

**Sinyi Realty Inc. and Subsidiaries**

**Consolidated Financial Statements as of and for the  
Nine Months Ended September 30, 2021 and 2020 and  
Independent Auditors' Review Report**

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Stockholders  
Sinyi Realty Inc.

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Sinyi Realty Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group") as of September 30, 2021 and 2020 and the related consolidated statements of comprehensive income for the three months ended September 30, 2021 and 2020, nine months ended September 30, 2021 and 2020, and changes in equity and cash flows for the nine months ended September 30, 2021 and 2020. (including summary of significant accounting policy) for the nine months then ended. These consolidated financial statements, which are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China, are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our reviews.

### **Scope**

Except for those described in the following paragraph of basis on qualified conclusion, we conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Statements". A review consists of inquiries (mainly persons responsible for financial and accounting matters), analytical procedures and other review procedures. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China. Therefore, we may not aware of all material events which can be identified by conducting audit procedures. Accordingly, we do not express such an opinion.

### **Basis of qualified conclusion**

As stated in Note 12 to the consolidated financial statements, some non-significant subsidiaries' financial statements and partial related information mentioned in Note 40 were unreviewed. As of September 30, 2021 and 2020, such subsidiaries' total assets were 15% (\$4,943,865 thousand) and 33% (\$10,278,937 thousand), respectively, of the consolidated assets, and their total liabilities were 10% (\$2,073,467 thousand) and 18% (\$3,746,506 thousand), respectively, of the consolidated liabilities. The total comprehensive income of these subsidiaries were 1% (\$9,484 thousand) and (6%) ((\$44,652) thousand) of consolidated comprehensive income for the three months ended September 30, 2021 and 2020, respectively, and were (18%) ((\$242,725) thousand) and (102%) ((\$541,006) thousand) of consolidated comprehensive income for the nine months ended September 30, 2021 and 2020, respectively.

### **Qualified conclusion**

Based on our reviews, except for the effects of adjustments, if any, as might have been required had the financial statements of these non-significant subsidiaries and related information mentioned described in the preceding paragraph been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements referred to in the first paragraph for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the review resulting in this independent auditors' review report are Wen-Yea Shyu and Kwan-Chung Lai.

October 29, 2021

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 review such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.*

## SINYI REALTY INC. AND SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS**  
(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2021 (Reviewed)		December 31, 2020 (Audited)		September 30, 2020 (Reviewed)	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 8,826,406	26	\$ 6,383,520	20	\$ 6,143,093	20
Financial assets at fair value through profit or loss - current (Note 7)	40,172	-	105,525	-	115,641	-
Financial assets at fair value through other comprehensive income - current (Note 8)	407,236	1	632,054	2	539,008	2
Notes receivable (Note 9)	174,509	1	104,650	-	67,796	-
Trade receivables (Notes 9 and 35)	1,450,390	4	1,246,907	4	1,261,606	4
Other receivables (Notes 9 and 35)	111,471	-	51,617	-	61,102	-
Current tax asset (Note 4)	57,847	-	22,302	-	20,108	-
Inventories (Notes 10 and 36)	10,453,943	31	11,409,582	36	11,114,075	36
Other financial assets - current (Notes 11 and 36)	136,323	1	116,359	1	138,705	-
Other current assets (Note 18)	267,729	1	246,092	1	248,751	1
Total current assets	21,926,026	65	20,318,608	64	19,709,885	63
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	215,117	1	296,506	1	268,444	1
Investment accounted for using equity method (Note 13)	47,442	-	38,057	-	35,889	-
Property, plant and equipment (Notes 14 and 36)	3,493,631	10	3,505,519	11	3,499,249	11
Right-of-use assets (Note 15)	4,867,055	15	5,021,018	16	4,989,132	16
Investment properties (Notes 16 and 36)	2,163,999	7	2,220,711	7	2,221,012	7
Intangible assets (Notes 17 and 31)	81,182	-	94,759	-	88,421	-
Deferred tax assets (Note 4)	219,672	1	232,235	1	239,816	1
Refundable deposits	129,894	-	128,349	-	124,759	1
Other financial assets - non-current (Notes 11 and 36)	329,218	1	-	-	-	-
Other non-current assets (Note 18)	5,672	-	5,710	-	3,952	-
Total non-current assets	11,552,882	35	11,542,864	36	11,470,674	37
<b>TOTAL</b>	<b>\$ 33,478,908</b>	<b>100</b>	<b>\$ 31,861,472</b>	<b>100</b>	<b>\$ 31,180,559</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Contract liabilities - current (Notes 21 and 27)	\$ 2,453,571	7	\$ 1,479,529	4	\$ 1,146,659	4
Notes payable	136	-	487	-	290	-
Trade payable (Note 22)	735,093	2	274,861	1	173,449	-
Other payables (Notes 23 and 35)	3,170,936	9	3,122,574	10	2,548,646	8
Current tax liabilities (Note 4)	1,232,221	4	1,346,490	4	1,174,401	4
Provisions - current (Note 24)	12,380	-	8,444	-	7,016	-
Lease liabilities - current (Notes 15 and 35)	550,441	2	544,776	2	501,024	2
Current portion of long-term borrowings and bonds payable (Notes 19, 20 and 36)	16,162	-	727,210	2	722,893	2
Other current liabilities (Note 23)	250,711	1	258,577	1	176,649	1
Total current liabilities	8,421,651	25	7,762,948	24	6,451,027	21
<b>NON-CURRENT LIABILITIES</b>						
Bonds payable (Note 20)	4,600,000	14	4,600,000	14	4,600,000	15
Long-term borrowings (Notes 19 and 36)	4,352,897	13	3,774,078	12	5,530,343	18
Lease liabilities - non-current (Notes 15 and 35)	2,926,592	9	2,947,766	9	2,933,465	9
Net defined benefit liabilities - non-current (Note 4)	159,171	-	169,380	1	149,851	-
Guarantee deposits received	31,593	-	32,023	-	34,250	-
Other non-current liabilities (Note 23)	1,230,648	4	920,293	3	847,307	3
Deferred tax liabilities (Note 4)	1,466	-	-	-	3,146	-
Total non-current liabilities	13,302,367	40	12,443,540	39	14,098,362	45
Total liabilities	21,724,018	65	20,206,488	63	20,549,389	66
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 26)</b>						
Share capital						
Ordinary shares	7,368,465	22	7,368,465	23	7,368,465	24
Capital surplus	63,896	-	63,896	-	63,896	-
Retained earnings						
Legal reserve	2,518,043	8	2,345,792	7	2,345,792	8
Special reserve	772,692	2	587,315	2	587,315	2
Unappropriated earnings	2,115,262	6	1,936,515	6	1,335,159	4
Total retained earnings	5,405,997	16	4,869,622	15	4,268,266	14
Other equity						
Exchange differences on translating foreign operations	( 1,394,912 )	( 4 )	( 1,065,685 )	( 3 )	( 1,352,620 )	( 4 )
Unrealized gain from financial assets measured at fair value through other comprehensive income	187,007	1	292,993	1	163,489	-
Total other equity	( 1,207,905 )	( 3 )	( 772,692 )	( 2 )	( 1,189,131 )	( 4 )
Total equity attributable to owners of the Company	11,630,453	35	11,529,291	36	10,511,496	34
<b>NON-CONTROLLING INTERESTS (Note 26)</b>	<b>124,437</b>	<b>-</b>	<b>125,693</b>	<b>1</b>	<b>119,674</b>	<b>-</b>
Total equity	11,754,890	35	11,654,984	37	10,631,170	34
<b>TOTAL</b>	<b>\$ 33,478,908</b>	<b>100</b>	<b>\$ 31,861,472</b>	<b>100</b>	<b>\$ 31,180,559</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated October 29, 2021)

## SINYI REALTY INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	Three Months Ended September 30				Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 27 and 35)								
Sales revenue	\$1,616,575	30	\$ 200,613	6	\$2,742,080	21	\$ 486,644	5
Service revenue	<u>3,752,595</u>	<u>70</u>	<u>3,445,904</u>	<u>94</u>	<u>10,349,747</u>	<u>79</u>	<u>8,452,536</u>	<u>95</u>
Total operating revenue	<u>5,369,170</u>	<u>100</u>	<u>3,646,517</u>	<u>100</u>	<u>13,091,827</u>	<u>100</u>	<u>8,939,180</u>	<u>100</u>
OPERATING COSTS (Notes 10, 28 and 35)								
Cost of sales	1,339,434	25	146,031	4	2,237,489	17	307,559	3
Service costs	<u>2,710,765</u>	<u>51</u>	<u>2,361,273</u>	<u>65</u>	<u>7,489,951</u>	<u>57</u>	<u>6,124,167</u>	<u>69</u>
Total operating costs	<u>4,050,199</u>	<u>76</u>	<u>2,507,304</u>	<u>69</u>	<u>9,727,440</u>	<u>74</u>	<u>6,431,726</u>	<u>72</u>
GROSS PROFIT	<u>1,318,971</u>	<u>24</u>	<u>1,139,213</u>	<u>31</u>	<u>3,364,387</u>	<u>26</u>	<u>2,507,454</u>	<u>28</u>
OPERATING EXPENSES								
Management expenses (Notes 28 and 35)	433,637	8	427,316	11	1,279,691	10	1,213,870	14
Expect credit loss (gain)	( <u>2,369</u> )	-	( <u>343</u> )	-	488	-	( <u>1,864</u> )	-
Total operating expenses	<u>431,268</u>	<u>8</u>	<u>426,973</u>	<u>11</u>	<u>1,280,179</u>	<u>10</u>	<u>1,212,006</u>	<u>14</u>
OPERATING INCOME	<u>887,703</u>	<u>16</u>	<u>712,240</u>	<u>20</u>	<u>2,084,208</u>	<u>16</u>	<u>1,295,448</u>	<u>14</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 28)	35,677	1	20,089	-	71,479	1	70,652	1
Rental income (Note 35)	25,790	1	26,068	1	77,890	1	67,518	1
Dividend income	2,853	-	13,009	-	8,078	-	24,694	-
Other gains and losses (Notes 4, 13, 28 and 35)	13,154	-	( 2,457 )	-	58,303	-	36,761	-
Finance costs (Notes 28 and 35)	( <u>35,237</u> )	( <u>1</u> )	( <u>40,661</u> )	( <u>1</u> )	( <u>105,390</u> )	( <u>1</u> )	( <u>130,353</u> )	( <u>1</u> )
Total non-operating income and expenses	<u>42,237</u>	<u>1</u>	<u>16,048</u>	<u>-</u>	<u>110,360</u>	<u>1</u>	<u>69,272</u>	<u>1</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	929,940	17	728,288	20	2,194,568	17	1,364,720	15
INCOME TAX EXPENSE (Notes 4 and 29)	( <u>199,875</u> )	( <u>4</u> )	( <u>166,576</u> )	( <u>4</u> )	( <u>504,586</u> )	( <u>4</u> )	( <u>416,060</u> )	( <u>4</u> )
NET PROFIT FOR THE PERIOD	<u>730,065</u>	<u>13</u>	<u>561,712</u>	<u>16</u>	<u>1,689,982</u>	<u>13</u>	<u>948,660</u>	<u>11</u>
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	17,617	-	( 13,246 )	( 1 )	5,760	-	( 261,894 )	( 3 )
Share of the other comprehensive gain of associates accounted for using the equity method	907	-	236	-	1,280	-	( 663 )	-

(Continued)

	Three Months Ended September 30				Nine Months Ended September 30			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	( \$ 29,328 )	-	\$ 208,801	6	( \$ 329,226 )	( 3 )	( \$ 155,955 )	( 2 )
Other comprehensive gain(loss) for the period, net of income tax	( 10,804 )	-	195,791	5	( 322,186 )	( 3 )	( 418,512 )	( 5 )
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>\$ 719,261</u>	<u>13</u>	<u>\$ 757,503</u>	<u>21</u>	<u>\$1,367,796</u>	<u>10</u>	<u>\$ 530,148</u>	<u>6</u>
<b>NET PROFIT ATTRIBUTABLE TO:</b>								
Owner of the Company	\$ 725,413	14	\$ 556,764	15	\$1,675,988	13	\$ 937,854	11
Non-controlling interests	<u>4,652</u>	-	<u>4,948</u>	-	<u>13,994</u>	-	<u>10,806</u>	-
	<u>\$ 730,065</u>	<u>14</u>	<u>\$ 561,712</u>	<u>15</u>	<u>\$1,689,982</u>	<u>13</u>	<u>\$ 948,660</u>	<u>11</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>								
Owner of the Company	\$ 714,610	13	\$ 752,555	21	\$1,353,801	10	\$ 519,342	6
Non-controlling interests	<u>4,651</u>	-	<u>4,948</u>	-	<u>13,995</u>	-	<u>10,806</u>	-
	<u>\$ 719,261</u>	<u>13</u>	<u>\$ 757,503</u>	<u>21</u>	<u>\$1,367,796</u>	<u>10</u>	<u>\$ 530,148</u>	<u>6</u>
<b>EARNINGS PER SHARE (Note 30)</b>								
From continuing operations								
Basic	<u>\$ 0.98</u>		<u>\$ 0.76</u>		<u>\$ 2.27</u>		<u>\$ 1.27</u>	
Diluted	<u>\$ 0.98</u>		<u>\$ 0.76</u>		<u>\$ 2.27</u>		<u>\$ 1.27</u>	

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated October 29, 2021)

(Concluded)

**SINYI REALTY INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company					Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital		Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain on Investments in Equity Instruments at Fair Value through Other Comprehensive (Loss) Income			
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2020	\$ 7,368,465	\$ 63,896	\$ 2,224,122	\$ 240,436	\$ 1,566,765	\$ (1,196,665)	\$ 609,351	\$ 10,876,370	\$ 111,661	\$ 10,988,031
Appropriation of 2019 earnings										
Legal Reserve	-	-	121,670	-	(121,670)	-	-	-	-	-
Special Reserve	-	-	-	346,879	(346,879)	-	-	-	-	-
Cash dividends	-	-	-	-	(884,216)	-	-	(884,216)	-	(884,216)
Net profit for the nine months ended September 30, 2020	-	-	-	-	937,854	-	-	937,854	10,806	948,660
Other comprehensive income (loss) for the nine months ended September 30, 2020, net of income tax	-	-	-	-	-	(155,955)	(262,557)	(418,512)	-	(418,512)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	937,854	(155,955)	(262,557)	519,342	10,806	530,148
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(2,793)	(2,793)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	183,305	-	(183,305)	-	-	-
BALANCE AT SEPTEMBER 30, 2020	<u>\$ 7,368,465</u>	<u>\$ 63,896</u>	<u>\$ 2,345,792</u>	<u>\$ 587,315</u>	<u>\$ 1,335,159</u>	<u>\$ (1,352,620)</u>	<u>\$ 163,489</u>	<u>\$ 10,511,496</u>	<u>\$ 119,674</u>	<u>\$ 10,631,170</u>
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 nine months ended September 30, 2020	-	-	-	-	1,675,988	-	-	1,675,988	13,994	1,689,982
Other comprehensive income (loss) for the nine months ended September 30, 2021, net of income tax	-	-	-	-	-	(329,227)	7,040	(322,187)	1	(322,186)
Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	1,675,988	(329,227)	7,040	1,353,801	13,995	1,367,796
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(15,251)	(15,251)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	113,026	-	(113,026)	-	-	-
BALANCE AT SEPTEMBER 30, 2021	<u>\$ 7,368,465</u>	<u>\$ 63,896</u>	<u>\$ 2,518,043</u>	<u>\$ 772,692</u>	<u>\$ 2,115,262</u>	<u>\$ (1,394,912)</u>	<u>\$ 187,007</u>	<u>\$ 11,630,453</u>	<u>\$ 124,437</u>	<u>\$ 11,754,890</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated October 29, 2021)

# SINYI REALTY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 2,194,568	\$ 1,364,720
Adjustments for:		
Depreciation expenses	521,336	507,881
Amortization expenses	24,218	21,536
Expected credit loss (gain) on trade receivables	488	( 1,864 )
Net loss (gain) on financial assets at fair value through profit or loss	159	( 329 )
Finance costs	151,265	231,973
Interest income	( 71,479 )	( 70,652 )
Dividend income	( 8,078 )	( 24,694 )
Share of gain of associates and joint ventures	( 8,106 )	( 4,728 )
Loss on disposal of property, plant and equipment	1,575	1,057
Gain on disposal of investment properties	( 4,419 )	( 6,715 )
Impairment loss on non-financial assets	41,944	38,832
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	64,843	( 40,741 )
Notes receivable	( 69,859 )	( 21,982 )
Trade receivables	( 203,971 )	( 219,442 )
Other receivables	( 59,894 )	563
Inventories	758,661	( 595,115 )
Other current assets	( 21,637 )	( 147,332 )
Contract liabilities	974,042	862,272
Notes payable	( 351 )	( 29 )
Trade payables	460,232	( 206,170 )
Other payables	63,400	( 91,864 )
Provisions	3,936	( 2,358 )
Other current liabilities	( 7,866 )	57,545
Other operating liabilities	<u>300,146</u>	<u>186,251</u>
Cash used in operations	5,105,153	1,838,615
Interest received	71,519	68,534
Interest paid	( 157,304 )	( 209,729 )
Income taxes paid	<u>( 640,371 )</u>	<u>( 205,351 )</u>
Net cash used in operating activities	<u>4,378,997</u>	<u>1,492,069</u>

(Continued)



**Nine Months Ended September 30**  
**2021**                      **2020**

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of financial assets at fair value through other comprehensive income	(\$ 6,569 )	(\$ 16,283 )
Proceeds from sale of financial assets at fair value through other comprehensive income	311,117	280,361
Payment for property, plant and equipment	( 73,693 )	( 99,656 )
Proceeds on disposal of property, plant and equipment	2,103	1,340
Increase in refundable deposits	( 3,063 )	( 52,349 )
Payment for intangible assets	( 11,624 )	( 19,424 )
Acquisition of the right-of-use assets	-	( 531,915 )
Payment for investment properties	( 1,800 )	-
Proceeds on disposal of investment properties	50,496	42,642
(Increase) Decrease in other financial assets	( 349,182 )	100,344
Decrease in other non-current assets	38	59,683
Dividend received	8,078	24,770
Other investing activities	<u>-</u>	<u>( 24,974 )</u>
Net cash used in investing activities	<u>( 74,099 )</u>	<u>( 235,461 )</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayment of bonds payable	( 700,000 )	-
Proceeds from long-term borrowings	10,418,149	13,152,748
Repayment of long-term borrowings	( 9,797,379 )	( 14,574,171 )
Refund of guarantee deposits received	( 430 )	( 940 )
Decrease in other payables to related parties	( 8,610 )	-
Refund of lease liabilities	( 387,031 )	( 407,449 )
Dividends paid to owners of the Company	( 1,252,639 )	( 884,216 )
Dividends paid to non-controlling interests	<u>( 15,251 )</u>	<u>( 2,793 )</u>
Net cash used in financing activities	<u>( 1,743,191 )</u>	<u>( 2,716,821 )</u>

**EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES**

<u>( 118,821 )</u>	<u>123,134</u>
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**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

2,442,886	( 1,337,079 )
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**CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD**

<u>6,383,520</u>	<u>7,480,172</u>
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**CASH AND CASH EQUIVALENTS, END OF PERIOD**

<u>\$ 8,826,406</u>	<u>\$ 6,143,093</u>
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The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated October 29, 2021)

(Concluded)

# SINYI REALTY INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 30, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

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### 1. GENERAL INFORMATION

Sinyi Realty Inc. (the “Company”) with the new Chinese name of “信義房屋股份有限公司” which was approved by its shareholders meeting held on May 24, 2019 to replace the former Chinese name of “信義房屋仲介股份有限公司”, was incorporated in January 1987 and engages in the operation of a full-service real-estate brokerage business. The head office is situated in Taipei City, Taiwan, Republic of China (ROC). The Company continues to expand by establishing branches in Taiwan and highly focuses on promoting its brand value. The Company’s subsidiaries engage in the operation of a full-service real-estate brokerage and the related business, real estate development or tourism business.

