

**Sinyi Realty Inc. and Subsidiaries**

**Consolidated Financial Statements as of and for the  
Six Months Ended June 30, 2023 and 2022 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 June 30, 20, 2023 and 2022 and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2023 and 2022, and as well as the changes in equity and cash flows and notes disclosures to the consolidated statements for the six months ended June 30 2023 and 2022, (including summary of significant accounting policy) for the six 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 TWSRE2410 “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 related information mentioned in Note 36 were unreviewed. As of June 30, 2023 and 2022, such subsidiaries’ total assets were 15% (\$4,541,172 thousand) and 15% (\$4,811,288 thousand), respectively, of the consolidated assets, and their total liabilities were 8% (\$1,465,319 thousand) and 10% (\$2,030,081 thousand), respectively, of the consolidated liabilities. The total comprehensive income of these subsidiaries were 5% (\$10,390 thousand), and (127%) ((\$105,366) thousand) of the consolidated comprehensive income for the three months ended June 30, 2023 and 2022, respectively, and were (7%) ((\$51,019) thousand), and (15%) ((\$162,866) thousand) of the consolidated comprehensive income for the six months ended June 30, 2023 and 2022, 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 reviews resulting in this independent auditors' review report are Pan-Fa Wang and Jin-Chuan Shi.

July 25, 2023

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to 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	June 30, 2023 (Reviewed)		December 31, 2022 (Audited)		June 30, 2022 (Reviewed)	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 7,227,092	24	\$ 8,310,286	25	\$ 8,110,577	26
Financial assets at fair value through profit or loss - current (Note 7)	-	-	-	-	24,258	-
Financial assets at fair value through other comprehensive income - current (Note 8)	439,162	2	386,213	1	402,706	1
Notes receivable (Notes 9 and 25)	125,795	-	76,667	-	67,465	-
Trade receivables (Notes 9, 25 and 32)	1,140,102	4	896,903	3	1,017,146	3
Other receivables (Notes 9 and 32)	73,361	-	97,080	-	97,932	1
Current tax asset (Note 4)	8,234	-	9,796	-	53,450	-
Inventories (Notes 10 and 33)	7,945,628	26	9,928,737	29	9,912,472	32
Other financial assets - current (Notes 11 and 33)	2,272,815	8	2,060,956	6	236,091	1
Other current assets (Note 18)	372,577	1	343,469	1	324,669	1
Total current assets	19,604,766	65	22,110,107	65	20,246,766	65
<b>NON-CURRENT ASSETS</b>						
Financial asset at fair value through profit or loss - non-current (Note 7)	2,500	-	2,500	-	-	-
Financial assets measured at fair value through other comprehensive income and loss - non-current (Note 8)	135,021	-	180,074	1	189,946	1
Investment accounted for using equity method (Note 13)	68,926	-	65,434	-	57,899	-
Property, plant and equipment (Notes 14 and 33)	3,804,164	13	3,800,121	11	3,769,283	12
Right-of-use assets (Note 15)	4,565,773	15	4,742,488	14	4,772,441	15
Investment properties (Notes 16 and 33)	1,881,758	6	1,934,534	6	1,888,354	6
Intangible assets (Note 17)	42,930	-	44,056	-	49,547	-
Deferred tax assets (Note 4)	98,395	-	173,776	-	208,477	1
Refundable deposits	139,998	1	144,631	-	132,139	-
Net defined benefit assets – non-current (Note 4)	9,378	-	-	-	-	-
Other financial assets - non-current (Notes 11 and 33)	-	-	859,880	3	-	-
Other non-current assets (Notes 18 and 32)	36,883	-	13,076	-	6,149	-
Total non-current assets	10,785,726	35	11,960,570	35	11,074,235	35
<b>TOTAL</b>	<b>\$ 30,390,492</b>	<b>100</b>	<b>\$ 34,070,677</b>	<b>100</b>	<b>\$ 31,321,001</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Notes 19 and 33)	\$ 100,000	-	\$ 1,098,077	3	\$ -	-
Contract liabilities - current (Notes 25)	566,476	2	1,514,707	4	1,446,689	4
Notes payable	120	-	552	-	251	-
Trade payable (Note 21)	348,012	1	607,472	2	652,669	2
Other payables (Notes 22 and 32)	4,075,537	13	3,003,058	9	4,716,800	15
Current tax liabilities (Note 4)	223,374	1	339,853	1	230,091	1
Provisions – current	1,563	-	2,070	-	2,160	-
Lease liabilities - current (Notes 15 and 32)	456,420	2	526,700	2	523,517	2
Current portion of long-term borrowings and bonds payable (Notes 19, 20 and 33)	1,949,780	7	3,700,000	11	1,900,000	6
Other current liabilities (Note 22)	380,549	1	339,643	1	341,780	1
Total current liabilities	8,101,831	27	11,132,132	33	9,813,957	31
<b>NON-CURRENT LIABILITIES</b>						
Bonds payable (Note 20)	900,000	3	900,000	3	2,700,000	9
Long-term borrowings (Notes 19 and 33)	6,128,576	20	5,953,017	18	2,708,938	9
Provisions - non-current	11,188	-	10,763	-	11,341	-
Deferred tax liabilities (Note 4)	119,789	-	116,670	-	67,525	-
Lease liabilities - non-current (Notes 15 and 32)	2,710,223	9	2,800,989	8	2,875,510	9
Net defined benefit liabilities - non-current (Note 4)	3612	-	10,602	-	166,911	1
Guarantee deposits received	27,035	-	33,206	-	34,215	-
Other non-current liabilities (Note 22)	635,897	2	1,167,818	3	1,400,992	4
Total non-current liabilities	10,536,320	35	10,993,065	32	9,965,432	32
Total liabilities	18,638,151	61	22,125,197	65	19,779,389	63
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)</b>						
Share capital						
Ordinary shares	7,368,465	24	7,368,465	22	7,368,465	24
Capital surplus	63,790	-	63,790	-	63,896	-
Retained earnings						
Legal reserve	2,896,935	10	2,762,813	8	2,762,813	9
Special reserve	955,999	3	1,061,567	3	1,061,567	3
Unappropriated earnings	1,616,960	5	1,518,347	5	968,248	3
Total retained earnings	5,469,894	18	5,342,727	16	4,792,628	15
Other equity						
Exchange differences on translating foreign operations	( 1,310,669 )	( 4 )	( 997,561 )	( 3 )	( 936,421 )	( 3 )
Unrealized gain from financial assets measured at fair value through other comprehensive income	43,333	-	41,562	-	130,385	1
Total other equity	( 1,267,336 )	( 4 )	( 955,999 )	( 3 )	( 806,036 )	( 2 )
Total equity attributable to owners of the Company	11,634,813	38	11,818,983	35	11,418,953	37
<b>NON-CONTROLLING INTERESTS (Note 24)</b>	<b>117,528</b>	<b>1</b>	<b>126,497</b>	<b>-</b>	<b>122,659</b>	<b>-</b>
Total equity	11,752,341	39	11,945,480	35	11,541,612	37
<b>TOTAL</b>	<b>\$ 30,390,492</b>	<b>100</b>	<b>\$ 34,070,677</b>	<b>100</b>	<b>\$ 31,321,001</b>	<b>100</b>

The accompanying notes are an integral part of the consolidated financial statements.  
(With Deloitte & Touche review report dated July 25, 2023)

# SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended June 30				Six Months Ended June 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>OPERATING REVENUE</b> (Notes 25, 32 and 37)								
Sales revenue	\$ 353,579	10	\$ 388,953	12	\$ 2,558,535	33	\$ 971,652	14
Service revenue	<u>3,126,935</u>	<u>90</u>	<u>2,893,984</u>	<u>88</u>	<u>5,249,306</u>	<u>67</u>	<u>6,092,360</u>	<u>86</u>
Total operating revenues	<u>3,480,514</u>	<u>100</u>	<u>3,282,937</u>	<u>100</u>	<u>7,807,841</u>	<u>100</u>	<u>7,064,012</u>	<u>100</u>
<b>OPERATING COSTS</b> (Notes 10, 26 and 32)								
Cost of sales	262,330	8	316,988	10	1,856,262	24	779,562	11
Service costs	<u>2,244,594</u>	<u>64</u>	<u>2,145,304</u>	<u>65</u>	<u>3,973,342</u>	<u>51</u>	<u>4,503,261</u>	<u>64</u>
Total operating costs	<u>2,506,924</u>	<u>72</u>	<u>2,462,292</u>	<u>75</u>	<u>5,829,604</u>	<u>75</u>	<u>5,282,823</u>	<u>75</u>
<b>GROSS PROFIT</b>	<u>973,590</u>	<u>28</u>	<u>820,645</u>	<u>25</u>	<u>1,978,237</u>	<u>25</u>	<u>1,781,189</u>	<u>25</u>
<b>OPERATING EXPENSES</b> (Notes 9, 26 and 32)								
Management expenses	394,545	11	421,168	13	769,339	10	796,810	11
Expect credit loss (gain)	<u>930</u>	<u>-</u>	<u>1,076</u>	<u>-</u>	<u>1,894</u>	<u>-</u>	<u>(107)</u>	<u>-</u>
Total operating expenses	<u>395,475</u>	<u>11</u>	<u>422,244</u>	<u>13</u>	<u>771,233</u>	<u>10</u>	<u>796,703</u>	<u>11</u>
<b>OPERATING INCOME</b>	<u>578,115</u>	<u>17</u>	<u>398,401</u>	<u>12</u>	<u>1,207,004</u>	<u>15</u>	<u>984,486</u>	<u>14</u>
<b>NON-OPERATING INCOME AND EXPENSES</b>								
Interest income (Note 26)	47,278	2	21,819	1	134,018	2	51,206	1
Other income (Notes 26 and 32)	26,463	1	27,341	1	50,548	-	52,457	1
Other gains and losses (Notes 16, 26 and 32)	44,813	1	( 34,284)	(1)	57,595	1	( 21,874)	-
Finance costs (Notes 26 and 32)	<u>( 35,597)</u>	<u>(1)</u>	<u>( 31,525)</u>	<u>(1)</u>	<u>( 89,345)</u>	<u>(1)</u>	<u>( 69,379)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>82,957</u>	<u>2</u>	<u>( 21,813)</u>	<u>-</u>	<u>152,816</u>	<u>2</u>	<u>7,246</u>	<u>-</u>
<b>PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS</b>	661,072	19	376,588	12	1,359,820	17	991,732	14
<b>INCOME TAX EXPENSE</b> (Notes 4 and 27)	<u>( 147,985)</u>	<u>(4)</u>	<u>( 58,317)</u>	<u>(2)</u>	<u>( 344,653)</u>	<u>(4)</u>	<u>( 190,466)</u>	<u>(3)</u>
<b>NET PROFIT FOR THE PERIOD</b>	<u>513,087</u>	<u>15</u>	<u>318,271</u>	<u>10</u>	<u>1,015,167</u>	<u>13</u>	<u>801,266</u>	<u>11</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b> Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain or loss on investments in	( 6,960)	-	( 114,480)	(3)	493	-	( 109,632)	(1)

equity instruments at fair value through other comprehensive (loss)income									
Share of the other comprehensive gain (loss) of associates accounted for using the equity method	378	-	( 2,884)	-	1,278	-	( 586)	-	
Items that may be reclassified subsequently to profit or loss:									
Exchange differences on translating foreign operations	( <u>310,127</u> )	( <u>9</u> )	( <u>117,721</u> )	( <u>4</u> )	( <u>316,116</u> )	( <u>4</u> )	<u>365,745</u>	<u>5</u>	
Other comprehensive (loss)gain for the period, net of income tax	( <u>316,709</u> )	( <u>9</u> )	( <u>235,085</u> )	( <u>7</u> )	( <u>311,345</u> )	( <u>4</u> )	<u>255,527</u>	<u>4</u>	
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ 196,378</u>	<u>6</u>	<u>\$ 83,186</u>	<u>3</u>	<u>\$ 703,822</u>	<u>9</u>	<u>\$ 1,056,793</u>	<u>15</u>	
NET PROFIT ATTRIBUTABLE TO:									
Owner of the Company	\$ 510,382	15	\$ 313,458	10	\$ 1,011,462	13	\$ 791,118	11	
Non-controlling interests	<u>2,697</u>	<u>-</u>	<u>4,816</u>	<u>-</u>	<u>3,707</u>	<u>-</u>	<u>10,144</u>	<u>-</u>	
	<u>\$ 513,087</u>	<u>15</u>	<u>\$ 318,271</u>	<u>10</u>	<u>\$ 1,015,167</u>	<u>13</u>	<u>\$ 801,266</u>	<u>11</u>	
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:									
Owner of the Company	\$ 193,681	6	\$ 78,370	3	\$ 700,123	9	\$ 1,046,649	15	
Non-controlling interests	<u>2,697</u>	<u>-</u>	<u>4,816</u>	<u>-</u>	<u>3,699</u>	<u>-</u>	<u>10,144</u>	<u>-</u>	
	<u>\$ 196,378</u>	<u>6</u>	<u>\$ 83,186</u>	<u>3</u>	<u>\$ 703,822</u>	<u>9</u>	<u>\$ 1,056,793</u>	<u>15</u>	
EARNINGS PER SHARE (Note 29)									
From continuing operations									
Basic	<u>\$ 0.69</u>		<u>\$ 0.43</u>		<u>\$ 1.37</u>		<u>\$ 1.07</u>		
Diluted	<u>\$ 0.69</u>		<u>\$ 0.43</u>		<u>\$ 1.37</u>		<u>\$ 1.07</u>		

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

(With Deloitte & Touche review report dated July 25, 2023)

