

Sinyi Realty Inc. and Subsidiaries

**Consolidated Financial Statements for the
Years Ended December 31, 2023 and 2022 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” (the “Criteria”) for the year ended December 31, 2023 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10, “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we did not prepare a separate set of consolidated financial statements of affiliates for the reporting purposes under the Criteria.

Very truly yours,

SINYI REALTY INC.

By

February 26, 2024

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Sinyi Realty Inc.

Opinion

We have audited the accompanying consolidated financial statements of Sinyi Realty Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the Group's consolidated financial statements for the year ended December 31, 2023 are stated as follows:

Revenue Earned from Sales of Real Estate

For the year ended December 31, 2023, the Group's revenue from the sales of real estate was NT\$2,664,926 thousand. Refer to Note 4 to the accompanying consolidated financial statements for the accounting policies of revenue recognition of the Group. When the Group's real estate has reached the expected state of use and it has been accepted and qualified for use by relevant departments and the filing procedures have been completed, the Group issues a transfer notice of real estate based on the terms of the contract and recognizes sales revenue on the date of transfer. Since revenue from sales of real estate must be recognized after the real estate meets the above conditions. As Sinyi Development Inc. for the year ended December 31, 2023, the carrying amount of real estate revenue was NT\$1,910,944 thousand, 72% of total real estate sales revenue. Therefore, the recognition of revenue earned from the sale of real estate of Sinyi Development Inc. is regarded as a key audit matter.

We tested the controls to understand the timing of the revenue recognition of the sales of real estate. We also evaluated the design and implementation of the relevant control of the Group. We selected samples from Sinyi Development Inc.'s sales transactions of the current year to review the sales contracts signed by both parties to understand the terms and conditions of the contracts, verified whether the collection records of such sales are consistent with the sales prices stated in contracts. We also verified the transfer notices and transfer records to confirm that the revenue from sales of real estate was recognized after the completion of the transfer procedures in order to ensure that the revenue was earned and was properly recorded in the correct accounting period.

Valuation of Inventories

As of December 31, 2023, the carrying amount of inventories was NT\$7,582,116 thousand. Due to changes in the overall economic environment and related business regulations, the Group had to take into consideration reasonable estimates of the future selling price and additional costs as well as changes in the economy, when assessing the net realizable value of inventories, to determine whether the valuation of inventories is appropriate. Since the carrying amount of inventory was considered significant to the consolidated financial statements and the valuation of the net realizable value of inventories is subject to management's significant judgment, the valuation of inventory has been identified as a key audit matter.

We focused on the valuation of inventories at the balance sheet date. We selected samples from the inventory balance and assessed and tested the net realizable value of inventories estimated by the management as well as the reasonableness of the key parameters used in the valuation. The procedures included but were not limited to the following: we inspected the latest actual transaction price or market transaction price of similar real estate, and determined that the net realizable value of inventories was not lower than the carrying amount through recalculations. We verified the accuracy of the valuation of inventories by inspecting the selected samples and re-performed the calculation procedures.

Refer to Note 4 to the accompanying consolidated financial statements for the accounting policies related to the valuation of inventories, Note 5 for the description of critical accounting judgments and key sources of estimation uncertainty, and Note 10 for the related presentation and disclosures.

Other Matter

We have also audited the parent company only financial statements of Sinyi Realty Inc. as of and for the years ended December 31, 2023 and 2022, and on both we have issued an unmodified opinion with emphasis of matter paragraph.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC and SIC endorsed and issued into effect by the Republic of China Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain a reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pan-Fa Wang and Chin-Chuan Shih.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 26, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