In August 1999, the Securities and Futures Bureau (SFB) approved the trading of the Company’s ordinary shares on the over-the-counter (OTC) securities exchange in the ROC. In September 2001, the SFB approved the listing of the Company’s shares on the Taiwan Stock Exchange (TWSE).

The consolidated financial statements were presented New Taiwan dollars, the functional currency of the Company

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements had been approved by the board of directors and authorized for issue on October 29, 2021.

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

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

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

- b. New IFRSs will be applied prospectively for annual reporting periods beginning on or after January 1, 2022.

New IFRSs	Effective Date Announced by IASB
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 1)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 2)
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022 (Note 3)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 will be applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” will be applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” will be applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2022.

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

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

<b>New IFRSs</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 2)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 3)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023 (Note 4)

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

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except that deferred taxes will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

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

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

##### a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

##### b. Basis of preparation

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

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

##### c. Basis of consolidation

The principles of preparation of the consolidated financial statements are in line with 2020 consolidated financial statements. See Note 12 and Table 6 and 7 for the detailed information of subsidiaries (including the percentage of ownership and main business).

##### d. Other significant accounting policies

The accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2020, except for those described below.

###### 1) Retirement benefit costs

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-time events.

###### 2) Income taxes

Income tax expense is the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's

pre-tax income and the tax rate that would be applicable to expected total annual earnings.

## 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation and uncertainty have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2020.

The Group takes the recent development of the COVID-19 and its impact on economic environment into consideration when making its critical accounting estimates in cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

## 6. CASH AND CASH EQUIVALENTS

	September 30, 2021	December 31, 2020	September 30, 2020
Cash on hand	\$ 23,611	\$ 17,468	\$ 18,898
Checking accounts and demand deposits	8,781,795	5,989,430	6,001,635
Cash equivalents			
Time deposits with original maturities less than three months	<u>21,000</u>	<u>376,622</u>	<u>122,560</u>
	<u>\$ 8,826,406</u>	<u>\$ 6,383,520</u>	<u>\$ 6,143,093</u>

The interest rates of cash in bank at the end of the reporting period were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Cash in bank	0%-2.03%	0%-2.4%	0%-2.03%

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

### Financial assets at FVTPL

	September 30, 2021	December 31, 2020	September 30, 2020
Non-derivative financial assets			
Domestic quoted shares	\$ 1,109	\$ 6,529	\$ 6,674
Mutual funds	39,063	60,278	62,169
Structured financial products	<u>-</u>	<u>38,718</u>	<u>46,798</u>
	<u>\$ 40,172</u>	<u>\$ 105,525</u>	<u>\$ 115,641</u>

Structured financial products the Group bought from banks are structured time deposit with the expected yield rates of 0%-3% as of December 31, 2020 and September 30, 2020.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Investment in equity instruments at FVTOCT</u>			
<u>Current</u>			
Domestic investments			
Listed shares	\$ 112,412	\$ 102,917	\$ 103,119
Foreign investments			
Listed shares	<u>294,824</u>	<u>529,137</u>	<u>435,889</u>
	<u>\$ 407,236</u>	<u>\$ 632,054</u>	<u>\$ 539,008</u>
<u>Non-current</u>			
Domestic investments			
Unlisted shares	\$ 135,606	\$ 116,152	\$ 119,051
Foreign investments			
Unlisted shares	<u>79,511</u>	<u>180,354</u>	<u>149,393</u>
	<u>\$ 215,117</u>	<u>\$ 296,506</u>	<u>\$ 268,444</u>

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as the management believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

## 9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Notes receivable</u>			
At amortized cost			
Operating -gross carrying amount	<u>\$ 174,509</u>	<u>\$ 104,650</u>	<u>\$ 67,796</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	1,461,675	1,257,855	1,274,537
Less: Allowance for doubtful accounts	( 11,285 )	( 10,948 )	( 12,931 )
	<u>\$ 1,450,390</u>	<u>\$ 1,246,907</u>	<u>\$ 1,261,606</u>
<u>Other receivables</u>			
Interest receivables	\$ 1,938	\$ 1,978	\$ 2,906
Others	115,532	58,058	63,464
Less: Allowance for impairment loss	( 5,999 )	( 8,419 )	( 5,268 )
	<u>\$ 111,471</u>	<u>\$ 51,617</u>	<u>\$ 61,102</u>

a. Trade receivables

The average credit period for the rendering of services was 30 to 60 days. No interest was charged on trade receivables. The refund liability for trade receivables from real estate brokerage service revenue was estimated based on historical experience. Since the Group collected the receivables for providing real estate brokerage services from clients under escrow custody, the uncollectible risk is insignificant. Except for collections from real estate brokerage services rendered to individuals, for the real estate agency sales business, the Group adopted a policy of using other publicly available financial information or its own trading records to rate its major customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit conditions of its counterparties are continuously monitored.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables (including overdue receivables) based on the Group's provision matrix.

September 30, 2021

	<b>Less than 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Expected credit loss rate (Note 1)	0%-0.5%	0%-0.5%	0%-0.9%	0%-9%	29%-100%	
Gross carrying amount	\$1,451,915	\$ 49,366	\$ 89,310	\$ 28,944	\$ 20,429	\$1,639,964
Refund liability (Note 2)	(60,124)	(2,556)	(4,233)	(2,053)	(3,780)	(72,746)
Loss allowance (Lifetime ECL)	(74)	(42)	(377)	(2,528)	(8,264)	(11,285)
Amortized cost	<u>\$1,391,717</u>	<u>\$ 46,768</u>	<u>\$ 84,700</u>	<u>\$ 24,363</u>	<u>\$ 8,385</u>	<u>\$1,555,933</u>

(Continued)

December 31, 2020

	<b>Less than 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Expected credit loss rate (Note 1)	0%-0.5%	0%-0.5%	0%-0.5%	0%-8.4%	29%-100%	
Gross carrying amount	\$1,123,832	\$ 119,400	\$ 76,468	\$ 25,130	\$ 21,496	\$1,366,326
Refund liability (Note 2)	(45,360)	(8,142)	(4,546)	(2,120)	(3,821)	(63,989)
Loss allowance (Lifetime ECL)	(294)	(49)	(258)	(448)	(9,899)	(10,948)
Amortized cost	<u>\$1,078,178</u>	<u>\$ 111,209</u>	<u>\$ 71,664</u>	<u>\$ 22,562</u>	<u>\$ 7,776</u>	<u>\$1,291,389</u>

September 30, 2020

	<b>Less than 60 Days</b>	<b>61 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 360 Days</b>	<b>Over 361 Days</b>	<b>Total</b>
Expected credit loss rate (Note 1)	0%-0.5%	0%-0.5%	0%-0.5%	0%-0.5%	50%-100%	
Gross carrying amount	\$1,093,957	\$ 132,842	\$ 71,851	\$ 20,258	\$ 25,487	\$1,344,395
Refund liability (Note 2)	(44,725)	(8,555)	(5,281)	(2,999)	(2,062)	(63,622)
Loss allowance (Lifetime ECL)	(233)	(60)	(78)	(33)	(12,527)	(12,931)
Amortized cost	<u>\$1,048,999</u>	<u>\$ 124,227</u>	<u>\$ 66,492</u>	<u>\$ 17,226</u>	<u>\$ 10,898</u>	<u>\$1,267,842</u>

(Concluded)

Note 1: Expected credit loss rate does not include the refund liability which has been recognized.

Note 2: The refund liability is recorded as other current liabilities and other non-current liabilities.

The movements of the loss allowance of trade receivables were as follows:

	<b>Nine Months Ended September 30, 2021</b>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2021	\$ 10,948	\$ 8,419
Add: Amounts recognized	488	-
Less: Reversal of loss allowance (recognized in other gains and losses)	-	( 2,420)
Foreign exchange gains and losses	( <u>151</u> )	<u>-</u>
Balance at September 30, 2021	<u>\$ 11,285</u>	<u>\$ 5,999</u>

(Continued)



	<b>Nine Months Ended September 30, 2020</b>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2020	\$ 14,919	\$ 5,268
Less: Reversal of loss allowance	( 1,864 )	-
Foreign exchange gains and losses	( 124 )	-
Balance at September 30, 2020	<u>\$ 12,931</u>	<u>\$ 5,268</u>

(Concluded)

b. Other receivables

Other receivables were the payments made on behalf of others, rental receivables and financing provided to vendors.

## 10. INVENTORIES

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Properties under development			
Banqiao District, New Taipei City	\$ 3,386,895	\$ 3,001,699	\$ 2,838,123
Binhu District, Wuxi	-	7,916,791	7,390,935
Properties to be developed			
Banqiao District, New Taipei City (for transferable development rights)	490	490	490
Other			
Shilin District, Taipei City	-	2,113	2,113
Inventory-merchandise			
Binhu District, Wuxi	6,850,611	-	-
Jiading District, Shanghai	215,947	488,489	744,530
Shilin District, Taipei City	-	-	37,884
	<u>\$ 10,453,943</u>	<u>\$ 11,409,582</u>	<u>\$ 11,114,075</u>

The cost of inventories recognized as cost of goods sold for the three months ended September 30, 2021 and 2020, nine months ended September 30, 2021 and 2020 were \$1,339,434 thousand, \$146,031 thousand, \$2,237,489 thousand and \$307,559 thousand, respectively. The cost of goods sold included allowance to reduce inventory to market (gains on inventory value recoveries) were (\$2,513) thousand, \$30,037 thousand, \$41,944 thousand and \$30,037 thousand in three months ended September 30, 2021 and 2020, nine months ended September 30, 2021 and 2020, respectively.

To ensure the smooth completion of the real estate project, Sinyi Development Inc. of the Group entered into trust contracts with banks on the real estate projects. The information of the real estate trust was as follows:

<b>Project Name</b>	<b>Trustee</b>	<b>Trust Period</b>
Jia-Ho	Taishin International Bank Co., Ltd.	May 22, 2017 to May 22, 2024
Jia-Pin	Taishin International Bank Co., Ltd.	September 30, 2017 to September 30, 2024

In accordance with the trust contract, Sinyi Development Inc. has engaged the trustees taking fund control function, including making progress payments, the payment of taxes, and so on.

Refer to Note 36 for the carrying amount of inventories pledged as security for bank borrowings by the Group.

## 11. OTHER FINANCIAL ASSETS

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Time deposits with original maturity more than three months	\$ 129,170	\$ 109,170	\$ 131,570
Restricted assets - current	<u>336,371</u>	<u>7,189</u>	<u>7,135</u>
	<u>\$ 465,541</u>	<u>\$ 116,359</u>	<u>\$ 138,705</u>
	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Current	\$ 136,323	\$ 116,359	\$ 138,705
Non-current	<u>329,218</u>	<u>-</u>	<u>-</u>
	<u>\$ 465,541</u>	<u>\$ 116,359</u>	<u>\$ 138,705</u>

- a. The ranges of interest rates of time deposits with original maturities more than three months were as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Time deposits with original maturity more than three months	0.1%-0.85%	0.1%-1.13%	0.07%-1.13%

- b. Restricted assets were operating guarantee for real-estate brokerage and restricted cash in bank. Please refer to Note 36.

The interest rates of restricted cash in bank at the end of the reporting period were as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Restricted cash in bank	0.455%-0.81%	0.81%	0.81%

## 12. SUBSIDIARIES

### a. Subsidiaries included in consolidated financial statements

Those subsidiaries included in the consolidated entities as of September 30, 2021, December 31, 2020 and September 30, 2020 were as follows:

Investor	Investee	Main Businesses	% of Ownership			Remark
			September 30, 2021	December 31, 2020	September 30, 2020	
Sinyi Realty Inc.	Sinyi International Limited (Sinyi International)	Investment holding	100	100	100	
	Sinyi Development Inc. (Taiwan Sinyi Development)	Development, construction, rental and sale of residential building and factories	100	100	100	
	Sinyi Limited	Investment holding	100	100	100	
	Sinyi Global Asset Management Co., Ltd. (Sinyi Global)	Real estate brokerage	100	100	100	
	Heng-Yi Intelligent Technology Inc. (Heng-Yi)	Information software, data processing and electronic information providing services	80	80	80	Note 1
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100	100	
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99	99	
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51	51	
	Yowoo Technology Inc. (Yowoo Technology)	Information software, data processing and electronic information providing services	100	100	100	
	Sin Chiun Holding Sdn. Bhd. (Sin Chiun)	Investment holding	100	100	100	
	Sinyi Real Estate Consulting Limited (Sinyi Consulting)	Production of Instructions of real estate	100	100	100	
	Sinju Holding Sdn. Bhd. (Sinju)	Investment holding	100	100	100	Note 2
	Sinyi Morefun Tourism Development Ltd. (Sinyi Morefun)	Investment holding	100	100	100	Note 3
	Sinyi Limited	Jin Mei Travel Service Co., Ltd. (Jin Mei)	Tourism	100	100	-
Ke Wei HK Realty Limited (Ke Wei HK)		Investment holding	99	99	99	
Inane	Inane International Limited (Inane)	Investment holding	100	100	100	
	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)	Real estate brokerage	100	100	100	
	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage	100	100	100	
	Shanghai Zhi Xin Allograph Ltd. (Shanghai Zhi Xin)	Real estate brokerage and management consulting	100	100	100	
Shanghai Sinyi	Max Success International Limited (Max Success)	Investment holding	100	100	100	
	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	100	100	100	
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	100	100	100	
	Jiaxing Zhi Zheng Real Estate Marketing Planning Inc. (Jiaxing Zhi Zheng)	Real estate marketing planning and management consulting	100	100	100	
	Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Chuzhou Zhi Zheng)	Real estate marketing planning and management consulting	-	-	-	Note 5
Shanghai Zhi Xin	Suzhou Zhi Xin Real Estate Co. Ltd. (Suzhou Zhi Xin)	Market information consultation and management consulting	100	100	100	
Ke Wei HK	Ke Wei Shanghai Real Estate Management Consulting Inc. (Ke Wei Shanghai)	Real estate brokerage and management consulting	100	100	100	
Sinyi International	Forever Success International Limited (Forever Success)	Investment holding	100	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage and management	100	100	100	
	Sinyi Development Limited (Sinyi Development)	Investment holding	100	100	100	
Forever Success	Sinyi Estate Ltd. (Sinyi Estate)	Investment holding	100	100	100	
	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	100	
Shanghai Shang Tuo	Hua Yun Renovation (Shanghai) Co., Ltd. (Hua Yun)	Professional construction, buildings, decoration construction, hardware, general merchandise, building materials wholesale	100	100	100	
	Shanghai Chang Yuan Co., Ltd. (Shanghai Chang Yuan)	Property management	100	100	100	
Hua Yun	Lunheng Business Management (Shanghai) Ltd. (Lunheng)	Management consulting	4	4	4	Note 6
An-Sin	An-Shin Real Estate Management Ltd. (An-Shin)	Real estate management	100	100	100	
Japan Sinyi	Sinyi Asset Management Co., Ltd. (Japan Management)	Real estate brokerage	100	100	100	
Sinyi Development	Tokyo Sinyi Real Estate Co., Ltd. (Tokyo Sinyi)	Real estate brokerage	100	100	100	
	Sinyi Real Estate (Hong Kong) Limited (Hong Kong Real Estate)	Investment holding	100	100	100	
Sinyi Estate	Kunshan Dingxian Trading Co., Ltd. (Kunshan Digxian Trading)	Construction materials furniture, sanitary ware and ceramic products wholesale	100	100	100	
	Sinyi Estate (Hong Kong) Limited (Hong Kong Sinyi Estate)	Investment holding	100	100	100	
Hong Kong Real Estate	Sinyi Real Estate (Shanghai) Limited (Shanghai Sinyi Estate)	Development of commercial and residential building, auxiliary facilities; and construction, rental, sale and property management	100	100	100	
Hong Kong Sinyi Estate	Jiu Xin Estate(Wuxi) Limited (Jiu Xin Estate)	Development of commercial and residential building	100	100	100	
Shanghai Sinyi Estate	Xin Yeh Business Administration (Shanghai) Ltd.(Xin Yeh)	Development of commercial and residential building	100	100	100	
	Lunheng	Management consulting	96	96	96	Note 6

