoint one proxy by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy and sealed.

Article 11 Except in the circumstances set forth in the relevant laws and regulations where there is no voting right for a share, each shareholder of the Company shall have one vote for each share held.

Article 12 Unless otherwise provided by the Company Act, a resolution of the shareholders meeting shall be adopted by consent of a majority of the votes represented by those in attendance at a meeting attended, in person or by proxy, by shareholders who represent a majority of the total issued shares.

Section IV –Board of Directors

Article 13 The Company shall have seven to eleven directors to be elected by the shareholders meeting from among candidates with legal capacity. The term of office is three years, and they may continue in office if re-elected.

The election of directors shall adopt candidate nomination system. The shareholders shall elect the directors from the list of the nominated candidates

Article 13-1 The Company shall have three to four independent directors within the number of directors. The professional qualifications, shareholdings, restrictions on concurrent position, nomination, and other compliance matters shall be handled in accordance with relevant regulations of the securities authorities.

Article 14 The board of directors is composed of the directors of the Company and the chairperson of the board of directors shall be elected from among the directors by a majority of directors in attendance at a meeting attended by at least two-thirds of the directors. The chairperson of the board of directors shall represent the Company in external matters.

Directors shall attend meetings of the board of directors in person. In the event that a board meeting is held through video conference, a director who participates in the meeting by means of video system shall be deemed to have attended in person. If a director is unavailable to attend a meeting in person, the director may issue a power of attorney for the given meeting specifying the scope of the authorized powers to authorize another director to attend the meeting on the director's behalf, provided that a director may represent only one other director at a meeting.

Article 14-1 The Company may establish functional committees of board of directors such as Audit Committee and Compensation Committee. The Audit Committee shall consist of all independent directors.

The Audit Committee or the members of Audit Committee in the preceding paragraph shall be responsible for those responsibilities of Supervisors specified under the ROC Company Law, Securities and Exchange Law and other relevant regulations.

Article 14-2 Each director shall be given at least 7 days advance notice of the convening of a board of directors meeting of the Company. In emergency circumstances, however, a meeting may be called on shorter notice.

The meeting notice shall specify the reasons for convening the meeting, and shall be made in writing, by e-mail, or by facsimile.

In addition to the relevant laws and the Company's Articles of Incorporation, the Company shall establish the rules and procedures of the board of directors' meeting.

Article 15 If the chairperson of the board of directors is on leave or cannot exercise powers or perform duties for any reason, an acting chairperson shall be designated in accordance with Article 208 of the Company Act.

Article 16 The Board of Directors is authorized to determine the compensation for the independent directors, taking into account the extent and value of the services provided for the management of the Company and the standards of other listed companies.

Section V -Managers

Article 17 The Company may have various managers. The appointment, discharge and the remuneration of the managers shall be handled in accordance with Article 29 of the Company Act.

The titles and scope of responsibility of managers in the preceding paragraph is resolved by the Company's board of directors.

Section VI -Accounting

Article 18 At the end of each fiscal year, the board of directors shall prepare the following documents and submitted to the shareholders' meeting for approval:

1. Business report;
2. Financial report;
3. Proposal for allocating profit or covering loss.

Article 19 (Deleted)

Article 20 When it is determined that the Company has profit for a fiscal year, At least 1% of the profit exclusive of employees' and directors' remunerations shall be employees' remunerations which shall be resolved by the Company's board of directors for the amount by means of new share issuance or cash. in of amount shall be allocated as employee bonus. The employees to receive the remuneration may include employees serving with affiliates who meet specific requirements. Such specific requirements shall be prescribed by the board of directors. Not more than 1% of the profit exclusive of employees' and directors' remunerations shall be directors' remunerations.

A report of such distribution of employees' and directors' remuneration shall be submitted to the shareholders' meeting. However, the Company may provide the employees' and directors' remuneration according to the ratios in the preceding paragraph after the accumulated losses have been covered.

Article 20-1 When it is determined that the Company has earnings for a fiscal year, the earnings shall firstly be appropriated to profit-seeking enterprise tax payable, and make up the losses of previous years. Then, the Company shall provide 10% of the remaining earnings as the legal reserve if there is any remaining amount, unless such legal reserve has amounted to the total capital, and then set aside or reverse the special reserve in accordance with the requirements under the Securities and Exchange Act. The board of directors shall propose the earnings distribution proposal of the remaining and the accumulated undistributed earnings of previous years at the shareholders' meeting.