(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										
	Ordinary Share	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Other Equity		Total	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain (Loss) on Investments in Equity Instruments at Fair Value through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2022	\$ 7,368,465	\$ 63,896	\$ 2,518,043	\$ 772,692	\$ 2,773,945	\$ (1,302,170)	\$ 240,600	\$ 12,435,474	\$ 130,243	\$ 12,565,717	
Appropriation of 2022 earnings											
Legal Reserve	-	-	244,770	-	( 244,770)	-	-	-	-	-	
Special Reserve	-	-	-	288,875	( 288,875)	-	-	-	-	-	
Cash dividends	-	-	-	-	( 2,063,170)	-	-	( 2,063,170)	-	(2,063,170)	
Net profit for the six months ended June 30, 2022	-	-	-	-	791,118	-	-	791,118	10,148	801,266	
Other comprehensive income (loss) for the six months ended June 30, 2022, net of income tax	-	-	-	-	-	365,749	( 110,218)	255,531	( 4)	255,527	
Total comprehensive income (loss) for the six months ended June 30, 2022	-	-	-	-	791,118	365,749	( 110,218)	1,046,649	10,144	1,056,793	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	( 17,728)	(17,728)	
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	
BALANCE AT JUNE 30, 2022	\$ 7,368,465	\$ 63,896	\$ 2,762,813	\$ 1,061,567	\$ 968,248	\$ ( 936,421)	\$ 130,385	\$ 11,418,953	\$ 122,659	\$ 11,541,612	
BALANCE AT JANUARY 1, 2023	\$ 7,368,465	\$ 63,790	\$ 2,762,813	\$ 1,061,567	\$ 1,518,347	\$ ( 997,561)	\$ 41,562	\$ 11,818,983	\$ 126,497	\$ 11,945,480	
Appropriation of 2022 earnings											
Legal Reserve	-	-	134,122	-	( 134,122)	-	-	-	-	-	
Special Reserve	-	-	-	( 105,568)	105,568	-	-	-	-	-	
Cash dividends	-	-	-	-	( 884,216)	-	-	( 884,216)	-	( 884,216)	
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	( 77)	-	-	( 77)	77	-	
Net profit for the six months ended June 30, 2023	-	-	-	-	1,011,460	-	-	1,011,460	3,707	1,015,167	
Other comprehensive income (loss) for the six months ended June 30, 2023, net of income tax	-	-	-	-	-	( 313,108)	1,771	( 311,337)	( 8)	( 311,345)	
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	1,011,460	( 313,108)	1,771	700,123	3,699	703,822	
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	( 12,745)	( 12,745)	
BALANCE AT JUNE 30, 2023	\$ 7,368,465	\$ 63,790	\$ 2,896,935	\$ 955,999	\$ 1,616,960	\$ ( 1,310,669)	\$ 43,333	\$ 11,634,813	\$ 117,528	\$ 11,752,341	

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

(With Deloitte & Touche review report dated July 25, 2023)

# SINYI REALTY INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	<u>Six Months Ended June 30</u>	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,359,820	\$ 991,732
Adjustments for:		
Depreciation expenses	341,547	343,910
Amortization expenses	12,345	17,396
Expected credit loss recognized/(reversed) on trade receivables	1,894	( 107)
Net gain on financial assets at fair value through profit or loss	-	( 70)
Finance Cost	106,028	80,573
Interest income	( 134,018)	( 51,206)
Dividend revenue	( 4,291)	( 5,164)
Share of gain of associates accounted for using the equity method	( 9,174)	( 7,360)
Loss on disposal of property, plant and equipment	2,163	1,290
Gain on disposal of investment properties	( 15,187)	199
Impairment loss on non-financial assets	7,140	-
Changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	-	23,400
Notes receivable	( 49,128)	37,242
Trade receivables	( 245,093)	244,006
Other receivables	37,301	( 3,276)
Inventories	1,879,146	( 292,312)
Other current assets	( 29,108)	( 86,236)
Contract liabilities	( 948,231)	( 276,714)
Notes payable	( 432)	251
Trade payables	( 259,460)	( 159,171)
Other payables	215,675	( 1,134,051)
Provisions	( 82)	( 514)
Other current liabilities	40,906	( 35,696)
Other operating liabilities	( 548,289)	87,199
Cash generated from (used in) operations	1,761,472	( 224,679)
Interest received	127,396	50,648
Interest paid	( 109,669)	( 77,069)
Income taxes paid	( 381,070)	( 1,390,234)
Net cash generated from (used in) operating activities	<u>1,398,129</u>	<u>( 1,641,334)</u>

(Continued)



## CASH FLOWS FROM INVESTING ACTIVITIES

	<b>Six Months Ended June 30</b>	
	<b>2023</b>	<b>2022</b>
Payments for property, plant and equipment	(\$ 3,835)	(\$ 6,711)
Proceeds on disposal of property, plant and equipment	( 67,432)	( 36,853)
Increase in refundable deposits	182	74
Payment for intangible assets	( 22,282)	( 4,562)
Payment for Investment property	( 11,250)	( 7,074)
Proceeds on disposal of investment properties	( 31,120)	-
Proceeds from disposal of investment properties	81,988	745
Decrease in other financial assets	648,021	233,962
(Decrease) increase in other non-current assets	( 23,807)	145
Dividend received	<u>4,291</u>	<u>5,164</u>
Net cash generated from investing activities	<u>574,756</u>	<u>184,890</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in short-term borrowings	( 992,877)	-
Repayment of bonds payable	( 1,900,000)	-
Proceeds from long-term borrowings	10,391,111	6,182,599
Repayment of long-term borrowings	( 10,061,734)	( 6,097,337)
Refund of guarantee deposits received	( 6,171)	( 4,029)
(Decrease) increase in other payables to related parties	( 23,867)	8,878
Payment of lease liabilities	( 300,920)	( 256,632)
Dividends paid to non-controlling interests	<u>( 12,745)</u>	<u>( 17,728)</u>
Net cash used in generated from financing activities	<u>( 2,907,203)</u>	<u>( 184,249)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>( 148,876)</u>	<u>204,651</u>
DECREASE IN CASH AND CASH EQUIVALENTS	( 1,083,194)	( 1,436,042)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>8,310,286</u>	<u>9,546,619</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 7,227,092</u>	<u>\$ 8,110,577</u>

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

(With Deloitte & Touche review report dated July 25, 2023)

(Concluded)

# SINYI REALTY INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2023 AND 2022

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

(Reviewed, Not Audited)

### 1. GENERAL INFORMATION

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

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

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

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Audit Committee and board of directors and authorized for issue on July 25, 2023.

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

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

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

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

c. New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024
Amendments to IAS 12 “International Tax Reform - Pillar Two Model	Note 3

Rules”

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

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

Note 3: Upon the issuance of the amendments, the exceptions and the disclosed applicable facts shall apply immediately and retrospectively in accordance with IAS 8. The remaining disclosure requirements are applied for annual reporting periods beginning on or after January 1, 2023, but not for any interim period ending on or before December 31, 2023.

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

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **a. Statement of compliance**

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in the consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated 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 2022 consolidated financial statements. See Note 12, Table 6 and Table 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, 2022, except for those described below.

1) Defined 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 JUDGMENTS 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, 2022.

The Group considers the possible impact of the inflation and volatility in financial markets when making its critical accounting estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

## 6. CASH AND CASH EQUIVALENTS

	June 30, 2023	December 31, 2022	June 30, 2022
Cash on hand	\$ 19,654	\$ 20,214	\$ 22,589
Checking accounts and demand deposits	6,335,659	8,158,940	7,707,635
Cash equivalents			
Time deposits with original maturities less than three months	<u>871,779</u>	<u>131,132</u>	<u>380,353</u>
	<u>\$ 7,227,092</u>	<u>\$ 8,310,286</u>	<u>\$ 8,110,577</u>

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

	June 30, 2023	December 31, 2022	June 30, 2022
Cash in bank	0%~5.03%	0%~4.55%	0%~2.03%

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

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Financial assets at FVTPL</u>			
Non-derivative financial assets			
Mutual funds	\$ -	\$ -	\$ 24,258
Domestic non-listed shares	<u>2,500</u>	<u>2,500</u>	<u>-</u>
	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 24,258</u>
Current	\$ -	\$ -	\$ 24,258
Non-current	<u>2,500</u>	<u>2,500</u>	<u>-</u>
	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 24,258</u>

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

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Investment in equity instruments at FVTOCI</u>			
Domestic investments			
Listed shares	\$ 123,843	\$ 109,723	\$ 123,953
Non-listed shares	<u>102,373</u>	<u>105,404</u>	<u>62,169</u>
	<u>226,216</u>	<u>215,127</u>	<u>186,122</u>
Foreign investments			
Listed shares	315,319	276,490	278,753
Non-listed shares	<u>32,648</u>	<u>74,670</u>	<u>127,777</u>
	<u>347,967</u>	<u>351,160</u>	<u>406,530</u>
Total	<u>\$ 574,183</u>	<u>\$ 566,287</u>	<u>\$ 592,652</u>
Current	\$ 439,162	\$ 386,213	\$ 402,706
Non-current	<u>135,021</u>	<u>180,074</u>	<u>189,946</u>
	<u>\$ 574,183</u>	<u>\$ 566,287</u>	<u>\$ 592,652</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe 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

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Notes receivable</u>			
At amortized cost			
Operating-gross carrying amount	\$ 125,795	\$ 76,667	\$ 67,465
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,154,179	\$ 909,433	\$ 1,027,717
Less: Allowance for impairment loss	( 14,077)	( 12,530)	( 10,571)
	<u>\$ 1,140,102</u>	<u>\$ 896,903</u>	<u>\$ 1,017,146</u>
<u>Other receivables</u>			
Interest receivables	\$ 7,552	\$ 929	\$ 2,626
Others	86,117	98,999	101,305
Less: Allowance for impairment loss	( 20,308)	( 2,848)	( 5,999)
	<u>\$ 73,361</u>	<u>\$ 97,080</u>	<u>\$ 97,932</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 proceeds from real estate sales are usually collected using a prepayment method, and the transfer of ownerships or the delivery of the property were be conducted after the proceeds have been received. As a result, there are no accounts receivable related to these real estate transactions.

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

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been

written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

June 30, 2023

	<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%~0.4%	0%~0.4%	0%~0.4%	0%~6%	27%~100%	
Gross carrying amount	\$ 1,080,532	\$ 97,611	\$ 55,648	\$ 27,113	\$ 25,931	\$ 1,286,835
Refund liability (Note 2)	( 34,079)	( 5,968)	( 3,846)	( 2,068)	( 6,861)	( 52,822)
Loss allowance (Lifetime ECL)	( <u>123</u> )	( <u>43</u> )	( <u>22</u> )	( <u>1,639</u> )	( <u>12,250</u> )	( <u>14,077</u> )
Amortized cost	<u>\$ 1,046,330</u>	<u>\$ 91,600</u>	<u>\$ 51,780</u>	<u>\$ 23,406</u>	<u>\$ 6,820</u>	<u>\$ 1,219,936</u>

December 31, 2022

	<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%~0.3%	0%~0.3%	0%~0.3%	0%~5%	25%~100%	
Gross carrying amount	\$ 822,394	\$ 58,244	\$ 54,417	\$ 30,531	\$ 26,618	\$ 992,204
Refund liability (Note 2)	(27,448)	(3,971)	(3,742)	(2,508)	(6,104)	(43,773)
Loss allowance (Lifetime ECL)	( <u>133</u> )	( <u>2</u> )	( <u>63</u> )	( <u>201</u> )	( <u>12,131</u> )	( <u>12,530</u> )
Amortized cost	<u>\$ 794,813</u>	<u>\$ 54,271</u>	<u>\$ 50,612</u>	<u>\$ 27,822</u>	<u>\$ 8,383</u>	<u>\$ 935,901</u>

June 30, 2022

	<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%~6%	22%~100%	
Gross carrying amount	\$ 938,579	\$ 74,151	\$ 40,566	\$ 19,745	\$ 26,400	\$ 1,099,441
Refund liability (Note 2)	( 38,451)	( 5,328)	( 2,472)	( 1,635)	( 4,259)	( 52,145)
Loss allowance (Lifetime ECL)	( <u>87</u> )	( <u>12</u> )	( <u>53</u> )	( <u>151</u> )	( <u>10,268</u> )	( <u>10,571</u> )
Amortized cost	<u>\$ 900,041</u>	<u>\$ 68,811</u>	<u>\$ 38,041</u>	<u>\$ 17,959</u>	<u>\$ 11,873</u>	<u>\$ 1,036,725</u>

Note 1: Refund liabilities were not included.

Note 2: Refund liabilities were recognized under other current liabilities and other non-current liabilities.

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

	<b>Six Months Ended June 30, 2023</b>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2023	\$ 12,530	\$ 2,848
Add: Impairment loss	1,894	17,971
Foreign exchange gains and losses	( 347 )	( 511 )
Balance at June 30, 2023	<u>\$ 14,077</u>	<u>\$ 20,308</u>

	<b>Six Months Ended June 30, 2022</b>	
	<b>Trade Receivables</b>	<b>Other Receivables</b>
Balance at January 1, 2022	\$ 10,500	\$ 5,999
Less: Reversal of impairment loss	( 107 )	-
Foreign exchange gains and losses	<u>178</u>	<u>-</u>
Balance at June 30, 2022	<u>\$ 10,571</u>	<u>\$ 5,999</u>

b. Other receivables

Other receivables were the receivables for providing real estate brokerage services from clients under escrow custody, payments made on behalf of others, rental receivables and financing provided to vendors.

## 10. INVENTORIES

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Properties under development			
Banqiao District, New Taipei City	\$ 2,066,763	\$ 1,889,819	\$ 3,845,732
Xinzhuang Dist., New Taipei City	1,085,851	1,078,966	-
Properties to be developed			
Xinzhuang Dist, New Taipei City	-	-	1,070,558
Nanzi Dist., Kaohsiung City	1,277,031	-	-
Banqiao District, New Taipei City (for transferable development rights)	490	490	490
Land prepayment			
Nanzi Dist., Kaohsiung City	-	1,276,880	88,539
Inventory-merchandise			
Binhu District, Wuxi	3,415,382	4,096,168	4,682,990
Banqiao Dist., New Taipei City	-	1,470,522	-
Jiading District, Shanghai	<u>100,111</u>	<u>115,892</u>	<u>224,163</u>
	<u>\$ 7,945,628</u>	<u>\$ 9,928,737</u>	<u>\$ 9,912,472</u>

The cost of inventories recognized as cost of goods sold for the three months and six months ended June 30, 2023 and 2022 were \$262,330 thousand, \$316,988 thousand, \$1,856,262 thousand and \$779,562 thousand, 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-Pin	Taishin International Bank Co., Ltd.	2017/9/30-2024/9/30
Jia-Xue	E.SUN Commercial Bank, Ltd.	2022/7/12 - As of the completion date of the trust purpose

In accordance with the trust contract, 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 33 for the carrying amount of inventories pledged as security for bank borrowings by the Group.

#### 11. OTHER FINANCIAL ASSETS - CURRENT

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Time deposits with original maturity more than three months	\$ 160,460	\$ 881,315	\$ 227,360
Restricted assets - current	<u>2,112,355</u>	<u>2,039,521</u>	<u>8,731</u>
	<u>\$ 2,272,815</u>	<u>\$ 2,920,836</u>	<u>\$ 236,091</u>
Current	\$ 2,272,815	\$ 2,060,956	\$ 236,091
Non-current	<u>-</u>	<u>859,880</u>	<u>-</u>
	<u>\$ 2,272,815</u>	<u>\$ 2,920,836</u>	<u>\$ 236,091</u>

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

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Time deposits with original maturity more than three months	0.78%~5.1%	0.002%~4.91%	0.002%~1.19%

b. Restricted assets - current are mainly composed of operating guarantee for real-estate brokerage by the Company and the restricted bank deposits as a loan guarantee by Jiu Xin. Refer to Note 33.

