

Sinyi Realty Inc. and Subsidiaries

**Consolidated Financial Statements as of and for the
Nine Months Ended September 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 September 30, 2023 and 2022 and the related consolidated statements of comprehensive income for the three months ended September 30, 2023 and 2022, nine months ended September 30, 2023 and 2022, and changes in equity and cash flows for the nine months ended September 30, 2023 and 2022, (including summary of significant accounting policy) for the nine months then ended. These consolidated financial statements, which are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China, are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our reviews.

Scope

Except for those described in the following paragraph of basis on qualified conclusion, we conducted our reviews in accordance with 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 partial related information mentioned in Note 36 were unreviewed. As of September 30, 2023 and 2022, such subsidiaries' total assets were 10% (NT\$3,131,701 thousand) and 14% (\$4,705,582 thousand), respectively, of the consolidated assets, and their total liabilities were 8% (NT\$1,567,592 thousand) and 9% (\$1,991,224 thousand), respectively, of the consolidated liabilities. The total comprehensive income of these subsidiaries were 1% (NT\$4,185 thousand), and (52%) ((\$131,624) thousand) of consolidated comprehensive income for the three months ended September 30, 2023 and 2022, respectively, and were (3%) ((NT\$46,834) thousand), and (23%) ((\$294,490) thousand) of consolidated comprehensive income for the nine months ended September 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 review resulting in this independent auditors' review report are Pan-Fa Wang and Jin-Chuan Shi.

October 27, 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	September 30, 2023 (Reviewed)		December 31, 2022 (Audited)		September 30, 2022 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 7,091,257	23	\$ 8,310,286	25	\$ 8,964,454	28
Financial assets at fair value through profit or loss - current (Note 7)	-	-	-	-	37,325	-
Financial assets at fair value through other comprehensive income - current (Note 8)	458,549	1	386,213	1	368,224	1
Notes receivable (Notes 9 and 25)	110,495	-	76,667	-	75,258	-
Trade receivables (Notes 9, 25 and 32)	1,168,582	4	896,903	3	1,048,890	3
Other receivables (Notes 9 and 32)	68,896	-	97,080	-	101,216	-
Current tax asset (Note 4)	34,527	-	9,796	-	29,251	-
Inventories (Notes 10 and 33)	8,052,537	26	9,928,737	29	10,531,475	32
Other financial assets - current (Notes 11 and 33)	2,648,853	9	2,060,956	6	236,962	1
Other current assets (Note 18)	374,263	1	343,469	1	341,896	1
Total current assets	<u>20,007,959</u>	<u>64</u>	<u>22,110,107</u>	<u>65</u>	<u>21,734,951</u>	<u>66</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit and loss - non-current (Note 7)	5,000	-	2,500	-	2,500	-
Financial assets measured at fair value through other comprehensive income and loss - non-current (Note 8)	141,957	1	180,074	1	150,802	1
Investment accounted for using equity method (Note 13)	72,685	-	65,434	-	62,080	-
Property, plant and equipment (Notes 14 and 33)	3,832,261	12	3,800,121	11	3,774,196	12
Right-of-use assets (Note 15)	4,835,086	16	4,742,488	14	4,732,638	14
Investment properties (Notes 16 and 33)	1,894,615	6	1,934,534	6	1,927,759	6
Intangible assets (Note 17)	47,626	-	44,056	-	46,332	-
Deferred tax assets (Note 4)	102,448	-	173,776	-	221,344	1
Refundable deposits	136,576	1	144,631	-	139,218	-
Net Defined Benefit Asset (Note 4)	11,875	-	-	-	-	-
Other financial assets - non-current (Notes 11 and 33)	-	-	859,880	3	-	-
Other non-current assets (Notes 18 and 32)	9,590	-	13,076	-	6,739	-
Total non-current assets	<u>11,089,719</u>	<u>36</u>	<u>11,960,570</u>	<u>35</u>	<u>11,063,608</u>	<u>34</u>
TOTAL	<u>\$ 31,097,678</u>	<u>100</u>	<u>\$ 34,070,677</u>	<u>100</u>	<u>\$ 32,798,559</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Current liabilities (Notes 19 and 33)	\$ 100,000	-	\$ 1,098,077	3	\$ -	-
Contract liabilities - current (Notes 25)	592,357	2	1,514,707	4	1,434,453	4
Notes payable	1,420	-	552	-	512	-
Trade payable (Note 21)	338,749	1	607,472	2	583,428	2
Other payables (Notes 22 and 32)	3,441,811	11	3,003,058	9	2,710,101	8
Current tax liabilities (Note 4)	333,202	1	339,853	1	305,152	1
Provisions - current	1,563	-	2,070	-	2,160	-
Lease liabilities - current (Notes 15)	460,473	2	526,700	2	488,749	2
Current portion of long-term borrowings and bonds payable (Notes 19, 20 and 33)	149,815	1	3,700,000	11	3,700,000	11
Other current liabilities (Note 22)	359,812	1	339,643	1	314,099	1
Total current liabilities	<u>5,779,202</u>	<u>19</u>	<u>11,132,132</u>	<u>33</u>	<u>9,538,654</u>	<u>29</u>
NON-CURRENT LIABILITIES						
Bonds payable (Note 20)	900,000	3	900,000	3	900,000	3
Long-term borrowings (Notes 19 and 33)	8,272,029	27	5,953,017	18	5,946,817	18
Non-current provisions	11,188	-	10,763	-	11,341	-
Deferred tax liabilities (Note 4)	94,810	-	116,670	-	74,040	-
Lease liabilities - non-current (Notes 15)	2,699,944	9	2,800,989	8	2,816,986	9
Net defined benefit liabilities - non-current (Note 4)	3,542	-	10,602	-	162,200	-
Guarantee deposits received	25,178	-	33,206	-	34,075	-
Other non-current liabilities (Note 22)	746,425	2	1,167,818	3	1,521,367	5
Total non-current liabilities	<u>12,753,116</u>	<u>41</u>	<u>10,993,065</u>	<u>32</u>	<u>11,466,826</u>	<u>35</u>
Total liabilities	<u>18,532,318</u>	<u>60</u>	<u>22,125,197</u>	<u>65</u>	<u>21,005,480</u>	<u>64</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Share capital						
Ordinary shares	7,368,465	24	7,368,465	22	7,368,465	23
Capital surplus	63,790	-	63,790	-	63,896	-
Retained earnings						
Legal reserve	2,896,935	10	2,762,813	8	2,762,813	8
Special reserve	955,999	3	1,061,567	3	1,061,567	3
Unappropriated earnings	1,959,424	6	1,518,347	5	1,166,788	4
Total retained earnings	<u>5,812,358</u>	<u>19</u>	<u>5,342,727</u>	<u>16</u>	<u>4,991,168</u>	<u>15</u>
Other equity						
Exchange differences on translating foreign operations	(855,493)	(3)	(997,561)	(3)	(794,876)	(2)
Unrealized gain from financial assets measured at fair value through other comprehensive income	56,858	-	41,562	-	41,248	-
Total other equity	<u>(798,635)</u>	<u>(3)</u>	<u>(955,999)</u>	<u>(3)</u>	<u>(753,628)</u>	<u>(2)</u>
Total equity attributable to owners of the Company	<u>12,445,978</u>	<u>40</u>	<u>11,818,983</u>	<u>35</u>	<u>11,669,901</u>	<u>36</u>
NON-CONTROLLING INTERESTS (Note 24)	<u>119,382</u>	<u>-</u>	<u>126,497</u>	<u>-</u>	<u>123,178</u>	<u>-</u>
Total equity	<u>12,565,360</u>	<u>40</u>	<u>11,945,480</u>	<u>35</u>	<u>11,793,079</u>	<u>36</u>
TOTAL	<u>\$ 31,097,678</u>	<u>100</u>	<u>\$ 34,070,677</u>	<u>100</u>	<u>\$ 32,798,559</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche review report dated October 27, 2023)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended September 30				Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 25, 32, and 37)								
Sales revenue	\$ 55,080	2	\$ 311,836	10	\$ 2,613,615	24	\$ 1,283,488	13
Service revenue	<u>2,944,887</u>	<u>98</u>	<u>2,663,059</u>	<u>90</u>	<u>8,194,193</u>	<u>76</u>	<u>8,755,419</u>	<u>87</u>
Total operating revenues	<u>2,999,967</u>	<u>100</u>	<u>2,974,895</u>	<u>100</u>	<u>10,807,808</u>	<u>100</u>	<u>10,038,907</u>	<u>100</u>
OPERATING COSTS (Notes 10, 26 and 32)								
Cost of sales	50,184	2	268,628	9	1,906,446	18	1,048,190	10
Service costs	<u>2,086,799</u>	<u>69</u>	<u>2,081,342</u>	<u>70</u>	<u>6,060,141</u>	<u>56</u>	<u>6,584,603</u>	<u>66</u>
Total operating costs	<u>2,136,983</u>	<u>71</u>	<u>2,349,970</u>	<u>79</u>	<u>7,966,587</u>	<u>74</u>	<u>7,632,793</u>	<u>76</u>
GROSS PROFIT	<u>862,984</u>	<u>29</u>	<u>624,925</u>	<u>21</u>	<u>2,841,221</u>	<u>26</u>	<u>2,406,114</u>	<u>24</u>
OPERATING EXPENSES (Notes 9, 26 and 32)								
Management expenses	410,288	14	402,877	14	1,179,627	11	1,199,687	12
Expect credit loss (gain)	<u>2,614</u>	<u>-</u>	<u>273</u>	<u>-</u>	<u>4,508</u>	<u>-</u>	<u>166</u>	<u>-</u>
Total operating expenses	<u>412,902</u>	<u>14</u>	<u>403,150</u>	<u>14</u>	<u>1,184,135</u>	<u>11</u>	<u>1,199,853</u>	<u>12</u>
OPERATING INCOME	<u>450,082</u>	<u>15</u>	<u>221,775</u>	<u>7</u>	<u>1,657,086</u>	<u>15</u>	<u>1,206,261</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 26)	52,104	2	30,936	1	186,122	2	82,142	1
Rental income (Notes 26 and 32)	23,271	1	25,211	1	73,819	1	77,668	1
Other gains and losses (Notes 16, 26 and 32)	(15,508)	(1)	32,770	1	42,087	-	5,732	-
Finance costs (Notes 26 and 32)	(<u>40,352</u>)	(<u>2</u>)	(<u>36,142</u>)	(<u>1</u>)	(<u>129,697</u>)	(<u>1</u>)	(<u>105,521</u>)	(<u>1</u>)
Total non-operating income and expenses	<u>19,515</u>	<u>-</u>	<u>52,775</u>	<u>2</u>	<u>172,331</u>	<u>2</u>	<u>60,021</u>	<u>1</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	469,597	15	274,550	9	1,829,417	17	1,266,282	13
INCOME TAX EXPENSE (Notes 4 and 27)	(<u>125,262</u>)	(<u>4</u>)	(<u>75,490</u>)	(<u>3</u>)	(<u>469,915</u>)	(<u>4</u>)	(<u>265,956</u>)	(<u>3</u>)
NET PROFIT FOR THE PERIOD	<u>344,335</u>	<u>11</u>	<u>199,060</u>	<u>7</u>	<u>1,359,502</u>	<u>13</u>	<u>1,000,326</u>	<u>10</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive (loss) income	13,899	1	(88,302)	(3)	14,392	-	(197,934)	(2)

(Continued)

	Three Months Ended September 30				Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Share of the other comprehensive (loss)gain of associates accounted for using the equity method	(\$ 374)		(\$ 835)	-	\$ 904	-	(\$ 1,421)	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	<u>455,159</u>	<u>15</u>	<u>141,544</u>	<u>5</u>	<u>142,043</u>	<u>1</u>	<u>507,289</u>	<u>5</u>
Other comprehensive (loss)gain for the period, net of income tax	<u>468,684</u>	<u>16</u>	<u>52,407</u>	<u>2</u>	<u>157,339</u>	<u>1</u>	<u>307,934</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ 813,019</u>	<u>27</u>	<u>\$ 251,467</u>	<u>8</u>	<u>\$1,516,841</u>	<u>14</u>	<u>\$1,308,260</u>	<u>13</u>
NET PROFIT ATTRIBUTABLE TO								
Owner of the Company	\$ 342,464	11	\$ 198,540	7	\$1,353,924	13	\$ 989,658	10
Non-controlling interests	<u>1,871</u>	<u>-</u>	<u>520</u>	<u>-</u>	<u>5,578</u>	<u>-</u>	<u>10,668</u>	<u>-</u>
	<u>\$ 344,335</u>	<u>11</u>	<u>\$ 199,060</u>	<u>7</u>	<u>\$1,359,502</u>	<u>13</u>	<u>\$1,000,326</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owner of the Company	\$ 811,165	27	\$ 250,948	8	\$1,511,288	14	\$1,297,597	13
Non-controlling interests	<u>1,854</u>	<u>-</u>	<u>519</u>	<u>-</u>	<u>5,553</u>	<u>-</u>	<u>10,663</u>	<u>-</u>
	<u>\$ 813,019</u>	<u>27</u>	<u>\$ 251,467</u>	<u>8</u>	<u>\$1,516,841</u>	<u>14</u>	<u>\$1,308,260</u>	<u>13</u>
EARNINGS PER SHARE (Note 28)								
From continuing operations								
Basic	<u>\$ 0.46</u>		<u>\$ 0.27</u>		<u>\$ 1.84</u>		<u>\$ 1.34</u>	
Diluted	<u>\$ 0.46</u>		<u>\$ 0.27</u>		<u>\$ 1.84</u>		<u>\$ 1.34</u>	