The Company takes a dividend policy which distributes the dividends after considering the present and future development plan, the investment environment, capital requirement and the domestic and foreign competitive status in addition to the interest of the Company's shareholders. However, the amount of the distributed earnings of that year shall not be less than 20% of the total accumulated undistributed earnings. The dividends and bonuses may be distributed by means of cash or stock, provided that the ratio of cash dividends may not be less than 10% of the total dividends.

Section VII -SUPPLEMENTARY PROVISIONS

Article 21 If there is any matter not covered herein, the Company Act shall govern.

Article 22 This Articles of Incorporation was established on December 23, 1986.

The first amendment was made on June 25, 1988.

The second amendment was made on December 7, 1988.

The third amendment was made on February 3, 1989.

The fourth amendment was made on March 16, 1990.

The fifth amendment was made on April 12, 1990.

The sixth amendment was made on February 28, 1991.

The seventh amendment was made on June 30, 1991.

The eighth amendment was made on March 7, 1992.

The ninth amendment was made on April 2, 1992.

The tenth amendment was made on June 15, 1992

The eleventh amendment was made on January 15, 1993.

The twelfth amendment was made on May 14, 1993.

The thirteenth amendment was made on June 30, 1993.

The fourteenth amendment was made on October 6, 1993.

The fifteenth amendment was made on October 26, 1993.

The sixteenth amendment was made on June 17, 1994.

The seventeenth amendment was made on June 30, 1995.

The eighteenth amendment was made on December 22, 1995.

The nineteenth amendment was made on June 3, 1996.

The twentieth amendment was made on May 2, 1997.

The twenty-first amendment was made on April 3, 1998.

The twenty-second amendment was made on May 18, 2000.

The twenty-third amendment was made on May 23, 2001.

The twenty-fourth amendment was made on May 21, 2002.

The twenty-fifth amendment was made on May 28, 2003.

The twenty-sixth amendment was made on June 14, 2006, but the Article 13-1 was effective from the date which the 2007 ordinary shareholders meeting was convened.

The twenty-seventh amendment was made on June 15, 2007.

The twenty- eighth amendment was made on June 13, 2008.

The twenty-ninth amendment was made on June 23, 2009.

The thirtieth amendment was made on June 11, 2010.

The thirty-first amendment was made on May 27, 2011.

The thirty-second amendment was made on June 15, 2012.

The thirty-third amendment was made on June 14, 2013.

The thirty-fourth amendment was made on May 20, 2016.

The thirty- fifth amendment was made on May 24, 2019.

The thirty- sixth amendment was made on May 22, 2020.

The thirty-seventh amendment was made on May 19, 2022.

Appendix 2

Sinyi Realty Inc. Rules and Procedures of Shareholders' Meeting

Formulated on May 2, 1997
The 3rd amendment on June 14, 2013
The 4th amendment on May 19, 2022

Article 1

To comply with the laws and to enhance the efficiency of the shareholders meeting of Sinyi Realty Inc. (hereinafter "the Company"), these Rules and Procedures are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

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

Article 2

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

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. The video shareholders' meeting shall be accepted and registered on the video meeting platform of the shareholders' meeting 30 minutes before the start of the meeting, and the shareholders who complete the registration shall be deemed to be present at the shareholders' meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

The number of shares represented by shareholders attending the shareholders meeting shall be calculated in accordance with the shares indicated by the attendance book or the sign-in cards submitted by the shareholders. The shareholders whose voting rights are exercised by correspondence or electronically are deemed as attending the shareholders meeting in person and their shares should be calculated as well.

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

If the shareholders' meeting is convened by video, and the shareholders wish to participate in the meeting by video, they should register with the Company 2 days before the shareholders' meeting.

If the shareholders' meeting is convened by video conference, the Company shall upload the meeting manual, annual report and other relevant materials to the video meeting platform of the shareholders' meeting at least 30 minutes before the start of the meeting, and continue to disclose it until the end of the meeting.