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

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Restricted cash in bank	0.795%~5.1%	0.25%~5%	0.795%~1.185%

## 12. SUBSIDIARIES

### a. Subsidiaries included in consolidated financial statements

Those subsidiaries included in the consolidated entities as of June 30, 2023, December 31, 2022 and June 30, 2022 were as follows:

Investor	Investee	Main Businesses	% of Ownership			Remark	
			June 30, 2023	December 31, 2022	June 30, 2022		
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	80	80	80		
	Heng-Yi Intelligent Technology Inc. (Heng-Yi)	Information software, data processing and electronic information providing services	100	100	100		
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	99	99	99		
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	51	51	51		
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	100	100	100		
	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	Note 2	
	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		
	Sinyi Morefun Tourism Development Ltd. (Sinyi Morefun)	Investment holding	100	100	100		
	Jin Mei Travel Service Co., Ltd. (Jin Mei)	Tourism	100	100	100		
	Sinkang Administration Sdn. Bhd. (Sinkang)	Tourism	100	100	-	Note 4	
	Zhansin Tourism Development Sdn. Bhd. (Zhansin)	Tourism	100	100	-	Note 4	
	Zhancheng Tourism Development Sdn. Bhd. (Zhancheng)	Tourism	100	100	-	Note 4	
	Cheng Jing Enterprise Co., Ltd. (Cheng Jing)	Investment holding	100	-	-	Note 7	
	Sinyi Limited	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	99	99	99	
		Inane International Limited (Inane)	Investment holding	100	100	100	
Inane	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)	Real estate brokerage	100	100	100		
	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage	95	100	100	Note 6	
Shanghai Sinyi	Shanghai Zhi Xin Allograph Ltd. (Shanghai Zhi Xin)	Real estate brokerage and management consulting	100	100	100		
	Max Success International Limited (Max Success)	Investment holding	100	100	100		
Shanghai Sinyi	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		
Shanghai Sinyi	Jiaxing Zhi Zheng Real Estate Marketing Planning Inc. (Jiaxing Zhi Zheng)	Real estate marketing planning and management consulting	-	100	100	Note 8	
	Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Chuzhou Zhi Zheng)	Real estate marketing planning and management consulting	-	-	-	Note 1	
Shanghai Sinyi	Yishan Shanghai Real Estate Management Consulting Inc. (Shanghai Yishan)	Real estate brokerage and management consulting	18	10	-	Note 3 Note 5	
	Beijing Sinyi	Real estate brokerage	5	-	-	Note 6	
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	Shanghai Yishan	Real estate brokerage and management consulting	82	90	100	Note 3 Note 5	
Sinyi International	Forever Success International Limited (Forever Success)	Investment holding	100	100	100		
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage and management consulting	100	100	100		
Forever Success	Sinyi Development Limited (Sinyi Development)	Investment holding	100	100	100		
	Sinyi Estate Ltd. (Sinyi Estate)	Investment holding	100	100	100		
Forever Success	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	100		
	Hua Yun Renovation (Shanghai) Co., Ltd. (Hua Yun)	Professional construction, buildings, decoration construction, hardware, general merchandise, building materials wholesale	100	100	100		
Shanghai Shang Tuo	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		
	Sinyi Real Estate (Wuxi) Limited (Sinyi Wuxi)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	100	-	-	Note 9	
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		

Investor	Investee	Main Businesses	December 31,		June 30, 2022	Remark
			June 30, 2023	2022		
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	
Xin Yeh	Lunheng	Management consulting	96	96	96	
	Sinyi Wuxi	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	-	100	100	Note 9
Yowoo Technology	Heng-Yi	Information software, data processing and electronic information providing services	20	20	20	
	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	Pegasus Holding Sdn. Bhd. (Pegasus)	Investment holding	100	100	100	
	Fidelity	Real estate brokerage, management and identification	51	51	51	
Sinju	Sinkang	Tourism	-	-	100	Note 4
	Sinhong International Sdn. Bhd.	Investment holding	-	-	-	Note 1
Sinyi Morefun	Sinyi Infinite Limited (Infinite)	Investment holding	100	100	100	
	Sinyi Elite Limited (Elite)	Investment holding	-	-	-	Note 1
	Sinyi Unique Limited (Unique)	Investment holding	100	100	100	
Infinite	Zhansin	Tourism	-	-	100	Note 4
Elite	Zhanyi Tourism Development Sdn. Bhd. (Zhanyi)	Tourism	-	-	-	Note 1
Unique	Zhancheng	Tourism	-	-	100	Note 4

(Concluded)

#### Remark:

Note 1: The Group established the subsidiaries in 2020; as of June 30, 2023, the capital injection had not been completed.

Note 2: In order to integrate the Group's resources and enhance operational efficiency of the Group. The Company absorbed and merged with Xinyi Consultant. The merger effected on August 31, 2022. Xinyi Consultant is dissolved after the merger.

Note 3: Ke Wei Shanghai Real Estate Management Consulting Inc. renamed to Yi Shang Shanghai Real Estate Management Consulting Inc. in September 2022.

Note 4: The Company acquired 100% ownership of Sinkang, Zhansin, and Zhancheng through Sinju, Infinite, and Unique respectively in November and December of 2022.

Note 5: Shanghai Sinyi completed cash capital increases for Shanghai Yishan in October of 2022 and February of 2023, and the shareholding ratios were 10% and 18% respectively. Ke Wei HK shareholding ratios decreased to 90% and 82% respectively, since it did not carry out capital increases in accordance with its shareholding ratios.

Note 6: Shanghai Sinyi completed cash capital increases for Beijing Sinyi in March 2023 and the shareholding ratio is 5%. Inane shareholding ratios decreased to 95%, since it did not carry out capital increases in accordance with its shareholding ratios.

Note 7: The company acquired 100% ownership of Cheng Jing in June 2023.

Note 8: Jiaxing Zhi Zheng has been liquidated in April 2023.

Note 9: Hua Yun acquired 100% ownership of Sinyi Wuxi through Xin Yeh in June 2023.

Note 10: Subsidiaries included in consolidated financial statement: The financial statements as of and for the six months ended June 30, 2023 and 2022 for the consolidated entities had been reviewed by the independent accountants, except for 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.

b. Subsidiaries excluded from consolidated financial statements: None.

### 13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	June 30, 2023	December 31, 2022	June 30, 2022
Investments in associates	\$ <u>68,926</u>	\$ <u>65,434</u>	\$ <u>57,899</u>

#### Investments In Associates

	June 30, 2023	December 31, 2022	June 30, 2022
Non-listed company			
Sinyi Interior Design Co., Ltd.	\$ 16,743	\$ 16,213	\$ 17,382
Rakuya International Info. Co., Ltd.	<u>52,183</u>	<u>49,221</u>	<u>40,517</u>
	<u>\$ 68,926</u>	<u>\$ 65,434</u>	<u>\$ 57,899</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:

Name of Associate	June 30, 2023	December 31, 2022	June 30, 2022
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:

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
The Group's share of:				
Net income (loss) for continuing operations	\$ 4,645	\$ 4,036	\$ 9,174	\$ 7,360
Other comprehensive income (loss)	<u>378</u>	<u>(2,884)</u>	<u>1,278</u>	<u>(586)</u>
Total comprehensive income (loss) for the year	<u>\$ 5,023</u>	<u>\$ 1,152</u>	<u>\$ 10,452</u>	<u>\$ 6,774</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 six months ended June 30, 2023 and 2022 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-use

	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, 2023	\$ 3,090,961	\$ 637,441	\$ 10,800	\$ 458,934	\$ 675,390	\$ 113,522	\$ 36,724	\$ 5,023,772
Additions	-	-	403	5,968	17,185	756	43,120	67,432
Disposals	-	-	( 1,265)	( 12,650)	( 35,137)	-	-	( 49,052)
Reclassifications	-	-	-	-	7,356	5,625	( 12,981)	-
Effect of foreign currency exchange differences	-	( 4,539)	( 243)	( 1,729)	( 2,566)	( 61)	( 871)	( 10,009)
Balance at June 30, 2023	\$ 3,090,961	\$ 632,902	\$ 9,695	\$ 450,523	\$ 662,228	\$ 119,842	\$ 65,992	\$ 5,032,143
<u>Accumulated depreciation</u>								
Balance at January 1, 2023	\$ -	\$ 225,274	\$ 7,002	\$ 359,895	\$ 535,340	\$ 96,140	\$ -	\$ 1,223,651
Depreciation expense	-	7,161	334	18,850	25,997	3,192	-	55,534
Disposals	-	-	( 1,202)	( 12,339)	( 33,166)	-	-	( 46,707)
Effect of foreign currency exchange differences	-	( 869)	1,046	( 2,622)	( 2,030)	( 24)	-	( 4,499)
Balance at June 30, 2023	\$ -	\$ 231,566	\$ 7,180	\$ 363,784	\$ 526,141	\$ 99,308	\$ -	\$ 1,227,979
Carrying amounts at June 30, 2023	\$ 3,090,961	\$ 401,336	\$ 2,515	\$ 86,739	\$ 136,087	\$ 20,534	\$ 65,992	\$ 3,804,164
<u>Cost</u>								
Balance at January 1, 2022	\$ 2,833,746	\$ 596,899	\$ 11,474	\$ 444,736	\$ 666,691	\$ 109,805	\$ 4,580	\$ 4,667,931
Additions	-	-	403	9,113	25,638	635	1,064	36,853
Disposals	-	-	-	( 7,724)	( 11,716)	-	-	( 19,440)
From Investment Property	257,215	38,236	-	-	-	-	-	295,451
Effect of foreign currency exchange differences	-	3,422	182	62	664	21	-	4,351
Balance at June 30, 2022	\$ 3,090,961	\$ 638,557	\$ 12,059	\$ 446,187	\$ 681,277	\$ 110,461	\$ 5,644	\$ 4,985,146
<u>Accumulated depreciation</u>								
Balance at January 1, 2022	\$ -	\$ 192,669	\$ 7,286	\$ 347,123	\$ 526,024	\$ 90,148	\$ -	\$ 1,163,250
Depreciation expense	-	8,869	415	17,247	24,602	3,074	-	54,207
Disposals	-	-	-	( 7,526)	( 10,550)	-	-	( 18,076)
From Investment Property	-	14,543	-	-	-	-	-	14,543
Effect of foreign currency exchange differences	-	511	114	183	1,127	4	-	1,939
Balance at June 30, 2022	\$ -	\$ 216,592	\$ 7,815	\$ 357,027	\$ 541,203	\$ 93,226	\$ -	\$ 1,215,863
Carrying amounts at June 30, 2022	\$ 3,090,961	\$ 421,965	\$ 4,244	\$ 89,160	\$ 140,074	\$ 17,235	\$ 5,644	\$ 3,769,283

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

Buildings - main buildings	21-60 years
Transportation equipment	4-6 years
Office equipment	3-6 years
Leasehold improvements	2-5 years
Other equipment	3-15 years

- a. There was no interest capitalized during the six months ended June 30, 2023 and 2022.
- b. Refer to Note 33 for the details of properties, plant and equipment pledged as collaterals.

## 15. LEASE ARRANGEMENTS

- a. Right-of-use assets

	June 30, 2023	December 31, 2022	June 30, 2022
Carrying amounts			
Land	\$ 1,457,047	\$ 1,510,997	\$ 1,471,827
Buildings	3,099,019	3,220,529	3,290,557
Other equipment	<u>9,707</u>	<u>10,962</u>	<u>10,057</u>
	<u>\$ 4,565,773</u>	<u>\$ 4,742,488</u>	<u>\$ 4,772,441</u>

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Additions to right-of-use assets	<u>\$ 52,398</u>	<u>\$ 63,400</u>	<u>\$ 176,287</u>	<u>\$ 208,186</u>
Depreciation charge for right-of-use assets				
Land	\$ 4,981	\$ 4,959	\$ 10,054	\$ 9,848
Buildings	131,624	134,730	267,105	270,917
Other equipment	<u>952</u>	<u>924</u>	<u>2,131</u>	<u>2,423</u>
	<u>\$ 137,557</u>	<u>\$ 140,613</u>	<u>\$ 279,290</u>	<u>\$ 283,188</u>

- b. Lease liabilities

	June 30, 2023	December 31, 2022	June30, 2022
Carrying amounts			
Current	\$ 456,420	\$ 526,700	\$ 523,517
Non-current	<u>\$ 2,710,223</u>	<u>\$ 2,800,989</u>	<u>\$ 2,875,510</u>

Range of discount rate for lease liabilities was as follows:

	June 30, 2023	December 31, 2022	June30, 2022
Buildings	0.93%~5.7%	0.93%~5.7%	0.93%~5.7%
Other equipment	0.93%~1.91%	0.93%~1.62%	0.93%~1.29%

c. Material lease-in activities and terms

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

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

d. Other lease information

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

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Expenses relating to short-term and low-value asset leases	<u>\$ 10,150</u>	<u>\$ 10,087</u>	<u>\$ 17,135</u>	<u>\$ 20,223</u>
Total cash outflow for leases			<u>\$ 341,078</u>	<u>\$ 305,256</u>

The Group's leases of certain assets qualify as short-term leases and low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 16. INVESTMENT PROPERTIES

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Cost</u>			
Balance at January 1, 2023	\$ 1,664,858	\$ 428,412	\$ 2,093,270
Additions	26,337	4,783	31,120
Disposals	( 72,998 )	( 10,995 )	( 83,993 )
Effects of foreign currency exchange differences	<u>-</u>	<u>( 3,966 )</u>	<u>( 3,966 )</u>
Balance at June 30, 2023	<u>\$ 1,618,197</u>	<u>\$ 418,234</u>	<u>\$ 2,036,431</u>

(Continued)

	<b>Land</b>	<b>Buildings</b>	<b>Total</b>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 18,323	\$ 140,413	\$ 158,736
Depreciation expense	-	6,723	6,723
Disposals	( 14,600)	( 2,592)	( 17,192)
Impairment Loss	6,149	991	7,140
Effects of foreign currency exchange differences	-	( 734)	( 734)
Balance at June 30, 2023	<u>\$ 9,872</u>	<u>\$ 144,801</u>	<u>\$ 154,673</u>
Carrying amounts at June 30, 2023	<u>\$ 1,608,325</u>	<u>\$ 273,433</u>	<u>\$ 1,881,758</u>

Cost

Balance at January 1, 2022	\$ 1,868,451	\$ 455,452	\$ 2,323,903
Disposals	( 1,037)	( 163)	( 1,200)
Transfer to property, plant and equipment	( 257,215)	( 38,236)	( 295,451)
Effects of foreign currency exchange differences	-	2,990	2,990
Balance at June 30, 2022	<u>\$ 1,610,199</u>	<u>\$ 420,043</u>	<u>\$ 2,030,242</u>

Accumulated depreciation and impairment

Balance at January 1, 2022	\$ 8,480	\$ 141,189	\$ 149,669
Depreciation expense	-	6,515	6,515
Disposals	( 207)	( 49)	( 256)
Transfer to property, plant and equipment	-	( 14,543)	( 14,543)
Effects of foreign currency exchange differences	-	503	503
Balance at June 30, 2022	<u>\$ 8,273</u>	<u>\$ 133,615</u>	<u>\$ 141,888</u>
Carrying amounts at June 30, 2022	<u>\$ 1,601,926</u>	<u>\$ 286,428</u>	<u>\$ 1,888,354</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 payment receivables under operating leases of investment properties as of June 30, 2023 and 2022 were as follows:

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Year 1	\$ 88,419	\$ 87,871	\$ 97,735
Year 2	82,958	82,740	92,232
Year 3	2,429	40,271	85,395
Year 4	404	279	701
Year 5	33	5	35
Year 5 onwards	-	-	-
	<u>\$ 174,243</u>	<u>\$ 211,166</u>	<u>\$ 276,098</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 as of June 30, 2023, December 31, 2022 and June 30, 2022 were \$4,448,100 thousand, \$4,714,886 thousand and \$4,498,960 thousand, respectively. The total fair value of the Group's property, plant and equipment as of June 30, 2023, December 31, 2022 and June 30, 2022 were \$6,549,172 thousand, \$6,918,007 thousand and \$6,624,752 thousand, respectively. The fair value was determined by the management of the Group using the valuation model that market participants would generally use in determining fair value, and the fair value was measured by using Level 3 inputs. The valuation model was based on the sales comparison approach and direct capitalization method, where fair value indicators of the different valuation techniques are weighed and adjustments are made by reference to the available market information on the measurement date. The Group assessed that the future recoverable amount of some investment properties was less than its carrying amount, thus an impairment loss of \$7,140 thousand, classified as other gains and losses for the six months ended June 30, 2023.