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche review report dated October 27, 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									
	Share Capital					Other Equity				
	Share Capital		Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain on Investments in Equity Instruments at Fair Value through Other Comprehensive (Loss) Income	Total	Non-controlling Interests	Total Equity
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2022	\$ 7,368,465	\$ 63,896	\$ 2,518,043	\$ 772,692	\$ 2,773,945	\$ (1,302,170)	\$ 240,603	\$ 12,435,474	\$ 130,243	\$ 12,565,717
Appropriation of 2021 earnings										
Legal Reserve	-	-	244,770	-	(244,770)	-	-	-	-	-
Special Reserve	-	-	-	288,875	(288,875)	-	-	-	-	-
Cash dividends	-	-	-	-	(2,063,170)	-	-	(2,063,170)	-	(2,063,170)
Net profit for the nine months ended September 30, 2022	-	-	-	-	989,658	-	-	989,658	10,668	1,000,326
Other comprehensive income (loss) for the nine months ended September 30, 2022, net of income tax	-	-	-	-	-	507,294	(199,355)	307,939	(5)	307,934
Total comprehensive income (loss) for the nine months ended September 30, 2022	-	-	-	-	989,658	507,294	(199,355)	1,297,597	10,663	1,308,260
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(17,728)	(17,728)
BALANCE AT SEPTEMBER 30, 2022	\$ 7,368,465	\$ 63,896	\$ 2,762,813	\$ 1,061,567	\$ 1,166,788	\$ (794,876)	\$ 41,248	\$ 11,669,901	\$ 123,178	\$ 11,793,079
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 nine months ended September 30, 2023	-	-	-	-	1,353,924	-	-	1,353,924	5,578	1,359,502
Other comprehensive income (loss) for the nine months ended September 30, 2023, net of income tax	-	-	-	-	-	142,068	15,296	157,364	(25)	157,339
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	1,353,924	142,068	15,296	1,511,288	5,553	1,516,841
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(12,745)	(12,745)
BALANCE AT SEPTEMBER 30, 2023	\$ 7,368,465	\$ 63,790	\$ 2,896,935	\$ 955,999	\$ 1,959,424	\$ (855,493)	\$ 56,858	\$ 12,445,978	\$ 119,382	\$ 12,565,360

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche review report dated October 27, 2023)

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Nine Months Ended September 30	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,829,417	\$ 1,266,282
Adjustments for:		
Depreciation expenses	509,051	513,928
Amortization expenses	19,282	25,067
Expected credit loss (reversed) recognized on trade receivables	4,508	166
Net (gain) loss on financial assets at fair value through profit or loss	-	(137)
Finance costs	155,354	124,812
Interest income	(186,122)	(82,142)
Dividend income	(5,244)	(8,206)
Share of gain of associates and joint ventures	(13,307)	(12,376)
Loss on disposal of property, plant and equipment	2,423	1,499
Loss (Gain) on disposal of investment properties	(15,187)	199
Impairment loss on non-financial assets	10,360	10,460
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(2,500)	7,900
Notes receivable	(33,828)	29,449
Trade receivables	(276,187)	211,989
Other receivables	42,856	(7,855)
Inventories	1,882,380	(874,662)
Other current assets	(30,794)	(103,463)
Contract liabilities	(922,350)	(288,950)
Notes payable	868	512
Trade payables	(268,723)	(228,412)
Other payables	480,158	(1,088,704)
Provisions	(82)	(514)
Other current liabilities	20,169	(63,377)
Other operating liabilities	(<u>440,328</u>)	(<u>202,863</u>)
Cash (used in) from operations	2,762,174	(363,672)
Interest received	178,410	82,879
Interest paid	(172,988)	(110,367)
Income taxes paid	(<u>451,829</u>)	(<u>1,372,816</u>)
Net cash (used in) generated from operating activities	<u>2,315,767</u>	(<u>1,763,976</u>)

(Continued)

Nine Months Ended September 30

	2023	2022
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CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of financial assets at fair value through other comprehensive income	(\$ 3,835)	(\$ 4,211)
Payments for property, plant and equipment	(119,0336)	(68,886)
Proceeds on disposal of property, plant and equipment	209	163
Decrease (Increase) refundable deposits	248	(21,118)
Payment for intangible assets	(22,880)	(11,524)
Payment for right-of-use assets	(261,684)	-
Payment for investment properties	(47,220)	(52,300)
Proceeds on disposal of investment properties	81,988	745
Decrease in other financial assets	271,983	233,091
Decrease (Increase) in other non-current assets	3,486	(445)
Dividend received	<u>5,244</u>	<u>8,206</u>
Net cash generated from (used in) investing activities	(<u>91,494</u>)	<u>83,721</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Decrease in short-term borrowings	(1,005,165)	-
Repayment of bonds payable	(3,700,000)	-
Proceeds from long-term borrowings	21,935,137	11,630,687
Repayment of long-term borrowings	(19,471,815)	(8,319,342)
Refund of guarantee deposits received	(8,028)	(4,169)
(Decrease) Increase in other payables to related parties	(23,867)	8,878
Refund of lease liabilities	(426,212)	(417,217)
Dividends paid to owners of the Company	(884,216)	(2,063,170)
Dividends paid to non-controlling interests	(<u>12,745</u>)	(<u>17,728</u>)
Net cash generated from (used in) financing activities	(<u>3,596,911</u>)	<u>817,939</u>

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

	<u>153,609</u>	<u>280,151</u>
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DECREASE IN CASH AND CASH EQUIVALENTS

	(1,219,029)	(582,165)
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CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD

	<u>8,310,286</u>	<u>9,546,619</u>
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CASH AND CASH EQUIVALENTS, END OF PERIOD

	<u>\$ 7,091,257</u>	<u>\$ 8,964,454</u>
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The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche review report dated October 27, 2023)

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 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 October 27, 2023.

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

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

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

- b. New IFRSs to be endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note1)
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classifying 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 IFRS7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

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

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

Note 3: The amendments provide some transition relief regarding disclosure requirements.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon the initial application of the amendment, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

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

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

- b. Basis of preparation

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

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

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

3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The principles of preparation of the consolidated financial statements are in line with 2022 consolidated financial statements. See Note 12, Table 7 and Table 8 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 incorporates the potential impacts of currency inflation and market interest rate fluctuations into the estimation of cash flows, growth rates, discount rates, profitability, and other significant accounting estimates. The management will continuously review the estimates and underlying assumptions. If the revision of an estimate only affects the current period, it is recognized in the period of the revision; if the revision of an accounting estimate affects both the current period and future periods, it is recognized in both the current period and future periods.

6. CASH AND CASH EQUIVALENTS

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Cash on hand	\$ 20,909	\$ 20,214	\$ 21,408
Checking accounts and demand deposits	6,109,295	8,158,940	7,996,317
Cash equivalents			
Time deposits with original maturities less than three months	<u>961,053</u>	<u>131,132</u>	<u>946,729</u>
	<u>\$ 7,091,257</u>	<u>\$ 8,310,286</u>	<u>\$ 8,964,454</u>

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Cash in bank	0%-5.5%	0%-4.55%	0%-3%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Financial assets at fair value through profit or loss (FVTPL) - current</u>			
Non-derivative financial assets			
Domestic quoted shares	\$ -	\$ -	\$ 37,325
Domestic unquoted shares	<u>5,000</u>	<u>2,500</u>	<u>2,500</u>
	<u>\$ 5,000</u>	<u>\$ 2,500</u>	<u>\$ 39,825</u>
Current	\$ -	\$ -	\$ 37,325
Non-current	<u>5,000</u>	<u>2,500</u>	<u>2,500</u>
	<u>\$ 5,000</u>	<u>\$ 2,500</u>	<u>\$ 39,825</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Investment in equity instruments at fair value through other comprehensive income (FVTOCI)</u>			
<u>Domestic investments</u>			
Listed shares	\$ 119,652	\$ 109,723	\$ 117,479
Unlisted shares	<u>105,553</u>	<u>105,404</u>	<u>56,614</u>
	<u>225,205</u>	<u>215,127</u>	<u>174,093</u>
<u>Foreign investments</u>			
Listed shares	338,897	276,490	250,745
Unlisted shares	<u>36,404</u>	<u>74,670</u>	<u>94,188</u>
	<u>375,301</u>	<u>351,160</u>	<u>344,933</u>
	<u>\$ 600,506</u>	<u>\$ 566,287</u>	<u>\$ 519,026</u>
Current	\$ 458,549	\$ 386,213	\$ 368,224
Non-current	<u>141,957</u>	<u>180,074</u>	<u>150,802</u>
	<u>\$ 600,506</u>	<u>\$ 566,287</u>	<u>\$ 519,026</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 the management believes that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Notes receivable</u>			
At amortized cost			
Operating-gross carrying amount	\$ 110,495	\$ 76,667	\$ 75,258
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,180,828	\$ 909,433	\$ 1,059,814
Less: Allowance for impairment loss	(12,246)	(12,530)	(10,924)
	<u>\$ 1,168,582</u>	<u>\$ 896,903</u>	<u>\$ 1,048,890</u>
<u>Other receivables</u>			
Interest receivables	\$ 8,641	\$ 929	\$ 1,331
Others	81,105	98,999	103,233
Less: Allowance for impairment loss	(20,850)	(2,848)	(3,348)
	<u>\$ 68,896</u>	<u>\$ 97,080</u>	<u>\$ 101,216</u>

a. Trade receivables

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

In sales of real estate, the payments will be collected in advance. The following property delivery process will begin after it is fully paid. Thus, there will be no receivables under these type of transactions.

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

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

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

September 30, 2023

	<u>Less than 60 Days</u>	<u>61 to 90 Days</u>	<u>91 to 180 Days</u>	<u>181 to 360 Days</u>	<u>Over 361 Days</u>	<u>Total</u>
Expected credit loss rate (Note 1)	0%-0.4%	0%-0.4%	0%-0.4%	0%-6%	27%-100%	
Gross carrying amount	\$ 1,047,778	\$ 90,123	\$ 102,395	\$ 35,013	\$ 24,229	\$ 1,299,538
Refund liability (Note 2)	(33,246)	(5,697)	(5,299)	(1,942)	(8,215)	(54,399)
Loss allowance (Lifetime ECL)	<u>(133)</u>	<u>-</u>	<u>(120)</u>	<u>(166)</u>	<u>(11,827)</u>	<u>(12,246)</u>
Amortized cost	<u>\$ 1,014,399</u>	<u>\$ 84,426</u>	<u>\$ 96,976</u>	<u>\$ 32,905</u>	<u>\$ 4,187</u>	<u>\$ 1,232,893</u>

December 31, 2022

	<u>Less than 60 Days</u>	<u>61 to 90 Days</u>	<u>91 to 180 Days</u>	<u>181 to 360 Days</u>	<u>Over 361 Days</u>	<u>Total</u>
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>

September 30, 2022

	<u>Less than 60 Days</u>	<u>61 to 90 Days</u>	<u>91 to 180 Days</u>	<u>181 to 360 Days</u>	<u>Over 361 Days</u>	<u>Total</u>
Expected credit loss rate (Note 1)	0%-0.5%	0%-0.5%	0%-0.5%	0%-6%	22%-100%	
Gross carrying amount	\$ 984,083	\$ 63,993	\$ 50,464	\$ 14,271	\$ 27,110	\$ 1,139,921
Refund liability (Note 2)	(35,463)	(2,242)	(3,023)	(1,272)	(4,849)	(46,849)
Loss allowance (Lifetime ECL)	<u>(92)</u>	<u>(24)</u>	<u>(65)</u>	<u>(199)</u>	<u>(10,544)</u>	<u>(10,924)</u>
Amortized cost	<u>\$ 948,528</u>	<u>\$ 61,727</u>	<u>\$ 47,376</u>	<u>\$ 12,800</u>	<u>\$ 11,717</u>	<u>\$ 1,082,148</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:

	Nine Months Ended September 30, 2023	
	Trade Receivables	Other Receivables
Balance at January 1, 2023	\$ 12,530	\$ 2,848
Add: Impairment loss	4,508	17,917
Less: Write off	(4,792)	-
Foreign exchange gains and losses	<u>-</u>	<u>31</u>
Balance at September 30, 2023	<u>\$ 12,246</u>	<u>\$ 20,850</u>

	Nine Months Ended September 30, 2022	
	Trade Receivables	Other Receivables
Balance at January 1, 2022	\$ 10,500	\$ 5,999
Add: Impairment loss	166	-
Less: Write off	-	(2,651)
Foreign exchange gains and losses	<u>258</u>	<u>-</u>
Balance at September 30, 2022	<u>\$ 10,924</u>	<u>\$ 3,348</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

	September 30, 2023	December 31, 2022	September 30, 2022
Properties under development			
Banqiao District, New Taipei City	\$ 2,111,878	\$ 1,889,819	\$ 3,963,545
Xinzhuang Dist, New Taipei City	1,090,258	1,078,966	1,074,130
Properties to be developed			
Nanzi District, Kaohsiung City	1,277,054	-	-
Banqiao District, New Taipei City (for transferable development rights)	490	490	490
Land prepayment			
Nanzi District, Kaohsiung City	-	1,276,880	829,972
Inventory-merchandise			
Binhu District, Wuxi	3,471,950	4,096,168	4,443,184
Banqiao District, New Taipei City	-	1,470,522	-
Jiading District, Shanghai	<u>100,907</u>	<u>115,892</u>	<u>220,154</u>
	<u>\$ 8,052,537</u>	<u>\$ 9,928,737</u>	<u>\$ 10,531,475</u>

The cost of inventories recognized as cost of goods sold for the three months ended September 30, 2023 and 2022, nine months ended September 30, 2023 and 2022 were \$50,184 thousand, \$268,628 thousand, \$1,906,446 thousand and \$1,048,190 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:

Project Name	Trustee	Trust Period
Jia-Pin	Taishin Bank	2017/9/30-2024/9/30
Jia-Syue	E.Sun Bank	2022/7/12-Trust purpose completion date

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

	September 30, 2023	December 31, 2022	September 30, 2022
Time deposits with original maturity more than three months	\$ 271,909	\$ 881,315	\$ 228,215
Restricted assets	<u>2,376,944</u>	<u>2,039,521</u>	<u>8,747</u>
	<u>\$ 2,648,853</u>	<u>\$ 2,920,836</u>	<u>\$ 236,962</u>
Current	\$ 2,648,853	\$ 2,060,956	\$ 236,962
Non-current	<u>-</u>	<u>859,880</u>	<u>-</u>
	<u>\$ 2,648,853</u>	<u>\$ 2,920,836</u>	<u>\$ 236,962</u>

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

	September 30, 2023	December 31, 2022	September 30, 2022
Time deposits with original maturity more than three months	0.02%~5.5%	0.002%~4.91%	0.002%~1.31%

- b. Restricted assets are mainly composed of operating guarantee for real-estate brokerage by the Company and the restricted bank deposits. Refer to Note 10 and 33.

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

	September 30, 2023	December 31, 2022	September 30, 2022
Restricted cash in bank	0.51%~5.5%	0.25%~5%	0.795%~1.31%

12. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

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

Investor	Investee	Main Businesses	% of Ownership			Remark
			September 30, 2023	December 31, 2022	September 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	100	100	100	
	Heng-Yi Intelligent Technology Inc. (Heng-Yi)	Information software, data processing and electronic information providing services	80	80	80	
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100	100	
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99	99	
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51	51	
	Yowoo Technology Inc. (Yowoo Technology)	Information software, data processing and electronic information providing services	100	100	100	
	Sin Chiun Holding Sdn. Bhd. (Sin Chiun)	Investment holding	100	100	100	
	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 3
	Zhansin Tourism Development Sdn. Bhd.(Zhansin)	Tourism	100	100	-	Note 3
Zhancheng Tourism Development Sdn. Bhd.(Zhancheng)	Tourism	100	100	-	Note 3	
Sinyi Limited	Chengjing Enterprise Co., Ltd. (Chengjing)	Investment holding	100	-	-	Note 6
	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	99	99	99	
Inane	Inane International Limited (Inane)	Investment holding	100	100	100	
	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)	Real estate brokerage	100	100	100	
Shanghai Sinyi	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage	95	100	100	Note 5
	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	Note 10
Shanghai Sinyi	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	-	100	100	Note 10
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	100	100	100	
	Jiaxing Zhi Zheng Real Estate Marketing Planning Inc. (Jiaxing Zhi Zheng)	Real estate marketing planning and management consulting	-	100	100	Note 7
	Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Chuzhou Zhi Zheng)	Real estate marketing planning and management consulting	-	-	-	Note 1,10
	Yi Shang Shanghai Real Estate Management Consulting Inc. (Shanghai Yi Shang)	Real estate brokerage and management consulting	-	10	-	Note 2, 4, 10
	Beijing Sinyi	Real estate brokerage	5	-	-	Note 5
Shanghai Zhi Xin	Suzhou Zhi Xin Real Estate Co. Ltd. (Suzhou Zhi Xin)	Market information consultation and management consulting	100	100	100	
Ke Wei HK	Yi Shang Shanghai Real Estate Management Consulting Inc. (Shanghai Yi Shang)	Real estate brokerage and management consulting	-	90	100	Note 2, 4, 10
Sinyi International	Forever Success International Limited (Forever Success)	Investment holding	100	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage and management	100	100	100	
	Sinyi Development Limited (Sinyi Development)	Investment holding	100	100	100	
Forever Success	Sinyi Estate Ltd. (Sinyi Estate)	Investment holding	100	100	100	
	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	100	
Shanghai Shang Tuo	Hua Yun Renovation (Shanghai) Co., Ltd. (Hua Yun)	Professional construction, buildings, decoration construction, hardware, general merchandise, building materials wholesale	100	100	100	
	Shanghai Chang Yuan Co., Ltd. (Shanghai Chang Yuan)	Property management	100	100	100	
Hua Yun	Lunheng Business Management (Shanghai) Ltd. (Lunheng)	Management consulting	100	4	4	Note 9
	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 8
An-Sin	An-Shin Real Estate Management Ltd. (An-Shin)	Real estate management	100	100	100	
Japan Sinyi	Sinyi Asset Management Co., Ltd. (Japan Management)	Real estate brokerage	100	100	100	
Sinyi Development	Tokyo Sinyi Real Estate Co., Ltd. (Tokyo Sinyi)	Real estate brokerage	100	100	100	
	Sinyi Real Estate (Hong Kong) Limited (Hong Kong Real Estate)	Investment holding	100	100	100	
	Kunshan Dingxian Trading Co., Ltd. (Kunshan Digxian Trading)	Construction materials furniture, sanitary ware and ceramic products wholesale	100	100	100	

(Continued)

Investor	Investee	Main Businesses	% of Ownership			Remark
			September 30, 2023	December 31, 2022	September 30, 2022	
Sinyi Estate	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	Note 10
Xin Yeh	Lunheng	Management consulting	-	96	96	Note 9
	Sinyi Real Estate (Wuxi) Limited (Sinyi Wuxi)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing.	-	100	100	Note 8
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 3
	Sinhong International Sdn. Bhd.	Investment holding	-	-	-	Note 1
Sinyi Morefun	Sinyi Infinite Limited (Infinite)	Investment holding	-	100	100	Note 10
	Sinyi Elite Limited (Elite)	Investment holding	-	-	-	Note 1
	Sinyi Unique Limited (Unique)	Investment holding	-	100	100	Note 10
Infinite Elite	Zhansin	Tourism	-	-	100	Note 3
	Zhanyi Tourism Development Sdn. Bhd. (Zhanyi)	Tourism	-	-	-	Note 1
Unique	Zhancheng Tourism Development Sdn. Bhd. (Zhancheng)	Tourism	-	-	100	Note 3

(Concluded)

Remark:

- Note 1: The Group established the subsidiaries in 2020; as of September 30, 2023, the capital injection had not been completed.
- Note 2: Ke Wei Shanghai Real Estate Management Consulting Inc. changed its name to Yi Shang Shanghai Real Estate Management Consulting Inc. in September 2022.
- Note 3: In November and December of 2022, The Group acquired 100% of the equity interests in Sinkang, Zhansin, and Zhancheng from Sinju, Infinite, and Unique, respectively.
- Note 4: Shanghai Sinyi carried out cash capital increases in Shanghai Yi Shang in October 2022 and February 2023, with the shareholding ratios being 10% and 18% respectively. Ke Wei HK did not participate in the capital increase in proportion to its shareholding, resulting in a decrease in its shareholding ratios to 90% and 82% respectively.
- Note 5: Shanghai Sinyi conducted a cash capital increase in Beijing Sinyi in March of 2023, with a shareholding ratio of 5%; INANE did not participate in the capital increase in proportion to its shareholding, resulting in a decrease in its shareholding ratio to 95%.
- Note 6: The Group acquired 100% of the equity interests in Cheng Jing in June 2023.
- Note 7: Jiaxing Zhi Zheng has completed the deregistration in the second quarter of 2023.
- Note 8: Hua Yun acquired 100% of the equity interests in Sinyi Wuxi from Xin Yeh in June 2023.
- Note 9: Shanghai Sinyi Estate carried out a capital withdrawal from Lunheng in July 2023, with Hua Yun holding 100% of the equity interests in the investee company thereafter.

Note 10: Max Success, Zhejiang Sinyi, Chuzhou Zhi Zheng, Shanghai Yi Shang, Xin Yeh, INFINITE, and UNIQUE have completed the deregistration in the third quarter of 2023.

Note 11: For the period from January 1, 2023, to September 30, 2023, the financial statements of subsidiaries included in the consolidated financial statements, except for those of Sinyi International, Sinyi Development, Taiwan Sinyi Development, Hong Kong Real Estate, Shanghai Sinyi Estate, Sinyi Estate, Hong Kong Sinyi Estate, Jiu Xin Estate, and Sin Chiun which were reviewed by auditors, the rest are non-significant subsidiaries, whose financial statements were not reviewed by auditors. For the period from January 1, 2022, to September 30, 2022, the financial statements of subsidiaries included in the consolidated financial statements, except for those of 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 which were reviewed by auditors, the rest are non-significant subsidiaries, whose financial statements were not reviewed by auditors.

b. Subsidiaries excluded from consolidated financial statements: None.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Investments in associates	\$ 72,685	\$ 65,434	\$ 62,080

Investments In Associates

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Unlisted company			
Sinyi Interior Design Co., Ltd.	\$ 16,695	\$ 16,213	\$ 17,378
Rakuya International Info. Co., Ltd.	<u>55,990</u>	<u>49,221</u>	<u>44,702</u>
	<u>\$ 72,685</u>	<u>\$ 65,434</u>	<u>\$ 62,080</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	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
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:

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
The Group's share of:				
Profit from continuing operations	\$ 4,133	\$ 5,016	\$ 13,307	\$ 12,376
Other comprehensive income (loss)	(374)	(835)	904	(1,421)
Total comprehensive income (loss) for the period	<u>\$ 3,759</u>	<u>\$ 4,181</u>	<u>\$ 14,211</u>	<u>\$ 10,955</u>

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

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income (loss) of the investment for the nine months ended September 30, 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-USED

	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost								
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	12,039	41,816	3,533	61,242	119,033
Disposals	-	-	(1,265)	(20,928)	(44,455)	(1,069)	-	(67,717)
Reclassified from investment property	-	-	-	-	7,931	31,838	(39,769)	-
Effect of foreign currency exchange differences	-	183	(24)	(660)	(793)	(21)	6	(1,309)
Balance at September 30, 2023	<u>\$ 3,090,961</u>	<u>\$ 637,624</u>	<u>\$ 9,914</u>	<u>\$ 449,385</u>	<u>\$ 679,889</u>	<u>\$ 147,803</u>	<u>\$ 58,203</u>	<u>\$ 5,073,779</u>
Accumulated depreciation								
Balance at January 1, 2023	\$ -	\$ 225,274	\$ 7,002	\$ 359,895	\$ 535,340	\$ 96,140	\$ -	\$ 1,223,651
Depreciation expense	-	12,800	483	26,401	38,705	5,444	-	83,833
Disposals	-	-	(1,202)	(20,486)	(42,328)	(1,069)	-	(65,085)
Effect of foreign currency exchange differences	-	(7)	1,198	(1,670)	(395)	(7)	-	(881)
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 238,067</u>	<u>\$ 7,481</u>	<u>\$ 364,140</u>	<u>\$ 531,322</u>	<u>\$ 100,508</u>	<u>\$ -</u>	<u>\$ 1,245,518</u>
Carrying amounts at September 30, 2023	<u>\$ 3,090,961</u>	<u>\$ 399,557</u>	<u>\$ 2,433</u>	<u>\$ 85,245</u>	<u>\$ 148,567</u>	<u>\$ 47,295</u>	<u>\$ 58,203</u>	<u>\$ 3,832,261</u>
Construction in Progress and Prepayments for Equipment								
	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost								
Balance at January 1, 2022	\$ 2,833,746	\$ 596,899	\$ 11,474	\$ 444,736	\$ 666,691	\$ 109,805	\$ 4,580	\$ 4,667,931
Additions	-	-	405	24,164	41,956	1,004	1,357	68,886
Disposals	-	-	-	(17,203)	(21,132)	-	-	(38,335)
Reclassified from investment property	257,215	38,236	-	-	-	-	-	295,451
Effect of foreign currency exchange differences	-	4,647	274	501	1,405	41	-	6,868
Balance at September 30, 2022	<u>\$ 3,090,961</u>	<u>\$ 639,782</u>	<u>\$ 12,153</u>	<u>\$ 452,198</u>	<u>\$ 688,920</u>	<u>\$ 110,850</u>	<u>\$ 5,937</u>	<u>\$ 5,000,801</u>