(Continued)

Investor	Investee	Main Businesses	% of Ownership			Remark
			September 30, 2021	December 31, 2020	September 30, 2020	
Xin Yeh	Sinyi Real Estate (Wuxi) Limited (Sinyi Wuxi)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	100	100	100	
Yowoo Technology	Heng-Yi	Information software, data processing and electronic information providing services	20	20	20	Note 1
	Lian Yue Traffic Inc. (Lian Yue Traffic)	Manpower dispatch and Merchandise delivery	100	100	100	
Taiwan Sinyi Development	Da-Chia Construction Co., Ltd. (Da-Chia Construction)	Development, construction, rental and sale of residential building and factories	100	100	100	
	Sinyi Real Estate Co., Ltd. (Sinyi Real Estate)	Development, construction, rental and sale of residential building and factories	100	100	100	
Sin Chiun	Fidelity Property Consultant Sdn. Bhd. (Fidelity)	Investment holding	49	49	49	
	Pegasus Holding Sdn. Bhd. (Pegasus)	Investment holding	100	100	100	
Pegasus	Fidelity	Real estate brokerage, management and identification	51	51	51	
Sinju	Sinkang Administration Sdn. Bhd. (Sinkang)	Tourism	100	100	100	Note 7
	Sinhong International Sdn. Bhd.	Investment holding	-	-	-	Note 5
Sinyi Morefun	Sinyi Infinite Limited (Infinite)	Investment holding	100	-	-	Note 8
	Sinyi Elite Limited (Elite)	Investment holding	-	-	-	Note 5
	Sinyi Unique Limited (Unique)	Investment holding	100	-	-	Note 9
Infinite	Zhansin Tourism Development Sdn. Bhd. (Zhansin)	Tourism	100	-	-	Note 10
Elite	Zhanyi Tourism Development Sdn. Bhd. (Zhanyi)	Tourism	-	-	-	Note 5
Unique	Zhancheng Tourism Development Sdn. Bhd. (Zhancheng)	Tourism	100	-	-	Note 11

(Concluded)

#### Remark:

Note 1: Heng-Yi issued ordinary shares for cash amounting to NT\$7,000 thousand in April 2020, which were fully subscribed for by the Company. After the subscription of the shares, the Company's shareholding proportion increased to 80%. The shareholding proportion of Yowoo Technology in Heng-Yi, however, is reduced to 20% because it did not purchase any of the aforementioned new shares issued.

Note 2: The Group acquired 100% ownership of Sinju in January 2020.

Note 3: The Group acquired 100% ownership of Sinyi Morefun in August 2020.

Note 4: The Group acquired 100% ownership of Jin Mei in November 2020. Refer to Note 31.

Note 5: The Group established the subsidiaries in 2020; as of September 30, 2021, the capital injection had not been completed.

Note 6: Lунheng issued ordinary shares for cash in August 2020, which were fully subscribed for by Shanghai Sinyi Estate. After the subscription of the shares, the equity interest held by Sinyi Real Estate (Shanghai) Limited increased to 96%. The equity interest held by Hua Yun Renovation, however, is reduced to 4% because it did not purchase any of the aforementioned new shares issued.

Note 7: The Group acquired 100% ownership of Sinkang through Sinju in January 2020.

Note 8: The Group acquired 100% ownership of Infinite through Sinyi Morefun in March 2021.

Note 9: The Group acquired 100% ownership of Unique through Sinyi Morefun in March 2021.

Note 10: The Group acquired 100% ownership of Zhansin through Infinite in March 2021.

Note 11: The Group acquired 100% ownership of Zhancheng through Unique in March 2021.

Note 12: Subsidiaries included in consolidated financial statement: The financial statements of the consolidated entities had not been reviewed by the independent accountants, except for those the Company's material subsidiaries such as Sinyi International, Sinyi Development, Taiwan Sinyi Development, Hong Kong Real Estate, Shanghai Sinyi Estate, Sinyi Estate, Hong Kong Sinyi Estate, Jiu Xin Estate, Xin Yeh and Sin Chiun as of and for the nine months ended September 30, 2021.

Subsidiaries included in consolidated financial statement: The financial statements of the consolidated entities had not been reviewed by the independent accountants, except for those the Company's material subsidiaries such as Sinyi International, Sinyi Development, Hong Kong Real Estate, Shanghai Real Estate, Sinyi Estate, Hong Kong Sinyi Estate, Jiu Xin Estate and Xin Yeh as of and for the nine months ended September 30, 2020.

b. Subsidiaries excluded from consolidated financial statements: None.

### 13 . INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Investments in associates	\$ <u>47,442</u>	\$ <u>38,057</u>	\$ <u>35,889</u>

#### Investments In Associates

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Unlisted company			
Sinyi Interior Design Co., Ltd.	\$ 17,475	\$ 15,641	\$ 15,538
Rakuya International Info. Co., Ltd.	<u>29,967</u>	<u>22,416</u>	<u>20,351</u>
	<u>\$ 47,442</u>	<u>\$ 38,057</u>	<u>\$ 35,889</u>

As of the end of the reporting period, the proportion of ownership and voting rights in associates held by the Group were as follows:

<b>Name of Associate</b>	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Sinyi Interior Design Co., Ltd.	19%	19%	19%
Rakuya International Info. Co., Ltd.	23%	23%	23%

The Group's management considered investments in associates are not individually material, aggregate information of associates are summarized as follows:

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
The Group's share of:				
Profit from continuing operations	\$ 3,481	\$ 2,229	\$ 8,106	\$ 4,728
Other comprehensive income (loss)	<u>907</u>	<u>236</u>	<u>1,280</u>	<u>(663)</u>
Total comprehensive income (loss) for the period	<u>\$ 4,388</u>	<u>\$ 2,465</u>	<u>\$ 9,386</u>	<u>\$ 4,065</u>

Even though holding less than 20% of voting rights of Sinyi Interior Design Co., Ltd. the Group is able to exercise significant influence over it. The investment is still accounted for by the equity method.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income (loss) of the investment for the nine months ended September 30, 2021 and 2020 were based on unreviewed financial statements. The Group's management believes the unreviewed financial statements of the investees above do not have material impact.

#### 14. PROPERTY, PLANT AND EQUIPMENT

##### SELF-USED

	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Cost</u>								
Balance at January 1, 2021	\$ 2,833,746	\$ 598,088	\$ 10,597	\$ 440,708	\$ 629,528	\$ 101,109	\$ 1,028	\$ 4,614,804
Additions	-	-	1,050	22,524	37,566	6,067	6,486	73,693
Disposals	-	-	-	(21,968)	(11,460)	-	(1,905)	(35,333)
Reclassifications	-	-	-	-	-	1,029	(1,029)	-
Effect of foreign currency exchange differences	<u>-</u>	<u>(2,594)</u>	<u>(228)</u>	<u>(2,033)</u>	<u>(2,859)</u>	<u>(28)</u>	<u>-</u>	<u>(7,742)</u>
Balance at September 30, 2021	<u>\$ 2,833,746</u>	<u>\$ 595,494</u>	<u>\$ 11,419</u>	<u>\$ 439,231</u>	<u>\$ 652,775</u>	<u>\$ 108,177</u>	<u>\$ 4,580</u>	<u>\$ 4,645,422</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2021	\$ -	\$ 175,824	\$ 6,470	\$ 347,545	\$ 494,956	\$ 84,490	\$ -	\$ 1,109,285
Depreciation expense	-	12,725	663	24,803	35,493	4,149	-	77,833
Disposals	-	-	-	(21,295)	(10,360)	-	-	(31,655)
Effect of foreign currency exchange differences	<u>-</u>	<u>(318)</u>	<u>(86)</u>	<u>(1,470)</u>	<u>(1,795)</u>	<u>(3)</u>	<u>-</u>	<u>(3,672)</u>
Balance at September 30, 2021	<u>\$ -</u>	<u>\$ 188,231</u>	<u>\$ 7,047</u>	<u>\$ 349,583</u>	<u>\$ 518,294</u>	<u>\$ 88,636</u>	<u>\$ -</u>	<u>\$ 1,151,791</u>
Carrying amounts at September 30, 2021	<u>\$ 2,833,746</u>	<u>\$ 407,263</u>	<u>\$ 4,372</u>	<u>\$ 89,648</u>	<u>\$ 134,481</u>	<u>\$ 19,541</u>	<u>\$ 4,580</u>	<u>\$ 3,493,631</u>

(Continued)

	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<b>Cost</b>								
Balance at January 1, 2020	\$ 2,833,746	\$ 595,494	\$ 10,972	\$ 414,674	\$ 589,581	\$ 88,651	\$ 6,751	\$ 4,539,869
Additions	-	-	-	25,662	51,984	4,934	17,076	99,656
Disposals	-	-	( 1,900)	( 6,835)	( 14,494)	-	-	( 23,229)
Reclassifications	-	-	-	-	-	6,571	( 23,287)	( 16,716)
Effect of foreign currency exchange differences	-	( 1,297)	( 55)	( 597)	( 780)	-	-	( 2,729)
Balance at September 30, 2020	<u>\$ 2,833,746</u>	<u>\$ 594,197</u>	<u>\$ 9,017</u>	<u>\$ 432,904</u>	<u>\$ 626,291</u>	<u>\$ 100,156</u>	<u>\$ 540</u>	<u>\$ 4,596,851</u>
<b>Accumulated depreciation</b>								
Balance at January 1, 2020	\$ -	\$ 158,613	\$ 6,229	\$ 332,111	\$ 466,811	\$ 80,470	\$ -	\$ 1,044,234
Depreciation expense	-	12,649	602	24,101	35,026	2,907	-	75,285
Disposals	-	-	( 633)	( 6,466)	( 13,733)	-	-	( 20,832)
Effect of foreign currency exchange differences	-	( 87)	( 36)	( 410)	( 552)	-	-	( 1,085)
Balance at September 30, 2020	<u>\$ -</u>	<u>\$ 171,175</u>	<u>\$ 6,162</u>	<u>\$ 349,336</u>	<u>\$ 487,552</u>	<u>\$ 83,377</u>	<u>\$ -</u>	<u>\$ 1,097,602</u>
Carrying amounts at September 30, 2020	<u>\$ 2,833,746</u>	<u>\$ 423,022</u>	<u>\$ 2,855</u>	<u>\$ 83,568</u>	<u>\$ 138,739</u>	<u>\$ 16,779</u>	<u>\$ 540</u>	<u>\$ 3,499,249</u>

(Concluded)

The above items of property, plant and equipment were depreciated on a straight-line basis over the following estimated useful lives:

Buildings - main buildings	21-60 years
Transportation equipment	4-6 years
Office equipment	3-6 years
Leased assets	3 years
Leasehold improvements	1-5 years
Other equipment	3-15 years

- There was no interest capitalized during the nine months ended September 30, 2021 and 2020.
- Refer to Note 36 for the details of properties, plant and equipment pledged as collaterals.

## 15. LEASE ARRANGEMENTS

- Right-of-use assets

	September 30, 2021	December 31, 2020	September 30, 2020
Carrying amounts			
Land	\$ 1,473,286	\$ 1,583,111	\$ 1,569,556
Buildings	3,378,825	3,420,460	3,401,480
Other equipment	<u>14,944</u>	<u>17,447</u>	<u>18,096</u>
	<u>\$ 4,867,055</u>	<u>\$ 5,021,018</u>	<u>\$ 4,989,132</u>

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Additions to right-of-use assets	<u>\$ 148,789</u>	<u>\$ 752,746</u>	<u>\$ 388,795</u>	<u>\$ 1,146,053</u>
Depreciation charge for right-of-use assets				
Land	\$ 4,883	\$ 3,907	\$ 15,001	\$ 10,509
Buildings	136,734	136,392	410,229	405,868
Other equipment	<u>2,141</u>	<u>2,140</u>	<u>7,831</u>	<u>5,998</u>
	<u>\$ 143,758</u>	<u>\$ 142,439</u>	<u>\$ 433,061</u>	<u>\$ 422,375</u>

b. Lease liabilities

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Carrying amounts			
Current	<u>\$ 550,441</u>	<u>\$ 544,776</u>	<u>\$ 501,024</u>
Non-current	<u>\$ 2,926,592</u>	<u>\$ 2,947,766</u>	<u>\$ 2,933,465</u>

Range of discount rate for lease liabilities was as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Land	5%	5%	5%
Buildings	0.95%-5.7%	0.99%-5.7%	1.11%-5.7%
Other equipment	0.95%-1.29%	0.99%-1.29%	1.2%-1.29%

c. Material lease-in activities and terms

The Group signed an agreement to acquire right-of-use land at Pulau Mengalum, Sabah, Malaysia in 2019 and completed the legal procedures of possession right transfer in December 2019 and in August 2020. The land use rights are valid until December 31, 2096.

The Group leases buildings for the use of office spaces and stores with lease terms of 1 to 20 years. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

Due to the market conditions severely affected by COVID-19 in 2021, the Group had negotiated with some lessors, and had agreed to provide unconditional rent reduction. The effects of rent reduction were \$762 thousand, \$2,207 thousand, \$762 thousand and \$6,526 thousand (recognized in other gains and losses) for the three months ended September 30, 2021 and 2020 and for the nine months ended September 30, 2021 and 2020, respectively.



d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties and freehold property are set out in Note 16.

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Expenses relating to short-term and low-value asset leases	<u>\$ 8,530</u>	<u>\$ 8,992</u>	<u>\$ 28,158</u>	<u>\$ 28,737</u>
Total cash outflow for leases			<u>\$ 462,537</u>	<u>\$ 487,138</u>

The Group leases buildings which qualify as short-term leases and office equipment which qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, does not recognize right-of-use assets and lease liabilities for these leases.

## 16. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2021	\$ 1,906,418	\$ 458,191	\$ 2,364,609
Additions	1,734	66	1,800
Disposals	( 55,308)	( 2,358)	( 57,666)
Effects of foreign currency exchange differences	<u>-</u>	<u>( 2,267)</u>	<u>( 2,267)</u>
Balance at September 30, 2021	<u>\$ 1,852,844</u>	<u>\$ 453,632</u>	<u>\$ 2,306,476</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ 16,074	\$ 127,824	\$ 143,898
Depreciation expense	-	10,442	10,442
Disposals	( 11,062)	( 527)	( 11,589)
Effects of foreign currency exchange differences	<u>-</u>	<u>( 274)</u>	<u>( 274)</u>
Balance at September 30, 2021	<u>\$ 5,012</u>	<u>\$ 137,465</u>	<u>\$ 142,477</u>
Carrying amounts at September 30, 2021	<u>\$ 1,847,832</u>	<u>\$ 316,167</u>	<u>\$ 2,163,999</u>

(Continued)

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2020	\$ 1,926,993	\$ 458,641	\$ 2,385,634
Disposals	( 36,392)	( 3,615)	( 40,007)
Reclassifications	15,817	899	16,716
Effects of foreign currency exchange differences	<u>-</u>	<u>( 1,133)</u>	<u>( 1,133)</u>
Balance at September 30, 2020	<u>\$ 1,906,418</u>	<u>\$ 454,792</u>	<u>\$ 2,361,210</u>

Accumulated depreciation and impairment

Balance at January 1, 2020	\$ 16,712	\$ 113,911	\$ 130,623
Impairment loss	3,163	180	3,343
Depreciation expense	-	10,221	10,221
Disposals	( 3,801)	( 279)	( 4,080)
Effects of foreign currency exchange differences	<u>-</u>	<u>91</u>	<u>91</u>
Balance at September 30, 2020	<u>\$ 16,074</u>	<u>\$ 124,124</u>	<u>\$ 140,198</u>
Carrying amounts at September 30, 2020	<u>\$ 1,890,344</u>	<u>\$ 330,668</u>	<u>\$ 2,221,012</u>

(Concluded)

The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease receivable under operating leases of investment properties as of September 30, 2021 and 2020 were as follows:

	<b>September 30, 2021</b>	<b>September 30, 2020</b>
Year 1	\$ 111,495	\$ 106,033
Year 2	110,319	104,243
Year 3	103,845	104,054
Year 4	74,711	98,327
Year 5	497	70,514
Year 6 onwards	<u>20</u>	<u>83</u>
	<u>\$ 400,887</u>	<u>\$ 483,254</u>

The investment properties were depreciated on a straight-line basis over the following estimated useful lives:

Buildings - main buildings 30-60 years

The total fair value of the Group's investment properties and property, plant and equipment as of September 30, 2021, December 31, 2020 and September 30, 2020 were \$9,459,819 thousand, \$9,547,144 thousand and \$9,583,747 thousand, respectively. The fair value was determined by the management of the Group using the valuation model that market participants would generally use in determining fair value, and the fair value was measured by using Level 3 inputs. The valuation model was based on the sales comparison approach and direct capitalization method, where fair value indicators of the different valuation techniques are weighed and adjustments are made by reference to the available market information on the measurement date.

All of the Group's investment property was held under freehold interests. The carrying amount of the investment properties that had been pledged by the Group to secure borrowings was disclosed in Note 36.