Article 2-1

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

Changes to the manner in which the shareholders' meeting of the Company shall be convened shall be resolved by the Board of Directors and shall be made no later than the notice of the meeting of the shareholders' meeting is sent.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. However, if the Company's paid-up capital at the end of the most recent fiscal year reaches NT\$10 billion or more, or the total foreign and Mainland Chinese shareholding ratios recorded in its shareholders' book at the shareholders' meeting in the most recent fiscal year reaches more than 30%, the transmission of electronic files shall be completed 30 days ago before the shareholders' meeting is completed. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The handbook and supplementary information of the meeting referred to in the preceding paragraph shall be provided by the Company to the shareholders in the following manner on the day of the meeting of the shareholders' meeting:

1. When convening a physical meeting of shareholders, they shall be distributed on the spot of the shareholders' meeting place.
2. When a video-assisted shareholders' meeting is convened, they shall be distributed on the spot of the shareholders' meeting and transmitted to the video conference platform by electronic files.

3. When a video shareholders' meeting is held, they shall be transmitted to the video conference platform by electronic files.

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

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the Company, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 2-2

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After the power of attorney is delivered to the Company, if a shareholder wishes to attend the shareholders' meeting by video, he shall notify the Company in writing to revoke the proxy 2 days before the meeting of the shareholders' meeting.

Article 2-3

If the Company convenes a video shareholders' meeting, it shall specify the following matters in the notice of convocation of the shareholders' meeting:

1. Methods for shareholders to participate in video conferences and exercise their rights.
2. The handling of obstacles of video conferencing platforms or video participation caused by natural disasters, incidents or other force majeure circumstances includes at least the following matters:
 - A. The period of time for the postponement or continuation of the meeting caused by the obstacles mentioned above which are continuous and cannot be solved, and the date of the postponed or renewed meeting if it is necessary.
 - B. Shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the postponed or renewed of the meeting.
 - C. If the video-assisted shareholders' meeting cannot be renewed, after deducting the number of shares present at the shareholders' meeting by video, and the total number of shares attended reaches the statutory quota of the shareholders' meeting, the shareholders' meeting shall be continued, and the shares of the shareholders participating in the shareholders by video shall be included in the total number of shareholders' shares present, and all the proposals of the shareholders' meeting shall be regarded as abstention.
 - D. In the event that the results of all motions have been announced, but no extempore motions have been made, the manner of handling them shall be handled.
3. A video shareholders' meeting should be stated and should specify the appropriate

alternative measures provided to shareholders who may have difficulties participating in the shareholders by video.

Article 3

Attendance at shareholders meetings shall be calculated based on numbers of shares.

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

The chairperson shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

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

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

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

Article 4

The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

When the Company convenes a video shareholders' meeting, it shall not be restricted by the place of the meeting mentioned in the preceding paragraph.

Article 5

If a shareholders meeting is convened by the board of directors, the determination of the meeting's chairperson shall be in accordance with Article 208, the paragraph 3 of the Company Act.

When a managing director or a director serves as the chairperson, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as the chairperson.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

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

Article 6

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

Article 7

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

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

If the shareholders' meeting is convened by video conference, the Company shall record and keep the shareholders' registration, questioning, voting and the results of the Company's vote count, and record and record the video conference continuously and uninterruptedly.

The information and audio and video recordings mentioned in the preceding paragraph shall be properly preserved by the Company during the period of existence, and the audio and video recordings shall be provided to the person entrusted with the affairs of the video conference for preservation.

If the shareholders' meeting is held by video conference, the Company should make an audio and video recording of the backend panel of the video conference platform.

Article 8

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in and registered on the video conferencing platform plus the number of shares whose voting rights are exercised by correspondence or electronically. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements, the chairperson shall declare the meeting adjourned. If the shareholders' meeting is convened by video meeting, the Company shall also announce the meeting adjourned on the video meeting platform of the shareholders' meeting.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. If the shareholders' meeting is convened by video, and the shareholders wish to participate in the meeting by video, they shall re-register with the Company in accordance with Article 2.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chairperson declares the meeting adjourned in violation of the Rules of procedure, attending shareholders may elect a new chairperson by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

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

Article 10

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

Article 11

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

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to

the subject given on the speaker's slip, the spoken content shall prevail.

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

Article 12

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

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

Article 13

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

When the shareholders' meeting is convened by video meeting, shareholders who participate by video may, after the chairperson announces the meeting, until the announcement of the adjournment of the meeting, ask questions in writing on the video meeting platform of the shareholders' meeting, and the number of questions asked on each proposal shall not exceed twice, each time limited to 200 words, and the provisions of Articles 10, 11 and 12 shall not apply.

If the questions asked in the preceding paragraph do not violate the provisions or do not exceed the scope of the proposal, it is advisable to disclose the questions on the video meeting platform of the shareholders' meeting for the sake of understanding of all shareholders on the platform.