	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Accumulated depreciation</u>								
Balance at January 1, 2022	\$ -	\$ 192,669	\$ 7,286	\$ 347,123	\$ 526,024	\$ 90,148	\$ -	\$ 1,163,250
Depreciation expense	-	13,267	634	25,986	37,910	4,527	-	82,324
Disposals	-	-	-	(16,772)	(19,901)	-	-	(36,673)
Reclassified from investment property	-	14,543	-	-	-	-	-	14,543
Effect of foreign currency exchange differences	-	727	163	493	1,769	9	-	3,161
Balance at September 30, 2022	\$ -	\$ 221,206	\$ 8,083	\$ 356,830	\$ 545,802	\$ 94,684	\$ -	\$ 1,226,605
Carrying amounts at September 30, 2022	\$ 3,090,961	\$ 418,576	\$ 4,070	\$ 95,368	\$ 143,118	\$ 16,166	\$ 5,937	\$ 3,774,196

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

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

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

15. LEASE ARRANGEMENTS

- Right-of-use assets

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amounts			
Land	\$ 1,757,276	\$ 1,510,997	\$ 1,489,027
Buildings	3,068,106	3,220,529	3,233,500
Other equipment	9,704	10,962	10,111
	<u>\$ 4,835,086</u>	<u>\$ 4,742,488</u>	<u>\$ 4,732,638</u>

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Additions to right-of-use assets	\$ 355,453	\$ 74,458	\$ 531,740	\$ 282,644
Depreciation charge for right-of-use assets				
Land	\$ 5,104	\$ 4,964	\$ 15,158	\$ 14,812
Buildings	129,870	132,419	396,975	403,336
Other equipment	817	1,049	2,948	3,472
	<u>\$ 135,791</u>	<u>\$ 138,432</u>	<u>\$ 415,081</u>	<u>\$ 421,620</u>

b. Lease liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amounts			
Current	\$ 460,473	\$ 526,700	\$ 488,749
Non-current	\$ 2,699,944	\$ 2,800,989	\$ 2,816,986

Range of discount rate for lease liabilities was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Buildings	0.93%-5.7%	0.93%-5.7%	0.93%-5.7%
Other equipment	0.93%-1.95%	0.93%-1.62%	0.93%-1.29%

c. Material lease-in activities and terms

Sin Chiun, the subsidiary of the Group, acquired land use rights in Malaysia in batches during the year 2019, with the legal procedures for the transfer of land completed in December 2019 and August 2020 respectively. The rights to use the land extend until December 31, 2096.

Zhancheng, the subsidiary of the Group, acquired land use rights in the Sabah region of Malaysia, specifically in the Papar district, in batches during the year 2023, with some of the legal procedures for the transfer of land completed in September 2023. The rights to use the land extend until December 31, 2936.

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.

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Expenses relating to short-term and low-value asset leases	\$ 9,247	\$ 10,478	\$ 26,382	\$ 30,701
Total cash outflow for leases			\$ 489,908	\$ 488,988

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

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2023	\$ 1,664,858	\$ 428,412	\$ 2,093,270
Additions	38,297	8,923	47,220
Disposals	(72,998)	(10,995)	(83,993)
Effects of foreign currency exchange differences	-	220	220
Balance at September 30, 2023	<u>\$ 1,630,157</u>	<u>\$ 426,560</u>	<u>\$ 2,056,717</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 18,323	\$ 140,413	\$ 158,736
Depreciation expense	-	10,137	10,137
Disposals	(14,600)	(2,592)	(17,192)
Impairment loss	8,541	1,819	10,360
Effects of foreign currency exchange differences	-	61	61
Balance at September 30, 2023	<u>\$ 12,264</u>	<u>\$ 149,838</u>	<u>\$ 162,102</u>
Carrying amounts at September 30, 2023	<u>\$ 1,617,893</u>	<u>\$ 276,722</u>	<u>\$ 1,894,615</u>
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<u>Cost</u>			
Balance at January 1, 2022	\$ 1,868,451	\$ 455,452	\$ 2,323,903
Additions	50,252	2,048	52,300
Disposals	(1,037)	(163)	(1,200)
Reclassified as Property, Plant, and Equipment.	(257,215)	(38,236)	(295,451)
Effects of foreign currency exchange differences	-	4,060	4,060
Balance at September 30, 2022	<u>\$ 1,660,451</u>	<u>\$ 423,161</u>	<u>\$ 2,083,612</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 8,480	\$ 141,189	\$ 149,669
Depreciation expense	-	9,984	9,984
Disposals	(207)	(49)	(256)
Reclassified as Property, Plant, and Equipment.	-	(14,543)	(14,543)
Effects of foreign currency exchange differences	10,050	410	10,460
Balance at September 30, 2022	<u>\$ 18,323</u>	<u>\$ 137,530</u>	<u>\$ 155,853</u>
Carrying amounts at September 30, 2022	<u>\$ 1,642,128</u>	<u>\$ 285,631</u>	<u>\$ 1,927,759</u>

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

The maturity analysis of lease payment receivables under operating leases of investment properties as of September 30, 2023, December 31, 2022 and September 30, 2022 were as follows:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Year 1	\$ 87,960	\$ 87,871	\$ 92,975
Year 2	63,852	82,740	85,677
Year 3	2,662	40,271	60,725
Year 4	700	279	473
Year 5	423	5	19
Year 5 onwards	<u>9</u>	<u>-</u>	<u>-</u>
	<u>\$ 155,606</u>	<u>\$ 211,166</u>	<u>\$ 239,869</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 September 30, 2023, December 31, 2022, and September 30, 2022 were \$4,633,415 thousand, \$4,714,886 thousand, and \$4,605,464 thousand, respectively. The total fair value of the Group's property, plant, and equipment as of September 30, 2023, December 31, 2022, and September 30, 2022 were \$6,852,278 thousand, \$6,918,007 thousand, and \$6,747,983 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 using Level 3 inputs. The valuation model was based on the sales comparison approach or the 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 was recognized for the three months ended September 30, 2023 and 2022, and for the nine months ended September 30, 2023 and 2022, respectively amounting to \$3,220 thousand, \$10,460 thousand, \$10,360 thousand, and \$10,460 thousand, classified under other gains and losses.

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Franchise	\$ -	\$ -	\$ -
Goodwill	-	-	-
System software costs	47,626	44,056	46,228
Patent	<u>-</u>	<u>-</u>	<u>104</u>
	<u>\$ 47,626</u>	<u>\$ 44,056</u>	<u>\$ 46,332</u>

	<u>Franchise</u>	<u>Goodwill</u>	<u>System Software Costs</u>	<u>Patent</u>	<u>Total</u>
<u>Cost</u>					
Balance at January 1, 2023	\$ 93,836	\$ 17,943	\$ 351,388	\$ 5,000	\$ 468,167
Additions	-	-	22,880	-	22,880
Effect of foreign currency exchange differences	<u>4,767</u>	<u>-</u>	<u>(217)</u>	<u>-</u>	<u>4,550</u>
Balance at September 30, 2023	<u>\$ 98,603</u>	<u>\$ 17,943</u>	<u>\$ 374,051</u>	<u>\$ 5,000</u>	<u>\$ 495,597</u>

Accumulated amortization and impairment

Balance at January 1, 2023	\$ 93,836	\$ 17,943	\$ 307,332	\$ 5,000	\$ 424,111
Amortization expense	-	-	19,282	-	19,282
Effect of foreign currency exchange differences	<u>4,767</u>	<u>-</u>	<u>(189)</u>	<u>-</u>	<u>4,578</u>
Balance at September 30, 2023	<u>\$ 98,603</u>	<u>\$ 17,943</u>	<u>\$ 326,425</u>	<u>\$ 5,000</u>	<u>\$ 447,971</u>
Carrying amounts at September 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,626</u>	<u>\$ -</u>	<u>\$ 47,626</u>

	<u>Franchise</u>	<u>Goodwill</u>	<u>System Software Costs</u>	<u>Patent</u>	<u>Total</u>
<u>Cost</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 341,099	\$ 5,000	\$ 459,133
Additions	-	-	11,524	-	11,524
Disposals and Write-off	-	(10,513)	(4,318)	-	(14,831)
Effect of foreign currency exchange differences	<u>12,436</u>	<u>-</u>	<u>269</u>	<u>-</u>	<u>12,705</u>
Balance at September 30, 2022	<u>\$ 97,014</u>	<u>\$ 17,943</u>	<u>\$ 348,574</u>	<u>\$ 5,000</u>	<u>\$ 468,531</u>

	<u>Franchise</u>	<u>Goodwill</u>	<u>System Software Costs</u>	<u>Patent</u>	<u>Total</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 282,205	\$ 3,958	\$ 399,197
Amortization expense	-	-	24,129	938	25,067
Disposals and Write-off	-	(10,513)	(4,318)	-	(14,831)
Effect of foreign currency exchange differences	<u>12,436</u>	<u>-</u>	<u>330</u>	<u>-</u>	<u>12,766</u>
Balance at September 30, 2022	<u>\$ 97,014</u>	<u>\$ 17,943</u>	<u>\$ 302,346</u>	<u>\$ 4,896</u>	<u>\$ 422,199</u>
Carrying amounts at September 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,228</u>	<u>\$ 104</u>	<u>\$ 46,332</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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Tax prepayment	\$ 259,675	\$ 251,221	\$ 223,779
Prepaid expenses	57,810	32,794	44,220
Overpaid VAT	39,041	48,330	65,881
Temporary payments	17,737	11,124	8,016
Overdue receivables	8,215	6,104	4,849
Prepaid right-of-use asset – land	1,375	6,972	-
Others	-	-	1,890
	<u>\$ 383,853</u>	<u>\$ 356,545</u>	<u>\$ 348,635</u>
Current	\$ 374,263	\$ 343,469	\$ 341,896
Non-current	<u>9,590</u>	<u>13,076</u>	<u>6,739</u>
	<u>\$ 383,853</u>	<u>\$ 356,545</u>	<u>\$ 348,635</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 September 30, 2023, the transfer of land use rights has not been completed.

19. BORROWINGS

Short-term borrowings

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Secured borrowings</u>			
Bank loans	\$ -	\$ 998,077	\$ -
<u>Unsecured borrowings</u>			
Credit loans	<u>100,000</u>	<u>100,000</u>	-
Short-term borrowings	<u>\$ 100,000</u>	<u>\$ 1,098,077</u>	<u>\$ -</u>
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Secured borrowings</u>			
Annual interest rates	-	2.95%-2.98%	-
<u>Unsecured borrowings</u>			
Annual interest rates	2.09%	1.965%	-

For details on the collateral provided for the aforementioned short-term borrowings, please refer to Note 33.

Long-term borrowings

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Secured borrowings</u>			
Bank loans	\$ 4,520,800	\$ 4,145,903	\$ 3,618,800
<u>Unsecured borrowings</u>			
Loans unsecured	3,521,471	1,507,183	2,028,155
Long-term commercial papers	380,000	300,000	300,000
Less: Discount on long-term commercial paper	(<u>427</u>)	(<u>69</u>)	(<u>138</u>)
	8,421,844	5,953,017	5,946,817
Less: Current portion	(<u>149,815</u>)	-	-
Long-term borrowings	<u>\$ 8,272,029</u>	<u>\$ 5,953,017</u>	<u>\$ 5,946,817</u>
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Secured borrowings</u>			
Annual interest rates	1.52%-2.63%	1.48%-3.00%	1.278%-2.21%
Maturity Date	Mature sequentially before September 2026	Mature sequentially before September 2026	Mature sequentially before September 2026
<u>Unsecured borrowings</u>			
Annual interest rates	1.67%-2.63%	1.451%-2.49%	1.25%-2.15%
Maturity Date	Mature sequentially before May 2028	Mature sequentially before September 2025	Mature sequentially before September 2025
<u>Long-term commercial papers</u>			
Annual interest rates	0.938%-1.908%	0.928%-0.938%	0.928%-0.938%
Maturity Date	Mature sequentially before February 2025	Mature sequentially before February 2025	Mature sequentially before February 2025

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

For details on the collateral provided for the aforementioned long-term borrowings, please refer to Note 33.