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 33.

## 17. INTANGIBLE ASSETS

	June 30, 2023	December 31, 2022	June 30, 2022
Franchise	\$ -	\$ -	\$ -
Goodwill	-	-	-
System software costs	42,930	44,056	49,130
Patent	<u>-</u>	<u>-</u>	<u>417</u>
	<u>\$ 42,930</u>	<u>\$ 44,056</u>	<u>\$ 49,547</u>

	Franchise	Goodwill	System Software Costs	Patent	Total
<u>Cost</u>					
Balance at January 1, 2023	\$ 93,836	\$ 17,943	\$ 351,388	\$ 5,000	\$ 468,167
Additions	-	-	11,250	-	11,250
Effect of foreign currency exchange differences	<u>1,314</u>	<u>-</u>	<u>( 836)</u>	<u>-</u>	<u>478</u>
Balance at June 30, 2023	<u>\$ 95,150</u>	<u>\$ 17,943</u>	<u>\$ 361,802</u>	<u>\$ 5,000</u>	<u>\$ 479,895</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2023	\$ 93,836	\$ 17,943	\$ 307,332	\$ 5,000	\$ 424,111
Amortization expense	-	-	12,345	-	12,345
Effect of foreign currency exchange differences	<u>1,314</u>	<u>-</u>	<u>( 805)</u>	<u>-</u>	<u>509</u>
Balance at June 30, 2023	<u>\$ 95,150</u>	<u>\$ 17,943</u>	<u>\$ 318,872</u>	<u>\$ 5,000</u>	<u>\$ 436,965</u>
Carrying amounts at June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,930</u>	<u>\$ -</u>	<u>\$ 42,930</u>

<u>Cost</u>	<b>Franchise</b>	<b>Goodwill</b>	<b>System Software Costs</b>	<b>Patent</b>	<b>Total</b>
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 341,099	\$ 5,000	\$ 459,133
Additions	-	-	7,074	-	7,074
Effect of foreign currency exchange differences	<u>6,233</u>	<u>-</u>	<u>87</u>	<u>-</u>	<u>6,320</u>
Balance at June 30, 2022	<u>\$ 90,811</u>	<u>\$ 28,456</u>	<u>\$ 348,260</u>	<u>\$ 5,000</u>	<u>\$ 472,527</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 282,205	\$ 3,958	\$ 399,197
Amortization expense	-	-	16,771	625	17,396
Effect of foreign currency exchange differences	<u>6,233</u>	<u>-</u>	<u>154</u>	<u>-</u>	<u>6,387</u>
Balance at June 30, 2022	<u>\$ 90,811</u>	<u>\$ 28,456</u>	<u>\$ 299,130</u>	<u>\$ 4,583</u>	<u>\$ 422,980</u>
Carrying amounts at June 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,130</u>	<u>\$ 417</u>	<u>\$ 49,547</u> (Concluded)

- a. The above intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives as follows:

Franchises	40 years
System software costs	2-5 years
Patent rights	4 years

## 18. OTHER ASSETS

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Tax prepayment	\$ 249,068	\$ 251,221	\$ 207,439
Prepaid expenses	49,377	32,794	45,806
Temporary payments	40,320	11,124	11,994
Prepayments for right-of-use assets - land	33,812	48,330	59,430
Overpaid VAT	30,022	6,972	-
Overdue receivables	6,861	6,104	4,259
Others	<u>-</u>	<u>-</u>	<u>1,890</u>
	<u>\$ 409,460</u>	<u>\$ 356,545</u>	<u>\$ 330,818</u>
Current	\$ 372,577	\$ 343,469	\$ 324,669
Non-current	<u>36,883</u>	<u>13,076</u>	<u>6,149</u>
	<u>\$ 409,460</u>	<u>\$ 356,545</u>	<u>\$ 330,818</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.

The prepayments for right-of-use assets – land is the right-of-use assets payment Zhancheng used to purchase the coastal land in Papa County, Sabah Region, Malaysia. As of June 30, 2023, the transfer of land use rights has not been completed.

## 19. BORROWINGS

### Short-term borrowings

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Secured borrowings</u>			
Bank loans	\$ -	\$ 998,077	\$ -
<u>Unsecured borrowings</u>			
Loans unsecured	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Short-term borrowings	<u>\$ 100,000</u>	<u>\$ 1,098,077</u>	<u>\$ -</u>

Refer to Note 33 for the details of assets pledged as collateral for short-term borrowings.

As of June 30, 2023, and December 31, 2022, the effective interest rates of the Group's short-term credit borrowings was 2.09% and 1.965%, respectively, and those of the Group's short-term secured borrowings as of December 31, 2022 were 2.95%-2.98%.

### Long-term borrowings

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Secured borrowings</u>			
Bank loans	\$ 4,620,800	\$ 4,145,903	\$ 1,608,000
<u>Unsecured borrowings</u>			
Loans unsecured	1,357,880	1,507,183	801,147
Long-term commercial papers	300,000	300,000	300,000
Less: Discount on long-term commercial paper	( <u>324</u> )	( <u>69</u> )	( <u>209</u> )
	6,278,356	5,953,017	2,708,938
Less: Current portion	( <u>149,780</u> )	<u>-</u>	<u>-</u>
Long-term borrowings	<u>\$ 6,128,576</u>	<u>\$ 5,953,017</u>	<u>\$ 2,708,938</u>

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

Commercial papers not yet due are as follows:

#### June 30, 2023

Acceptance Agency	Face Value	Discount Amount	Book Value	Interest Rate Range	Collateral
International Bills Finance Corporation	\$ 150,000	\$ (220)	\$ 149,780	1.9067%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(104)</u>	<u>149,896</u>	0.938%	-
	<u>\$ 300,000</u>	<u>\$ (324)</u>	<u>\$ 299,676</u>		

December 31, 2022

Acceptance Agency	Face Value	Discount Amount	Book Value	Interest Rate Range	Collateral
International Bills Finance Corporation	\$ 150,000	\$ (34)	\$ 149,966	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(35)</u>	<u>149,965</u>	0.938%	-
	<u>\$ 300,000</u>	<u>\$ (69)</u>	<u>\$ 299,931</u>		

June 30, 2022

Acceptance Agency	Face Value	Discount Amount	Book Value	Interest Rate Range	Collateral
International Bills Finance Corporation	\$ 150,000	(\$ 104)	\$ 149,896	0.928%	-
China Bills Finance Corporation	<u>150,000</u>	<u>(105)</u>	<u>149,895</u>	0.938%	-
	<u>\$ 300,000</u>	<u>(\$ 209)</u>	<u>\$ 299,791</u>		

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

Content of Borrowings		June 30, 2023	December 31, 2022	June 30, 2022
E.Sun Bank	Credit facility: \$2,420,000 thousand. Period: April 27, 2021 to April 27, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	\$ -	\$ 1,100,000	\$ 300,000
E.Sun Bank	Credit facility: \$2,210,000 thousand. Period: February 9, 2023 to February 9, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	600,000	-	-
E.Sun Bank	Credit facility: \$1,500,000 thousand. Period: February 9, 2023 to February 9, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	700,000	-	-
E.Sun Bank	Credit facility: \$513,500 thousand. Period: March 7, 2022 to September 02, 2026. Interest is paid monthly. Principal is repaid at maturity.	410,800	410,800	-
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 1, 2020 to September 30, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debt in September 2022.	-	-	100,000
Bank of East Asia	Credit facility: \$1,600,000 thousand. Period: September 21, 2022 to September 20, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debt in February 2023.	1,000,000	1,000,000	-
Mizuho Bank, Ltd.	Credit facility: 600,000 thousand Period: January 20, 2022 to January 20, 2024 Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debt in September 2022.	-	-	400,000
Taishin Bank	Credit facility: 1,900,000 thousand Period: September 8, 2017 to September 8, 2024 Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	917,880	917,183	497,228
Taishin Bank	Credit facility: 748,000 thousand Period: 108.03.29 – 113.03.29 Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debt in February 2023.	-	50,000	748,000

<b>Content of Borrowings</b>		<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Taishin Bank	Credit facility: \$625,000 thousand. Period: March 29, 2019 to March 29, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debt in December 2022.	-	-	163,919
Taishin Bank	Credit facility: \$600,000 thousand. Period: December 31, 2022 to December 31, 2025. 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 21, 2022 to January 21, 2023. Revolving credit line and interest is paid monthly. Principal is repaid at maturity. The Group repaid all the debts in March 2023.	-	500,000	200,000
DBS Bank	Credit facility: \$750,000 thousand. Period: January 10, 2023 to January 10, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	600,000	-	-
DBS Bank	Credit facility: US\$25,000 thousand. Period: September 27, 2022 to September 27, 2024. Revolving credit line and interest is paid monthly. The Group repaid all the debts in March 2023.	-	775,103	-
Taiwan Corporate Bank	Credit facility: \$500,000 thousand. Period: July 22, 2022 to July 22, 2024. Interest is paid monthly and principal is repaid at maturity.	500,000	300,000	-
Bank of Taiwan	Credit facility: \$200,000 thousand. Period: March 11, 2022 to March 11, 2024. Interest is paid monthly and principal is repaid at maturity. The Group repaid all the debts in February 2023.	-	100,000	-
Bank of Taiwan	Credit facility: \$1,000,000 thousand. Period: February 10, 2023 to February 10, 2025. Interest is paid monthly and principal is repaid at maturity.	100,000	-	-
Bank of Taiwan	Credit facility: \$200,000 thousand. Period: February 10, 2023 to February 10, 2025. Interest is paid monthly and principal is repaid at maturity.	\$ 200,000	-	-
Mega Bank	Credit facility: \$500,000 thousand. Period: September 28, 2022 to September 28, 2025. Interest is paid monthly and principal is repaid at maturity. The Group repaid all the debts in February 2023.	-	500,000	-
Cathay United Bank	Credit facility: \$200,000 thousand. Period: January 9, 2023 to January 9, 2025. Interest is paid monthly and principal is repaid at maturity.	200,000	-	-
Cathay United Bank	Credit facility: \$300,000 thousand. Period: April 18, 2023 to April 18, 2025. Interest is paid monthly and principal is repaid at maturity.	300,000	-	-
Standard Chartered Bank	Credit facility: US\$26,000 thousand. Period: April 24, 2023 to April 24, 2025. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	200,000	-	-
Far Eastern International Bank	Credit facility: \$800,000 thousand. Period: August 4, 2022 to August 4, 2024. Revolving credit line and interest is paid monthly. Principal is repaid at maturity.	50,000	-	-
Total long-term borrowings		<u>\$ 5,978,680</u>	<u>\$ 5,653,086</u>	<u>\$ 2,409,147</u>

(Concluded)

Refer to Note 33 for the details of assets pledged as collateral for long-term borrowings.

As of June 30, 2023, December 31, 2022 and June, 2022, the effective interest rates of the Group's long-term credit borrowings were 1.67%-1.95%, 1.451%-2.49% and 1.25%-2.05%, respectively, and those of the Group's long-term secured borrowings were 1.52%-2.63%, 1.48%-3.00% and 1.145%-2.05%, respectively.

## 20. BONDS PAYABLE

	June 30, 2023	December 31, 2022	June 30, 2022
Domestic unsecured bonds	\$ 2,700,000	\$ 4,600,000	\$ 4,600,000
Less: Current portion	( <u>1,800,000</u> )	( <u>3,700,000</u> )	( <u>1,900,000</u> )
Bonds Payable	<u>\$ 900,000</u>	<u>\$ 900,000</u>	<u>\$ 2,700,000</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 2023	1,900,000	1.07%	Principal is repaid at maturity. Interest is paid annually.
July 2018 to July 2023	1,800,000	1.05%	Principal is repaid at maturity. Interest is paid annually.
November 2019 to November 2029	900,000	1.25%	Principal is repaid at maturity. Interest is paid annually.