## 17. INTANGIBLE ASSETS

	September 30, 2021	December 31, 2020	September 30, 2020
Franchise	\$ 38,352	\$ 40,851	\$ 42,297
Goodwill	2,870	2,870	-
System software costs	38,606	48,746	43,520
Patent	<u>1,354</u>	<u>2,292</u>	<u>2,604</u>
	<u>\$ 81,182</u>	<u>\$ 94,759</u>	<u>\$ 88,421</u>

<u>Cost</u>	Franchise	Goodwill	System Software Costs	Patent	Total
Balance at January 1, 2021	\$ 87,022	\$ 28,456	\$ 303,770	\$ 5,000	\$ 424,248
Additions	-	-	11,624	-	11,624
Effect of foreign currency exchange differences	( 1,925)	-	( 688)	-	( 2,613)
Balance at September 30, 2021	<u>\$ 85,097</u>	<u>\$ 28,456</u>	<u>\$ 314,706</u>	<u>\$ 5,000</u>	<u>\$ 433,259</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2021	\$ 46,171	\$ 25,586	\$ 255,024	\$ 2,708	\$ 329,489
Amortization expense	1,608	-	21,672	938	24,218
Effect of foreign currency exchange differences	( 1,034)	-	( 596)	-	( 1,630)
Balance at September 30, 2021	<u>\$ 46,745</u>	<u>\$ 25,586</u>	<u>\$ 276,100</u>	<u>\$ 3,646</u>	<u>\$ 352,077</u>
Carrying amounts at September 30, 2021	<u>\$ 38,352</u>	<u>\$ 2,870</u>	<u>\$ 38,606</u>	<u>\$ 1,354</u>	<u>\$ 81,182</u>

(Continued)

<u>Cost</u>	<b>Franchise</b>	<b>Goodwill</b>	<b>System Software Costs</b>	<b>Patent</b>	<b>Total</b>
Balance at January 1, 2020	\$ 91,606	\$ 25,586	\$ 273,382	\$ 5,000	\$ 395,574
Additions	-	-	19,424	-	19,424
Effect of foreign currency exchange differences	( 2,688)	-	( 164)	-	( 2,852)
Balance at September 30, 2020	<u>\$ 88,918</u>	<u>\$ 25,586</u>	<u>\$ 292,642</u>	<u>\$ 5,000</u>	<u>\$ 412,146</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2020	\$ 46,313	\$ 20,134	\$ 230,388	\$ 1,458	\$ 298,293
Amortization expense	1,708	-	18,890	938	21,536
Impairment loss	-	5,452	-	-	5,452
Effect of foreign currency exchange differences	( 1,400)	-	( 156)	-	( 1,556)
Balance at September 30, 2020	<u>\$ 46,621</u>	<u>\$ 25,586</u>	<u>\$ 249,122</u>	<u>\$ 2,396</u>	<u>\$ 323,725</u>
Carrying amounts at September 30, 2020	<u>\$ 42,297</u>	<u>\$ -</u>	<u>\$ 43,520</u>	<u>\$ 2,604</u>	<u>\$ 88,421</u>

(Concluded)

The above intangible assets with finite useful lives were amortized on a straight-line basis over the following estimated useful lives:

Franchise	40 years
System software costs	2-5 years
Patent	4 years

## 18. OTHER ASSETS

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Tax prepayment	\$ 135,631	\$ 47,759	\$ 48,017
Overpaid VAT	73,724	127,136	138,095
Prepaid expenses	41,981	56,491	45,711
Temporary payments	16,393	14,705	16,715
Overdue receivables	3,780	3,821	2,062
Others	<u>1,892</u>	<u>1,890</u>	<u>2,103</u>
	<u>\$ 273,401</u>	<u>\$ 251,802</u>	<u>\$ 252,703</u>
Current	\$ 267,729	\$ 246,092	\$ 248,751
Non-current	<u>5,672</u>	<u>5,710</u>	<u>3,952</u>
	<u>\$ 273,401</u>	<u>\$ 251,802</u>	<u>\$ 252,703</u>

Tax prepayment is land value increment tax imposed by China local tax bureau for presold real estate and overpaid sales tax in Mainland China.

## 19. BORROWINGS

### Long-term borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Secured borrowings</u>			
Bank loans	\$ 2,559,284	\$ 2,821,288	\$ 3,143,236
<u>Unsecured borrowings</u>			
Loans unsecured	1,510,000	980,000	2,410,000
Long-term commercial papers	300,000	-	-
Less: Discount on long-term commercial paper	( <u>225</u> )	<u>-</u>	<u>-</u>
	4,369,059	3,801,288	5,553,236
Less: Current portion	( <u>16,162</u> )	( <u>27,210</u> )	( <u>22,893</u> )
Long-term borrowings	<u>\$ 4,352,897</u>	<u>\$ 3,774,078</u>	<u>\$ 5,530,343</u>

In order to increase working capital, the Group applies for revolving loans from banks and issues financial commercial papers.

The long-term commercial papers not yet due are as follows:

#### September 30, 2021

Acceptance agency	Face value	Discount amount	Book value	Interest rate range	Collateral
International Bills Finance Corporation	\$ 150,000	(\$ 112)	\$ 149,888	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	( <u>113</u> )	<u>149,887</u>	0.938%	-
	<u>\$ 300,000</u>	( <u>\$ 225</u> )	<u>\$ 299,775</u>		

The long-term borrowings of the Group were as follows:

Content of Borrowings		September 30, 2021	December 31, 2020	September 30, 2020
E.Sun Bank	Credit facility: \$2,420,000 thousand. Period: August 2, 2019 to August 2, 2022. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in April 2021.	\$ -	\$ 500,000	\$ 1,100,000
E.Sun Bank	Credit facility: \$2,420,000 thousand. Period: April 27, 2021 to April 27, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	600,000	-	-
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 1, 2020 to September 30, 2023. Revolving credit line and interest is paid monthly. The Group repaid \$100,000 thousand as of September 30, 2021.	500,000	300,000	-

(Continued)

Content of Borrowings		September 30, 2021	December 31, 2020	September 30, 2020
Yuanta Bank	Credit facility: \$600,000 thousand. Period: March 18, 2020 to March 17, 2022. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in March 2021.	\$ -	\$ 150,000	\$ 200,000
Yuanta Bank	Credit facility: \$600,000 thousand. Period: March 18, 2021 to March 17, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	200,000	-	-
Mizuho Bank	Credit facility: \$600,000 thousand. Period: February 27, 2020 to February 27, 2022. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in May 2021.	-	100,000	300,000
Bank SINOPAC.	Credit facility: \$200,000 thousand. Period: September 11, 2020 to September 11, 2022. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in November 2020.	-	-	200,000
Far Eastern Bank	Credit facility: \$800,000 thousand. Period: June 10, 2020 to June 10, 2022. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in May 2021.	-	300,000	100,000
Far Eastern Bank	Credit facility: \$800,000 thousand. Period: May 27, 2021 to May 27, 2023. Revolving credit line and interest is paid monthly.	300,000	-	-
Bank of Taiwan	Credit facility: \$200,000 thousand. Period: December 10, 2019 to December 10, 2021. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in December 2020.	-	-	200,000
Taishin Bank	Credit facility: \$1,900,000 thousand. Period: September 8, 2017 to September 8, 2024. Interest is paid monthly and principal is repaid at maturity.	410,000	410,000	410,000
Taishin Bank	Credit facility: \$748,000 thousand. Period: March 29, 2019 to March 29, 2024. Interest is paid monthly and principal is repaid at maturity.	748,000	748,000	748,000
Taishin Bank	Credit facility: \$300,000 thousand. Period: December 25, 2019 to December 25, 2022. Revolving credit line and interest is paid monthly. The Group repaid all the debts in February 2021.	-	120,000	150,000
Taishin Bank	Credit facility: \$625,000 thousand. Period: March 29, 2019 to March 29, 2024. Interest is paid monthly and principal is repaid at maturity.	10,000	10,000	10,000
Taishin Bank	Credit facility: \$300,000 thousand. Period: December 25, 2020 to December 25, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	200,000	-	-
DBS Bank	Credit facility: \$200,000 thousand and US\$40,000 thousand. Period: January 7, 2020 to January 20, 2022. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in December 2020.	-	-	500,000
DBS Bank	Credit facility: \$200,000 thousand and US\$40,000 thousand. Period: January 11, 2021 to January 11, 2023. Revolving credit line and interest is paid monthly.	500,000	-	-
TC Bank	Credit facility: \$300,000 thousand. Period: August 31, 2020 to August 24, 2022. Revolving credit line and interest is paid monthly. The Group repaid all the debts in March 2021.	-	50,000	-
Mega Bank	Credit facility: \$500,000 thousand. Period: December 29, 2020 to December 29, 2023. Revolving credit line and interest is paid monthly. The Group repaid all the debts in May 2021.	-	100,000	-
Shanghai Pudon Development Bank	Credit facility: RMB600,000 thousand. Period: December 26, 2018 to December 25, 2023. Interest is paid quarterly and principal is repaid semi-annually per agreement. The Group repaid portions of debts in advance.	310,284	813,288	885,236

(Continued)

Content of Borrowings		September 30, 2021	December 31, 2020	September 30, 2020
Cathay United Bank	Credit facility: \$200,000 thousand. Period: January 9, 2020 to January 9, 2022. Interest is paid monthly and principal is repaid at maturity. The Group repaid all the debts in November 2020.	\$ -	\$ -	\$ 100,000
CTBC Bank	Credit facility: \$200,000 thousand. Period: July 2, 2020 to July 2, 2022. Revolving credit line and interest is paid monthly. The Group repaid all the debts in November 2020.	-	-	150,000
Hua Nan Bank	Credit facility: \$500,000 thousand. Period: January 30, 2020 to January 30, 2023. Revolving credit line and interest is paid monthly. The Group repaid all the debts in June 2021.	-	200,000	400,000
Hua Nan Bank	Credit facility: \$500,000 thousand. Period: May 21, 2021 to May 21, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	300,000	-	-
Chang Hwa Bank	Credit facility: \$500,000 thousand. Period: February 15, 2020 to February 15, 2022. Revolving credit line and interest is paid monthly. The Group repaid all the debts in October 2020.	-	-	100,000
Total long-term borrowings		<u>\$ 4,069,284</u>	<u>\$ 3,801,288</u>	<u>\$ 5,553,236</u>

(Concluded)

Refer to Note 36 for the details of assets pledged as collaterals for long-term borrowings.

As of September 30, 2021, December 31, 2020 and September 30, 2020, the effective interest rates of the Group's long-term credit loans were 0.90%-1.73%, 0.86%-1.73% and 0.85%-1.73%, respectively, and those of the Group's long-term secured loans were 0.90%-5.70%, 0.93%-5.70% and 0.93%-5.70%, respectively.

## 20. BONDS PAYABLE

	September 30, 2021	December 31, 2020	September 30, 2020
Domestic unsecured bonds	\$ 4,600,000	\$ 5,300,000	\$ 5,300,000
Less: Current portion	-	( 700,000 )	( 700,000 )
Bonds payable	<u>\$ 4,600,000</u>	<u>\$ 4,600,000</u>	<u>\$ 4,600,000</u>

The major term of domestic unsecured bonds was as follows:

Issuance Period	Total Amount (In Thousands)	Coupon Rate	Repayment and Interest Payment
May 2018 to May 2021	700,000	0.92%	Principal is repaid at maturity. Interest is paid annually.
May 2018 to May 2023	1,900,000	1.07%	Principal is repaid at maturity. Interest is paid annually.
July 2018 to July 2023	1,800,000	1.05%	Principal is repaid at maturity. Interest is paid annually.
November 2019 to November 2029	900,000	1.25%	Principal is repaid at maturity. Interest is paid annually.

## 21. CONTRACT LIABILITIES

	September 30, 2021	December 31, 2020	September 30, 2020
Advance receipts from real estate transactions	<u>\$ 2,453,571</u>	<u>\$ 1,479,529</u>	<u>\$ 1,146,659</u>

Advance receipts from real estate transactions are the amounts collected by Shanghai Sinyi Estate, Jiu Xin Estate and Sinyi Development from customers for pre-sales. As to real estate development, after the subsidiary's sales contracts has entered with the customers, sales revenue from the units that have been delivered on the date of delivery of the real estate is recognized and the related inventory costs are transferred to cost of sales. Deposits and installment payments received prior to qualifying for sales revenue recognition are included in the consolidated balance sheets under contract liabilities.

## 22. TRADE PAYABLES

	September 30, 2021	December 31, 2020	September 30, 2020
Construction payables	<u>\$ 735,093</u>	<u>\$ 274,861</u>	<u>\$ 173,449</u>

## 23. OTHER LIABILITIES

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Current</u>			
Other payables	\$ 3,170,936	\$ 3,122,574	\$ 2,548,646
Other liabilities	<u>250,711</u>	<u>258,577</u>	<u>176,649</u>
	<u>\$ 3,421,647</u>	<u>\$ 3,381,151</u>	<u>\$ 2,725,295</u>
<u>Non-current</u>			
Other liabilities	<u>\$ 1,230,648</u>	<u>\$ 920,293</u>	<u>\$ 847,307</u>



a. Other payables were as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
<u>Other payables-Expenses</u>			
Payable for performance bonus and salaries	\$ 2,083,019	\$ 2,081,110	\$ 1,532,651
Payable for annual leave	214,297	149,136	190,362
Payable for labor and health insurance	104,463	115,405	85,290
Advertisement payable	84,295	91,550	80,456
Payable for professional fees	41,498	8,651	3,339
Payable for employees bonuses and compensation to directors	25,378	35,580	22,708
Interest payables	23,895	28,119	25,656
Others	216,835	199,079	225,057
	<u>\$ 2,793,680</u>	<u>\$ 2,708,630</u>	<u>\$ 2,165,519</u>

Other payables-Others

Receipts under custody from real estate transactions	\$ 292,594	316,873	\$ 294,057
Other receipts under custody	61,794	64,104	58,025
Receipts under custody – escrow service	-	1	-
	<u>\$ 354,388</u>	<u>\$ 380,978</u>	<u>\$ 352,082</u>

Other payables to Related parties

Loan from related parties	\$ 14,637	\$ 23,636	\$ 23,053
Interest payable	5,957	7,772	6,518
Others	2,274	1,558	1,474
	<u>\$ 22,868</u>	<u>\$ 32,966</u>	<u>\$ 31,045</u>

- 1.) Employees and senior management who meet the performance standards under the bonus rules are eligible for performance bonuses. Performance bonuses to be paid one year later are recorded as other non-current liabilities.
- 2.) Loans from related parties were accounted for other payables to related parties with nil interest rates for the nine months ended September 30, 2021 and 2020.
- 3.) Receipts under custody from real estate transactions were the money received by real estate brokers - Shanghai Sinyi, Zhejiang Sinyi, Suzhou Sinyi, Japan Sinyi, Japan Management and Fidelity from buyers/lessees that had concluded transactions, but not yet transferred to the sellers/lessors.
- 4.) Receipts under custody from escrow service were the money received by An-Sin and An-Shin from buyers of real estate transactions but not yet transferred to the sellers. Composition was as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Receipts under custody - performance guarantee	\$ 18,616,863	\$ 14,611,007	\$ 15,656,298
Interest payable	338	2,162	1,720
Deposit accounts	( <u>18,617,201</u> )	( <u>14,613,168</u> )	( <u>15,658,018</u> )
	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>

- a) Receipts under custody - performance guarantee were receipts under custody from sellers of real estate transactions with interest rate of 0.01%-0.04% as of September 30, 2021 , December 31,2020 and September 30, 2020.
- b) Deposit accounts were receipts which had been paid by buyers of real estate transactions but not delivered to the sellers yet. The Group deposited these receipts in bank accounts according to the escrow contracts.

b. Other liabilities were as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
<u>Current</u>			
VAT payable and other tax payable	\$ 155,654	\$ 170,455	\$ 88,131
Refund liability	68,966	60,168	61,560
Others	<u>26,091</u>	<u>27,954</u>	<u>26,958</u>
	<u>\$ 250,711</u>	<u>\$ 258,577</u>	<u>\$ 176,649</u>
<u>Non-current</u>			
Long-term bonus payable	\$ 1,226,868	\$ 916,472	\$ 845,245
Refund liability	<u>3,780</u>	<u>3,821</u>	<u>2,062</u>
	<u>\$ 1,230,648</u>	<u>\$ 920,293</u>	<u>\$ 847,307</u>

The VAT payable and other tax payable were the VAT of the Group and the accrued tax payable for the presale real estate of Jiu Xin Estate.

## 24. PROVISIONS

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
<u>Current</u>			
Operating loss provisions	<u>\$ 12,380</u>	<u>\$ 8,444</u>	<u>\$ 7,016</u>

	<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>
<u>Operating loss provisions</u>		
Balance, beginning of period	\$ 8,444	\$ 9,374
Additional provisions recognized	3,936	3,259
Usage	<u>-</u>	<u>( 5,617 )</u>
Balance, end of period	<u>\$ 12,380</u>	<u>\$ 7,016</u>

The provision for operating losses was recognized as possible operating defects in performing the escrow and brokerage business. The provisions were estimated on the basis of evaluation of the escrow service and brokerage service provided, historical experience and pertinent factors.

## 25. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans were calculated using the actuarially determined pension cost discount rate as of December 31, 2020 and 2019, and recognized in profit or loss in respect of the defined benefit plans for the three months ended September 30, 2021 and 2020 and for the nine months ended September 30, 2021 and 2020 were \$868 thousand, \$1,150 thousand, \$2,604 thousand and \$3,452 thousand, respectively.

## 26. EQUITY

### Share Capital

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Numbers of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Shares authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>736,847</u>	<u>736,847</u>	<u>736,847</u>
Share capital issued	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>

As of September 30, 2021, the Company's shares were \$7,368,465 thousand with 736,847 thousand ordinary shares at \$10 per share.

The ordinary shares issued, which have par value of \$10, carry one vote and a right to dividends.

## Capital Surplus

	September 30, 2021	December 31, 2020	September 30, 2020
<u>May be used to offset a deficit</u>			
Expired employee stock options	\$ 63,896	\$ 63,896	\$ 63,896

The capital surplus from shares issued in excess of par (additional arising from expired stock options) is used to offset a deficit.