Article 14 (Deleted)

Article 15

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairperson, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When the shareholders' meeting of the Company is held by video meeting, shareholders who participate in the video meeting of the Company shall vote on various proposals and election proposals through the video meeting platform after the chairperson calls the meeting to order, and shall complete the voting on the proposals and election proposals before the chairperson announces the end of the voting, and shall be deemed to abstain if the meeting is overdue.

When the shareholders' meeting is held by video meeting, the voting and election results shall be counted in one lump sum after the chairperson announces the end of the voting.

When the Company convenes a video-assisted shareholders' meeting, a shareholder who has registered to attend the shareholders' meeting by video in accordance with Article 2 shall, if he wishes to attend the physical shareholders' meeting in person, deregister the registration in the same manner as the registration 2 days before the meeting of the shareholders' meeting.

A person who exercises the right to vote in writing or electronically, without revoking his expression of intent, and participates in the shareholders' meeting by video, shall not exercise the right to vote on the original proposal or propose amendments to the original proposal or to exercise the right to vote on the revisions of the original proposal, except for extempore motions.

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

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

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

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

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

Where a shareholders' meeting is convened by video, the minutes of the shareholders' meeting shall, in addition to the matters to be recorded in accordance with the preceding paragraph, record the time from the beginning of the meeting of the shareholders' meeting, the manner in which the meeting is convened, the name of the chairperson and minute-taker, and the handling method and handling situation of the video meeting platform or the participation of the video participant in the event of an obstacle by video due to natural disasters, incidents or other force majeure circumstances.

When the Company convenes a video shareholders' meeting, in addition to the provisions of the preceding paragraph, it shall indicate in the meeting minutes the alternative measures for the shareholders who will have difficulties participating in the shareholders by video.

Article 16

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

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

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 17

When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or by video, a written declaration of intent to retract the voting rights already exercised shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail.

A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore the Company shall avoid the submission of extraordinary motions and amendments to original proposals.

Except as otherwise provided in the Company Act and in the Company's Articles of

Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

Article 18

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

Article 18-1

On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies and shareholders attending by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. If the shareholders' meeting is convened by video conference, the Company shall upload the above information to the video meeting platform of the shareholders' meeting at least 30 minutes before the start of the meeting and continue to disclose it until the end of the meeting.

When the Company convenes a video shareholders' meeting and call the meeting to order, the total number of shareholders' shares present shall be disclosed on the video meeting platform. The same shall apply if the total number of shares and voting rights of the shareholders present at the meeting is also counted.

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

Article 19

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

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

When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 20

If the shareholders' meeting is convened by video meeting, the Company shall immediately

disclose the voting results of each proposal and the election results on the video meeting platform of the shareholders' meeting in accordance with the regulations after the voting is completed, and shall continue to disclose them for at least 15 minutes after the chairperson announces the adjournment of the meeting.

Article 21

When the Company convenes a video shareholders' meeting, the chairperson and the minute-taker shall be at the same place in the Mainland, and the chairperson shall announce the address of that place at the time of the meeting.

Article 22

If the shareholders' meeting is convened by video conference, the Company may provide a simplified connection test for shareholders before the meeting and provide relevant services immediately before and during the meeting to assist in handling the technical issues of communication.

If the shareholders' meeting is convened by video meeting, the Chairperson shall, at the time of announcing the meeting, separately announce that, except for the matter stipulated in the fourth paragraph of Article 44-24 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the date of an extension or renewal of the meeting within 5 days if natural disasters, events or other force majeure circumstances occur before the Chairperson announces the adjournment of the meeting, and does not apply to the provisions of Article 182 of the Company Law.

When the postponed or renewed shareholders' meeting was convened due to the event of the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the postponed or renewed meeting.

When the postponed or renewed shareholders' meeting is convened according the second paragraph above, the number of shares, exercised voting rights and voting rights of shareholders who have registered to participate in the original shareholders' meeting by video and completed the registration but do not attend the postponed or renewed shareholders' meeting shall be included in the total number of shares, voting rights and voting rights of the shareholders present at the postponed or renewed shareholders' meeting.

When the postponed or renewed shareholders' meeting is convened according the second paragraph above, there is no need to re-discuss and resolve again the proposals of which the voting and counting have been completed, and the voting results or the list of directors elected have been announced

When the Company convenes a video-assisted shareholders' meeting and the video meeting is interrupted due to the circumstances described in the second paragraph above, the shareholders' meeting shall continue without the need to postpone or renew the meeting if the total number of shares present at the shareholders' meeting still reaches the statutory quota for the shareholders' meeting after deducting the total number of shares present at the shareholders' meeting by video.