## 21. TRADE PAYABLES

	June 30, 2023	December 31, 2022	June 30, 2022
Construction payables	<u>\$ 348,012</u>	<u>\$ 607,472</u>	<u>\$ 652,669</u>

## 22. OTHER LIABILITIES

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Current</u>			
Other payables	\$ 4,075,537	\$ 3,003,058	\$ 4,716,800
Other liabilities	<u>380,549</u>	<u>339,643</u>	<u>341,780</u>
	<u>\$ 4,456,086</u>	<u>\$ 3,342,701</u>	<u>\$ 5,058,580</u>
<u>Non-current</u>			
Other liabilities	<u>\$ 635,897</u>	<u>\$ 1,167,818</u>	<u>\$ 1,400,992</u>

a. Other payables were as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Other payables - expenses</u>			
Payable for performance bonus and salaries	\$ 2,162,754	\$ 1,921,922	\$ 1,628,479
Payable for annual leave	191,331	166,543	195,569
Advertisement payable	133,963	114,244	78,269
Payable for labor and health insurance	75,273	97,280	90,645
Payable for employees bonuses and compensation to directors	36,180	24,191	48,145
Interest Payable	26,639	28,760	27,831
Payable for professional fees	5,835	9,610	6,181
Others	<u>204,672</u>	<u>169,831</u>	<u>208,546</u>
	<u>\$ 2,836,647</u>	<u>\$ 2,532,381</u>	<u>\$ 2,283,665</u>
<u>Other payables - others</u>			
Dividend Payable	\$ 884,216	\$ -	\$ 2,063,170
Receipts under custody from real estate transactions	295,481	366,617	280,373
Other receipts under custody	57,464	72,876	57,985
Receipts under custody escrow services	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,237,161</u>	<u>\$ 439,493</u>	<u>\$ 2,401,528</u>
<u>Other payables to related parties</u>			
Loan from related parties	\$ -	\$ 23,803	\$ 23,971
Interest payable	-	6,100	6,143
Others	<u>1,729</u>	<u>1,281</u>	<u>1,493</u>
	<u>\$ 1,729</u>	<u>\$ 31,184</u>	<u>\$ 31,607</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 liabilities - non-current.
- 2) Loans from related parties were accounted for other payables to related parties.
- 3) Receipts under custody from real estate transactions were the money received by real estate brokers - Shanghai Sinyi, Suzhou Sinyi, Japan Sinyi and Japan Management from buyers that had concluded transactions, but not yet transferred to the sellers/lessors.
- 4) Receipts under custody from escrow service were the money received by An-Sin and An-Shin from buyers of real estate transactions but not yet transferred to the sellers. Composition was as follows:

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Receipts under custody - escrow service	\$ 13,640,550	\$ 9,818,356	\$ 14,186,456
Interest payable	2,092	2,944	737
Deposit accounts	( <u>13,642,642</u> )	( <u>9,821,300</u> )	( <u>14,187,193</u> )
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

- a) Receipts under custody - performance guarantee were receipts under custody from sellers of real estate transactions with interest rate of 0.51%-0.53%, 0.385%-0.465% and 0.135%-0.0215% as of June 30, 2023, December 31, 2022 and June 30, 2022.
- 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>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
<u>Current</u>			
VAT payable and other tax payable	\$ 288,127	\$ 257,701	\$ 268,216
Refund liability	45,961	37,669	47,886
Others	46,461	44,273	25,678
	<u>\$ 380,549</u>	<u>\$ 339,643</u>	<u>\$ 341,780</u>
<u>Non-current</u>			
Long-term bonus payable	\$ 629,036	\$ 1,161,714	\$ 1,396,733
Refund liability	6,861	6,104	4,259
	<u>\$ 635,897</u>	<u>\$ 1,167,818</u>	<u>\$ 1,400,992</u>

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

## 23. RETIREMENT BENEFIT PLANS

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, 2022 and 2021, and recognized in profit or loss in respect of the defined benefit plans for the three months and six months ended June 30, 2023, and 2022 were \$299 thousand, \$687 thousand, \$597 thousand and \$1,374 thousand, respectively.

## 24. EQUITY

### Share Capital

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</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 June 30, 2023, the Company has issued share capital of \$7,368,465, divided into 736,847 thousand ordinary shares at \$10 per share.

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

### Capital Surplus

	June 30, 2023	December 31, 2022	June 30, 2022
<u>May be used to offset a deficit</u>			
Arising from expired stock options	\$ 63,790	\$ 63,790	\$ 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 Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, please refer to Employee benefits expense in Note 26-8 (Compensation of Employees and Remuneration of Directors).
- b. In addition, according to the revised Articles of Incorporation of the Company, the dividend policy of the Company is to distribute dividends in light of the present and future development plan, taking into consideration the investment environment, fund demands, and domestic competition status, as well as factors of interests of shareholders. However, the amount of proposed earnings distribution of the current year may not be less than 20% of the accumulated distributable earnings. In distributing dividends and bonuses to shareholders, the distribution may be made by shares or cash, of which cash dividends may not be less than 10% of the total amount of dividends.
- c. An appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.
- d. The appropriations of earnings for 2022 and 2021 had been approved in the shareholders' meeting held on May 18, 2023 and May 19, 2022, 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>	
	2022	2021	2022	2021
Legal reserve	\$ 134,122	\$ 244,770	\$ -	\$ -
Special reserve	( 105,568 )	288,875	-	-
Cash dividends	884,216	2,063,170	1.20	2.80

## Other Equity Items

### a. Exchange differences on translating the financial statements of foreign operations

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

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

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

## Non-controlling Interests

	<b>Six Months Ended June 30</b>	
	<b>2023</b>	<b>2022</b>
Balance, beginning of period	\$ 126,497	\$ 130,243
Attributed to non-controlling interests:		
Net income	3,707	10,148
Difference between consideration and carrying amount of subsidiaries acquired (Note 12)	77	-
Exchange differences on translating foreign operations	( 8 )	( 4 )
Cash dividends distributed by subsidiaries	( 12,745 )	( 17,728 )
Balance, end of period	<u>\$ 117,528</u>	<u>\$ 122,659</u>

## 25. REVENUE

### a. Disaggregation of revenue

Refer to Note 37 for information about the disaggregation of revenue.

### b. Contract balances

The Group's contract liabilities, all of which are derived from the pre-sale of real estate from Jiu Xin Estate and Taiwan Sinyi Development. In 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.

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.

	June 30, 2023	December 31, 2022	June 30, 2022	January 1, 2022
Notes receivable, trade receivables and overdue receivables (Note 9 and 18)	\$ 1,272,758	\$ 979,674	\$ 1,088,870	\$ 1,370,155
Contract liabilities	\$ 566,476	\$ 1,514,707	\$ 1,446,689	\$ 1,723,403

## 26. NET PROFIT (LOSS) FROM CONTINUING OPERATIONS

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

### Interest Income

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Interest income				
Cash in bank	\$ 46,913	\$ 21,208	\$ 133,386	\$ 50,179
Others	<u>365</u>	<u>611</u>	<u>632</u>	<u>1,027</u>
	<u>\$ 47,278</u>	<u>\$ 21,819</u>	<u>\$ 134,018</u>	<u>\$ 51,206</u>

### Other Income

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Other income				
Rental income	\$ 22,172	\$ 22,177	\$ 46,257	\$ 47,293
Dividend income	<u>4,291</u>	<u>5,164</u>	<u>4,291</u>	<u>5,164</u>
	<u>\$ 26,463</u>	<u>\$ 27,341</u>	<u>\$ 50,548</u>	<u>\$ 52,457</u>

### Other Gains and Losses

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Impairment loss on investment properties	\$ -	\$ -	(\$ 7,140)	\$ -
Gains on financial assets mandatorily classified as at FVTPL	-	37	-	70
Losses on disposal of property, plant and equipment	( 1,171 )	( 1,124 )	( 2,163 )	( 1,290 )
Gain (loss) on disposal of investment properties	13,099	( 199 )	15,187	( 199 )
Net foreign exchange gains (loss)	21,788	( 45,846 )	48,144	( 45,416 )
Share of gains on associates accounted for using equity method	4,645	4,036	9,174	7,360
Others	<u>6,452</u>	<u>3,648</u>	<u>( 5,607 )</u>	<u>12,437</u>
	<u>\$ 44,813</u>	<u>( \$ 39,448 )</u>	<u>\$ 57,595</u>	<u>( \$ 27,038 )</u>

## Finance Costs

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Interest on loans	\$ 24,670	\$ 12,392	\$ 60,134	\$ 27,106
Interest on unsecured bonds payable	9,578	11,418	22,025	25,033
Interest on lease liabilities	9,095	13,819	23,023	28,401
Others	<u>804</u>	<u>29</u>	<u>846</u>	<u>33</u>
	44,147	37,658	106,028	80,573
Deduct: Amounts included in the cost of qualifying asset (inventory-properties under development)	( <u>8,550</u> )	( <u>6,133</u> )	( <u>16,683</u> )	( <u>11,194</u> )
	<u>\$ 35,597</u>	<u>\$ 31,525</u>	<u>\$ 89,345</u>	<u>\$ 69,379</u>

Information about capitalized interest was as follows:

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Interest capitalization rate	2.09%~2.63%	1.73%~2.05%	1.73%~2.63%	1.73%~2.05%

## Depreciation and Amortization

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
Property, plant and equipment	\$ 28,083	\$ 27,059	\$ 55,534	\$ 54,207
Investment property	3,434	3,270	6,723	6,515
Intangible assets	6,216	8,137	12,345	17,396
Right-of-use assets	<u>137,557</u>	<u>140,613</u>	<u>279,290</u>	<u>283,188</u>
	<u>\$ 175,290</u>	<u>\$ 179,079</u>	<u>\$ 353,892</u>	<u>\$ 361,306</u>

An analysis of depreciation by function

Management expense	\$ 146,030	\$ 147,476	\$ 294,754	\$ 295,550
Operating expenses	19,610	20,196	40,070	41,845
Other losses	<u>3,434</u>	<u>3,270</u>	<u>6,723</u>	<u>6,515</u>
	<u>\$ 169,074</u>	<u>\$ 170,942</u>	<u>\$ 341,547</u>	<u>\$ 343,910</u>

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2023	2022	2023	2022
An analysis of amortization by function				
Management expense	\$ 976	\$ 1,295	\$ 1,850	\$ 2,860
Operating expenses	<u>5,240</u>	<u>6,842</u>	<u>10,495</u>	<u>14,536</u>
	<u>\$ 6,216</u>	<u>\$ 8,137</u>	<u>\$ 12,345</u>	<u>\$ 17,396</u>

## Operating Expenses Directly Related to Investment Properties

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Direct operating expenses from investment property				
That generated rental income	\$ 3,534	\$ 6,801	\$ 12,520	\$ 13,526
That did not generate rental income	<u>40</u>	<u>27</u>	<u>89</u>	<u>55</u>
	<u>\$ 3,574</u>	<u>\$ 6,828</u>	<u>\$ 12,609</u>	<u>\$ 13,581</u>

## Employee Benefits Expense

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salary expense	\$ 1,645,384	\$ 1,641,209	\$ 2,900,865	\$ 3,458,464
Labor and health insurance expense	<u>112,130</u>	<u>120,090</u>	<u>219,664</u>	<u>247,221</u>
	<u>1,757,514</u>	<u>1,761,299</u>	<u>3,120,529</u>	<u>3,705,685</u>
Post-employment benefits				
Defined contribution plans	54,397	68,520	112,589	133,336
Defined benefit plans (Note 23)	<u>299</u>	<u>687</u>	<u>597</u>	<u>1,374</u>
	<u>54,696</u>	<u>69,207</u>	<u>113,186</u>	<u>134,710</u>
Other employee benefits	<u>60,080</u>	<u>48,842</u>	<u>110,443</u>	<u>98,542</u>
Total employee benefits expense	<u>\$ 1,872,290</u>	<u>\$ 1,879,348</u>	<u>\$ 3,344,158</u>	<u>\$ 3,938,937</u>
	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
An analysis of employee benefits expense by function				
Management expense	\$ 1,645,392	\$ 1,662,667	\$ 2,893,295	\$ 3,498,044
Operating expenses	<u>226,898</u>	<u>216,681</u>	<u>450,863</u>	<u>440,893</u>
	<u>\$ 1,872,290</u>	<u>\$ 1,879,348</u>	<u>\$ 3,344,158</u>	<u>\$ 3,938,937</u>

## Employees' Compensation and Remuneration of Directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 1% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The accrued employees' compensation and remuneration of directors for the three months and six months ended June 30, 2023 and 2022 were as follows:

### Accrual rate

	<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>
Employees' compensation	1%	1%
Remuneration of directors	0.22%	0.24%

Amount

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>Cash</u>	<u>Cash</u>	<u>Cash</u>	<u>Cash</u>
Employees' compensation	\$ 6,419	\$ 4,288	\$ 12,005	\$ 8,570
Remuneration of directors	1,327	1,200	2,655	2,400

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of compensation to employees and the remuneration to directors for 2022 and 2021 had been approved, respectively by the board of directors on February 22, 2023 and on February 25, 2022. The appropriations were as below.

	<u>Years Ended December 31</u>	
	<u>2022</u>	<u>2021</u>
	<u>Cash</u>	<u>Cash</u>
Employees' compensation	\$ 15,260	\$ 29,247
Remuneration to directors	5,310	4,800

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors in 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

**Impairment loss on non-financial assets**

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Investment properties (including other gain and loss)	\$ _____	\$ _____	\$ 7,140	\$ _____

**27. INCOME TAXES RELATING TO CONTINUING OPERATIONS**

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current tax				
In respect of the current period	\$ 123,146	\$ 161,957	\$ 230,421	\$ 276,948
Additional income tax on unappropriated earnings	21,422	-	21,422	-
Land value increment tax	137		25,989	-

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax	<u>22,499</u>	<u>( 53,506 )</u>	<u>90,654</u>	<u>( 36,348 )</u>
	<u>167,204</u>	<u>108,451</u>	<u>368,486</u>	<u>240,600</u>
In respect of the current period				
Current tax	<u>( \$ 6,381 )</u>	<u>( \$ 74,114 )</u>	<u>( \$ 10,995 )</u>	<u>( \$ 74,114 )</u>
Deferred tax	<u>( 12,838 )</u>	<u>23,980</u>	<u>( 12,838 )</u>	<u>23,980</u>
	<u>( 19,219 )</u>	<u>( 50,134 )</u>	<u>( 23,833 )</u>	<u>( 50,134 )</u>
Income tax expense recognized in profit or loss	<u>\$ 147,985</u>	<u>\$ 58,317</u>	<u>\$ 344,653</u>	<u>\$ 190,466</u>

Land value increment tax is estimated in accordance with the provisions of the Income Tax Act of the Republic of China and the tax laws and regulations of the People's Republic of China. However, the actual liability for land value increment tax is determined by the local tax authorities. Any adjustment to the estimated amount of land value increment tax and the actual tax liability recognized in the next year.

b. Income tax assessments

Sinyi Realty Inc., Sinyi Global, Jui-Inn, Heng-Yi, An-Shin, Sinyi Culture, Yowoo Technology, Sinyi Consulting, Lian Yue Traffic, Da-Chia Construction, Jin Mei, Sinyi Real Estate and Tokyo Sinyi's tax returns through 2021 had been assessed by the tax authorities.

Taiwan Sinyi Development and An-Sin's tax returns through 2020 had been assessed by the tax authorities.