## Retained Earnings and Dividend Policy

- a. Under the dividend policy as set forth in the amended Articles, where the Company has earning upon settlement for a fiscal year, after taxes are paid by law and accumulated deficits are set off, ten percent shall be appropriated as legal earning reserves; however, if the amount of the legal earning reserves has attained the amount of paid-in capital of the Company, no further appropriation shall be made. The remainder shall be appropriated or reversed as special earning reserves. If there still has balance, considering together with accumulated undistributed earnings, the board of directors shall prepare the proposal for earning distribution, which shall be submitted to the shareholders' meeting for a resolution of distribution of dividends and bonuses to shareholders. For the policies on distribution of employees' compensation and remuneration of directors before and after amendment, please refer to section Employee benefits expense in Note 28 (Employees' Compensation and Remuneration of Directors).
- b. In addition, according the revised Article of Incorporation of the Company, the dividend policy of the Company is to deliberately distribute dividends, in the light of present and future development plan, taking into consideration the investment environments, fund demands, and domestic competition status, as well as factors of interests of shareholders; provided. However, the amount of proposed earning distribution of current year may not be less than 20% of accumulated distributable earnings. In distributing dividends and bonuses to shareholders, the distribution may be made by stocks or cash, of which cash dividends may not be less than 10% of total amount of dividends.
- c. Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.
- d. The appropriations of earnings including bonus to employees, and the remuneration to directors for 2020 and 2019 had been approved in the shareholders' meeting held on May 21, 2021 and May 22, 2020, respectively. The appropriations and dividends per share were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>Years Ended December 31</u>		<u>Years Ended December 31</u>	
	2020	2019	2020	2019
Legal reserve	\$ 172,251	\$ 121,670	\$ -	\$ -
Special reserve	185,377	346,879	-	-
Cash dividends	1,252,639	884,216	1.70	1.20

## Others Equity Items

### a. Exchange differences on translating foreign operations

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. New Taiwan dollars) were recognized directly in other comprehensive income and accumulated in the exchange differences on translation of foreign operations. Gains and losses on hedging instruments that were designated as hedging instruments for hedges of net investments in foreign operations were included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve were reclassified to profit or loss on the disposal of the foreign operation.

### b. Unrealized gains or losses from financial assets at fair value through other comprehensive income

Unrealized gains or losses from financial assets at fair value through other comprehensive income represents the cumulative gains and losses arising on the revaluation of financial assets at fair value through other comprehensive income, that have been defined to recognize in other comprehensive income. The accumulated amounts of unrealized gains or losses from financial assets at fair value through other comprehensive income did not reclassified to gains or losses when dispose of investment.

## Non-controlling Interests

	<u>Nine Months Ended September 30</u>	
	<u>2021</u>	<u>2020</u>
Balance, beginning of period	\$ 125,693	\$ 111,661
Attributed to non-controlling interests:		
Net income	13,994	10,806
Exchange differences on translating foreign operations	1	-
Cash dividends distributed to non-controlling interests	( <u>15,251</u> )	( <u>2,793</u> )
Balance, end of period	<u>\$ 124,437</u>	<u>\$ 119,674</u>

## 27. REVENUE

### a. Disaggregation of revenue

Refer to Note 41 for information about the disaggregation of revenue.

### b. Contract balances

The Group's contract liabilities, all of which are derived from the sale of real estate, were recognized under contract liabilities; refer to Note 21 for the details. Changes in the contract balance arises from the timing difference when performance obligations are satisfied and when deposits and installment payments are received prior to qualifying for sales revenue recognition, and is transferred to revenue when performance obligations are satisfied.

The Group recognizes revenues when performance obligations are satisfied from providing real estate brokerage services or sales of real estate and recognizes the right to receive the consideration as accounts receivable, refer to Note 9 for the details.

## 28. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations had been arrived at after charging or crediting:

### Interest Income

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Interest income				
Cash in bank	\$ 34,803	\$ 19,561	\$ 68,589	\$ 68,895
Other	874	528	2,890	1,757
	\$ 35,677	\$ 20,089	\$ 71,479	\$ 70,652

### Other Gains and Losses

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Impairment loss of investment properties	\$ -	\$ -	\$ -	(\$ 3,343)
Net gain (loss) on financial assets at fair value through profit or loss	69	86	( 159)	329
Losses on disposal of property, plant and equipment	( 57)	( 590)	( 1,575)	( 1,057)
(Losses) Gains on disposal of investment properties	-	( 553)	4,419	6,715
Net foreign exchange gains (losses)	992	( 12,779)	14,384	( 17,072)
Share of gains (losses) on associates and joint venture	3,481	2,229	8,106	4,728
Impairment loss of goodwill	-	( 5,452)	-	( 5,452)
Others	8,669	14,602	33,128	51,913
	\$ 13,154	(\$ 2,457)	\$ 58,303	\$ 36,761

### Finance Costs

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Interest on bank loans	\$ 20,894	\$ 53,530	\$ 63,648	\$ 138,407
Interest on unsecured bonds payable	12,724	14,295	39,997	42,604
Interest on lease liabilities	15,171	16,798	47,348	50,952
Others	2	2	272	10
	48,791	84,625	151,265	231,973
Deduct: Amounts included in the cost of qualifying assets (inventories under construction)	( 13,554)	( 43,964)	( 45,875)	( 101,620)
	\$ 35,237	\$ 40,661	\$ 105,390	\$ 130,353

Information about capitalized interest was as follows:

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Interest capitalization rate	1.73%-5.7%	1.59%-5.7%	1.73%-5.7%	1.59%-5.7%

### Depreciation and Amortization

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Property, plant and equipment	\$ 26,208	\$ 25,616	\$ 77,833	\$ 75,285
Right-of-use assets	143,758	142,439	433,061	422,375
Investment property	3,446	3,404	10,442	10,221
Intangible assets	<u>8,499</u>	<u>7,771</u>	<u>24,218</u>	<u>21,536</u>
	<u>\$ 181,911</u>	<u>\$ 179,230</u>	<u>\$ 545,554</u>	<u>\$ 529,417</u>
An analysis of depreciation by function				
Inventories	\$ -	\$ 14	\$ 29	\$ 42
Operating costs	147,179	145,460	442,057	436,235
Management expenses	22,787	22,581	68,808	61,383
Other losses	<u>3,446</u>	<u>3,404</u>	<u>10,442</u>	<u>10,221</u>
	<u>\$ 173,412</u>	<u>\$ 171,459</u>	<u>\$ 521,336</u>	<u>\$ 507,881</u>
An analysis of amortization by function				
Inventories	\$ -	\$ -	\$ -	\$ 717
Operating costs	1,590	340	2,552	1,001
Management expenses	<u>6,909</u>	<u>7,431</u>	<u>21,666</u>	<u>19,818</u>
	<u>\$ 8,499</u>	<u>\$ 7,771</u>	<u>\$ 24,218</u>	<u>\$ 21,536</u>

### Operating Expenses Directly Related to Investment Properties

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Direct operating expenses from investment property				
That generated rental income	\$ 9,859	\$ 9,990	\$ 27,961	\$ 29,876
That did not generate rental income	<u>25</u>	<u>36</u>	<u>90</u>	<u>126</u>
	<u>\$ 9,884</u>	<u>\$ 10,026</u>	<u>\$ 28,051</u>	<u>\$ 30,002</u>

## Employee Benefits Expense

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Salary expense	\$ 2,138,270	\$ 1,898,627	\$ 5,813,373	\$ 4,834,201
Labor and health insurance expenses	<u>120,519</u>	<u>103,412</u>	<u>354,892</u>	<u>302,805</u>
	<u>2,303,789</u>	<u>2,002,039</u>	<u>6,168,265</u>	<u>5,137,006</u>
Post-employment benefits				
Defined contribution plans	61,998	53,951	188,273	161,258
Defined benefit plans (Note 25)	<u>868</u>	<u>1,150</u>	<u>2,604</u>	<u>3,452</u>
	<u>62,866</u>	<u>55,101</u>	<u>190,877</u>	<u>164,710</u>
Other employee benefits	<u>45,204</u>	<u>48,983</u>	<u>147,599</u>	<u>145,066</u>
Total employee benefits expense	<u>\$ 2,411,859</u>	<u>\$ 2,106,123</u>	<u>\$ 6,506,741</u>	<u>\$ 5,446,782</u>
An analysis of employee benefits expense by function				
Inventories	\$ -	\$ 2,438	\$ 8,392	\$ 5,826
Operating costs	2,172,468	1,862,991	5,824,210	4,784,731
Management expenses	<u>239,391</u>	<u>240,694</u>	<u>674,139</u>	<u>656,225</u>
	<u>\$ 2,411,859</u>	<u>\$ 2,106,123</u>	<u>\$ 6,506,741</u>	<u>\$ 5,446,782</u>

## Employees' Compensation and Remuneration of Directors

In accordance with the Company's Articles of incorporation, the Company accrued employees' compensation and remuneration of directors at the rates no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. The accrued employees' compensation and remuneration of directors for the three months ended September 30, 2021 and 2020 and the nine months ended September 30, 2021 and 2020 were as follows:

### Accrual rate

	Nine Months Ended September 30	
	2021	2020
Employees' compensation	1%	1%
Remuneration of directors	0.18%	0.25%



Amount

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021 Cash</b>	<b>2020 Cash</b>	<b>2021 Cash</b>	<b>2020 Cash</b>
Employees' compensation	\$ 9,542	\$ 7,282	\$ 20,182	\$ 12,786
Remuneration of directors	1,200	406	3,600	3,226

If there is a change in the proposed amounts after the date the Group's annual consolidated financial statements were authorized for issue, the differences are accounted for as a change in accounting estimate in the following year.

The appropriations of compensation to employees and the remuneration to directors for 2020 and 2019 had been approved, respectively by the board of directors on February 25, 2021 and on February 27, 2020. The appropriations were as below.

	<b>Years Ended December 31</b>	
	<b>2020 Cash</b>	<b>2019 Cash</b>
Employees' compensation	\$ 20,275	\$ 16,258
Remuneration of directors	4,800	3,923

There is no difference between the actual amounts of employees' compensation and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2020 and 2019.

Information on the employees' compensation and remuneration of directors approved by the Company's board of directors in 2021 and 2020 is available on the Market Observation Post System website of the Taiwan Stock Exchange.

**Impairment loss (Reversal gain) on non-financial assets**

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Investment properties (Included in other benefit and losses -gross carrying amount)	\$ -	\$ -	\$ -	\$ 3,343
Inventories (Included in operating costs)	( 2,513 )	30,037	41,944	30,037
Goodwill (Included in other benefit and losses -gross carrying amount)	-	5,452	-	5,452
	<u>( \$ 2,513 )</u>	<u>\$ 35,489</u>	<u>\$ 41,944</u>	<u>\$ 38,832</u>

## 29. INCOME TAXES RELATING TO CONTINUING OPERATIONS

### a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Current tax				
In respect of the current period	\$ 167,575	\$ 158,579	\$ 434,697	\$ 373,274
Additional income tax on unappropriated earnings	-	-	5,612	-
Land value increment tax	33,784	3,589	62,632	29,915
In respect of the prior periods	-	-	4,720	6,279
Deferred tax				
In respect of the current periods	( 1,484 )	4,408	( 3,075 )	6,592
Income tax expense recognized in profit or loss	<u>\$ 199,875</u>	<u>\$ 166,576</u>	<u>\$ 504,586</u>	<u>\$ 416,060</u>

### b. Income tax assessments

Jui-Inn, Heng-Yi, An-Sin, An-Shin, Taiwan Sinyi Development, Da-Chia Construction, Sinyi Real Estate, Lian Yue Traffic, Jin Mei, Sinyi Global, Sinyi Culture, Yowoo Technology, Sinyi Consulting and Tokyo Sinyi's tax returns through 2019 had been assessed by the tax authorities.

The Company's tax returns through 2018 had been assessed by the tax authorities.

## 30. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Basic EPS	<u>\$ 0.98</u>	<u>\$ 0.76</u>	<u>\$ 2.27</u>	<u>\$ 1.27</u>
Diluted EPS	<u>\$ 0.98</u>	<u>\$ 0.76</u>	<u>\$ 2.27</u>	<u>\$ 1.27</u>

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share from continuing operations were as follows:

## Net Profit for the Period

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Profit for the period attributable to owners of the Company	<u>\$ 725,413</u>	<u>\$ 556,764</u>	<u>\$ 1,675,988</u>	<u>\$ 937,854</u>

## Weighted Average Number of Ordinary Shares Outstanding

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Weighted average number of ordinary shares in computation of basic earnings per share	736,847	736,847	736,847	736,847
Effect of dilutive potential ordinary shares:				
Bonus issue to employee	<u>647</u>	<u>256</u>	<u>824</u>	<u>566</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>737,494</u>	<u>737,013</u>	<u>737,671</u>	<u>737,413</u>

Since the Group is allowed to settle the bonus to employees by cash or shares, the Group presumed that the entire amount of the bonus will be settled in shares and the resulting potential shares are included in the weighted average number of outstanding shares used in the calculation of diluted earnings per share, if the shares have a dilutive effect. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares should be included in the calculation of diluted earnings per share until the stockholders resolve the number of shares to be distributed to employees at their meeting in the following year.

## 31. BUSINESS COMBINATIONS

### Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Jin Mei Travel Service Co., Ltd.	Tourism	November 30, 2020	100%	<u>\$ 5,310</u>

The Group acquired Jin Mei to pursue the development of business and to integrate the resource of the Group. All transfer consideration were paid by cash.

The Group temporarily recorded the acquired assets and liabilities of Jin Mei without purchase price allocation report as of the September 30, 2021 and measured them in the subsequent measurement period after acquiring purchase price allocation report.

**(a) Assets acquired and liabilities assumed at the date of acquisition**

	<b>Jin Mei</b>
Current assets	
Cash and cash equivalents	\$ 1,542
Other receivables	1,000
Other current assets	1,122
Non-current assets	
Refundable deposits	350
Current liabilities	
Notes payable	( 39)
Trade payables	( 135)
Advance receipts	( <u>1,400</u> )
Fair value of net assets acquired	<u>\$ 2,440</u>

**(b) Goodwill recognized on acquisitions**

	<b>Jin Mei</b>
Consideration transferred	\$ 5,310
Less: Fair value of identifiable net assets acquired	( <u>2,440</u> )
	<u>\$ 2,870</u>

The total amount of acquired goodwill that is expected to be not tax-deductible.

**(c) Net cash outflow on the acquisition of subsidiaries**

	<b>Jin Mei</b>
Consideration paid in cash	( \$ 5,310)
Less: Cash and cash equivalent balances acquired	<u>1,542</u>
	( <u>\$ 3,768</u> )

**(d) Impact of acquisitions on the results of the Group**

The results of the acquiree since the acquisition date included in the consolidated statements of comprehensive income is as follows:

**For the Year  
Ended  
December 31,  
2020**

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**Jin Mei**

Revenue	\$ 110
Net Loss	( \$ 66)

### 32. CASH FLOW INFORMATION

#### Changes in Liabilities Arising from Financing Activities

For the nine months ended September 30, 2021

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bond payable (including current portion)	\$ 5,300,000	\$ (700,000)	\$ -	\$ -	\$ -	\$ 4,600,000
Long-term borrowings (including current portion)	3,801,288	620,770	-	(52,999)	-	4,369,059
Guarantee deposits received	32,023	(430)	-	-	-	31,593
Lease liabilities	3,492,542	(387,031)	388,795	30,075	(47,348)	3,477,033
Other payables to related parties	23,636	(8,610)	-	(389)	-	14,637
	<u>\$ 12,649,489</u>	<u>\$ (475,301)</u>	<u>\$ 388,795</u>	<u>\$ (23,313)</u>	<u>\$ (47,348)</u>	<u>\$ 12,492,322</u>

For the nine months ended September 30, 2020

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bonds payable (including current portion)	\$ 5,300,000	\$ -	\$ -	\$ -	\$ -	\$ 5,300,000
Long-term borrowings (including current portion)	6,899,112	(1,421,423)	-	75,547	-	5,553,236
Guarantee deposits received	35,190	(940)	-	-	-	34,250
Lease liabilities	3,283,525	(407,449)	571,028	38,337	(50,952)	3,434,489
	<u>\$ 15,517,827</u>	<u>\$ (1,829,812)</u>	<u>\$ 571,028</u>	<u>\$ 113,884</u>	<u>\$ (50,952)</u>	<u>\$ 14,321,975</u>

### 33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

Key management personnel of the Group review the capital structure on a quarterly basis. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the

Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

### 34. FINANCIAL INSTRUMENTS

#### a. Fair value of financial instruments not carried at fair value

Except as detailed in the following table, management believes the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values or their fair values cannot be reliably measured.