In the event of the continuation of the meeting in the preceding paragraph, the number of

shares present at the shareholders' meeting shall be included in the total number of shares of the shareholders present, but shall be deemed to be abstaining from all the proposals of the shareholders' meeting.

When the Company shall postpone or renew the shareholders' meeting in accordance with the provisions of the second paragraph, it shall handle the relevant preliminary work according to the date of the original shareholders' meeting and the provisions of each of these Articles stipulated in the provisions of the seventh paragraph of Article 44-20 of Regulations Governing the Administration of Shareholder Services of Public Companies.

The Company shall conduct the date of postponed or renewed shareholders' meeting in accordance with the date of the shareholders' meeting according to the second paragraph in accordance with the period specified in the latter part of paragraph of Article 12 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and third paragraph of Article 13, and the second paragraph 2 of Article 44-5, Article 44-15 and the first paragraph of Article 44-17 of Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 23

When the company convenes a video shareholders' meeting, it shall provide appropriate alternatives to participate in the meeting for shareholders who have difficulty in attending the shareholders meeting by video.

Article 24

These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Appendix 3

Sinyi Realty Inc. Sustainable Development Best Practice Principles

Formulated on December 28, 2010
The 3rd amendment on February 27, 2020
The 4th amendment on March 31, 2022

Chapter I General Principles

- Article 1 In order to fulfill corporate social responsibility and to promote economic, environment, and social advancement for purpose of sustainable development, Sinyi Realty Inc. (hereinafter referred to as the “Company”) hereby formulates Sustainable Development Best Practice Principles of the Company (hereinafter referred to as the “Principles”) to be followed.
- Article 2 These Principles apply to entire operating activities of the Company and group enterprises the Company.
The Company shall actively fulfill sustainable development in the course of business operation so as to meet international development trend and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as corporate citizens, and to enhance competitive edges built on sustainable development.
- Article 3 In fulfilling sustainable development, the Company shall give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance, and include them in operation guidelines and management principles of the Company.
The Company shall conduct the risk evaluation of environment, society and corporate governance issues related to the Company’s operation according to the principle of materiality and stipulate the related risk management policy or strategy.
- Article 4 To implement sustainable development, the Company is advised to follow the principles below:
I. Exercise corporate governance.
II. Developed a sustainable environment.
III. Maintain public welfare.
IV. Enhance disclosure of sustainable development information.
- Article 5 The Company shall take into consideration the correlation between the development trend of domestic and foreign sustainable development and the corporate core business, and the affection of entire operating activities of the Company and its group enterprises on interests of stakeholders, to establish

sustainable development policies, systems or relevant management guidelines and concrete promotion plans, which shall be approved by the board of directors and then reported to the shareholders' meeting.

When a shareholder of the Company proposes a motion involving sustainable development, the board of directors of the Company is advised to review and consider including it in the agenda of the shareholders' meeting.

Chapter II Exercising Corporate Governance

- Article 6 The Company follows corporate governance principles, the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Guidelines for the Adoption of Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.
- Article 7 The directors of the Company shall exercise due care of good administrators, to urge the Company to perform sustainable development, review the results of the implementation thereof from time to time, and continually make improvements so as to ensure the thorough implementation of sustainable development policies.
- The board of directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters in the performance of sustainable development, with measures adopted as follows:
- I. Presenting the sustainable development mission or vision, and establishing sustainable development policies, systems or relevant management guidelines.
 - II. Including sustainable development in the operating activities and development direction of the Company, and ratifying concrete promotional plans for sustainable development.
 - III. Assuring the timeliness and accuracy of the disclosure of information relating to sustainable development.
- The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the operating activities of the Company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.
- Article 8 The Company periodically organizes education and training on the implementation of sustainable development, including promotion of the matters prescribed in paragraph 2 of the preceding article.
- Article 9 For the purpose of perfecting the management of sustainable development, the Company shall set up governance framework of fulfilling sustainable development and assign Total Ethics Committee as the exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the

sustainable development policies, systems, or relevant management guidelines, and concrete promotional plans and to report to the board of directors on a periodic basis.

The Company shall establish reasonable remuneration policies, to ensure that remuneration arrangements align with the strategic aims of the organization, and the interests of stakeholders.