## 28. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Basic EPS	<u>\$ 0.69</u>	<u>\$ 0.43</u>	<u>\$ 1.37</u>	<u>\$ 1.07</u>
Diluted EPS	<u>\$ 0.69</u>	<u>\$ 0.43</u>	<u>\$ 1.37</u>	<u>\$ 1.07</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 Year

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the year attributable to owners of the Company	<u>\$ 510,382</u>	<u>\$ 313,458</u>	<u>\$ 1,011,460</u>	<u>\$ 791,118</u>

**Weighted average number of ordinary shares outstanding (in thousand shares)**

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
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>419</u>	<u>279</u>	<u>571</u>	<u>541</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>737,266</u>	<u>737,126</u>	<u>737,418</u>	<u>737,388</u>

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

**29. CASH FLOW INFORMATION**

**Changes in Liabilities Arising from Financing Activities**

For the six months ended June 30, 2023

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non-cash Changes</b>		<b>Cash Flow from Operating Activities</b>	<b>Closing Balance</b>
			<b>New Leases</b>	<b>Other</b>		
Bonds payable (including current portion)	\$ 4,600,000	(\$ 1,900,000)	\$ -	\$ -	\$ -	\$ 2,700,000
Short-term borrowings (including current portion)	1,098,077	( 992,877)	-	( 5,200)	-	100,000
Long-term borrowings (including current portion)	5,953,017	329,377	-	( 4,038)	-	6,278,356
Guarantee deposits received	33,206	( 6,171)	-	-	-	27,035
Lease liabilities	3,327,689	( 300,920)	176,287	( 13,390)	( 23,023)	3,166,643
Other payables to related parties	<u>23,803</u>	<u>( 23,867)</u>	<u>-</u>	<u>64</u>	<u>-</u>	<u>-</u>
	<u>\$15,035,792</u>	<u>(\$ 2,894,458)</u>	<u>\$ 176,287</u>	<u>(\$ 22,564)</u>	<u>(\$ 23,023)</u>	<u>\$12,272,034</u>

For the six months ended June 30, 2022

	<b>Opening Balance</b>	<b>Cash Flows</b>	<b>Non-cash Changes</b>		<b>Cash Flow from Operating Activities</b>	<b>Closing Balance</b>
			<b>New Leases</b>	<b>Other</b>		
Bonds payable (including current portion)	\$ 4,600,000	\$ -	\$ -	\$ -	\$ -	\$ 4,600,000
Long-term borrowings (including current portion)	2,617,989	85,262	-	5,687	-	2,708,938
Guarantee deposits received	38,244	( 4,029)	-	-	-	34,215
Lease liabilities	3,448,990	( 256,632)	208,186	26,884	( 28,401)	3,399,027
Other payables to related parties	<u>14,770</u>	<u>8,878</u>	<u>-</u>	<u>323</u>	<u>-</u>	<u>23,971</u>
	<u>\$10,719,993</u>	<u>(\$ 166,521)</u>	<u>\$ 208,186</u>	<u>\$ 32,894</u>	<u>(\$ 28,401)</u>	<u>\$10,766,151</u>



### 30. CAPITAL RISK MANAGEMENT

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

Key management personnel of the Group review the capital structure on a quarterly basis. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

### 31. FINANCIAL INSTRUMENTS

#### Fair value of financial instruments not measured at fair value

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

#### June 30, 2023

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 2,700,000	\$ _____ -	\$ 2,671,396	\$ _____ -	\$ 2,671,396

#### December 31, 2022

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 4,600,000	\$ _____ -	\$ 4,552,040	\$ _____ -	\$ 4,552,040

#### June 30, 2022

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 4,600,000	\$ _____ -	\$ 4,586,963	\$ _____ -	\$ 4,586,963

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

**Fair value financial instruments measured at fair value on a recurring basis**

1) Fair value hierarchy

June 30, 2023

	<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 non-listed shares - equity investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 123,843	\$ -	\$ -	\$ 123,843
Domestic non-listed shares - equity investments	-	-	102,373	102,373
Foreign listed shares - equity investments	315,319	-	-	315,319
Foreign non-listed shares - equity investments	<u>-</u>	<u>-</u>	<u>32,648</u>	<u>32,648</u>
	<u>\$ 439,162</u>	<u>\$ -</u>	<u>\$ 135,021</u>	<u>\$ 574,183</u>

December 31, 2022

	<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 non-listed shares - equity investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 109,723	\$ -	\$ -	\$ 109,723
Domestic non-listed shares - equity investments	-	-	105,404	105,404
Foreign listed shares - equity investments	276,490	-	-	276,490
Foreign non-listed shares - equity investments	<u>-</u>	<u>-</u>	<u>74,670</u>	<u>74,670</u>
	<u>\$ 386,213</u>	<u>\$ -</u>	<u>\$ 180,074</u>	<u>\$ 566,287</u>

(Continued)

June 30, 2022

	<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 shares - equity investments	\$ 24,258	\$ -	\$ -	\$ 24,258

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 123,953	\$ -	\$ -	\$ 123,953
Domestic non-listed shares - equity investments	-	-	62,169	62,169
Foreign listed shares - equity investments	278,753	-	-	278,753
Foreign non-listed shares - equity investments	-	-	127,777	127,777
	\$ 402,706	\$ -	\$ 189,946	\$ 592,652

(Concluded)

There were no transfers of fair value measurement levels in the current and prior periods.

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

For the six months ended June 30, 2023

	<b>Financial assets at FVTPL Equity Instruments</b>	<b>Financial assets at FVTOCI Equity Instruments</b>
Balance at January 1, 2023	\$ 2,500	\$ 180,074
Recognized in other comprehensive (loss) income	-	( 44,087)
Effect of exchange rate changes	-	( 966)
Balance at June 30, 2023	\$ 2,500	\$ 135,021

For the six months ended June 30, 2022

	<b>Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments</b>
Balance at January 1, 2022	\$ 234,726
Recognized in other comprehensive (loss) income	6,711
Effect of exchange rate changes	( 54,198 )
	<u>2,707</u>
Balance at June 30, 2022	<u>\$ 189,946</u>

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

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

**Categories of Financial Instruments**

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	\$ 2,500	\$ 2,500	\$ 24,258
Financial assets at amortized cost (Note 1)	10,986,024	12,446,403	9,661,350
Financial assets at FVTOCI	574,183	566,287	592,652
Financial liabilities			
Financial assets at amortized cost (Note 2)	13,273,880	16,457,096	12,046,436

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

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

## Financial Risk Management Objectives and Policies

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

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

### a. Market risk

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

#### 1) Foreign currency risk

The Group engages in some foreign currency transactions resulting in exchange rate of foreign currency risk. The management of exchange rate risk of the Group is based on the use of foreign currency derivative financial product contracts to avoid foreign exchange risks that may arise from monetary assets and liabilities not denominated in NTD and some anticipated transactions under the specification of the transaction processing procedures for derivative financial products, so as to ensure that the risk remains at an acceptable level.

For the carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, refer to Note 35.

#### Foreign currency sensitivity analysis

Sensitivity analysis refers to the impact of a 1% fluctuation in foreign exchange rates at the end of the financial reporting period on the monetary items in foreign currencies held by the Group. The following summarizes the increase (decrease) in equity or net income of the current period that would result from an appreciation (depreciation) of each foreign currency.

	Six Months Ended June 30							
	2023				2022			
	RMB	JPY	USD	MYR	RMB	JPY	USD	MYR
Equity	\$ 44,129	\$ 3,743	\$ 24,863	\$ 5,027	\$ 55,576	\$ 2,783	\$ 904	\$ 697
Profit or loss	27	47	900	808	1	-	3,976	8

## 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:

	June 30, 2023	December 31, 2022	June 30, 2022
Fair value interest rate risk			
Financial assets	\$ 3,139,594	\$ 2,987,968	\$ 591,933
Financial liabilities	8,416,319	8,251,423	10,331,936
Cash flow interest rate risk			
Financial assets	5,000	64,000	24,511
Financial liabilities	3,828,680	6,751,163	400,000

### 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 \$19,118 thousand and \$1,877 thousand for the six months ended June 30, 2023 and 2022, respectively.

## 3) Other price risk

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

If equity prices had been 1% higher/lower, pre-tax profit for the six months ended June 30, 2023 and 2022 would have increased/decreased by \$25 thousand and \$243 thousand, respectively as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the six months ended June 30, 2023 and 2022 would have increased/decreased by \$5,742 thousand and \$5,927 thousand, respectively as a result of the changes in fair value of financial assets at FVTOCI.

## b. Credit risk

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

### Business related credit risk

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

### Financial credit risk

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

#### c. Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2023, December 31, 2022 and June 30, 2022, the Group had available unutilized bank loan facilities were follows:

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Unsecured bank overdraft facility (including commercial paper facilities)			
Amount used	\$ 1,757,880	\$ 1,907,183	\$ 1,101,147
Amount unused	<u>15,165,280</u>	<u>10,609,477</u>	<u>10,468,813</u>
	<u>\$ 16,923,160</u>	<u>\$ 12,516,660</u>	<u>\$ 11,569,960</u>
Secured bank overdraft facility:			
Amount used	\$ 4,620,800	\$ 5,143,980	\$ 1,608,000
Amount unused	<u>6,347,840</u>	<u>3,348,123</u>	<u>4,873,500</u>
	<u>\$ 10,968,640</u>	<u>\$ 8,492,103</u>	<u>\$ 6,481,500</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.

June 30, 2023

	<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	\$ 120	\$ 3,539,333	\$ 656,071	\$ -
Lease liabilities	48,867	519,767	1,972,257	893,515
Floating interest rate liabilities	6,692	320,135	3,634,397	-
Fixed interest rate liabilities	<u>1,805,772</u>	<u>48,117</u>	<u>2,622,160</u>	<u>916,665</u>
	<u>\$ 1,861,451</u>	<u>\$ 4,427,352</u>	<u>\$ 8,884,885</u>	<u>\$ 1,810,180</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	\$ 48,867	\$ 519,767	\$ 1,972,257	\$ 853,936	\$ 39,579
Fixed interest rate liabilities	<u>1,805,772</u>	<u>48,117</u>	<u>2,622,160</u>	<u>916,665</u>	<u>-</u>
	<u>\$ 1,854,639</u>	<u>\$ 567,884</u>	<u>\$ 4,594,417</u>	<u>\$ 1,770,601</u>	<u>\$ 39,579</u>

December 31, 2022

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 552	\$ 3,580,627	\$ 1,194,920	\$ -
Lease liabilities	48,623	535,409	1,983,160	961,504
Floating interest rate liabilities	12,069	1,222,680	5,768,310	-
Fixed interest rate liabilities	<u>4,798</u>	<u>3,751,493</u>	<u>346,105</u>	<u>922,227</u>
	<u>\$ 66,042</u>	<u>\$ 9,090,209</u>	<u>\$ 9,292,495</u>	<u>\$ 1,883,731</u>

Additional information about the maturity analysis for 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	\$ 48,623	\$ 535,409	\$ 1,983,160	\$ 902,053	\$ 59,451
Fixed interest rate liabilities	<u>4,798</u>	<u>3,751,493</u>	<u>346,105</u>	<u>922,227</u>	<u>-</u>
	<u>\$ 53,421</u>	<u>\$ 4,286,902</u>	<u>\$ 2,329,265</u>	<u>\$ 1,824,280</u>	<u>\$ 59,451</u>



June 30, 2022

	<b>On Demand or Less than 1 Month</b>	<b>1 Month to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
Non-interest bearing	\$ 251	\$ 3,282,328	\$ 1,430,948	\$ -
Lease liabilities	48,804	534,675	2,058,126	1,001,286
Floating interest rate liabilities	307	3,376	402,543	-
Fixed interest rate liabilities	<u>7,592</u>	<u>2,003,478</u>	<u>4,188,371</u>	<u>927,822</u>
	<u>\$ 56,954</u>	<u>\$ 5,823,857</u>	<u>\$ 8,079,988</u>	<u>\$ 1,929,108</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	\$ 48,804	\$ 534,675	\$ 2,058,126	\$ 961,048	\$ 40,238
Fixed interest rate liabilities	<u>7,592</u>	<u>2,003,478</u>	<u>4,188,371</u>	<u>927,822</u>	<u>-</u>
	<u>\$ 56,396</u>	<u>\$ 2,538,153</u>	<u>\$ 6,246,497</u>	<u>\$ 1,888,870</u>	<u>\$ 40,238</u>

### 32. TRANSACTIONS WITH RELATED PARTIES

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

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

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

## Operating Revenue

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Service revenue				
The Company's director is its director	\$ 1,397	\$ 2,126	\$ 2,908	\$ 3,872
The Company's indirect shareholder (indirect investment using the equity method)	<u>380</u>	<u>-</u>	<u>410</u>	<u>-</u>
	<u>\$ 1,777</u>	<u>\$ 2,126</u>	<u>\$ 3,318</u>	<u>\$ 3,872</u>

## Trade Receivables - Related Parties

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
The Company's director is its director	<u>\$ 482</u>	<u>\$ 646</u>	<u>\$ 612</u>

## Other Payables to Related Parties

	<b>June 30, 2023</b>	<b>December 31, 2022</b>	<b>June 30, 2022</b>
Other related parties - related parties in substance	<u>\$ 1,729</u>	<u>\$ 31,184</u>	<u>\$ 31,607</u>

Parts of other payables to related parties were financing. Information on the financing for the six months ended June 30, 2023 and 2022 were as follows:

	<b>Six Months Ended June 30, 2023</b>				
	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Expense</b>	<b>Interest Payable</b>
Other related parties - related parties in substance	<u>\$ 23,803</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
	<b>Six Months Ended June 30, 2022</b>				
	<b>Highest Balance During the Period</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Interest Expense</b>	<b>Interest Payable</b>
Other related parties - related parties in substance	<u>\$ 24,332</u>	<u>\$ 23,971</u>	-	<u>\$ -</u>	<u>\$ 6,143</u>

The above financing did not provide collateral.

## Remuneration of Key Management Personnel

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	\$ 31,844	\$ 33,899	\$ 56,105	\$ 76,638
Other long-term employee benefits	<u>2,148</u>	<u>3,266</u>	<u>4,297</u>	<u>6,533</u>
	<u>\$ 33,992</u>	<u>\$ 37,165</u>	<u>\$ 60,402</u>	<u>\$ 83,171</u>

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

### Other Transactions with Related Parties

#### a. Rental income

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other related parties				
Related parties in substance	\$ 1,821	\$ 1,789	\$ 3,897	\$ 3,860
The Company's President	-	-	57	57
The Company's shareholder (direct investment using the equity method)	-	-	57	57
The Company's indirect shareholder (indirect investment using the equity method)	-	-	57	57
Associates	<u>-</u>	<u>-</u>	<u>34</u>	<u>34</u>
	<u>\$ 1,821</u>	<u>\$ 1,789</u>	<u>\$ 4,102</u>	<u>\$ 4,065</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

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other related parties				
Related parties in substance	\$ 252	\$ 348	\$ 560	\$ 697
The Company's shareholder (direct investment using the equity method)	<u>47</u>	<u>-</u>	<u>190</u>	<u>-</u>
	<u>\$ 299</u>	<u>\$ 348</u>	<u>\$ 750</u>	<u>\$ 697</u>

Other benefits are mainly derived from management consulting services provided to the related parties and other income.

c. Service costs

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other related parties				
Related parties in substance	\$ <u>-</u>	\$ <u>1,025</u>	\$ <u>636</u>	\$ <u>2,243</u>

d. General and administrative expenses

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other related parties				
Related parties in substance	\$ <u>4,324</u>	\$ <u>6,273</u>	\$ <u>10,773</u>	\$ <u>12,932</u>

Service costs and general and administrative expenses are mainly payment for services related to real estate registration, cadaster access service and management consulting, etc.

e. Lease agreement

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30 2022</u>
Lease liabilities - related parties in substance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

  

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>

Interest expense

Related parties in substance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>19</u>
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The rental rates are based on the prevailing rates in the surrounding area. The Group collects rentals from related parties on a monthly basis.

f. Other receivables

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30 2022</u>
Other related parties			
Related parties in substance	\$ 1,281	\$ 1,001	\$ 1,434
Corporate shareholder (direct investment using the equity method)	-	50	4
Corporate shareholder (indirect investment using the equity method)	<u>29</u>	<u>-</u>	<u>-</u>
	\$ <u>1,310</u>	\$ <u>1,051</u>	\$ <u>1,438</u>

g. Prepayment for right-of-use of land

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2022</u>
Other related parties			
Related parties in substance	\$ <u>30,022</u>	\$ <u>6,972</u>	\$ <u>-</u>

Prepayment for right-of-use assets of land is mainly the advance payment of land purchased by ZHANCHENG from the above-mentioned related parties, please refer to schedule V of Note 36.