#### September 30, 2021

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	<u>\$4,600,000</u>	<u>\$ -</u>	<u>\$4,658,962</u>	<u>\$ -</u>	<u>\$4,658,962</u>

#### December 31, 2020

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	<u>\$ 5,300,000</u>	<u>\$ -</u>	<u>\$ 5,311,879</u>	<u>\$ -</u>	<u>\$ 5,311,879</u>

#### September 30, 2020

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	<u>\$5,300,000</u>	<u>\$ -</u>	<u>\$5,313,030</u>	<u>\$ -</u>	<u>\$5,313,030</u>

The fair values of the financial liabilities included in the Level 2 category above have been determined in accordance with market price based on discounted cash flow analysis, with the most significant observable inputs being the bond duration, interest rates and credit ratings, etc.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2021

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	\$ 1,109	\$ -	\$ -	\$ 1,109
Mutual funds	<u>39,063</u>	<u>-</u>	<u>-</u>	<u>39,063</u>
	<u>\$ 40,172</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,172</u>

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTOCI				
Domestic listed stocks - equity investments	\$ 112,412	\$ -	\$ -	\$ 112,412
Domestic unlisted stocks - equity investments	-	-	135,606	135,606
Foreign listed stocks - equity investments	294,824	-	-	294,824
Foreign unlisted stocks - equity investments	<u>-</u>	<u>-</u>	<u>79,511</u>	<u>79,511</u>
	<u>\$ 407,236</u>	<u>\$ -</u>	<u>\$ 215,117</u>	<u>\$ 622,353</u>

December 31, 2020

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	\$ 6,529	\$ -	\$ -	\$ 6,529
Mutual funds	60,278	-	-	60,278
Structured products	<u>-</u>	<u>38,718</u>	<u>-</u>	<u>38,718</u>
	<u>\$ 66,807</u>	<u>\$ 38,718</u>	<u>\$ -</u>	<u>\$ 105,525</u>

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTOCI				
Domestic listed stocks - equity investments	\$ 102,917	\$ -	\$ -	\$ 102,917
Domestic unlisted stocks - equity investments	-	-	116,152	116,152
Foreign listed stocks - equity investments	529,137	-	-	529,137
Foreign unlisted stocks - equity investments	<u>-</u>	<u>-</u>	<u>180,354</u>	<u>180,354</u>
	<u>\$ 632,054</u>	<u>\$ -</u>	<u>\$ 296,506</u>	<u>\$ 928,560</u>

(Continued)

September 30, 2020

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	\$ 6,674	\$ -	\$ -	\$ 6,674
Mutual funds	62,169	-	-	62,169
Structured products	<u>-</u>	<u>46,798</u>	<u>-</u>	<u>46,798</u>
	<u>\$ 68,843</u>	<u>\$ 46,798</u>	<u>\$ -</u>	<u>\$ 115,641</u>
Financial assets at FVTOCI				
Domestic listed stocks - equity investments	\$ 103,119	\$ -	\$ -	\$ 103,119
Domestic unlisted stocks - equity investments	-	-	119,051	119,051
Foreign listed stocks - equity investments	435,889	-	-	435,889
Foreign unlisted stocks - equity investments	<u>-</u>	<u>-</u>	<u>149,393</u>	<u>149,393</u>
	<u>\$ 539,008</u>	<u>\$ -</u>	<u>\$ 268,444</u>	<u>\$ 807,452</u>

(Concluded)

There were no transfers between Level 1 and Level 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2021

	<b>Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments</b>
Balance at January 1, 2021	\$ 296,506
Additions	6,569
Recognized in other comprehensive (loss) income	(85,728)
Effect of exchange rate changes	<u>(2,230)</u>
Balance at September 30, 2021	<u>\$ 215,117</u>

(Continued)



For the nine months ended September 30, 2020

	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>
	<b>Equity Instruments</b>
Balance at January 1, 2020	\$ 349,958
Additions	16,283
Recognized in other comprehensive (loss) income	(95,437)
Effect of exchange rate changes	<u>(2,360)</u>
Balance at September 30, 2020	<u>\$ 268,444</u>

(Concluded)

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Structured financial products	Discounted cash flow: future cash flows are estimated based on observable interest rate and discounted at a market interest rate.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Foreign unlisted stocks	Market comparison method: the value of the evaluation target can be obtained by using the transaction price of the enterprises which are similar to the evaluation target in the active market with consideration of implied value multiplier and liquidity discount.
Domestic unlisted stocks	According to the balance sheet of the evaluation target, evaluate the total value of its individual assets and liabilities using market approach consistently with the consideration of liquidity and non-control discounts to reflect the overall value of the target.

The investments in equity instruments which are classified in Level 3 without public price at active market should be evaluated with the reference of the evaluation method, the evaluation target's net asset value and the bid price of the competitors which are widely used by the market participants. The Group did not disclose the quantitative information due to the difficulty in fully getting the relationship between the material unobservable inputs and fair value in practice.

c. Categories of financial instruments

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 40,172	\$ 105,525	\$ 115,641
Financial assets at amortized cost (Note 1)	11,158,211	8,031,402	7,797,061
Financial assets at FVTOCI	622,353	928,560	807,452
<u>Financial liabilities</u>			
Financial assets at amortized cost (Note 2)	14,133,685	13,447,705	14,455,116

Note 1: The balance included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, notes receivable and trade receivables, other receivables, other financial assets and refundable deposits.

Note 2: The balance included financial liabilities measured at amortized cost, which comprise notes payable, trade payables, other payables, bonds payable, long-term borrowings (including current portion of long-term borrowings and bond payable), long-term bonus payable (was recognized under other non-current liabilities) and guarantee deposits received.

d. Financial Risk Management Objectives and Policies

The Group's major financial instruments included equity, mutual funds, trade receivables, other payables, bonds payable, borrowings and lease liabilities. The Group's Corporate Treasury function provides services to the business and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include Market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group seeks to ensure sufficient funding readily available when needed with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by audit committees and board of directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, Corporate Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis.

a.) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below), interest rates (see (2) below) and other price risk (see (3) below).

1) Foreign currency risk

Most of the Group's operating activities are in Taiwan, denominated in New Taiwan dollars. Therefore, the operating activities in Taiwan are not exposed to foreign currency risk. The Group took foreign operations as strategic investments, and did not hedge the risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period please refer to Note 39.

### Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollars ("NTD", the functional currency) against the relevant foreign currencies. A negative number below indicates an increase in profit before income tax or equity where the NTD strengthens 1% against the relevant currency. For a 1% weakening of the NTD against the relevant currency, the balances below would be positive as the other factors remain unchanged.

	Nine Months Ended September 30							
	2021				2020			
	RMB	JPY	USD	MYR	RMB	JPY	USD	MYR
Equity	\$ 61,703	\$ 2,670	\$ 307	\$ 581	\$ 31,922	\$ 2,489	\$ 438	\$ 817
Profit or loss	7	-	71	11	7	-	575	12

### 2) Interest rate risk

The Group is exposed to interest rate risk on investments and borrowings; interest rates could be fixed or floating. The investments and part of borrowings are fixed-interest rates and measured at amortized cost, and changes in interest will not affect future cash flows. Another part of borrowings are floating-interest rates, and changes in interest will affect future cash flows, but will not affect fair value.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of reporting period were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Fair value interest rate risk			
Financial assets	\$ 463,541	\$ 467,481	\$ 238,264
Financial liabilities	11,060,729	11,517,466	12,810,778
Cash flow interest rate risk			
Financial assets	23,000	64,218	69,799
Financial liabilities	1,400,000	1,100,000	1,500,000

### Interest rate sensitivity analysis

The Group was exposed to cash flow interest rate risk in relation to floating rate financial assets or liabilities, and the financial assets, short-term and long-term borrowings will be affected by the changes in market interest rate accordingly. If the market interest rate increased/decreased by 1%, the Group's cash outflow will increase/decrease by \$10,328 thousand and \$10,727 thousand for the nine months ended September 30, 2021 and 2020, respectively.

### 3) Other price risk

The Group was exposed to equity price risk through its investments in mutual fund and domestic and foreign listed/unlisted shares.

If equity prices had been 1% higher/lower, pre-tax profit for the nine months ended September 30, 2021 would have increased/decreased by \$402 thousand as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the nine months ended September 30, 2021 would have increased/decreased by \$6,224 thousand as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices had been 1% higher/lower, pre-tax profit for the nine months ended September 30, 2020 would have increased/decreased by \$688 thousand as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the nine months ended September 30, 2020 would have increased/decreased by \$8,075 thousand as a result of the changes in fair value of financial assets at FVTOCI.

b.) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily trade receivables, and from investing activities, primarily the fixed-income investments and other financial instruments.

Business related credit risk

The Group is mainly engaged in the operation of real-estate brokerage and real-estate development business and the customers of the Group are the people who buy house and people who sell house. The revenue of agency service is also received through the housing performance guarantee, so the concentration credit risk of trade receivable is not material.

Financial credit risk

The credit risk of bank deposits, fixed-income investments and other financial instruments are regularly controlled and monitored by the Group's Corporate Treasury function. The counterparties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Group's exposure to default by those parties to be material.

c.) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group has sufficient working capital to pay all debts; thus, there is no liquidity risk.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2021, December 31, 2020 and September 30, 2020, the Group had available unutilized bank loan facilities were follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Unsecured bank overdraft facility, reviewed annually and payable at call:			
Amount used	\$ 1,810,000	\$ 980,000	\$ 2,410,000
Amount unused	<u>9,537,600</u>	<u>8,999,000</u>	<u>7,595,000</u>
	<u>\$ 11,347,500</u>	<u>\$ 9,979,000</u>	<u>\$ 10,005,000</u>
Secured bank overdraft facility:			
Amount used	\$ 2,559,284	\$ 2,821,288	\$ 3,143,236
Amount unused	<u>3,710,000</u>	<u>3,960,000</u>	<u>6,111,213</u>
	<u>\$ 6,269,284</u>	<u>\$ 6,781,288</u>	<u>\$ 9,254,449</u>

Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

September 30, 2021

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 136	\$ 3,891,392	\$ 1,258,461	\$ -
Lease liabilities	49,800	555,506	2,058,206	1,086,582
Floating interest rate liabilities	-	-	1,400,000	-
Fixed interest rate liabilities	<u>-</u>	<u>30,799</u>	<u>6,653,122</u>	<u>900,000</u>
	<u>\$ 49,936</u>	<u>\$ 4,477,697</u>	<u>\$ 11,369,789</u>	<u>\$ 1,986,582</u>

Additional information about the maturity analysis for lease liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	<u>\$ 49,800</u>	<u>\$ 555,506</u>	<u>\$ 2,058,206</u>	<u>\$ 1,025,994</u>	<u>\$ 60,588</u>

December 31, 2020

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 487	\$ 3,373,799	\$ 948,495	\$ -
Lease liabilities	49,087	539,366	2,023,326	2,550,666
Floating interest rate liabilities	-	-	1,100,000	-
Fixed interest rate liabilities	<u>-</u>	<u>727,210</u>	<u>6,397,714</u>	<u>900,000</u>
	<u>\$ 49,574</u>	<u>\$ 4,640,375</u>	<u>\$ 10,469,535</u>	<u>\$ 3,450,666</u>

Additional information about the maturity analysis for lease liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	<u>\$ 49,087</u>	<u>\$ 539,366</u>	<u>\$ 2,023,326</u>	<u>\$ 1,132,402</u>	<u>\$ 1,418,264</u>

(Continued)

September 30, 2020

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 290	\$ 2,699,042	\$ 879,495	\$ -
Lease liabilities	50,325	556,740	2,167,060	2,618,972
Floating interest rate liabilities	-	-	1,500,000	-
Fixed interest rate liabilities	<u>-</u>	<u>722,893</u>	<u>7,753,395</u>	<u>900,000</u>
	<u>\$ 50,615</u>	<u>\$ 3,978,675</u>	<u>\$ 12,299,950</u>	<u>\$ 3,518,972</u>

Additional information about the maturity analysis for lease liabilities:

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-20 Years</b>
Lease liabilities	<u>\$ 50,325</u>	<u>\$ 556,740</u>	<u>\$ 2,167,060</u>	<u>\$ 1,221,217</u>	<u>\$ 1,397,755</u>

(Concluded)

### 35. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties were disclosed below:

#### Related Parties and their Relationships with the Group

<u>Related Party</u>	<u>Relationship with the Group</u>
Sinyi Land Administration Agent Joint Office	Related party in substance
H&B Business Co., Ltd.	Related party in substance
Sinyi Cultural Foundation	Related party in substance
Yu-Hao Co., Ltd.	Corporate shareholder (direct investment using the equity method)
Sinyi Co., Ltd.	Corporate shareholder (direct investment using the equity method)
Yu-Heng Co., Ltd.	Corporate shareholder (indirect investment using the equity method)
Beijing Sinyi Guaranty Co. Ltd.	Related party in substance
Global Real Estate Appraisal Office	Related party in substance
Ken Investment Co., Ltd.	Related party in substance
Sin-Heng Limited.	Related party in substance
Sinyi Public Welfare Foundation	Related party in substance
Sinyi Real Estate Appraisal Office	Related party in substance
Sinyi Interior Design Co., Ltd.	Associate
Prospect Hospitality Co., Ltd.	The Company's director is its director
Shanghai Shing Sheng Engineering Management Office	Related party in substance

## Operating Revenue

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Service revenue				
The Company's director is its director	\$ 1,443	\$ 1,020	\$ 3,611	\$ 3,171
Related party in substance	<u>-</u>	<u>6,884</u>	<u>-</u>	<u>13,163</u>
	<u>\$ 1,443</u>	<u>\$ 7,904</u>	<u>\$ 3,611</u>	<u>\$ 16,334</u>

## Trade Receivables - Related parties

	September 30, 2021	December 31, 2020	September 30, 2020
Other related parties			
Related party in substance	\$ -	\$ -	\$ 13,163
The Company's director is its director	<u>505</u>	<u>261</u>	<u>211</u>
	<u>\$ 505</u>	<u>\$ 261</u>	<u>\$ 13,374</u>

## Other Payables to Related Parties

	September 30, 2021	December 31, 2020	September 30, 2020
Other related parties - related parties in substance	<u>\$ 22,868</u>	<u>\$ 32,966</u>	<u>\$ 31,045</u>

Parts of other payables to related parties were financing. Information on the financing for the nine months ended September 30, 2021 and 2020 were as follows:

	Nine Months Ended September 30, 2021				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Expense	Interest Payable
Other related parties - related parties in substance	<u>\$ 23,636</u>	<u>\$14,637</u>	-	<u>\$ -</u>	<u>\$ 5,957</u>

  

	Nine Months Ended September 30, 2020				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Expense	Interest Payable
Other related parties - related parties in substance	<u>\$ 37,023</u>	<u>\$23,053</u>	-	<u>\$ -</u>	<u>\$ 6,518</u>

The financing above were unsecured.

## Compensation for Key Management Personnel

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Short-term benefits	\$ 49,784	\$ 38,593	\$ 122,570	\$ 104,781
Other long-term benefits	<u>3,248</u>	<u>3,082</u>	<u>9,744</u>	<u>9,247</u>
	<u>\$ 53,032</u>	<u>\$ 41,675</u>	<u>\$ 132,314</u>	<u>\$ 114,028</u>

Other long-term benefits included a long-term incentive plan approved by the Company's board of directors to encourage senior management to contribute further to the sustainable growth of the Company. Senior managers will be entitled to such incentive when they continue to serve for three years starting the following year after obtaining the qualification and the bonus is calculated on the basis of company's operating performance or individual performance.

## Other Transactions with Related Parties

### a. Rental income

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Other related parties				
Related parties in substance	\$ 1,847	\$ 1,848	\$ 5,540	\$ 5,541
The Company's shareholder (direct investment using the equity method)	28	29	85	86
The Company's indirect shareholder (indirect investment using the equity method)	15	14	44	43
Associates	<u>8</u>	<u>8</u>	<u>25</u>	<u>25</u>
	<u>\$ 1,898</u>	<u>\$ 1,899</u>	<u>\$ 5,694</u>	<u>\$ 5,695</u>

The rental rates are based on the prevailing rates in the surrounding area. The Group collects rentals from related parties on a monthly basis.

### b. Other benefit

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Other related parties				
Related parties in substance	<u>\$ 430</u>	<u>(\$ 936)</u>	<u>\$ 941</u>	<u>\$ 759</u>

Other benefit is mainly derived from management consulting services provided to the related parties, etc.



c. Professional fee

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Other related parties				
Related parties in substance	<u>\$ 9,935</u>	<u>\$ 27,805</u>	<u>\$ 32,678</u>	<u>\$ 62,459</u>

Professional fees are mainly payment for services related to consultation and evaluation of engineering management, real estate registration, cadaster access service and management consulting, etc.

d. Lease agreement

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Lease liabilities - related parties in substance	<u>\$ 6,215</u>	<u>\$ 8,372</u>	<u>\$ 8,687</u>

	<b>Three Months Ended September 30</b>		<b>Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<u>Interest expense</u>				
Related parties in substance	<u>\$ 20</u>	<u>\$ 32</u>	<u>\$ 68</u>	<u>\$ 155</u>

The rental rates are based on the prevailing rates in the surrounding area. The Group collects rentals from related parties on a monthly basis.

e. Other receivables

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Other related parties			
Related parties in substance	<u>\$ 1,765</u>	<u>\$ 1,290</u>	<u>\$ 2,415</u>

### 36. MORTGAGED OR PLEDGED ASSETS

The Group's assets mortgaged or pledged as collateral for bank loans, other financial institutions or other contracts were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Property, plant and equipment (including investment properties)			
Land	\$ 4,191,664	\$ 4,191,664	\$ 4,191,664
Building	388,692	400,546	404,497
Other financial assets - current			
Pledged time deposits and demand deposits	336,371	7,189	7,135
Inventories	<u>3,386,895</u>	<u>10,918,490</u>	<u>10,329,058</u>
	<u>\$ 8,303,622</u>	<u>\$ 15,517,889</u>	<u>\$ 14,932,354</u>

### 37. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

- a. The Group is involved in claims that arise in the ordinary course of brokerage and escrow business; the other party may claim against the Group through legal proceedings. On the basis of past experience and consultations with legal counsel, management of the Group has measured the possible effects of the contingent lawsuits on its financial condition in brokerage and escrow business.
- b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to \$5,000 thousand.
- c. The Company and Jiu Xin Estate have endorsed Sinyi Estate (Hong Kong), An-Sin and Kunshan Dingxian Trading in obtaining financing limit of \$946,900 thousand, \$2,600,000 thousand and \$18,262 thousand, respectively. Refer to Note 40, Table 2 for the details.
- d. As of September 30, 2021, the Group had signed construction contracts but not yet paid for \$2,401,858 thousand.
- e. Shanghai Real Estate and Jiu Xin Estate, property developer in mainland China, sold real estate and guaranteed the mortgage bank loans of some of their customers; the guarantee amounted to \$602,928 thousand as of September 30, 2021. The amount of mortgage loan was remitted to Shanghai Real Estate and Jiu Xin Estate for payment of the property sold according to local practice. If a customer breached a mortgage contract, Shanghai Real Estate and Jiu Xin Estate will return to the banks only the amount of mortgage received. Therefore, Shanghai Real Estate and Jiu Xin Estate is not exposed to risk of material loss from the guarantee. The guarantee is just a selling feature in the real estate development industry in China and it does not bear the economic substance and risk of ordinary endorsement. In addition, according to the Q&A No. 35 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” (the Regulations) announced on December 26, 2012 by the SFB, the above guarantee provided by Shanghai Real Estate and Jiu Xin Estate to its customers is similar to an escrow, instead of endorsement as defined in the Regulations.