The employee performance evaluation system shall be combined with sustainable development policies, and a clear and effective incentive and discipline system shall be established.

- Article 10 The Company shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the Company, and establish a designated section for stakeholders on the Company's website; understand their reasonable expectations and demands through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.

Chapter III Fostering a Sustainable Environment

- Article 11 The Company shall follow relevant environmental laws, regulations and international standards to properly protect the natural environment and shall endeavor to achieve the target of a sustainable environment when engaging in operating activities and internal management.
- Article 12 The Company shall endeavor to enhance energy efficiency and use renewable materials which have a low impact on the environment to allow sustainable use of global resources.
- Article 13 The Company shall establish proper environment management systems based on the characteristics of its industry. Such systems shall include the following tasks:
- I. Collecting and evaluating information in a sufficient and up-to-date way about the impact of operating activities on the natural environment.
 - II. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis.
 - III. Formulating and implementing concrete plans or action measures, and examining the results of their operation on a regular basis
- Article 14 The Company may establish a dedicated unit or assign dedicated personnel for environment management, to draft, promote, and maintain relevant environment management systems and concrete action programs, and to organize environment education courses for the management and employees on a regular basis.
- Article 15 The Company takes into account the effect of its operations on ecological efficiency, promotes and advocates the concept of sustainable consumption, and conducts operations of research and development, procurement, production,

activities, and services etc., in accordance with the following principles to reduce the impact on the natural environment and human beings from operations of the Company:

- I. Reduce resource and energy consumption of products and services.
- II. Reduce emission of pollutants, toxins and waste, and dispose of waste properly.
- III. Improve recyclability and reusability of raw materials or products.
- IV. Maximize the sustainability of renewable resources.
- V. Enhance the durability of products.
- VI. Improve efficiency of products and services.

Article 16 To improve water use efficiency, the Company shall properly and sustainably use water resources and establish relevant management measures.
The Company shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use its best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control technology measures.

Article 17 The Company shall evaluate the current and approaching potential risk and opportunity on the Company from climate change and adopt the related counter-measures.
The Company adopts standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

- I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.
- II. Indirect greenhouse gas emissions: emissions resulting from the generation of input electricity, heating, or steam.
- III. Other indirect emissions: emissions come from the Company's activities which are not indirect energy emissions and of which sources are owned or controlled by other companies.

The Company collect statistics the remission of greenhouse gas, consumption of water and weight of waste and establishes the Company's strategies for energy conservation, carbon and greenhouse gas reduction, water use reduction and management of other waste, in order to minimize the impact of their operating activities on climate change.

Chapter IV Preserving Public Welfare

Article 18 The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.
To fulfill its social responsibility to protect human rights, the Company shall formulate relevant management policies and procedures, such as:

- I. Presenting a corporate policy or statement on human rights.
- II. Evaluating the impact of the Company's operating activities and internal management on human rights, and establishing corresponding handling

procedure.

III. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.

IV. In the event of any infringement of human rights, the Company shall disclose the procedure and results of its process.

The Company shall comply with the internationally recognized human rights of labor, such as the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination etc., and shall ensure that its human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process.

Channels through which a grievance may be raised shall be clear, convenient, and unobstructed, to assure the equality and transparency in the procedure of grievance, and promptness and completeness of the process of grievance.

Article 19 The Company shall provide information for their employees so that they have knowledge of the labor laws of the country where business is conducted, and the rights they are entitled to.

Article 20 The Company provides safe and healthful work environments for employees, including necessary health and first-aid facilities and endeavors to curb dangers to employees' safety and health and to prevent occupational accidents. The Company organizes education and training on safety and health for employees on a regular basis.

Article 21 The Company shall create an environment conducive to the development of employees' careers and establish effective training programs to foster career skills. The Company shall stipulate and implement reasonable employee benefit policy (including remuneration, leave and other welfare) and appropriately reflect the corporate business performance or achievements in the employee remuneration, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.

Article 22 The Company shall establish a regular communication and dialog channel for employees, allowing them to have the right to obtain relevant information on and express their opinions on the Company's operating activities and decisions. The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employer, employees and employee representatives.

The Company shall, by reasonable means, notify employees of or publicize the change in operation that might have material impacts. In the event of failure in doing so before the change, publication or notice shall be made immediately after the change.