### 33. MORTGAGED OR PLEDGED ASSETS

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

	June 30, 2023	December 31, 2022	June 30, 2022
Property, plant and equipment (including investment properties)			
Land	\$ 4,125,647	\$ 4,125,647	\$ 4,191,664
Building	359,331	344,004	376,838
Other financial assets – current			
Pledged time deposits and demand deposits	2,112,355	2,039,521	8,731
Inventories	<u>3,152,614</u>	<u>2,968,785</u>	<u>4,916,290</u>
	<u>\$ 9,749,947</u>	<u>\$ 9,477,957</u>	<u>\$ 9,493,523</u>

### 34. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

- a. The Group is involved in claims that arise in the ordinary course of brokerage and escrow business; the other party may claim against the Group through legal proceedings. On the basis of past experience and consultations with legal counsel, management of the Group has measured the possible effects of the contingent lawsuits on its financial condition in brokerage and escrow business.
- b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to \$5,000 thousand.
- c. The Company has endorsed Hong Kong Sinyi Estate, An-Sin and Sinyi International in obtaining financing limit of \$51,2381 thousand, \$2,600,000 thousand and \$207,081 thousand, respectively. Jiu Xin Estate has endorsed Kunshan Dingxian Trading in purchasing from supplier for the amount of \$18,164 thousand. Sinyi International has endorsed the Company and Taiwan Sinyi Development in obtaining financing limit of \$4,048,200 thousand and \$342,540 thousand, respectively. Refer to Note 36, Table 2 for the details.
- d. As of June 30, 2023, the Group had signed construction contracts and right-of-use assets but not yet paid for \$1,348,871 thousand and 270,824 thousand, respectively.
- e. Jiu Xin Estate property developer in mainland China, sold real estate and guaranteed the mortgage bank loans of some of its customers (including natural persons and juridical persons); the guarantee amounted to \$38,495 thousand as of June 30, 2023. The amount of mortgage loan was emitted to Jiu Xin Estate for payment of the property sold according to local practice. If a customer breached a mortgage contract, Jiu Xin Estate will return to the banks only the amount of mortgage received. Therefore, Jiu Xin Estate is not exposed to risk of material loss from the guarantee. The guarantee is just a selling feature in the real estate development industry in China and it does not bear the economic substance and risk of ordinary endorsement. In addition, according to the Q&A No. 35 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” (the Regulations) announced on December 26, 2012 by the SFB, the above guarantee provided by Jiu Xin Estate to its customers is similar to an escrow, instead of endorsement as defined in the Regulations.

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

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

June 30, 2023

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,103,952	4.282	\$ 4,727,122
JPY	3,450,779	0.2150	741,917
USD	79,842	31.140	2,486,280
MYR	76,544	6.6717	510,682
Non-monetary items			
RMB	7,625	4.282	32,648
JPY	1,466,600	0.2150	315,319

#### Financial liabilities

Monetary items			
RMB	73,376	4.282	314,195
JPY	1,709,898	0.2150	367,628

December 31, 2022

	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>New Taiwan Dollars (In Thousands)</b>
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,493,694	4.408	\$ 6,584,202
JPY	3,206,147	0.2324	745,109
USD	88,687	30.710	2,723,568
MYR	11,723	6.972	81,729
(Continued)			
Non-monetary items			
RMB	16,940	4.408	74,670
JPY	1,189,715	0.2324	276,490

#### Financial liabilities

Monetary items			
RMB	130,047	4.408	573,247
JPY	1,626,317	0.2324	377,956

June 30, 2022

Financial assets

	Foreign Currency (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
Monetary items			
RMB	\$ 1,397,636	4.439	\$ 6,204,104
JPY	2,660,832	0.2182	580,593
USD	16,418	29.720	487,936
MYR	10,884	6.745	73,419
Non-monetary items			
RMB	28,785	4.439	127,777
JPY	1,277,514	0.2182	278,753

Financial liabilities

Monetary items			
RMB	145,653	4.439	646,552
JPY	1,385,471	0.2182	302,310
			(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 realized and unrealized foreign exchange (losses) gains were as follows:

Functional Currencies	Six Months Ended June 30			
	2023		2022	
	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange (Loss) Gain
NTD	1 (NTD:NTD)	(\$ 248)	1 (NTD:NTD)	(\$ 45,469)
USD	30.55 (USD:NTD)	( 22,510)	28.72 (USD:NTD)	-
RMB	4.4075 (RMB:NTD)	57,555	4.4263 (RMB:NTD)	-
JPY	0.227 (JPY:NTD)	( 8)	0.234 (JPY:NTD)	16
MYR	6.86 (MYR:NTD)	18,338	6.72 (MYR:NTD)	37
HKD	3.9 (HKD:NTD)	( 4,983)	3.67 (HKD:NTD)	-
		<u>\$ 48,144</u>		<u>(\$ 45,416)</u>

**36. SEPARATELY DISCLOSED ITEMS**

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

- Financing provided to others: Table 1 (see the attached)
- Endorsements/guarantees provided to others: Table 2 (see the attached)
- Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Table 3 (see the attached)
- Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the

- paid-in capital: Table 4 (see the attached)
- e. Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: Table 5 (see the attached)
  - f. Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
  - g. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
  - h. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
  - i. Information about derivative: None
  - j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 6 (see the attached)
  - k. Information on investees: Table 7 (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 8 (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 ending period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (see the attached)
  - 6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

**Information on major shareholders:**

The name of major shareholders, number of shares, percentage of ownership about the ownership of 5% or greater: Table 9 (see the attached)



### 37. SEGMENT INFORMATION

#### a. Operating segments information

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

Management has determined reportable segments as follows:

#### Real estate brokerage segment

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

#### Real estate development segment

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

#### Tourism segment

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

The following table was an analysis of the Group's revenue, result of operations and assets of segments for the six months ended June 30, 2023 and 2022:

	Real Estate Brokerage		Real Estate Development		Tourism		Elimination	Consolidated
	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others		
<b>Six months ended June 30 2023</b>								
Revenues from external customers	\$ 4,913,726	\$ 333,299	\$ 1,957,202	\$ 647,590	\$ 2,281	\$ -	\$ -	\$ 7,854,098
Inter-segment revenues	45,759	21,342	-	9,816	66	-	(76,983)	-
Segment revenues	\$ 4,959,485	\$ 354,641	\$ 1,957,202	\$ 657,406	\$ 2,347	\$ -	(\$ 76,983)	\$ 7,854,098
Rental income from investment property								(46,257)
Consolidated revenues								\$ 7,807,841
Operating profit (loss)	\$ 657,803	(\$ 30,441)	\$ 519,493	\$ 52,624	\$ 432	(\$ 54,359)	\$ 95,100	\$ 1,240,652
Operating income from investment property								(33,648)
Operating income								\$ 1,207,004
Segment assets	\$ 10,033,001	\$ 4,825,193	\$ 6,466,265	\$ 10,429,278	\$ 25,487	\$ 2,021,496	(\$ 3,479,154)	\$ 30,321,566
Investments accounted for by the equity method and goodwill								68,926
Total assets								\$ 30,390,492
<b>Six months ended June 30, 2022</b>								
Revenues from external customers	\$ 5,863,642	\$ 227,615	\$ 47,293	\$ 971,652	\$ 1,103	\$ -	\$ -	\$ 7,111,305
Inter-segment revenues	111,688	12,011	348	17,388	9	-	(141,444)	-
Segment revenues	\$ 5,975,330	\$ 239,626	\$ 47,641	\$ 989,040	\$ 1,112	\$ -	(\$ 141,444)	\$ 7,111,305
Rental income from investment property								(47,293)
Consolidated revenues								\$ 7,064,012
Operating profit (loss)	\$ 1,025,319	(\$ 115,783)	(\$ 13,964)	\$ 52,710	(\$ 297)	(\$ 34,654)	\$ 99,538	\$ 1,012,869
Operating income from investment property								(28,383)
Operating income								\$ 984,486
Segment assets	\$ 10,852,211	\$ 3,846,026	\$ 7,084,456	\$ 12,878,201	\$ 7,420	\$ 1,610,515	(\$ 5,015,727)	\$ 31,263,102
Investments accounted for by the equity method and goodwill								57,899

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 follows:

	<b>Three Months Ended June 30</b>		<b>Six Months Ended June 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Real estate brokerage revenue	\$ 2,571,960	\$ 2,609,897	\$ 4,536,576	\$ 5,450,321
Sales of real estate agency	553,561	283,633	710,449	640,936
Developing business revenue	353,579	388,953	2,558,535	971,652
Other	<u>1,414</u>	<u>454</u>	<u>2,281</u>	<u>1,103</u>
	<u>\$ 3,480,514</u>	<u>\$ 3,282,937</u>	<u>\$ 7,807,841</u>	<u>\$ 7,064,012</u>

## SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED  
SIX MONTHS ENDED JUNE 30, 2023  
(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 12)
													Item	Value			
0	Sinyi Realty Inc.	Sinyi Development Inc. Jin Mei Travel Service Co., Ltd.	Other receivables Other receivables	Yes Yes	\$ 2,052,709 5,000	\$ 446,908 5,000	\$ 446,908 2,000	1.67% 1.654% ~1.67%	Short-term financing Short-term financing	\$ - -	Working capital Working capital	\$ - -	- -	\$ - -	\$ 3,490,443 (Note 1) 3,490,443 (Note 1)	\$ 4,653,925 (Note 1) 4,653,925 (Note 1)	\$ 10,079 27
1	Sinyi Real Estate (Shanghai) Limited	Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	360,045 (RMB 81,000 thousand)	-	-	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	2,044,683 (Note 2)	3,067,024 (Note 2)	2,284
2	Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd. Suzhou Sinyi Real Estate Inc. Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd.	Other receivables Other receivables Other receivables	Yes Yes No	22,225 (RMB 5,000 thousand) 253,365 (RMB 57,000 thousand) 29,604 (RMB 6,660 thousand)	- - 28,518 (RMB 6,660 thousand)	- - 28,518 (RMB 6,660 thousand)	4.75% 4.75% 6.00%	Short-term financing (Note 11) Short-term financing (Note 11) Short-term financing	- - -	Working capital Working capital Working capital	- - 17,460 (RMB 4077 thousand)-	- - -	- - -	- (Note 3) - (Note 3) - (Notes 4&5)	- (Note 3) - (Note 3) - (Notes 4&5)	9 2,839 444
3	Lunheng Business Management (Shanghai) Ltd.	Jiu Xin Estate (Wuxi) Limited	Other receivables	Yes	933,450 (RMB 210,000 thousand)	-	-	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	1,407,548 (Note 6)	2,111,322 (Note 6)	33,965
4	Sinyi Global Asset Management Co., Ltd.	Sinyi Realty Inc.	Other receivables	Yes	120,000	120,000	120,000	1.67%	Short-term financing	-	Working capital	-	-	-	339,984 (Note 7)	566,640 (Note 7)	970
5	Sinyi International Limited	Sinyi Realty Inc.	Other receivables	Yes	871,920 (US\$ 28,000 thousand)	871,920 (US\$ 28,000 thousand)	871,920 (US\$ 28,000 thousand)		Short-term financing (Note 11)	-	Working capital	-	-	-	9,529,516 (Note 8)	11,911,895 (Note 8)	14,060
6	Xin Yeh Business Administration (Shanghai) Ltd.	Sinyi Real Estate (Shanghai) Limited	Other receivables	Yes	1,778,000 (RMB 400,000 thousand)	-	-	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	1,880,232 (Note 9)	2,745,348 (Note 9)	21,420
7	Jiu Xin Estate (Wuxi) Limited	Shanghai Sinyi Real Estate Inc. Sinyi Real Estate (Shanghai) Limited	Other receivables Other receivables	Yes Yes	177,800 (RMB 40,000 thousand) 1,426,845 (RMB 321,000 thousand)	171,280 (RMB 40,000 thousand) 1,374,522 (RMB 321,000 thousand)	171,280 (RMB 40,000 thousand) 1,374,522 (RMB 321,000 thousand)	4.75% 4.75%	Short-term financing (Note 11) Short-term financing (Note 11)	- -	Working capital Working capital	- -	- -	- -	1,762,473 (Note 10) 1,762,473 (Note 10)	2,937,455 (Note 10) 2,937,455 (Note 10)	1,768 25,040

(Continued)

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

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

Note 3: The maximum total financing provided should not exceed 300% of Shanghai Sinyi Real Estate Inc.'s net worth. The individual lending amount should not exceed 200% of Shanghai Sinyi Real Estate Inc.'s net worth.

Note 4: If the short term financing provided by Shanghai Sinyi Real Estate Inc. to the borrowing company is for the purpose of strategic consideration, the maximum total financing provided should not exceed 50% of Shanghai Sinyi Real Estate Inc.'s net worth and the individual lending amount should not exceed 40% of Shanghai Sinyi Real Estate Inc.'s net worth.

Note 5: Shanghai Sinyi Real Estate Limited has formulated an improvement plan to send to the Company's independent directors due to the decline in net worth, and passed it by the Company's board of directors and audit committee on March 29, 2023, and would submit the improvement plan to the Company's board of director quarterly. The financing provided by Shanghai Sinyi Real Estate Inc.

Note 6: 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 7: 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 8: The financing provided by Sinyi International Limited for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi International Limited or Sinyi Realty Inc., the maximum total financing provided should not exceed 80% of Sinyi International Limited's net worth. The individual lending amount should not exceed 50% of Sinyi International Limited's net worth.
- Note 9: The financing provided by Xin Yeh Business Administration (Shanghai) Ltd. for borrowing company, which is owned 100% of its voting shares directly or indirectly by Xin Yeh Business Administration (Shanghai) Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth.
- Note 10: The financing provided by Jiu Xin Estate (Wuxi) Limited for borrowing company, which is owned 100% of its voting shares directly or indirectly by Jiu Xin Estate (Wuxi) Limited or Sinyi Realty Inc., the maximum total financing provided should not exceed 50% of Jiu Xin Estate (Wuxi) Limited's net worth. The individual lending amount should not exceed 30% of Jiu Xin Estate (Wuxi) Limited'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 intercompany loans of funds between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares.
- Note 12: Interest recognized in the current period.