### 38. OTHER ITEMS

The Group assessed the impact of the COVID-19 pandemic and concluded that other than the real estate brokerage segment, real estate agency sales segment and real estate development segment in Taiwan which have not been significantly affected, some overseas businesses were slightly affected by the border controls imposed due to the pandemic. However, the overall business and financial aspects have not been severely affected. Currently, the Group is promoting a cost saving project, and is continuously assessing the potential impact of going concern, asset impairment and financing risks.

### 39. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2021

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,668,728	4.305	\$ 7,183,875
JPY	1,908,898	0.2490	475,316
USD	1,361	27.850	37,897
MYR	9,359	6.655	62,280
Non-monetary items			
RMB	18,470	4.305	79,511
JPY	1,184,030	0.2490	294,823
<u>Financial liabilities</u>			
Monetary items			
RMB	235,262	4.305	1,012,805
JPY	836,505	0.2490	208,290

December 31, 2020

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,143,657	4.377	\$ 5,005,789
JPY	1,555,578	0.2763	429,806
USD	4,022	28.480	114,548
MYR	10,270	7.080	72,710
Non-monetary items			
RMB	67,209	4.377	294,174
JPY	1,824,380	0.2763	504,076
<u>Financial liabilities</u>			
Monetary items			
RMB	275,345	4.377	1,205,186
JPY	929,964	0.2763	256,949

(Continued)

September 30, 2020

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,024,388	4.269	\$ 4,373,112
JPY	1,863,349	0.2756	513,539
USD	3,482	29.1	101,320
MYR	11,993	7.003	83,986
Non-monetary items			
RMB	51,105	4.269	218,165
JPY	1,501,869	0.2756	413,915
USD	14	29.1	419
<u>Financial liabilities</u>			
Monetary items			
RMB	276,454	4.269	1,180,181
JPY	960,117	0.2756	264,608
MYR	155	7.003	1,085

(Concluded)

The Group is mainly exposed to foreign currency risk from USD, RMB, JPY and MYR. The following information was aggregated by the functional currencies of the Group and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

Functional Currencies	<b>Nine Months Ended September 30</b>			
	<b>2021</b>		<b>2020</b>	
	<b>Exchange Rate</b>	<b>Net Foreign Exchange (Loss) Gain</b>	<b>Exchange Rate</b>	<b>Net Foreign Exchange (Loss) Gain</b>
NTD	1 (NTD:NTD)	\$ 15,137	1 (NTD:NTD)	\$ (16,842)
USD	28.0672 (USD:NTD)	(860)	29.817 (USD:NTD)	(65)
RMB	4.3374 (RMB:NTD)	12	4.259 (RMB:NTD)	-
JPY	0.2589 (JPY:NTD)	(8)	0.2774 (JPY:NTD)	(53)
MYR	6.7984 (MYR:NTD)	124	7.0009 (MYR:NTD)	(98)
HKD	3.6133 (HKD:NTD)	(21)	3.8432 (HKD:NTD)	(14)
		<u>\$ 14,384</u>		<u>\$ (17,072)</u>

#### 40. SEPARATELY DISCLOSED ITEMS

##### Information on significant transactions and information on investees:

- a. Financing provided: Table 1 (see the attached)

- b. Endorsements/guarantees provided to others: Table 2 (see the attached)
- c. Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Table 3 (see the attached)
- d. Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None
- e. Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None
- f. Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
- g. Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None
- h. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4 (see the attached)
- i. Information about derivative: None
- j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 5 (see the attached)
- k. Information on investees: Table 6 (see the attached)

**Information on investments in Mainland China:**

- a. Information on any investee company in Mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the Mainland China area: Table 7 (see the attached)
- b. Any of the following significant transactions with investee companies in Mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:
  - 1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None
  - 2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None
  - 3) The amount of property transactions and the amount of the resultant gains or losses: None
  - 4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2 (see the attached)
  - 5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (see the attached)
  - 6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

## Information of major shareholders :

List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 8 (see the attached)

## 41. SEGMENT INFORMATION

### a. Operating segments information

The Group is in the operation of local and international real-estate brokerage business and real-estate developing business. The Group provides information to the chief operating decision maker for the purpose of resources allocation and assessment of segment performance. The information gives emphasis on related laws on real-estate transactions in different countries that may affect the adoption of different marketing strategies.

Management has determined reportable segments as follows:

#### Real estate brokerage segment

- 1) Companies in Taiwan
- 2) Companies in Mainland China and other foreign companies.

#### Real estate development segment

- 1) Companies in Taiwan
- 2) Companies in China

The following table was an analysis of the Group's revenue, result of operations and assets of segments for the nine months ended September 30, 2021 and 2020:

	Real Estate Brokerage			Real Estate Development			Elimination	Consolidated
	Taiwan	Mainland China and Others	Total	Taiwan	Mainland China and Others	Total		
Nine months ended September 30, 2021								
Revenues from external customers	\$ 9,939,745	\$ 410,002	\$ 10,349,747	\$ 77,891	\$ 2,742,080	\$ 2,819,971	\$ -	\$ 13,169,718
Inter-segment revenues	204,214	31,316	235,530	696	34,365	35,061	( 270,591 )	-
Segment revenues	<u>\$ 10,143,959</u>	<u>\$ 441,318</u>	<u>\$ 10,585,277</u>	<u>\$ 78,587</u>	<u>\$ 2,776,445</u>	<u>\$ 2,855,032</u>	<u>( \$ 270,591 )</u>	13,169,718
Rental income from investment property								( 77,891 )
Consolidated revenues								<u>\$ 13,091,827</u>
Operating profit (loss)	<u>\$ 2,067,819</u>	( <u>\$ 253,056</u> )	<u>\$ 1,814,763</u>	( <u>\$ 56,362</u> )	<u>\$ 241,136</u>	<u>\$ 184,774</u>	<u>\$ 134,520</u>	\$ 2,134,057
Operating income from investment property								( 49,849 )
Operating income								<u>\$ 2,084,208</u>
Segment assets	<u>\$ 9,532,017</u>	<u>\$ 3,825,832</u>	<u>\$ 13,357,849</u>	<u>\$ 5,989,071</u>	<u>\$ 16,835,103</u>	<u>\$ 22,824,174</u>	( <u>\$ 2,750,557</u> )	\$ 33,431,466
Investments accounted for by the equity method and goodwill								47,442
Total assets								<u>\$ 33,478,908</u>
Nine months ended September 30, 2020								
Revenues from external customers	\$ 8,105,011	\$ 405,658	\$ 8,510,669	\$ 217,265	\$ 278,765	\$ 496,030	\$ -	\$ 9,006,699
Inter-segment revenues	156,084	1,896	157,980	-	151,295	151,295	( 309,275 )	-
Segment revenues	<u>\$ 8,261,095</u>	<u>\$ 407,554</u>	<u>\$ 8,668,649</u>	<u>\$ 217,265</u>	<u>\$ 430,060</u>	<u>\$ 647,325</u>	( <u>\$ 309,275</u> )	9,006,699
Rental income from investment property								( 67,519 )
Consolidated revenues								<u>\$ 8,939,180</u>
Operating profit (loss)	<u>\$ 1,587,352</u>	( <u>\$ 303,799</u> )	<u>\$ 1,283,553</u>	( <u>\$ 68,596</u> )	<u>\$ 5,528</u>	( <u>\$ 63,068</u> )	<u>\$ 112,480</u>	\$ 1,332,965
Operating income from investment property								( 37,517 )
Operating income								<u>\$ 1,295,448</u>
Segment assets	<u>\$ 9,000,301</u>	<u>\$ 4,270,050</u>	<u>\$ 13,270,351</u>	<u>\$ 4,713,653</u>	<u>\$ 13,866,130</u>	<u>\$ 18,579,783</u>	( <u>\$ 705,464</u> )	\$ 31,144,670
Investments accounted for by the equity method and goodwill								33,889
Total assets								<u>\$ 31,180,559</u>

The Group uses the operating profit (loss) as the measurement for segment profit. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Product and labor service information

The Group's primarily business are real estate brokerage business, agency sale business, and developing business. The related information are as following:

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Real estate brokerage revenue	\$ 3,120,178	\$ 3,053,256	\$ 8,761,178	\$7,613,253
Sales of real estate agency	632,417	392,648	1,588,569	839,283
Developing business revenue	1,616,575	200,613	2,742,080	486,644
	<u>\$5,369,170</u>	<u>\$3,646,517</u>	<u>\$13,091,827</u>	<u>\$8,939,180</u>

c. Location information

Operating segments information had disclosed location information; therefore, no location information is required to be disclosed.

d. Major customers

No single customer accounts for at least 10% of the Group's revenue; therefore, no customer information is required to be disclosed.

## SINYI REALTY INC. AND SUBSIDIARIES

## FINANCING PROVIDED

NINE MONTHS ENDED SEPTEMBER 30, 2021

(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Related Parties	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Interest Rate	Type of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Ending Balance of Collateral		Financing Limit for Each Borrowing Company	Financing Company's Financing Amount Limits	Remark (Note 13)
													Item	Value			
0	Sinyi Realty Inc.	Sinyi Development Inc.	Other receivables	Yes	\$ 1,200,000	\$ 600,000	\$ -	0.91%	Short-term financing	\$ -	Working capital	\$ -	-	\$ -	\$ 3,489,135 (Note 1)	\$ 4,652,181 (Note 1)	\$ -
1	Sinyi Real Estate (Shanghai) Limited	Jiu Xin Estate (Wuxi) Limited	Other receivables	Yes	832,960 (RMB 190,000 thousand)	817,950 (RMB 190,000 thousand)	817,950 (RMB 190,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	5,199,688 (Note 2)	7,799,532 (Note 2)	29,359
		Lunheng Business Management (Shanghai) Ltd.	Other receivables	Yes	65,760 (RMB 15,000 thousand)	64,575 (RMB 15,000 thousand)	64,575 (RMB 15,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	5,199,688 (Note 2)	7,799,532 (Note 2)	2,318
		Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	87,680 (RMB 20,000 thousand)	86,100 (RMB 20,000 thousand)	86,100 (RMB 20,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	5,199,688 (Note 2)	7,799,532 (Note 2)	3,090
2	Hua Yun Renovation (Shanghai) Co., Ltd.	Lunheng Business Management (Shanghai) Ltd.	Other receivables	Yes	33,318 (RMB 7,600 thousand)	32,718 (RMB 7,600 thousand)	32,718 (RMB 7,600 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	7,772,600 (Note 3)	11,658,900 (Note 3)	1,174
3	SinYeh Enterprise Management (Shanghai) Ltd.	Sinyi Realty Inc.	Other receivables	Yes	438,400 (RMB 100,000 thousand)	-	-	4.75%	Short-term financing	-	Working capital	-	-	-	1,764,071 (Note 4)	2,646,106 (Note 4)	4,159
4	Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd.	Other receivables	Yes	10,763 (RMB 2,500 thousand)	10,763 (RMB 2,500 thousand)	10,763 (RMB 2,500 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	719,683 (Note 5)	1,439,367 (Note 5)	237
		Suzhou Sinyi Real Estate Inc.	Other receivables	Yes	172,200 (RMB 40,000 thousand)	172,200 (RMB 40,000 thousand)	172,200 (RMB 40,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	719,683 (Note 5)	1,439,367 (Note 5)	4,704
		Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd.	Other receivables	No	52,072 (RMB 12,051 thousand)	26,678 (RMB 6,197 thousand)	26,678 (RMB 6,197 thousand)	6.00%	Short-term financing	-	Working capital	-	-	-	71,968 (Note 6)	239,894 (Note 6)	1,174
		Ke Wei Shanghai Real Estate Management Consulting Inc.	Other receivables	Yes	19,373 (RMB 4,500 thousand)	15,068 (RMB 3,500 thousand)	15,068 (RMB 3,500 thousand)	4.75%; 4.35%	Short-term financing	-	Working capital	-	-	-	191,915 (Note 7)	239,894 (Note 7)	4,704
5	Lunheng Business Management (Shanghai) Ltd.	Sinyi Realty Inc.	Other receivables	Yes	394,560 (RMB 90,000 thousand)	-	-	4.35%	Short-term financing	-	Working capital	-	-	-	1,353,743 (Note 8)	2,030,614 (Note 8)	10,979
		Jiu Xin Estate (Wuxi) Limited	Other receivables	Yes	920,640 (RMB 210,000 thousand)	904,050 (RMB 210,000 thousand)	904,050 (RMB 210,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	1,353,743 (Note 8)	2,030,614 (Note 8)	32,449
		Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	111,930 (RMB 26,000 thousand)	111,930 (RMB 26,000 thousand)	111,930 (RMB 26,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	1,353,743 (Note 8)	2,030,614 (Note 8)	60
6	Sinyi Realty Inc. Japan	Sinyi Realty Inc.	Other receivables	Yes	67,900 (JPY 250,000 thousand)	37,350 (JPY 150,000 thousand)	-	2.00%	Short-term financing	-	Working capital	-	-	-	291,513 (Note 9)	437,269 (Note 9)	904
7	Sinyi Management Co., Ltd.	Sinyi Realty Inc.	Other receivables	Yes	40,740 (JPY 150,000 thousand)	24,900 (JPY 100,000 thousand)	-	2.00%	Short-term financing	-	Working capital	-	-	-	55,750 (Note 10)	83,625 (Note 10)	543
8	Sinyi Global Asset Management Co., Ltd.	Sinyi Realty Inc.	Other receivables	Yes	100,000	100,000	-	0.98%	Short-term financing	-	Working capital	-	-	-	379,659 (Note 12)	632,765 (Note 12)	685

Note 1: The maximum total financing provided should not exceed 40% of Sinyi Realty Inc.'s net worth. The individual lending amount should not exceed 30% of Sinyi Realty Inc.'s net worth.

Note 2: The maximum total financing provided should not exceed 150% of Sinyi Real Estate (Shanghai) Limited's net worth. The individual lending amount should not exceed 100% of Sinyi Real Estate (Shanghai) Limited's net worth.

(Continued)



- Note 3: The maximum total financing provided should not exceed 150 times of Hua Yun Renovation (Shanghai) Co., Ltd.'s net worth. The individual lending amount should not exceed 100 times of Hua Yun Renovation (Shanghai) Co., Ltd.'s net worth.
- Note 4: The maximum total financing provided should not exceed 150% of Xin Yeh Enterprise Management (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Xin Yeh Enterprise Management (Shanghai) Ltd.'s net worth.
- Note 5: The maximum total financing provided should not exceed 300% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 150% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 6: If the short-term financing provided by Shanghai Sinyi Real Estate Inc. to the borrowing company is for the purpose of strategic consideration, the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth and the individual lending amount should not exceed 15% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 7: The financing provided by Shanghai Sinyi Real Estate Inc. for borrowing company which is owned over 80% but less than 100% of its voting shares directly or indirectly by Shanghai Sinyi Real Estate Inc. or Sinyi Realty Inc., the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 40% of Shanghai Sinyi Real Estate Inc.'s net worth.
- Note 8: The financing provided by Lunheng Business Management (Shanghai) Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Lunheng Business Management (Shanghai) Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Lunheng Business Management (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Lunheng Business Management (Shanghai) Ltd.'s net worth.
- Note 9: The financing provided by Sinyi Realty Inc. Japan for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Realty Inc. Japan or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Realty Inc. Japan's net worth. The individual lending amount should not exceed 100% of Sinyi Realty Inc. Japan's net worth.
- Note 10: The financing provided by Sinyi Asset Management Co., Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Asset Management Co., Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Asset Management Co., Ltd.'s net worth. The individual lending amount should not exceed 100% of Sinyi Asset Management Co., Ltd.'s net worth.
- Note 11: The restriction provided that such short-term, i.e. within one year or the company's operating cycle, financing amount not exceeding 40% of the lender's net worth shall not apply to inter-company loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares.
- Note 12: The financing provided by Sinyi Global Asset Management Co., Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Global Asset Management Co., Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 5 times of Sinyi Global Asset Management Co., Ltd.'s net worth. The individual lending amount should not exceed 3 times of Sinyi Global Asset Management Co., Ltd.'s net worth.
- Note 13: Interest recognized in the current period.

(Concluded)

## SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHER  
NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Financial Statement (%)	Maximum Total Endorsement/ Guarantee Allowed to Be Provided by the Endorser/ Guarantor	Guarantee Given by Parent on Behalf of Subsidiaries	Guarantee Given by Subsidiaries on Behalf of the Company	Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Nature of Relationship											
0	Sinyi Realty Inc.	Sinyi Real Estate (Hong Kong) Limited	Indirectly 100% owned subsidiary	\$ 9,304,362 (Note 1)	\$ 970,190 (US\$ 34,000 thousand)	\$ 946,900 (US\$ 34,000 thousand)	\$ -	\$ -	8.14	\$ 17,445,679 (Note 1)	Yes	No	No	Note 3
		An-Sin Real Estate Management Ltd.	Directly 51% owned subsidiary	9,304,362 (Note 1)	2,600,000	2,600,000	-	-	22.36	17,445,679 (Note 1)	Yes	No	No	Note 4
1	Jiu Xin Estate (Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	Business dealings	4,543,396 (Note 2)	18,597 (RMB 4,242 thousand)	18,262 (RMB 4,242 thousand)	18,262 (RMB 4,242 thousand)	-	0.32	5,679,245 (Note 2)	No	No	Yes	Note 5

Note 1: For those subsidiaries Sinyi Realty Inc. has over 50% ownership directly or indirectly, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of Sinyi Realty Inc.'s net worth. The maximum total endorsement/guarantee should not exceed 150% of Sinyi Realty Inc.'s net worth.