Article 22-1 The Company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, including according to the following principles: fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, commensuration between compensation and performance, protection of the right to complain, professionalism of salespersons etc. Said company shall also develop the relevant strategies and specific measures for implementation.

Article 23 The Company shall take responsibility for its products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and service procedures, the Company shall ensure the transparency and safety of its products and services information; and shall establish and disclose in public its policies on consumer rights and interests, and enforce them in the course of operating activities, in order to prevent the products or services from damage to the rights, interests, health, or safety of consumers.

Article 24 The Company shall ensure the quality of its products and services by following the laws and regulations of the government and relevant standards of its industry.
In relation to the customer's health, safety, privacy and being marketing and labeling the Company's products and services, the Company shall follow relevant laws, regulations and international guidelines and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.

Article 25 The Company shall from time to time evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.
The Company shall provide a clear and effective consumer complaint procedure for its products and services, and fairly and timely handle consumer complaints, and shall comply with relevant laws and regulations such as the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.

Article 26 The Company shall evaluate the impact of its procurement acts on the environment and society of the community of supply source, and shall cooperate with its suppliers to jointly implement the corporate social responsibility.
The Company shall stipulate the vendor management policy and request its vendors to comply with the related regulations in relation to environment protection, occupational safety and health or labor rights. Prior to engaging in commercial dealings, the Company shall evaluate whether there is any record of

a supplier's impact on the environment and society, and shall avoid conducting transactions with those against corporate social responsibility policy of the Company.

When the Company enters into a contract with any of its major suppliers, the content may include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded at any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.

Article 27 The Company shall evaluate the impact of its operations on the community, and adequately employ personnel from the location of its operations, to increase community acceptance.

The Company, through equity investment, commercial activities, non-cash property endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participates in events held by citizen organizations, charities and local government agencies relating to community development and community education, in order to promote community development.

Chapter V Enhancing Disclosure of Sustainable Development Information

Article 28 The Company shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles and shall fully disclose relevant and reliable information relating to its sustainable development initiatives to improve information transparency.

Relevant information relating to sustainable development which the Company shall disclose includes:

- I. The policy, systems or relevant management guidelines, and concrete promotion plans for sustainable development, as resolved by the board of directors
- II. The risks and the impact on the Company's operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare.
- III. Goals and measures for realizing the sustainable development established by the Company, and the performance in implementation thereof.
- IV. Major stakeholders and issues of their concerns.
- V. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues.
- VI. Other information relating to sustainable development.

Article 29 The Company shall adopt internationally widely recognized standards or guidelines when producing sustainable development reports (including corporate social responsibility report, sustainability report or sustainable development report), to disclose the status of its implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:

- I. The policy, system, or relevant management guidelines and concrete promotion plans for implementing sustainable development.
- II. Major stakeholders and issues of their concerns.
- III. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development by the Company.
- IV. Future improvement directions and goals.

Chapter VI Supplementary Provisions

- Article 30 The Company shall at all times monitor the development of domestic and foreign sustainable development related standards and the change of business environment so as to examine and improve its established sustainable development framework and to obtain better results from the implementation of the sustainable development policy.
- Article 31 These Principles shall be implemented after being resolved by the board of directors, and shall be reported at a shareholders' meeting. The same procedure shall apply for amendment thereto.

Appendix 4

Sinyi Realty Inc. Regulations of Governing Transactions with Group Enterprises, Specific Parties and Related Parties

Formulated on June 14, 2006
Amended on May 15, 2015 for the second time

- Article 1 To assure the liguity and properness of transactions with group enterprises, specific companies and related parties, the Company hereby formulates these Regulations in accordance with the Company Act, Statements of Financial Accounting Standards, and relevent regulations of securities competent authority.
- Article 2 A company under any of the following circumstances shall be deemed as a group enterprise of the Company:
- I. Having the relation of parent company, subsidiary and affiliated company.
 - II. If the Company and its related party hold a majority of outstanding voting shares of another company, then such other company and the Company are of group enterprises.
 - III. If an investor company, which values the Company by equity method, and related party of such investor company aggregately holds a majority of outstanding voting shares of the Company, then such investor company and the Company are of group enterprises.
 - IV. A person who holds a majority of outstanding voting shares or capital amount of the Company and other company is the same shareholder.
 - V. If a majority of total number of directors, supervisors, and general managers of the Company and other company are same, then such other company and the Company are of group enterprises. Its calculation includes spouse, children and relatives within the second degree of kinship of such persons.
- Article 3 A company under any of the following circumstances shall be deemed as a specific company of the Company:
- I. Holding more than twenty percent (inclusive) but less than fifty percent of total outstanding shares of the Company.
 - II. Such company and its directors, supervisors and shareholders holding more than ten percent of total shares aggregately hold more than thirty percent (inclusive) of total outstanding shares of the applicant company, and two parties have records of financial or business transactions. Shares held by the above said persons include those held by their spouses, minor children, and in the name of others.
 - III. More than thirty percent (inclusive) of sale revenues of the Company are come from such company and its affiliated companies.
- Article 4 Related parties used in these Rules are determined in accordance with the Company Act, "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and generally accepted accounting principles.