(Concluded)

## SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHERS  
SIX MONTHS ENDED JUNE30, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Year	Ending Balance	Actual Appropriation	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Financial Statement (%)	Maximum Total Endorsement/ Guarantee Allowed to Be Provided by the Endorser/ Guarantor	Guarantee Given by Parent on Behalf of Subsidiaries	Guarantee Given by Subsidiaries on Behalf of the Company	Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Nature of Relationship											
0	Sinyi Realty Inc.	Sinyi Real Estate (Hong Kong) Limited	Indirectly 100% owned subsidiary	\$ 9,307,850 (Note 1)	\$ 1,070,748 (USD 35,650 thousand)	\$ 51,381 (USD 1,650 thousand)	\$ -	\$ -	0.44	\$ 17,452,219 (Note 1)	Yes	No	No	Note 4
		An-Sin Real Estate Management Ltd.	Directly 51% owned subsidiary	9,307,850 (Note 1)	2,600,000	2,600,000			22.35%	17,452,219 (Note 1)	Yes	No	No	Note 5
		Sinyi International Limited	Directly 100% owned subsidiary	9,307,850 (Note 1)	207,081 (USD 6,650 thousand)	207,081 (USD 6,650 thousand)			1.78%	17,452,219 (Note 1)	Yes	No	No	Note 6
1	Jiu Xin Estate (Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	Business dealings	4,699,928 (Note 2)	18,856 (RMB 4,242 thousand)	18,164 (RMB 4,242 thousand)	18,164 (RMB 4,242 thousand)	-	0.31%	5,874,910 (Note 2)	No	No	Yes	Note 7
2	Sinyi International Limited	Sinyi Realty Inc.	Parent company	9,529,516 (Note 3)	4,048,200 (USD 130,000 thousand)	4,048,200 (USD 130,000 thousand)	1,800,000-	2,105,064 (USD 67,600 thousand)	33.98%	11,911,895 (Note 3)	No	Yes	No	Note 8
		Sinyi Development Inc.	The same parent company	9,529,516 (Note 3)	342,540 (USD 11,000 thousand)	342,540 (USD 11,000 thousand)	-	-	2.88%	11,911,895 (Note 3)	No	No	No	Note 9

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

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

Note 3: For those companies which Sinyi International Limited's parent company has over 100% of ownership directly or indirectly, or Sinyi International Limited's parent company, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of Sinyi International Limited's net worth. The maximum total endorsement/guarantee should not exceed 100% of Sinyi International Limited's net worth.

Note 4: 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 5: In response to An Sin's operational the Company provides endorsement guarantees in accordance with the terms of the credit for the purpose of increasing the credit line of An Sin

Note 6: In response to the Group's exchange rate hedging needs, the Company provides Sinyi International Limited endorsement guarantee according to the bank credit term.

Note 7: In response to the demand for building materials purchased by Kunshan Dingxian Trading Co., Ltd. to support the construction project of Jiu Xin, Jiu Xin provides the purchase amount equivalent guarantee at the request of suppliers.

Note 8: According to the operational needs of the Company, Sinyi International Limited provides endorsement guarantee for the purpose of obtaining line of credit with the lower interest cost from the bank.

Note 9: For the operational needs of Sinyi Development Inc., Sinyi International Limited provides endorsement guarantee for the purpose of obtaining line of credit of issuing guaranteed commercial paper.

## SINYI REALTY INC. AND SUBSIDIARIES

## MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT CONTROLLED ENTITIES)

AS OF JUNE 30, 2023

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2023				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.	None	Financial assets at fair value through other comprehensive income - current	4,754,040	\$ 123,843	-	\$ 123,843	
	<u>Non-listed shares</u> Han Yu Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,000,000	32,357	11	32,357	
	NOWnews Network Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,049,632	4,645	9	4,645	
	PChome Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	196,350	-	8	-	
	Cité Publishing Holding Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	7,637	-	1	-	
	Cité Information Services Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	106,392	-	1	-	
	B Current Impact Investment Fund 3	-	Financial assets at fair value through other comprehensive income - non-current	1,000,000	12,673	10	12,673	
	LEJU Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	364,964	52,698	11	52,698	
	B Current Impact Investment Fund 5 LP	-	Financial assets at fair value through profit or loss - non-current	-	2,500	-	2,500	
Sinyi Limited	<u>Listed shares</u> Orix Corp.	-	Financial assets at fair value through other comprehensive income - current	561,300	315,319	-	315,319	
Shanghai Sinyi Real Estate Inc.	<u>Non-listed shares</u> Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	34,500,000	32,648	2	32,648	
	Taicang Yalong Management Consulting Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	150,000	-	-	-	

## SINYI REALTY INC. AND SUBSIDIARIES

ACCUMULATED ACQUISITION OR DISPOSAL OF SECURITIES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED JUNE 30, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Acquire and Selling Company	Securities - Types and Names	Financial Statement Account	Counterparty	Relationship	Beginning		Acquisition		Disposal				Ending	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Selling Price	Carrying Cost	Gain (Losses) on Disposal	Shares/Units	Amount
Sinyi Realty Inc.	<u>Stock</u> ZHANCHENG TOURISM DEVELOP- SDN. BHD. MENT	Investments Accounted For Using Equity Method	None	Subsidiary	2,500,000	\$ 15,591 (Note 1)	59,500,000	\$ 412,334	-	\$ -	\$ -	\$ -	62,000,000	\$ 427,925 (Note 1)

Note 1: The amount is disclosed in the original investment cost.

## SINYI REALTY INC. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED JUNE 30, 2023

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

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Zhancheng Tourism Development Sdn. Bhd.	Right-of-use - land	2022.12.21	\$ 314,370 (MYR 45,093 thousand)	Paid 10% of total price	Treasure Sage Sabah SDN. BHD. (Malaysia)	Related party in substance	Amylia Edmund, WEE GIOK SHUN, WEE WUI NEE, WONG SIEW GUEN, LPL 118 CORPORATION SDN. BHD.	-	2018/12/31 2019/3/21 2019/4/29 2019/6/18 2019/12/31 2020/12/30	MYR 42,660 thousand	The counter-party's acquisition price, including interest on the necessary capital and the buyer's costs, amounted to MYR45,093 thousand.	The investment of real estate is for the tourism industry.	-

Note: Prepayments for right-of-use assets - land is from Zhancheng signed an agreement to acquire right-of-use of land at Pulau Mengalum, Sabah, Malaysia in 2022. As of June 30, 2023 the transfer of the land possession right has not completed.



## SINYI REALTY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTION  
 SIX MONTHS ENDED JUNE 30, 2023  
 (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.	Sinyi Development Inc.	a	Other receivables	446,908	For working capital, rate at 1.67%	1
1	Sinyi Global Asset Management Co., Ltd.	Sinyi Realty Inc.	b	Other receivables	120,000	For working capital, rate at 1.67%	-
2	Sinyi International Limited	Sinyi Realty Inc.	b	Other receivables	871,920	For working capital	3
3	Jiu Xin Estate (WuXi) Limited	Shanghai Sinyi Real Estate Inc.	c	Other receivables	171,280	For working capital, rate at 4.75%	1
3	Jiu Xin Estate (WuXi) Limited	Sinyi Real Estate (Shanghai) Limited	c	Other receivables	1,374,522	For working capital, rate at 4.75%	5

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

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

Note 2: Flows of transactions are categorized as follows:

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

Note 3: Percentage to consolidated total assets is calculated by dividing the amount of a particular asset or liability account by the consolidated total of assets as of June 30, 2023.

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 six months ended June 30, 2023.

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

## SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
SIX MONTHS ENDED JUNE 30, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2023			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 Sinyi Limited (B.V.I.)	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding	\$ 10,041,794	\$10,407,073	333,248,785	100	\$ 11,911,895	\$255,306	\$ 255,306	
			Investment holding	1,905,584	1,905,584	57,277,000	100	102,200	(90,473)	(90,473)	
	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	2,035,000	2,035,000	203,500,000	100	2,008,915	380,844	370,765	Note 2
	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	68,499	(15,329)	(15,329)	
	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	6,665	1	1	
	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	747	(34)	(34)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	-	99	1,722	(9)	(9)	
	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	122,315	7,515	3,833	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	16,743	(76)	(14)	
	Yowoo Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	233,000	233,000	1,500,000	100	3,882	(1,813)	(1,813)	
	Cheng Jing Enterprise Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Investment holding	500	-	50,000	100	500	-	-	Note3
	Rakuya International Info. Co., Ltd.	12F. No. 105, Dunhua S. Rd., Sec. 2, Daan District, Taipei City, Taiwan	Information software wholesale and retail	19,076	19,076	2,580,745	23	52,183	40,814	9,188	
	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	1,440,704	(18,292)	(18,292)	
	Sinju Holding Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia.	Investment holding	57,158	57,158	8,200,000	100	31,987	654	654	
	Sinyi Morefun Tourism Development Ltd.	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	130,679	130,679	14,390	100	42,453	(21,741)	(21,741)	
	Jin Mei Travel Service Co., Ltd.	9F.-2, No.50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan	Tourism	8,310	8,310	-	100	4,226	468	468	
	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	59,599	31,965	12,000,000	100	42,767	(8,722)	(8,722)	
	Zhansin Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	3,400	3,400	500,000	100	3,292	12	12	
	Zhancheng Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	427,925	15,591	62,000,000	100	423,448	12,703	12,703	
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	146,715	(1,193)	(1,193)	
	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	343,653	46,608	46,608	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	2,257,376	2,257,376	73,506,209	100	2,258,401	115,955	115,955	
	Sinyi Estate Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	6,360,046	6,360,046	208,510,749	100	5,887,306	50,653	50,653	
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	(239,397)	(97,633)	(97,633)	
	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	(439)	2,639	2,614	
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	11,258	-	-	
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	114,039	3,646	3,646	
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	64,107	6,103	6,103	
	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	19,035	(15)	(15)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	2,198,067	2,198,067	71,640,200	100	2,036,563	95,405	95,405	
Sinyi Estate Ltd.	Sinyi Estate (Hong Kong) Limited	Room 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	6,351,124	6,351,124	207,010,749	100	5,868,857	53,366	53,366	
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	800	80,000	100	296	(34)	(34)	
	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	800	80,000	100	219	(34)	(34)	
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	39,987	5,443,949	49	3,021	(1,579)	(774)	

Pegasus Holding Sdn. Bhd.	Pegasus Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Investment holding	\$42,160	\$42,160	5,741,100	100	\$3,177	\$( 835)	\$( 835)	
Pegasus 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	41,619	5,666,151	51	3,144	( 1,579)	( 805)	
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	1,666	1	-	
	Lin Yue Traffic Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Manpower dispatch and merchandise delivery	20,500	20,500	2,620,000	100	3,274	187	187	
Sinju Holding Sdn. Bhd.	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	-	-	-	-	( 127)	( 2)	( 2)	Note 1
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	3,481	3,119	100	3,120	( 274)	( 274)	
	Sinyi Elite Limited	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	-	-	-	-	2	( 24)	( 24)	Note 1
	Sinyi Unique Limited	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	17,794	17,794	3,619	100	16,127	( 147)	( 147)	
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	-	-	-	-	( 92)	( 24)	( 24)	Note 1

(Continued)

Note 1: The Group established the subsidiaries in 2020; as of June 30, 2023, the capital injection had not been completed.

Note 2 : The investment income or loss recognized by the investment company includes the recognition of upstream and downstream transactions and the amortization of the difference between the cost of investment and the net value of the equity in the investment.

Note 3: The Group established the subsidiary in 2023.

(Concluded)

## SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
SIX MONTHS ENDED JUNE 30, 2023  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2023	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of June 30, 2023 (Note 2)	Accumulated Inward Remittance of Earnings as of June 30, 2023
					Outflow	Inflow						
Yishan Shanghai Real Estate Management Consulting Inc.	Real estate brokerage and management consulting	RMB 23,804	Investment in company located in mainland China indirectly through Ke Wei HK Realty Limited and Shanghai Sinyi	\$ 81,859	\$ -	\$ -	\$ 81,859	\$ 3,086	100	\$ 3,086	\$ 7	\$ -
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	( 94,396 )	100	( 94,396 )	( 210,248 )	-
Beijing Sinyi Real Estate Ltd. (Note 3)	Real estate brokerage	RMB 36,397	Investment in company located in mainland China indirectly through Inane International Limited	149,955	-	-	149,955	9,030	100	9,030	( 4,125 )	-
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	( 5,872 )	100	( 5,872 )	( 20,608 )	-
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	( 27,062 )	100	( 27,062 )	( 97,639 )	-
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.	-	-	-	-	(Note 8)	-	(Note 8)	-	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 33,504	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	43,766	-	-	43,766	( 233 )	100	( 233 )	181	-
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	( 502 )	100	( 502 )	42,046	-
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 371,166	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,868,747	-	365,279	3,503,468	86,486	100	86,486	2,044,683	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, 2023	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of June 30, 2023 (Note 2)	Accumulated Inward Remittance of Earnings as of June 30, 2023
					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	\$ ( 464 )	100	\$ ( 464 )	\$ 115,982	
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	20,615	100	20,615	251,421	
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.	-	-	-	-	( 1,333 )	100	( 1,333 )	3,591	
Jiaxing Zhi Zheng Real Estate Marketing Planning Inc.	Real estate marketing planning and management consulting	RMB -	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	
Jiu Xin Estate (Wuxi) Limited	Real estate development	US\$ 207,000	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,900,696	-	-	3,900,696	53,440	100	53,440	5,874,910	
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	-	-	-	-	( 17 )	100	( 17 )	( 664 )	
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.	-	-	-	-	27,655	100	27,655	1,394,182	
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.	-	-	-	-	22,548	100	22,548	1,830,232	
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.	-	-	-	-	1,559	100	1,559	( 366 )	
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)	-	(Note 8)	-	
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 June 30, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 7)
\$ 9,211,888	\$ 19,701,468	\$ -

(Continued)

Note 1: The financial statements of the consolidated entities had not been reviewed by the independent accountants, except for Shanghai Sinyi Estate, Jiu Xin Estate, and Xin Yeh.

Note 2: The carrying value was converted into New Taiwan dollars at the exchange rates of US\$1=NT\$31.14 and US\$1=RMB7.27 on June 30, 2023.

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 June 30, 2023, the capital injection had not been completed.

Note 10: The Corporation has been liquidated in April 2023.

(Concluded)

## SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS  
AS OF JUNE 30, 2023

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Sinyi Co., Ltd.	210,238,285	28.53%
Yu-Hao Co., Ltd.	208,937,108	28.36%
Sinyi Employee Stock Ownership Trust Account which opened with CITIC Bank	38,635,507	5.24 %

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If the above-mentioned information is that the shareholders hand over the shares to the trust, it will be disclosed separately by the trustee who opened the trust account by client. For information on insider equity declarations by shareholders who hold more than 10% of the ownership in accordance with the Securities and Exchange Act, their shareholdings include the shares held by themselves plus the shares they hand over to the trust and have the right to exercise decision-making power over the trust property, etc., please refer to the Public Information Observatory.