20. BONDS PAYABLE

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Domestic unsecured bonds	\$ 900,000	\$ 4,600,000	\$ 4,600,000
Less: Current portion		(<u>3,700,000</u>)	(<u>3,700,000</u>)
Bonds payable	<u>\$ 900,000</u>	<u>\$ 900,000</u>	<u>\$ 900,000</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

	September 30, 2023	December 31, 2022	September 30, 2022
Construction payables	\$ 338,749	\$ 607,472	\$ 583,428

22. OTHER LIABILITIES

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
Other payables	\$ 3,441,811	\$ 3,003,058	\$ 2,710,101
Other liabilities	<u>359,812</u>	<u>339,643</u>	<u>314,099</u>
	<u>\$ 3,801,623</u>	<u>\$ 3,342,701</u>	<u>\$ 3,024,200</u>
	September 30, 2023	December 31, 2022	September 30, 2022
Other liabilities	\$ 746,425	\$ 1,167,818	\$ 1,521,367

a. Other payables were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Other payables - expenses</u>			
Payable for performance bonus and salaries	\$ 2,355,159	\$ 1,921,922	\$ 1,585,236
Payable for annual leave	199,314	166,543	189,920
Advertisement payable	98,728	114,244	78,377
Payable for labor and health insurance	87,354	97,280	87,937
Payable for employees bonuses and compensation to directors	21,266	24,191	19,202
Interest payables	12,646	28,760	38,725
Payable for professional fees	6,654	9,610	5,839
Others	<u>183,312</u>	<u>169,831</u>	<u>284,510</u>
	<u>\$ 2,964,433</u>	<u>\$ 2,532,381</u>	<u>\$ 2,289,746</u>

Other payables - others

Receipts under custody from real estate transactions	\$ 420,814	\$ 366,617	\$ 326,111
Other receipts under custody	54,917	72,876	62,668
Receipts under custody - escrow service	-	-	-
	<u>\$ 475,731</u>	<u>\$ 439,493</u>	<u>\$ 388,779</u>

Other payables to related parties

Loan from related parties	\$ -	\$ 23,803	\$ 24,154
Interest payable	-	6,100	6,190
Others	1,647	1,281	1,232
	<u>\$ 1,647</u>	<u>\$ 31,184</u>	<u>\$ 31,576</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:

	September 30, 2023	December 31, 2022	September 30, 2022
Receipts under custody - escrow service	\$ 14,117,315	\$ 9,818,356	\$ 11,352,841
Interest payable	1,723	2,944	789
Deposit accounts	(14,119,038)	(9,821,300)	(11,353,630)
	<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 0.26%-0.34% as of September 30, 2023, December 31, 2022 and September 30, 2022.
 - b) Deposit accounts were receipts which had been paid by buyers of real estate transactions but not delivered to the sellers yet.
- b. Other liabilities were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
VAT payable and other tax payable	\$ 270,292	\$ 257,701	\$ 250,217
Refund liability	46,184	37,669	42,000
Others	43,336	44,273	21,882
	<u>\$ 359,812</u>	<u>\$ 339,643</u>	<u>\$ 314,099</u>

Non-current

Long-term bonus payable	\$ 738,210	\$ 1,161,714	\$ 1,516,518
Refund liability	<u>8,215</u>	<u>6,104</u>	<u>4,849</u>
	<u>\$ 746,425</u>	<u>\$ 1,167,818</u>	<u>\$ 1,521,367</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 ended September 30, 2023 and 2022 and for the nine months ended September 30, 2023 and 2022 were \$298 thousand, \$687 thousand, \$895 thousand and \$2,061 thousand, respectively.

24. EQUITY

Share Capital

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Numbers of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Shares authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>736,847</u>	<u>736,847</u>	<u>736,847</u>
Share capital issued	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>

As of September 30, 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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>May be used to offset a deficit</u>			
Arising from expired stock options	<u>\$ 63,790</u>	<u>\$ 63,790</u>	<u>\$ 63,896</u>

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

Retained Earnings and Dividend Policy

- 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. 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:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	Years Ended December 31		Years Ended December 31	
	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

Others 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

	Nine Months Ended September 30	
	2023	2022
Balance, beginning of period	\$ 126,497	\$ 130,243
Attributed to non-controlling interests:		
Net income	5,578	10,668
Difference between consideration and carrying amount of subsidiaries acquired (Note 12)	77	-
Exchange differences on translating foreign operations	(5)	(5)
Cash dividends distributed to non-controlling interests	(12,745)	(17,728)
Balance, end of period	<u>\$ 119,382</u>	<u>\$ 123,178</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 are all from the payment received by Jiu Xin Estate and Sinyi Development from the purchaser for the pre-sale of real estate. Development occurs when the buyer and the seller sign the sales contract. Sales revenue recognized as the number of houses handed over on the handover date, and transfer inventory cost to cost of goods sold. Deposits and instalments received before meeting the conditions for recognition of income from sales of goods, were recognized under contract liabilities.

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

	September 30, 2023	December 31, 2022	September 30, 2023	January 1, 2022
Notes receivable, trade receivables and overdue receivables (Note 18)	<u>\$ 1,287,292</u>	<u>\$ 979,674</u>	<u>\$ 1,128,997</u>	<u>\$ 1,370,155</u>
Contract liabilities	<u>\$ 592,357</u>	<u>\$ 1,514,707</u>	<u>\$ 1,434,453</u>	<u>\$ 1,723,403</u>

26. NET PROFIT (LOSS) FROM CONTINUING OPERATIONS

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

Interest Income

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Interest income				
Cash in bank	\$ 51,853	\$ 30,069	\$ 185,239	\$ 80,248
Other	<u>251</u>	<u>867</u>	<u>883</u>	<u>1,894</u>
	<u>\$ 52,104</u>	<u>\$ 30,936</u>	<u>\$ 186,122</u>	<u>\$ 82,142</u>

Other Income

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Rental Income	\$ 22,318	\$ 22,169	\$ 68,575	\$ 69,462
Dividend Income	<u>953</u>	<u>3,042</u>	<u>5,244</u>	<u>8,206</u>
	<u>\$ 23,271</u>	<u>\$ 25,211</u>	<u>\$ 73,819</u>	<u>\$ 77,668</u>

Other Gains and Losses

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Impairment loss of investment properties	(\$ 3,220)	(\$ 10,460)	(\$ 10,360)	(\$ 10,460)
Net gain (loss) on financial assets at fair value through profit or loss	-	67	-	137
Losses on disposal of property, plant and equipment	(260)	(209)	(2,423)	(1,499)
(Losses) Gains on disposal of investment properties	-	-	15,187	(199)
Net foreign exchange gains (losses)	(35,533)	13,235	12,611	(32,181)
Share of gains (losses) on associates and joint venture	4,133	5,016	13,307	12,376
Others	<u>19,372</u>	<u>25,121</u>	<u>13,765</u>	<u>37,558</u>
	<u>(\$ 15,508)</u>	<u>\$ 32,770</u>	<u>\$ 42,087</u>	<u>\$ 5,732</u>

Finance Costs

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Interest on bank loans	\$ 30,847	\$ 18,824	\$ 90,981	\$ 45,930
Interest on unsecured bonds payable	4,182	12,723	26,207	37,756
Interest on lease liabilities	14,291	12,669	37,314	41,070
Others	<u>6</u>	<u>23</u>	<u>852</u>	<u>56</u>
	49,326	44,239	155,354	124,812
Deduct: Amounts included in the cost of qualifying assets (inventories under construction)	(<u>8,974</u>)	(<u>8,097</u>)	(<u>25,657</u>)	(<u>19,291</u>)
	<u>\$ 40,352</u>	<u>\$ 36,142</u>	<u>\$ 129,697</u>	<u>\$ 105,521</u>

Information about capitalized interest was as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Interest capitalization rate	2.6%-2.63%	1.73%-2.15%	1.73%-2.63%	1.73%-2.15%

Depreciation and Amortization

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Property, plant and equipment	\$ 28,299	\$ 28,117	\$ 83,833	\$ 82,324
Investment property	3,414	3,469	10,137	9,984
Right-of-use assets	135,791	138,432	415,081	421,620
Intangible assets	6,937	7,671	19,282	25,067
	<u>\$ 174,441</u>	<u>\$ 177,689</u>	<u>\$ 528,333</u>	<u>\$ 538,995</u>
An analysis of depreciation by function				
Operating costs	\$ 151,060	\$ 145,347	\$ 445,814	\$ 440,897
Management expenses	13,030	21,202	53,100	63,047
Other losses	3,414	3,469	10,137	9,984
	<u>\$ 167,504</u>	<u>\$ 170,018</u>	<u>\$ 509,051</u>	<u>\$ 513,928</u>
An analysis of amortization by function				
Operating costs	\$ 1,201	\$ 850	\$ 3,051	\$ 3,710
Management expenses	5,736	6,821	16,231	21,357
	<u>\$ 6,937</u>	<u>\$ 7,671</u>	<u>\$ 19,282</u>	<u>\$ 25,067</u>

Operating Expenses Directly Related to Investment Properties

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Direct operating expenses from investment property				
That generated rental income	\$ 5,205	\$ 9,713	\$ 17,725	\$ 28,568
That did not generate rental income	22	28	111	83
	<u>\$ 5,227</u>	<u>\$ 9,741</u>	<u>\$ 17,836</u>	<u>\$ 28,651</u>

Employee Benefits Expenses

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Salary expense	\$ 1,591,894	\$ 1,475,219	\$ 4,492,759	\$ 4,933,683
Labor and health insurance expenses	<u>112,490</u>	<u>109,346</u>	<u>332,154</u>	<u>356,567</u>
	<u>1,704,384</u>	<u>1,584,565</u>	<u>4,824,913</u>	<u>5,290,250</u>
Post-employment benefits				
Defined contribution plans	54,711	60,608	167,300	193,944
Defined benefit plans (Note 23)	<u>298</u>	<u>687</u>	<u>895</u>	<u>2,061</u>
	<u>55,009</u>	<u>61,295</u>	<u>168,195</u>	<u>196,005</u>
Other employee benefits	<u>63,235</u>	<u>47,643</u>	<u>173,678</u>	<u>146,185</u>
Total employee benefits expense	<u>\$ 1,822,628</u>	<u>\$ 1,693,503</u>	<u>\$ 5,166,786</u>	<u>\$ 5,632,440</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 1,600,203	\$ 1,500,695	\$ 4,493,498	\$ 4,998,739
Management expenses	<u>222,425</u>	<u>192,808</u>	<u>673,288</u>	<u>633,701</u>
	<u>\$ 1,822,628</u>	<u>\$ 1,693,503</u>	<u>\$ 5,166,786</u>	<u>\$ 5,632,440</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 ended September 30, 2023 and 2022 and the nine months ended September 30, 2023 and 2022 were as follows:

Accrual rate

	Nine Months Ended September 30	
	2023	2022
Employees' compensation	1%	1%
Remuneration of directors	0.24%	0.29%

Amount

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
	Cash	Cash	Cash	Cash
Employees' compensation	\$ 4,511	\$ 2,543	\$ 16,516	\$ 11,113
Remuneration of directors	1,328	1,200	3,983	3,600

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:

	Years Ended December 31	
	2022	2021
	Cash	Cash
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

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
Right-of-use assets(Net Other income (expenses))	\$ 3,220	\$ 10,460	\$ 10,360	\$ 10,460

27. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
Current tax				
In respect of the current period	\$ 126,880	\$ 39,327	\$ 357,301	\$ 316,275
Additional income tax on unappropriated earnings	-	-	21,422	-
Land value increment tax	-	43,650	25,989	43,650
Deferred tax	(1,618)	(7,487)	89,036	(43,835)
	<u>125,262</u>	<u>75,490</u>	<u>493,748</u>	<u>316,090</u>
In respect of the prior periods				
Current tax	-	-	(10,995)	(74,114)
Deferred tax	-	-	(12,838)	23,980
	<u>-</u>	<u>-</u>	<u>(23,833)</u>	<u>(50,134)</u>
Income tax expense recognized in profit or loss	<u>\$ 125,262</u>	<u>\$ 75,490</u>	<u>\$ 469,915</u>	<u>\$ 265,956</u>

Land value increment tax is estimated in accordance with the provisions of the Republic of China Income Tax Law and the tax regulations of the People's Republic of China. However, the actual land value increment tax liability is determined by the local tax authorities, and the adjustments between the assessed land value increment tax and the original estimate are recognized in the following year.