Generally accepted accounting principles used in the preceding paragraph refer to international financial reporting standards, international accounting standards, interpretations and publications of interpretations that are recognized by Financial Supervisory Commission.

- Article 5 Transactions used in these Rules refer to transfers of resources or obligations between the Company and group enterprises, specific companies or related parties whether or not considerations are paid therefore. Scope of transactions includes following:
- I. Fund Lending
 - II. Endorsement/guarantee
 - III. Asset transaction
 - IV. Service transaction
 - V. Leasehold transaction
 - VI. Other transaction (expenditure of donation etc.)
- Article 6 For transactions between the Company and group enterprises, specific companies or related parties, price term and payment method shall be definitely specified, and the purpose of transaction, price, conditions, substance and form of transaction, and relevant procedures shall not significantly be unequal or unreasonable comparing to normal transactions with non-related parties or market prices. If their contents or conditions are inconsistent with general commercial practice in arm length transaction, the unit in charge shall report the same to the chairman for decision.
- Fund lending, endorsment & guarantee, and its asset or share investment transactions with respect to group enterprises, specific companies and related parties shall be processed in accordance with relvant “Operational Procedures for Lending Funds to Others”, “Procedures for Endorsement & Guarantee”, and “Procedures for Acquisition or Disposal of Assets” of the Company.
- Article 7 The Company’s financial department shall establish a name list of group enterprises, specific companies, and related parties, and shall periodically evaluate whether the status of increase or decrease occurs. The management of accounts receivable and payable due to transactions with related parties shall be subject to requirements of relevant internal control operation, including cross-check of balance of accounts receivable and payable. If any difference is found, its reason should be understood and the reconciliation shall be made. “Matters affect stock price and shareholders’ equity” of transactions with related parties shall be published and reported in accordance with requirements of competent authority. Significant transactions shall be properly disclosed in accordance with requirements of financial accounting standards.
- Article 8 In preparing financial reports, for matters to be disclosed under the preceding article, the Company shall separately state the transaction amount or balance of each related party, which is more than ten percent of total transaction amount or balance of such transaction of the Company in that period, and may sum up the remainder.

- Article 9 If any financial business transaction with related parties requires resolution of the board of directors, the Company shall take into full consideration opinion of each independent director, and record their definite opinion of consent or objection and reason for objection in the minutes of meeting of board of directors. In performing its duties, if the audit committee of the Company finds any abnormality of transactions with related parties, it may request the board of director for explanation, and report its audit results to the shareholders' meeting for process.
- Article 10 These Regulations shall be implemented after being adopted by the board of directors and further recognized by the shareholders' meeting. The same procedure shall apply to amendment thereto.

Appendix 5

Sinyi Realty Inc. Table of Shareholding Status of Directors

Shareholding status of directors as of the date of suspension of transfer (March 20, 2023) for shareholders' meeting.

Title	Name	Shares held
Chairperson	Representative appointed by Sinyi Co., Ltd.: Liu Yuan-Chih	210,238,285
Vice Chairperson	Chou Ken-Yu	20,307,354
Director	Chou Chun-Chi	9,378,622
Independent Director	Jhan Hong-Chih	0
Independent Director	Yen Lou-Yu	0
Independent Director	Lee Yi-Li	0
Independent Director	Wu Chih-Wei	0
Total shares held by all directors		239,924,261

Remark:

The Company has established audit committee, and the number of independent directors exceeds a half of number of total directors; therefore, pursuant to requirements of "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the requirement for a certain minimum percentage of total shares held by all directors shall not apply.

Appendix 6

Sinyi Realty Inc.

Other information

The impact of stock dividend to the Company's operation, EPS, and shareholders' ROI:

Not applied to this section, since the Company did not reveal its financial forecast for 2023.