Note 2: For those subsidiaries which Jiu Xin Estate (Wuxi) Limited (hereafter referred to as "Jiu Xin") has over 80% of ownership directly or indirectly, or the Company holds 100% of the voting shares, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of Jiu Xin's net worth. The maximum total endorsement/guarantee should not exceed 100% of Jiu Xin Estate (Wuxi) Limited's net worth.

Note 3: In response to the short-term foreign currency borrowing needs of the Group's overseas subsidiaries to improve the efficiency of the Group's capital management, the Company shares its part of line of credit of bank with Sinyi Real Estate (Hong Kong) Limited and provides endorsement guarantees in accordance with the terms of the credit.

Note 4: In response to An-Sin's operational needs, the Company provides endorsement guarantees in accordance with the terms of the credit for the purpose of increasing the credit line of An-Sin.

Note 5: In response to the demand for building materials purchased by Kunshan Dingxian Trading Co., Ltd. (hereafter referred to as "Kunshan Dingxian") to support the construction project of Jiu Xin, Jiu Xin provides the purchase amount equivalent guarantee at the request of suppliers.

TABLE 3

## SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD  
AS OF SEPTEMBER 30, 2021

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sinyi Realty Inc.	<u>Listed shares</u> E.SUN Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	4,274,231	\$ 112,412	-	\$ 112,412	
	<u>Unlisted shares</u> Han Yu Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,000,000	33,355	11	33,355	
	NOWnews Network Co., Ltd.	-	"	4,378,275	92,251	9	92,251	
	PChome Investment Co., Ltd.	-	"	196,350	-	8	-	
	Kun Gee Venture Capital Co., Ltd.	-	"	160,650	-	3	-	
	Cite' Publishing Holding Ltd.	-	"	7,637	-	1	-	
	Cite' Information Services Co., Ltd. B Current Impact Investment Fund 3	-	"	106,392 1,000,000	- 10,000	1 10	- 10,000	
Sinyi Limited	<u>Shares</u> Orix Corp.	-	Financial assets at fair value through other comprehensive income - current	561,300	294,824	-	294,824	
Shanghai Sinyi Real Estate Inc.	<u>Unlisted shares</u> Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	34,500,000	78,865	2	78,865	
	Taicang Yalong Management Consulting Co., Ltd.	-	"	-	646	15	646	
Sinyi Development Inc.	<u>Listed shares</u> CTCI Corporation	-	Financial assets at fair value through profit or loss - current	30,940	1,109	-	1,109	
An-Sin Real Estate Management Ltd.	<u>Monetary market fund</u> Taishin 1699 Money Market Fund	-	"	2,857,367	39,063	-	39,063	

**SINYI REALTY INC. AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Nature of Relationships	Related Party	Ending Balance	Turnover Date	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	Subsidiary	\$ 179,855	-	\$ -	-	\$ 179,217	\$ -

Note: For the balances of other receivables that arose from financing between related parties and the counterparties of the financing transactions, please refer to Table 1; calculation of turnover rate is not applicable.

## SINYI REALTY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTION  
NINE MONTHS ENDED SEPTEMBER 30, 2021

(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Company Name	Counterparty	Flow of Transactions	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage to Consolidated Total Assets/Revenue (%)
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	a	Trade receivables	\$ 179,855	Regular settlement	-
0	Sinyi Realty Inc.	Sinyi Real Estate Consulting Limited	a	Professional fee	91,464	-	-
1	Sinyi Real Estate (Shanghai) Limited	Jiu Xin Estate(Wuxi) Limited	c	Other receivables	817,950	Loan for working capital, interest rate at 4.75%	2
1	Sinyi Real Estate (Shanghai) Limited	Shanghai Sinyi Real Estate Inc.	c	Other receivables	86,100	Loan for working capital, interest rate at 4.75%	-
2	Jiu Xin Estate(Wuxi) Limited	Lunheng Business Management (Shanghai) Ltd.	c	Long-term borrowings	904,050	Loan for working capital, interest rate at 4.75%	3
2	Jiu Xin Estate(Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	c	Contract assets	124,616	-	-
3	Shanghai Sinyi Real Estate Inc.	Lunheng Business Management (Shanghai) Ltd.	c	Long-term borrowings	111,930	Loan for working capital, interest rate at 4.75%	-
4	Suzhou Sinyi Real Estate Inc.	Shanghai Sinyi Real Estate Inc.	c	Long-term borrowings	172,200	Loan for working capital, interest rate at 4.75%	-
5	Kunshan Dingxian Trading Co., Ltd.	Jiu Xin Estate(Wuxi) Limited	c	Contract liabilities	151,507	-	-

Note 1: Parties to the intercompany transactions are identified and numbered (in first column) as follows:

- a. "0" for Sinyi Realty Inc.
- b. Subsidiaries are numbered from "1".

Note 2: Flows of transactions are categorized as follows:

- a. From a parent company to its subsidiary.
- b. From a subsidiary to its parent company.
- c. Between subsidiaries.

Note 3: Percentage to consolidated total assets is calculated by dividing the amount of a particular asset or liability account by the consolidated total of assets as of September 30, 2021.

Percentage to consolidated total revenues is calculated by dividing the amount of a particular revenue or cost or expense account by the consolidated total operating revenues for the nine months ended September 30, 2021.

Note 4: The table is disclosed by the Company based on the principle of materiality.

## SINYI REALTY INC. AND SUBSIDIARIES

## INFORMATION ON INVESTEEES

NINE MONTHS ENDED SEPTEMBER 30, 2021

(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2021			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
Sinyi Realty Inc.	Samoa Sinyi International Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	\$ 10,406,773	\$ 10,406,773	345,238,037	100	\$ 11,525,816	\$ 232,781	\$ 232,781	
	Sinyi Limited (B.V.I.)	4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding	1,905,584	2,227,354	57,277,000	100	530,481	(175,771)	(175,771)	
	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	2,035,005	2,035,005	203,500,000	100	1,593,009	(70,071)	(70,071)	
	Sinyi Global Asset Management Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage	29,180	29,180	5,000,000	100	113,872	37,319	37,319	
	Heng-Yi Intelligent Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	28,000	28,000	1,200,000	80	7,699	(899)	(719)	
	Jui-Inn Consultants Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Management consulting	5,000	5,000	500,000	100	824	(26)	(26)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	-	99	2,225	(2)	(2)	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	25,500	25,500	7,650,000	51	129,653	28,715	14,645	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	17,475	2,917	554	
	Yowoo Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	223,000	223,000	2,500,000	100	6,202	(13,991)	(13,991)	
	Rakuya International Info. Co., Ltd.	12F. No. 105, Dunhua S. Rd., Sec. 2, Daan District, Taipei City, Taiwan	Information software wholesale and retail	19,076	19,076	2,580,743	23	29,967	33,551	7,552	
	Sin Chiun Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Investment holding	1,795,572	1,795,572	243,537,766	100	1,506,848	(30,082)	(30,082)	
	Sinyi Real Estate Consulting Limited	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Production of instructions of real estate	8,000	8,000	500,000	100	(7,549)	(12,582)	(12,582)	
	Sinju Holding Sdn. Bhd.	C8, Taman Hiburan, Lorong Gunung Bintang A, Jalan Penampang Lama, Malaysia	Investment holding	29,384	15,129	4,135,900	100	17,709	(6,777)	(6,777)	
Sinyi Morefun Tourism Development Ltd.	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	36,941	14,565	10,490	100	23,804	(7,688)	(7,688)		
Jin Mei Travel Service Co., Ltd.	9F.-2, No.50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan	Tourism	8,310	8,310	-	100	7,196	(1,048)	(1,048)		
Sinyi International Limited (Samoa)	Forever Success International Limited (Mauritius)	3rd Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius.	Investment holding	68,741	68,741	2,216,239	100	157,830	37,284	37,284	
	Sinyi Realty Inc. Japan	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage, management and identification	58,064	58,064	16,000	100	282,485	18,681	18,681	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	3,919,127	3,919,127	133,506,209	100	5,374,141	135,471	135,471	
Sinyi Estate Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	6,360,046	6,360,046	208,500,000	100	5,711,069	41,345	41,345		
Sinyi Limited (B.V.I.)	Inane International Limited (B.V.I.)	4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding	1,647,792	1,647,792	51,935,840	100	206,780	(170,300)	(170,300)	
	Ke Wei HK Realty Limited	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	95,129	95,129	2,675,000	99	(15,871)	(8,260)	(8,183)	
Inane International Limited (B.V.I.)	Max Success International Limited	Palm Grove House, P.O. Box 438, Road Town, Torola, B.V.I.	Investment holding	66,174	66,174	1,584,000	100	10,069	(8)	(8)	
An-Sin Real Estate Management Ltd.	An-Shin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	100,000	100,000	10,000,000	100	114,550	17,081	17,081	
Sinyi Realty Inc. Japan	Sinyi Management Co., Ltd.	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage, management and identification	10,746	10,746	600	100	56,330	6,330	6,330	
	Tokyo Sinyi Real Estate Co., Ltd.	3rd Floor, No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage	5,000	5,000	500,000	100	19,370	1,738	1,738	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	3,888,107	3,888,107	131,640,306	100	5,200,401	124,037	124,037	
Sinyi Estate Ltd.	Sinyi Estate (Hong Kong) Limited	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	6,350,826	6,350,826	207,017,497	100	5,678,925	50,828	50,828	
Sinyi Development Inc.	Da-Chia Construction Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	800	500	80,000	100	372	(39)	(39)	
	Sinyi Real Estate Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	800	500	80,000	100	295	(39)	(39)	
Sin Chiun Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Real estate brokerage, management and identification	39,987	33,465	4,463,949	49	8,442	(7,039)	(3,449)	
	Pegasus Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Investment holding	42,160	35,372	4,721,100	100	8,972	(3,654)	(3,654)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2021			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
Pegusus Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Real estate brokerage, management and identification	\$ 41,619	\$ 34,831	4,646,151	51	\$ 8,786	\$ (7,039)	\$ (3,590)	
Yowoo Technology Inc.	Heng-Yi Intelligent Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	7,000	7,000	300,000	20	1,925	(899)	(180)	
	Lin Yue Traffic Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Manpower dispatch and merchandise delivery	19,300	19,300	2,500,000	100	3,243	(3,429)	(3,429)	
Sinju Holding Sdn. Bhd.	Sinkang Administration Sdn. Bhd.	Unit 20-1, Level 20, Menara prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Tourism service	28,556	15,129	4,000,000	100	16,928	(6,719)	(6,719)	
	Sinhong International Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Investment holding	-	-	-	-	(42)	(42)	(42)	Note
Sinyi Morefun Tourism Development Ltd.	Sinyi Infinite Limited	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	3,481	-	3,000	100	3,337	10	10	
	Sinyi Elite Limited	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	-	-	-	-	-	-	-	Note
	Sinyi Unique Limited	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	3,481	-	3,000	100	3,294	(35)	(35)	
Sinyi Infinite Limited	Zhansin Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	3,481	-	100	100	3,337	10	10	
Sinyi Elite Limited	Zhanyi Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	-	-	-	-	-	-	-	Note
Sinyi Unique Limited	Zhancheng Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	3,481	-	100	100	3,294	(34)	(34)	

Note: The Group established the subsidiaries in 2020; as of September 30, 2021, the capital injection had not been completed.

(Concluded)

## SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
 NINE MONTHS ENDED SEPTEMBER 30, 2021  
 (In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of September 30, 2021 (Note 2)	Accumulated Inward Remittance of Earnings as of September 30, 2021
					Outflow	Inflow						
Ke Wei Shanghai Real Estate Management Consulting Inc.	Real estate brokerage and management consulting	RMB 19,638	Investment in company located in mainland China indirectly through Ke Wei HK Realty Limited	\$ 81,859	\$ -	\$ -	\$ 81,859	\$ (8,189)	100	\$ (8,189)	\$ (15,782)	\$ -
Shanghai Sinyi Real Estate Inc. (Note 3)	Real estate brokerage	RMB 293,632	Investment in company located in mainland China indirectly through Inane International Limited	1,294,418	-	-	1,294,418	(152,241)	100	(152,241)	225,396	-
Beijing Sinyi Real Estate Ltd. (Note 3)	Real estate brokerage	RMB 34,747	Investment in company located in mainland China indirectly through Inane International Limited	149,955	-	-	149,955	2,289	100	2,289	(19,577)	-
Shanghai Zhi Xin allograph Ltd.	Real estate brokerage and management consulting	RMB 11,968	Investment in company located in mainland China indirectly through Inane International Limited	17,095	-	-	17,095	(20,348)	100	(20,348)	(836)	-
Suzhou Sinyi Real Estate Inc. (Note 3)	Real estate brokerage and management consulting	RMB 68,000	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	22,414	-	-	22,414	(75,675)	100	(75,675)	53,492	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 4)	Real estate fund investment management	RMB 1,636,300	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	2	-	78,865	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 27,200	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	43,766	-	-	43,766	(7,445)	100	(7,445)	(6,859)	-
Shanghai Shang Tuo Investment Management Consulting Inc.	Real estate brokerage and management consulting	RMB 5,961	Investment in company located in mainland China indirectly through Forever Success International Ltd.	27,432	-	-	27,432	(4,200)	100	(4,200)	39,633	-
Chengdu Sinyi Real Estate Co., Ltd. (Note 5)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Inane International Limited	62,005	-	-	62,005	-	-	-	-	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Note 6)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Inane International Limited	37,295	-	-	37,295	-	-	-	-	-
Sinyi Real Estate (Shanghai) Limited	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 802,513	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,868,747	-	-	3,868,747	127,249	100	127,249	5,199,688	1,218,297

(Continued)



Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of September 30, 2021 (Note 2)	Accumulated Inward Remittance of Earnings as of September 30, 2021
					Outflow	Inflow						
Hua Yun Renovation (Shanghai) Co., Ltd.	Professional construction, building decoration construction, hard ware, building materials wholesale	RMB 8,000	Investment in company located in mainland China indirectly through Forever Success International Ltd.	\$ 40,465	\$ -	\$ -	\$ 40,465	\$ 41,795	100	\$ 41,795	\$ 117,930	\$ -
Kunshan Dingxian Trading Co., Ltd.	Construction materials, furniture, sanitary ware and ceramic products wholesale	RMB 6,000	Investment in company located in mainland China indirectly through Sinyi Development Ltd.	31,020	-	-	31,020	11,434	100	11,434	173,134	-
Shanghai Chang Yuan Co., Ltd.	Property, business and management consulting	RMB 2,200	Investment in company located in mainland China indirectly through Shanghai Shang Tuo Investment Management Consulting Inc.	-	-	-	-	(5,802)	100	(5,802)	2,937	-
Jiaying Zhi Zheng Real Estate Marketing Planning Inc.	Real estate marketing planning and management consulting	RMB 100	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	(16)	100	(16)	753	-
Jiu Xin Estate (Wuxi) Limited	Real estate development	USD 207,000	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,900,696	-	-	3,900,696	50,828	100	50,828	5,679,245	-
Suzhou Zhi Xin Real Estate Co. Ltd.	Real estate brokerage and management consulting	RMB 3,000	Investment in company located in Mainland China indirectly through Shanghai ZHI XIN Allograph Ltd	-	-	-	-	(2,489)	100	(2,489)	(1,858)	-
Lunheng Business Management (Shanghai) Ltd.	Business management consulting, financial advisory and marketing strategy	RMB 311,400	Investment in company located in Mainland China indirectly through Hua Yun Renovation (Shanghai) Co., Ltd.	-	-	-	-	623	100	623	1,332,093	-
Xin Yeh Business Administration (Shanghai) Ltd.	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 400,000	Investment in company located in Mainland China indirectly through Sinyi Real Estate (Shanghai) Limited.	-	-	-	-	12,811	100	12,811	1,764,071	-
Sinyi Real Estate (Wuxi) Limited (Note 4)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	RMB 100	Investment in company located in Mainland China indirectly through Xin Yeh Business Administration (Shanghai) Ltd.	-	-	-	-	(8,380)	100	(8,380)	(8,564)	-
Taicang Yalong Management Consulting Co., Ltd.	Business management consulting, interior decoration and marketing strategy	RMB 1,000	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	- (Note 8)	15	- (Note 8)	646	-
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Note 9)	Real estate marketing planning and management consulting	RMB -	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-

Accumulated Outflow for Investment in Mainland China as of September 30, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 7)
\$9,577,167	\$15,896,310	\$ -

Note 1: The amounts had not been reviewed by the independent accountants, except for Shanghai Real Estate, Jiu Xin Estate and Xin Yeh as of and for the nine months ended September 30, 2021.

(Continued)

Note 2: The carrying value was converted into New Taiwan dollars at the exchange rates of US\$1=NT\$27.85 and US\$1=RMB6.4692 on September 30, 2021.

Note 3: Some of the investments were made indirectly through earnings of the Company's subsidiary in China.

Note 4: Investments were made indirectly through the earnings of the Company's subsidiary in China.

Note 5: The Corporation has been liquidated in June 2019.

Note 6: The Corporation has been liquidated in June 2017.

Note 7: The Company has acquired the certification of operation headquarters issued by the Ministry of Economic Affairs, ROC.

Note 8: Investments in equity instruments at FVTOCI, measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income.

Note 9: The Group established the subsidiaries in 2020; as of September 30, 2021, the capital injection had not been completed.

(Concluded)

**SINYI REALTY INC. AND SUBSIDIARIES**

**INFORMATION OF MAJOR SHAREHOLDERS  
AS OF SEPTEMBER 30, 2021**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Sinyi Co., Ltd.	210,238,285	28.53%
Yu-Hao Co., Ltd.	208,937,108	28.36%

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.