b. Income tax assessments

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

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

28. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Basic EPS	\$ 0.46	\$ 0.27	\$ 1.84	\$ 1.34
Diluted EPS	\$ 0.46	\$ 0.27	\$ 1.84	\$ 1.34

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

Net Profit for the Period

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Profit for the period attributable to owners of the Company	\$ 342,464	\$ 198,540	\$ 1,353,924	\$ 989,658

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
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	576	381	677	554
Weighted average number of ordinary shares used in the computation of diluted earnings per share	737,423	737,228	737,524	737,401

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 nine months ended September 30, 2023

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bonds payable (including current portion)	\$ 4,600,000	(\$ 3,700,000)	\$ -	\$ -	\$ -	\$ 900,000
Short-term borrowings	1,098,077	(1,005,165)	-	7,088	-	100,000
Long-term borrowings (including current portion)	5,953,017	2,463,322	-	5,505	-	8,421,844
Guarantee deposits received	33,206	(8,028)	-	-	-	25,178
Lease liabilities	3,327,689	(426,212)	531,740	(235,486)	(37,314)	3,160,417
Other payables to related parties	23,803	(23,867)	-	64	-	-
	<u>\$ 15,035,792</u>	<u>(\$ 2,699,950)</u>	<u>\$ 531,740</u>	<u>(\$ 222,829)</u>	<u>(\$ 37,314)</u>	<u>\$ 12,607,439</u>

For the nine months ended September 30, 2022

	Opening Balance	Cash Flows	Non-cash Changes		Cash Flow from Operating Activities	Closing Balance
			New Leases	Other		
Bond payable (including current portion)	\$ 4,600,000	\$ -	\$ -	\$ -	\$ -	\$ 4,600,000
Long-term borrowings (including current portion)	2,617,989	3,311,345	-	17,483	-	5,946,817
Guarantee deposits received	38,244	(4,169)	-	-	-	34,075
Lease liabilities	3,448,990	(417,217)	282,644	32,388	(41,070)	3,305,735
Other payables to related parties	14,770	8,878	-	506	-	24,154
	<u>\$ 10,719,993</u>	<u>\$ 2,898,837</u>	<u>\$ 282,644</u>	<u>\$ 50,377</u>	<u>(\$ 41,070)</u>	<u>\$ 13,910,781</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.

September 30, 2023

	<u>Carrying Amount</u>	<u>Fair Value Hierarchy</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	<u>\$ 900,000</u>	<u>\$ -</u>	<u>\$ 873,143</u>	<u>\$ -</u>	<u>\$ 873,143</u>

December 31, 2022

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

September 30, 2022

	<u>Carrying Amount</u>	<u>Fair Value Hierarchy</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	<u>\$4,600,000</u>	<u>\$ -</u>	<u>\$4,561,647</u>	<u>\$ -</u>	<u>\$4,561,647</u>

The fair values of the financial liabilities included in the Level 2 category above have been determined in accordance with market price based on 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

September 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed shares - equity investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 119,652	\$ -	\$ -	\$ 119,652
Domestic unlisted shares - equity investments	-	-	105,553	105,553
Foreign listed shares - equity investments	338,897	-	-	338,897
Foreign unlisted shares - equity investments	-	-	36,404	36,404
	<u>\$ 458,549</u>	<u>\$ -</u>	<u>\$ 141,957</u>	<u>\$ 600,506</u>

December 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed shares - equity investments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>

Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 109,723	\$ -	\$ -	\$ 109,723
Domestic unlisted shares - equity investments	-	-	105,404	105,404
Foreign listed shares - equity investments	276,490	-	-	276,490
Foreign unlisted shares - equity investments	-	-	74,670	74,670
	<u>\$ 386,213</u>	<u>\$ -</u>	<u>\$ 180,074</u>	<u>\$ 671,569</u>

September 30, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed shares - equity investments	\$ 37,325	\$ -	\$ -	\$ 37,325
Domestic listed shares - equity investments	-	-	2,500	2,500
	<u>\$ 37,325</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 39,825</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTOCI				
Domestic listed stocks - equity investments	\$ 117,479	\$ -	\$ -	\$ 117,479
Domestic unlisted stocks - equity investments	-	-	56,614	56,614
Foreign listed stocks - equity investments	250,745	-	-	250,745
Foreign unlisted stocks - equity investments	-	-	94,188	94,188
	<u>\$ 368,224</u>	<u>\$ -</u>	<u>\$ 150,802</u>	<u>\$ 519,026</u>

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

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

For the nine months ended September 30, 2023

	Financial Assets at Fair Value Through Profit and Loss Equity Instruments	Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments
Balance at January 1, 2023	\$ 2,500	\$ 180,074
Additions	2,500	-
Recognized in other comprehensive (loss) income	-	(38,054)
Effect of exchange rate changes	-	(63)
Balance at September 30, 2023	<u>\$ 5,000</u>	<u>\$ 141,957</u>

For the nine months ended September 30, 2022

	Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments
Balance at January 1, 2022	\$ 234,726
Additions	4,211
Recognized in other comprehensive (loss) income	(91,471)
Effect of exchange rate changes	3,336
Balance at September 30, 2022	<u>\$ 150,802</u>

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

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

Categories of Financial Instruments

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 5,000	\$ 2,500	\$ 39,825
Financial assets at amortized cost (Note 1)	11,232,874	12,452,507	10,565,998
Financial assets at FVTOCI	600,506	566,287	519,026
<u>Financial liabilities</u>			
Financial assets at amortized cost (Note 2)	13,967,212	16,457,096	15,391,451

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, bonds payable, long-term borrowings (including current portion of long-term borrowings and bonds payable), long-term bonus payable (was recognized under other non-current liabilities) and guarantee deposits received.

Financial Risk Management Objectives and Policies

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

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

a. Market risk

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

1) Foreign currency risk

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

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

Foreign currency sensitivity analysis

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

	Nine Months Ended September 30							
	2023				2022			
	RMB	JPY	USD	MYR	RMB	JPY	USD	MYR
Equity	\$ 43,007	\$ 4,206	\$ 30,303	\$ 2,888	\$ 58,450	\$ 3,042	\$ 9,929	\$ 625
Profit or loss	3,400	227	1,919	803	1	-	306	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:

	<u>September 30,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>	<u>September 30,</u> <u>2022</u>
Fair value interest rate risk			
Financial assets	\$ 3,444,906	\$ 2,987,968	\$ 1,160,691
Financial liabilities	7,709,990	8,251,423	12,067,559
Cash flow interest rate risk			
Financial assets	165,000	64,000	23,000
Financial liabilities	4,872,271	6,751,163	1,809,147

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 \$35,305 thousand and \$13,396 thousand for the nine months ended September 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 nine months ended September 30, 2023 and 2022 would have increased/decreased by \$50 and \$398 thousand as a result of the changes in fair value of financial assets at FVTPL, respectively, and the pre-tax other comprehensive income for the nine months ended September 30, 2023 and 2022 would have increased/decreased by \$6,005 and \$5,190 thousand as a result of the changes in fair value of financial assets at FVTOCI, respectively.

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 September 30, 2023, December 31, 2022 and September 30, 2022, the Group had available unutilized bank loan facilities were follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank overdraft facility (including commercial paper facilities)			
Amount used	\$ 3,921,471	\$ 1,907,183	\$ 2,328,155
Amount unused	<u>13,158,189</u>	<u>10,609,477</u>	<u>9,240,505</u>
	<u>\$17,079,660</u>	<u>\$12,516,660</u>	<u>\$11,568,660</u>
	September 30, 2023	December 31, 2022	September 30, 2022
Secured bank overdraft facility:			
Amount used	\$ 4,600,800	\$ 5,143,980	\$ 3,618,800
Amount unused	<u>8,070,990</u>	<u>3,348,123</u>	<u>2,562,700</u>
	<u>\$11,082,770</u>	<u>\$8,492,103</u>	<u>\$6,181,500</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.

September 30, 2023

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 1,420	\$ 3,780,560	\$ 763,388	\$ -
Lease liabilities	47,439	494,398	1,894,536	966,257
Floating interest rate liabilities	8,138	337,372	4,782,354	-
Fixed interest rate liabilities	<u>5,990</u>	<u>65,887</u>	<u>3,719,647</u>	<u>913,876</u>
	<u>\$ 62,987</u>	<u>\$ 4,678,217</u>	<u>\$ 11,159,925</u>	<u>\$ 1,880,133</u>

Additional information about the maturity analysis for lease liabilities:

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5-10 Years	10-20 Years
Lease liabilities	\$ 47,439	\$ 494,398	\$ 1,894,536	\$ 877,515	\$ 88,742
Fixed-interest rate liabilities	5,990	65,887	3,719,647	913,876	-
	<u>\$ 53,429</u>	<u>\$ 560,285</u>	<u>\$ 5,614,183</u>	<u>\$ 1,791,391</u>	<u>\$ 88,742</u>

December 31, 2022

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5+ Years
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	4,798	3,751,493	346,105	922,227
	<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:

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5-10 Years	10-20 Years
Lease liabilities	\$ 48,623	\$ 535,409	\$ 1,983,160	\$ 902,053	\$ 59,451
Fixed interest rate liabilities	4,798	3,751,493	346,105	922,227	-
	<u>\$ 53,421</u>	<u>\$ 4,286,902</u>	<u>\$ 2,329,265</u>	<u>\$ 1,824,280</u>	<u>\$ 59,451</u>

September 30, 2022

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 512	\$ 3,269,375	\$ 1,550,593	\$ -
Lease liabilities	50,864	523,402	1,999,489	960,682
Floating interest rate liabilities	2,721	29,929	1,829,558	-
Fixed interest rate liabilities	5,195	3,768,687	948,803	925,023
	<u>\$ 59,292</u>	<u>\$ 7,591,393</u>	<u>\$ 6,328,443</u>	<u>\$ 1,885,705</u>

Additional information about the maturity analysis for lease liabilities:

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5-10 Years	10-20 Years
Lease liabilities	\$ 50,864	\$ 523,402	\$ 1,999,489	\$ 918,053	\$ 42,179
Fixed interest rate liabilities	5,195	3,768,687	948,803	925,023	-
	<u>\$ 56,059</u>	<u>\$ 4,292,089</u>	<u>\$ 2,948,292</u>	<u>\$ 1,843,526</u>	<u>\$ 42,179</u>

32. TRANSACTIONS WITH RELATED PARTIES

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

Related Parties and their Relationships with the Group

Related Party	Relationship with the Group
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 director (Note)
Yu-Heng Co., Ltd.	Corporate shareholder (indirect investment using the equity method)
Beijing Sinyi Guaranty Co., Ltd.	Related party in substance
Global Real Estate Appraisal Office	Related party in substance
Ken Investment Co., Ltd.	Related party in substance
Sin-Heng Limited.	Related party in substance
Sin-Yeh 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

Note: On October 27, 2023, the chairperson has been reelected by the company's board of director, which Sinyi Co., Ltd changed from the chairperson to director.

Operating Revenue

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Service revenue				
The Company's director is its director	\$ 1,223	\$ 1,877	\$ 4,131	\$ 5,749
Corporate shareholder (indirect investment using the equity method)	10	-	51	-
	<u>\$ 1,233</u>	<u>\$ 1,877</u>	<u>\$ 4,182</u>	<u>\$ 5,749</u>

Trade Receivables - Related Parties

	September 30, 2023	December 31, 2022	September 30, 2022
The Company's director is its director	\$ 357	\$ 646	\$ 577

Other Payables to Related Parties

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Other related parties - related parties in substance	\$ <u>1,647</u>	\$ <u>31,184</u>	\$ <u>31,576</u>

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

	<u>Nine Months Ended September 30, 2023</u>				
	<u>Highest Balance During the Period</u>	<u>Amount</u>	<u>Interest Rate %</u>	<u>Interest Expense</u>	<u>Interest Payable</u>
Other related parties - related parties in substance	<u>\$ 23,803</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
	<u>Nine Months Ended September 30, 2022</u>				
	<u>Highest Balance During the Period</u>	<u>Amount</u>	<u>Interest Rate %</u>	<u>Interest Expense</u>	<u>Interest Payable</u>
Other related parties - related parties in substance	<u>\$ 24,332</u>	<u>\$24,154</u>	-	<u>\$ -</u>	<u>\$ 6,190</u>

The financing above were unsecured.

Compensation for Key Management Personnel

	<u>Three Months Ended September 30</u>		<u>Nine Months Ended September 30</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term benefits	\$ 30,381	\$ 32,275	\$ 86,486	\$ 108,913
Other long-term benefits	<u>2,149</u>	<u>3,267</u>	<u>6,446</u>	<u>9,800</u>
	<u>\$ 32,530</u>	<u>\$ 35,542</u>	<u>\$ 92,932</u>	<u>\$ 118,713</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

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Other related parties				
Related parties in substance	\$ 1,827	\$ 1,790	\$ 5,724	\$ 5,650
The Company's director	-	-	57	57
Corporate shareholder (direct investment using the equity method)	-	-	57	57
Corporate shareholder (indirect investment using the equity method)	-	-	57	57
Associates	-	-	34	34
	<u>\$ 1,827</u>	<u>\$ 1,790</u>	<u>\$ 5,929</u>	<u>\$ 5,855</u>

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

b. Other benefit

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Other related parties				
Related parties in substance	\$ 280	\$ 8,349	\$ 840	\$ 9,046
Corporate shareholder (indirect investment using the equity method)	-	143	190	143
	<u>\$ 280</u>	<u>\$ 8,492</u>	<u>\$ 1,030</u>	<u>\$ 9,189</u>

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

c. Professional fees

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Other related parties				
Related parties in substance	<u>\$ 1,575</u>	<u>\$ 891</u>	<u>\$ 2,211</u>	<u>\$ 3,134</u>

d. General and administrative expenses

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Other related parties				
Related parties in substance	\$ <u>4,798</u>	\$ <u>3,361</u>	\$ <u>15,571</u>	\$ <u>16,293</u>

Professional fees and general and administrative expenses are mainly payment for services related to real estate registration, and management consulting, etc. of the related parties mentioned above.

e. Lease agreement

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
<u>Interest expense</u>				
Related parties in substance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>19</u>

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

e. Other receivables

	September 30, 2023	December 31, 2022	September 30, 2022
Other related parties			
Related parties in substance	\$ 1,334	\$ 1,001	\$ 9,530
Corporate shareholder (direct investment using the equity method)	-	50	-
Corporate shareholder (indirect investment using the equity method)	-	-	56
	\$ <u>1,334</u>	\$ <u>1,051</u>	\$ <u>9,586</u>

f. Right-of-use asset – land

	September 30, 2023	December 31, 2022	September 30, 2022
Other related parties			
Treasure Sage Sabah SDN. BHD. (Malaysia)	\$ <u>231,586</u>	\$ <u>-</u>	\$ <u>-</u>

Right-of-use asset – land is mainly the land use rights Zhancheng purchased from the related party stated above. See Note 36 Table 5.

g. Prepaid right-of-use asset – land

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Other related parties			
Related parties in substance	\$ 1,375	\$ 6,972	\$ -

Prepaid right-of-use asset – land are mainly the land use rights and prepayment Zhancheng purchased from the above related party, as of September 30, 2023. See Note 36 Table 5.

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:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Property, plant and equipment (including investment properties)			
Land	\$ 4,125,647	\$ 4,125,647	\$ 4,125,647
Building	355,479	344,004	347,690
Other financial assets			
Pledged time deposits and demand deposits	2,376,944	2,039,521	8,747
Inventories	<u>3,202,136</u>	<u>2,968,785</u>	<u>5,037,675</u>
	<u>\$ 10,060,206</u>	<u>\$ 9,477,957</u>	<u>\$ 9,519,759</u>

34. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

- a. The Group is involved in claims that arise in the ordinary course of brokerage and escrow business; the other party may claim against the Group through legal proceedings. On the basis of past experience and consultations with legal counsel, management of the Group has measured the possible effects of the contingent lawsuits on its financial condition in brokerage and escrow business.
- b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to \$5,000 thousand.
- c. The Company have endorsed Hong Kong Sinyi Estate, An-Sin, and Sinyi International, Jiu Xin Estate has endorsed Kunshan Dingxian Trading and, Sinyi International has endorsed The Company and Sinyi Development in obtaining financing limit of \$53,246 thousand, \$2,600,000 thousand, \$214,596 thousand, \$18,728 thousand, \$4,195,100 thousand, and \$354,970 thousand respectively. Refer to Note 36, Table 2 for the details.
- d. As of September 30, 2023, the Group had signed construction contracts and land use right, but not yet paid for \$1,297,656 thousand and \$90,700 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 \$31,302 thousand as of September 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:

September 30, 2023

	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,054,204	4.415	\$ 4,654,310
JPY	4,173,821	0.2162	902,380
USD	93,903	32.270	3,030,257
MYR	42,895	6.8728	294,811
Non-monetary items			
RMB	8,246	4.415	36,404
JPY	1,567,516	0.2162	338,897
<u>Financial liabilities</u>			
Monetary items			
RMB	80,094	4.415	353,615
JPY	2,228,179	0.2162	481,732

December 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,493,694	4.408	\$ 6,584,202
JPY	3,206,147	0.2324	745,109
USD	88,687	30.710	2,723,568
MYR	11,723	6.972	81,729
Non-monetary items			
RMB	16,940	4.408	74,670
JPY	1,189,715	0.2324	276,490
<u>Financial liabilities</u>			
Monetary items			
RMB	130,047	4.408	573,247
JPY	1,626,317	0.2324	377,956

September 30, 2022

	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,446,581	4.473	\$ 6,470,558
JPY	3,093,921	0.2201	680,972
USD	32,235	31.750	1,023,466
MYR	9,547	6.847	65,367
Non-monetary items			
RMB	21,057	4.473	94,188
JPY	1,139,234	0.2201	250,745
<u>Financial liabilities</u>			
Monetary items			
RMB	139,850	4.473	625,548
JPY	1,711,722	0.2201	376,750

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	Nine Months Ended September 30			
	2023		2022	
	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange (Loss) Gain
NTD	1 (NTD:NTD)	\$ 6,202	1 (NTD:NTD)	\$ (32,316)
USD	30.9281 (USD:NTD)	(23,157)	29.2846 (USD:NTD)	(2)
RMB	4.3941 (RMB:NTD)	15,322	4.4279 (RMB:NTD)	-
JPY	0.224 (JPY:NTD)	33	0.2293 (JPY:NTD)	63
MYR	6.85 (MYR:NTD)	19,259	6.7431 (MYR:NTD)	74
HKD	3.95 (HKD:NTD)	(5,048)	3.7377 (HKD:NTD)	-
		<u>\$ 12,611</u>		<u>\$ (32,181)</u>

36. SEPARATELY DISCLOSED ITEMS

Information on significant transactions and information on investees:

- a. Financing provided: Table 1 (see the attached)
- b. Endorsements/guarantees provided to others: Table 2 (see the attached)
- c. Marketable securities held (excluding investment in subsidiaries, associates and joint controlled

- entities): Table 3 (see the attached)
- d. Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: 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 of at least NT\$100 million or 20% of the paid-in capital: None
 - h. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
 - i. Information about derivative: None
 - j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 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 end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (see the attached)
 - 6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

Information on major shareholders:

The name of major shareholders, number of shares, percentage of ownership about the ownership of 5% or greater: Table 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 Mainland China and other foreign companies.

Tourism segment

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

The following table was an analysis of the Group's revenue, result of operations and assets of segments for the nine months ended September 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		
Nine months ended September 30, 2023								
Revenues from external customers	\$ 7,694,046	\$ 496,767	\$ 1,979,519	\$ 702,671	\$ 3,380	\$ -	\$ -	\$ 10,876,383
Inter-segment revenues	96,475	30,865	-	9,896	70	6,652	(143,958)	-
Segment revenues	\$ 7,790,521	\$ 527,632	\$ 1,979,519	\$ 712,567	\$ 3,450	\$ 6,652	(\$ 143,958)	10,876,383
Rental income from investment property								(68,575)
Consolidated revenues								\$ 10,807,808
Operating profit (loss)	\$ 1,181,719	(\$ 25,196)	\$ 516,642	\$ 30,644	\$ 526	(\$ 81,126)	\$ 84,616	\$ 1,707,825
Operating income from investment property								(50,739)
Operating income								\$ 1,657,086
Segment assets	\$ 10,040,151	\$ 5,480,858	\$ 6,614,363	\$ 8,919,097	\$ 24,840	\$ 2,094,371	(\$ 2,148,687)	\$ 31,024,993
Investments accounted for by the equity method and goodwill								72,685
Total assets								\$ 31,097,678

	Real Estate Brokerage		Real Estate Development		Tourism		Elimination	Consolidated	
	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others			
	Revenues from external customers	\$ 8,365,573	\$ 388,306	\$ 69,462	\$ 1,283,488	\$ 1,540			\$ -
Inter-segment revenues	71,664	23,827	348	21,076	17	-	(116,932)	-	
Segment revenues	<u>\$ 8,437,237</u>	<u>\$ 412,133</u>	<u>\$ 69,810</u>	<u>\$ 1,304,564</u>	<u>\$ 1,557</u>	<u>\$ -</u>	<u>(\$ 116,932)</u>		10,108,369
Rental income from investment property								(69,462)	
Consolidated revenues								<u>\$ 10,038,907</u>	
Operating profit (loss)	\$ 1,306,639	(\$ 156,136)	(\$ 24,624)	\$ 58,697	(\$ 584)	(\$ 61,360)	\$ 124,440	\$ 1,247,072	
Operating income from investment property								(40,811)	
Operating income								<u>\$ 1,206,261</u>	
Segment assets	<u>\$ 10,771,261</u>	<u>\$ 3,955,734</u>	<u>\$ 8,011,041</u>	<u>\$ 14,733,879</u>	<u>\$ 8,556</u>	<u>\$ 1,620,615</u>	<u>(\$ 6,364,607)</u>	\$ 32,736,479	
Investments accounted for by the equity method and goodwill								62,080	
Total assets								<u>\$ 32,798,559</u>	

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

b. Product and labor service information

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

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2023	2022	2023	2022
Real estate brokerage revenue	\$ 2,583,079	\$ 2,249,493	\$ 7,119,655	\$ 7,699,814
Sales of real estate agency	360,709	413,129	1,071,158	1,054,065
Developing business revenue	55,080	311,836	2,613,615	1,283,488
Other	1,099	437	3,380	1,540
	<u>\$ 2,999,967</u>	<u>\$ 2,974,895</u>	<u>\$ 10,807,808</u>	<u>\$ 10,038,907</u>

SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED
NINE MONTHS ENDED SEPTEMBER 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 13)
													Item	Value			
0	Sinyi Realty Inc.	Sinyi Development Inc.	Other receivables	Yes	\$ 2,052,709	\$ 446,908	\$ 446,908	1.68%	Short-term financing	\$ -	Working capital	\$ -	-	\$ -	\$ 3,733,793 (Note 1)	\$ 4,978,391 (Note 1)	\$ 11,971
		Jin Mei Travel Service Co., Ltd.	Other receivables	Yes	5,000	5,000	5,000	1.677%~1.68%	Short-term financing	-	Working capital	-	-	-	3,733,793 (Note 1)	4,978,391 (Note 1)	48
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	-	-	-	583,166 (Note 2)	874,749 (Note 2)	3,599
2	Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd.	Other receivables	Yes	22,225 (RMB 5,000 thousand)	-	-	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	- (Note 3)	- (Note 3)	9
		Suzhou Sinyi Real Estate Inc.	Other receivables	Yes	253,365 (RMB 57,000 thousand)	-	-	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	- (Note 3)	- (Note 3)	2,839
		Chuzhou Ya Zhan Functional Agricultural Science and Technology Co., Ltd.	Other receivables	No	29,604 (RMB 6,660 thousand)	29,404 (RMB 6,660 thousand)	29,404 (RMB 6,660 thousand)	6.00%	Short-term financing	-	Working capital	18,002 (RMB 4,077 thousand)	-	-	- (Note 4 and 5)	- (Note 4 and 5)	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	1.68%	Short-term financing	-	Working capital	-	-	-	339,984 (Note 7)	566,640 (Note 7)	1,478
5	Sinyi International Limited	Sinyi Realty Inc.	Other receivables	Yes	903,560 (US\$ 28,000 thousand)	903,560 (US\$ 28,000 thousand)	903,560 (US\$ 28,000 thousand)	-	Short-term financing (Note 11)	-	Working capital	-	-	-	9,846,160 (Note 8)	12,307,701 (Note 8)	14,115
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	-	-	-	- (Note 9)	- (Note 9)	-
7	Jiu Xin Estate (Wuxi) Limited	Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	177,800 (RMB 40,000 thousand)	176,600 (RMB 40,000 thousand)	176,600 (RMB 40,000 thousand)	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	1,229,857 (Note 10)	2,049,762 (Note 10)	5,311
		Sinyi Real Estate (Shanghai) Limited	Other receivables	Yes	1,426,845 (RMB 321,000 thousand)	-	-	4.75%	Short-term financing (Note 11)	-	Working capital	-	-	-	1,229,857 (Note 10)	2,049,762 (Note 10)	34,244

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

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

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

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

Note 5: The financing provided by Shanghai Sinyi Real Estate Inc. exceed the limited due to decrease of Shanghai Sinyi Real Estate Inc.'s net worth. Shanghai Sinyi Real Estate Inc. has prepared an improvement plan and submitted to the independent directors of Sinyi Realty Inc, and it was approved at the board of directors meeting on March 29, 2023. Shanghai Sinyi Real Estate Inc. will report on the progress of the improvement plan to Sinyi Realty Inc.'s board of director every quarter.

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 80% of Sinyi International Limited's net worth.
- Note 9: 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. Xin Yeh Business Administration (Shanghai) Ltd. The Corporation has completed the deregistration in second quarter of 2023.
- 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 or overseas subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares.
- Note 12: Interest recognized in the current period.

SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHERS
NINE MONTHS ENDED SEPTEMBER 30, 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	\$ 9,956,782 (Note 1)	\$ 1,070,748 (US\$ 35,650 thousand)	\$ 53,246 (US\$ 1,650 thousand)	\$ -	\$ -	0.43%	\$ 18,668,967 (Note 1)	Yes	No	No	Note 4
		An-Sin Real Estate Management Ltd.	Directly 51% owned subsidiary	9,956,782 (Note 1)	2,600,000	2,600,000	-	-	20.89%	18,668,967 (Note 1)	Yes	No	No	Note 5
		Sinyi International Limited	Directly 100% owned subsidiary	9,956,782 (Note 1)	214,596 (US\$ 6,650 thousand)	214,596 (US\$ 6,650 thousand)	-	-	1.72%	18,668,967 (Note 1)	Yes	No	No	Note 6
1	Jiu Xin Estate (Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	Business dealings	3,279,619 (Note 2)	18,856 (RMB 4,242 thousand)	18,728 (RMB 4,242 thousand)	18,728 (RMB 4,242 thousand)	-	0.46%	4,099,524 (Note 2)	No	No	Yes	Note 7
2	Sinyi International Limited	Sinyi Realty Inc.	Directly 100% owned subsidiary	9,846,160 (Note 3)	4,195,100 (US\$ 130,000 thousand)	4,195,100 (US\$ 130,000 thousand)	1,800,000	2,195,425 (US\$ 62,600 thousand) (RMB 39,711 thousand)	34.09%	12,307,701 (Note 3)	No	Yes	No	Note 8
		Sinyi Development Inc.	The same parent company	9,846,160 (Note 3)	354,970 (US\$ 11,000 thousand)	354,970 (US\$ 11,000 thousand)	80,000	129,080 (US\$ 4,000 thousand)	2.88%	12,307,701 (Note 3)	No	No	No	Note 9

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

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

Note 3: For those subsidiaries which the parent company of Sinyi International Limited (hereafter referred to as "Sinyi International") has 100% of ownership directly or indirectly, and the parent company of Sinyi International, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of Sinyi International's net worth. The maximum total endorsement/guarantee should not exceed 100% of Sinyi International'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 needs the Company provides endorsement guarantees in accordance with the terms of the credit for the purpose of increasing the credit line of An Sin

Note 6: In response to the group's exchange rate hedging needs, the Company provide Sinyi International Limited endorsement guarantee according to the bank quota conditions

Note 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: In response to the Company's operational needs, Sinyi International provides endorsement guarantees to secure a lower borrowing interest rate limit from the bank for the Company.

Note 9: In response to Sinyi Development Inc.'s operational needs, Sinyi International provides endorsement guarantees for the purpose of enabling the Sinyi Development Inc. to issue guaranteed commercial promissory notes.

SINYI REALTY INC. AND SUBSIDIARIES

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

AS OF SEPTEMBER 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	September 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.	-	Financial assets at fair value through other comprehensive income - current	\$ 4,934,108	\$ 119,652	-	\$ 119,652	
	<u>Unlisted shares</u> Han Yu Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,000,000	31,906	11.0	31,906	
	NOWnews Network Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,049,632	6,918	9.0	6,918	
	PChome Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	196,350	-	-	-	
	Cité Publishing Holding Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	7,637	-	1.0	-	
	Cité Information Services Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	106,392	-	1.0	-	
	B Current Impact Investment Fund 3	-	Financial assets at fair value through other comprehensive income - non-current	1,000,000	12,673	10.0	12,673	
	Leju Holdings Limited	-	Financial assets at fair value through other comprehensive income - non-current	364,964	54,056	11.0	54,056	
	B Current Impact Investment Fund 5	-	Financial assets at fair value through profit or loss - non-current	-	5,000	-	5,000	
Sinyi Limited	<u>Listed shares</u> Orix Corp.	-	Financial assets at fair value through other comprehensive income - current	561,300	338,897	-	338,897	
Shanghai Sinyi Real Estate Inc.	<u>Unlisted shares</u> Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	34,500,000	36,404	2.0	36,404	
	Taicang Yalong Management Consulting Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	150,000	-	-	-	

SINYI REALTY INC. AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
NINE MONTHS ENDED SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Types and Names of Shares	Financial Statement Account	Counterparty	Nature of Relationship	Beginning		Acquire		Disposal				Ending	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Selling Price	Book Value	Gain (loss) on disposal	Shares/Units	Amount
Sinyi Realty Inc.	Listed shares Zhancheng Tourism Development SDN. BHD.	Investments accounted for using equity method	-	Subsidiary	2,500,000	\$ 15,591 (Note 1)	59,500,000	\$ 412,334	-	\$ -	-	\$ -	62,000,000	\$ 42,925 (Note 1)

Note 1: Amounts are recorded at 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
NINE MONTHS ENDED SEPTEMBER 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 75% 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 and only a portion of right-of-use lands has been transferred as of September 30, 2023..

SINYI REALTY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTION
 NINE MONTHS ENDED SEPTEMBER 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 1.68%	1
1	Sinyi Global Asset Management Co., Ltd.	Sinyi Realty Inc.	b	Other receivables	120,000	For working capital, rate at 1.68%	-
2	Sinyi International Limited	Sinyi Realty Inc.	b	Other receivables	903,560	For working capital	3
		Jiu Xin Estate (WuXi) Limited	c	Other receivables	1,936,200	Capital reduction	6
		Shanghai Sinyi Real Estate Inc.	c	Other receivables	1,355,340	Capital reduction	4
3	Jiu Xin Estate (WuXi) Limited	Sinyi Real Estate (Shanghai) Limited	c	Contract assets	176,600	For working capital, rate at 4.75%	1

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

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

Note 2: Flows of transactions are categorized as follows:

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

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

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

TABLE 7

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
 NINE MONTHS ENDED SEPTEMBER 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 September 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	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	\$ 10,041,794	\$ 10,041,794	345,248,785	100	\$ 12,307,701	\$ 230,161	\$ 230,161	
	Sinyi Limited (B.V.I.)	4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola VG1110, B. V. I.	Investment holding	1,905,584	1,905,584	57,277,000	100	106,511	(103,963)	(103,963)	
	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	2,035,005	2,035,005	203,500,000	100	1,995,641	357,492	391,346	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	77,835	(5,992)	(5,992)	
	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	745	(37)	(37)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	-	99	1,644	(87)	(87)	
	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	124,246	11,301	5,764	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	16,695	1,643	313	
	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	3,229	(2,466)	(2,466)	
	Chengjing Enterprise Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Investment holding	500	-	50,000	100	465	(35)	(35)	Note 3
	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	55,990	57,726	12,994	
	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	250,537,766	100	1,520,870	(29,620)	(29,620)	
	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	33,148	851	851	
	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	34,204	(33,113)	(33,113)	
	Jin Mei Travel Service Co., Ltd.	9F.-2, No.50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan	Tourism	8,310	8,310	-	100	4,296	538	538	
Sinkang Administration Sdn. Bhd	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia	Tourism	59,599	31,965	12,000,000	100	37,051	(15,703)	(15,703)		
Zhansin Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88450 Kota Kinabalu Sabah, Malaysia	Tourism	3,400	3,400	500,000	100	3,372	(8)	(8)		
Zhancheng Tourism Develop Ment Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88450 Kota Kinabalu Sabah, Malaysia	Tourism	427,925	15,591	62,000,000	100	439,208	15,684	15,684		
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	206,731	(6,803)	(6,803)	
	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	366,023	67,434	67,434	
	Sinyi Development Ltd. Sinyi Estate Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding Investment holding	2,257,376 6,360,046	2,257,376 6,360,344	73,506,209 208,510,749	100 100	568,284 4,157,218	57,682 42,215	57,682 42,215	
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	(259,804)	(113,160)	(113,160)	
	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	(406)	4,465	4,465	
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	-	-	-	-	-	Note 4
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	118,066	7,674	7,674	
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	68,385	10,105	10,105	
	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	18,997	(54)	(54)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Room 802, 8 Floor, Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Hong Kong	Investment holding	2,198,067	2,198,067	71,640,200	100	575,076	39,576	39,576	
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	4,138,100	44,962	44,962	
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	295	(35)	(35)	
	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	218	(35)	(35)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2023			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
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	\$ 2,459	\$ (2,909)	\$ (1,425)	
	Pegusus Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Real estate brokerage, management and identification	42,160	42,160	5,741,100	100	2,592	(1,513)	(1,513)	
Pegusus Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Real estate brokerage, management and identification	41,619	41,619	5,666,151	51	2,559	(2,909)	(1,484)	
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	3,247	159	159	
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	-	-	-	-	(135)	(7)	(7)	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	-	-	-	-	-	Note 4
	Sinyi Elite Limited	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, B.V.I.	Investment holding	-	-	-	-	1	(26)	(26)	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	-	-	-	-	-	Note 4
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	-	-	-	-	(96)	(26)	(26)	Note 1

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

Note 2: The investment income and loss recognized by the investing company include the recognition of forward and reverse transactions and the amortization of the difference between investment cost and equity net value per share.

Note 3: The Group established the subsidiaries in 2023.

Note 4: The deregistration was completed in the third quarter of 2023.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
NINE MONTHS ENDED SEPTEMBER 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 September 30, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of September 30, 2023 (Note 2)	Accumulated Inward Remittance of Earnings as of September 30, 2023
					Outflow	Inflow						
Yi Shang Shanghai Real Estate Management Consulting Inc. (Note 10)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Ke Wei HK Realty Limited	\$ 81,859	\$ -	\$ -	\$ 81,859	\$ -	-	\$ -	\$ -	\$ -
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	(113,179)	100	(113,179)	(233,197)	-
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	8,936	100	8,936	(4,321)	-
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	(7,185)	100	(7,185)	(22,585)	-
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	(31,313)	100	(31,313)	(105,025)	-
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 10)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	43,766	-	-	43,766	-	-	-	-	-
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	(2,945)	100	(2,945)	40,895	-
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	US\$ 29,000	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,868,747	-	365,279	3,503,468	36,908	100	36,908	583,166	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 September 30, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of September 30, 2023 (Note 2)	Accumulated Inward Remittance of Earnings as of September 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	\$ (3,628)	100	\$ (3,628)	\$ 177,560	\$ -
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	18,171	100	18,171	(2,059)	-
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.	-	-	-	-	(3,860)	100	(3,860)	1,159	-
Jiaying 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.	-	-	-	-	-	-	-	-	-
Jiu Xin Estate (Wuxi) Limited	Real estate development	US\$ 147,000	Investment in company located in mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,900,696	-	-	3,900,696	45,031	100	45,031	4,099,524	-
Suzhou Zhixin 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	-	-	-	-	(937)	100	(937)	(1,609)	-
Lunheng Business Management (Shanghai) Ltd.	Business management consulting, financial advisory and marketing strategy	RMB 11,400	Investment in company located in Mainland China indirectly through Hua Yun Renovation (Shanghai) Co., Ltd. and Sinyi Real Estate (Shanghai) Limited	-	-	-	-	29,320	100	29,320	114,292	-
Xin Yeh Business Administration (Shanghai) Ltd. (Note 10)	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB -	Investment in company located in Mainland China indirectly through Sinyi Real Estate (Shanghai) Limited.	-	-	-	-	-	-	-	-	-
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 Hua Yun Renovation (Shanghai) Co., Ltd.	-	-	-	-	1,013	100	1,013	(922)	-
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 10)	Real estate marketing planning and management consulting	RMB -	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-

Accumulated Outflow for Investment in Mainland China as of September 30, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 7)
\$ 9,211,888	\$ 21,153,018	\$ -

(Continued)

Note 1: The amounts had not been reviewed by the independent accountants, except for Shanghai Real Estate, Jiu Xin Estate and Xin Yeh as of and for the nine months ended September 30, 2023.

Note 2: The carrying value was converted into New Taiwan dollars at the exchange rates of US\$1=NT\$32.27 and US\$1=RMB7.31 on September 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 the second quarter 2019.

Note 6: The Corporation has been liquidated in the second quarter 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 Corporation has been liquidated in the second quarter 2023.

Note 10: The Corporation has been liquidated in the third quarter 2023.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

**INFORMATION OF MAJOR SHAREHOLDERS
AS OF SEPTEMBER 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	39,586,417	5.37%

Note1: 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.

Note2: 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.