ASSETS	2023		2022	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 5,477,434	18	\$ 8,310,286	25
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	451,140	2	386,213	1
Notes receivable (Notes 4, 9 and 25)	100,335	-	76,667	-
Trade receivables (Notes 4, 9, 25 and 32)	1,250,304	4	896,903	3
Other receivables (Notes 4, 9 and 32)	57,633	-	97,080	-
Current tax assets (Notes 4 and 27)	62,892	-	9,796	-
Inventories (Notes 4, 5, 10 and 33)	7,582,116	24	9,928,737	29
Other financial assets - current (Notes 11 and 33)	4,268,351	14	2,060,956	6
Other current assets (Note 18)	356,739	1	343,469	1
Total current assets	<u>19,606,944</u>	<u>63</u>	<u>22,110,107</u>	<u>65</u>
NON-CURRENT ASSETS				
Financial asset at fair value through profit or loss - non-current (Notes 4 and 7)	4,614	-	2,500	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	130,923	1	180,074	1
Investments accounted for using the equity method (Notes 4 and 13)	77,688	-	65,434	-
Property, plant and equipment (Notes 4, 5, 14 and 33)	3,985,116	13	3,800,121	11
Right-of-use assets (Notes 4, 5 and 15)	4,745,579	15	4,742,488	14
Investment properties (Notes 4, 5, 16 and 33)	2,263,537	7	1,934,534	6
Intangible assets (Notes 4 and 17)	47,734	-	44,056	-
Deferred tax assets (Notes 4 and 27)	162,021	1	173,776	-
Refundable deposits	129,875	-	144,631	-
Net defined benefit asset (Notes 4 and 23)	17,952	-	-	-
Other financial assets - non-current (Notes 11 and 33)	-	-	859,880	3
Other non-current assets (Notes 18 and 25)	9,093	-	13,076	-
Total non-current assets	<u>11,574,132</u>	<u>37</u>	<u>11,960,570</u>	<u>35</u>
TOTAL	<u>\$ 31,181,076</u>	<u>100</u>	<u>\$ 34,070,677</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 19 and 33)	\$ 1,498,621	5	\$ 1,098,077	3
Contract liabilities - current (Note 25)	687,413	2	1,514,707	4
Notes payable	130	-	552	-
Trade payables (Note 21)	413,018	1	607,472	2
Other payables (Notes 22 and 32)	3,771,112	12	3,003,058	9
Current tax liabilities (Notes 4 and 27)	514,081	2	339,853	1
Provisions - current (Note 4)	1,563	-	2,070	-
Lease liabilities - current (Notes 4, 15 and 32)	491,133	2	526,700	2
Current portion of long-term borrowings and bonds payable (Notes 19, 20 and 33)	149,911	1	3,700,000	11
Other current liabilities (Note 22)	425,249	1	339,643	1
Total current liabilities	<u>7,952,231</u>	<u>26</u>	<u>11,132,132</u>	<u>33</u>
NON-CURRENT LIABILITIES				
Bonds payable (Note 20)	900,000	3	900,000	3
Long-term borrowings (Notes 19 and 33)	6,281,550	20	5,953,017	18
Provisions - non-current (Note 4)	11,188	-	10,763	-
Deferred tax liabilities (Notes 4 and 27)	105,229	-	116,670	-
Lease liabilities - non-current (Notes 4, 15 and 32)	2,663,956	9	2,800,989	8
Net defined benefit liabilities - non-current (Notes 4 and 23)	4,050	-	10,602	-
Guarantee deposits received	27,244	-	33,206	-
Other non-current liabilities (Note 22)	703,389	2	1,167,818	3
Total non-current liabilities	<u>10,696,606</u>	<u>34</u>	<u>10,993,065</u>	<u>32</u>
Total liabilities	<u>18,648,837</u>	<u>60</u>	<u>22,125,197</u>	<u>65</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)				
Ordinary shares	7,368,465	24	7,368,465	22
Capital surplus	63,790	-	63,790	-
Retained earnings				
Legal reserve	2,896,935	9	2,762,813	8
Special reserve	955,999	3	1,061,567	3
Unappropriated earnings	2,369,309	8	1,518,347	5
Total retained earnings	<u>6,222,243</u>	<u>20</u>	<u>5,342,727</u>	<u>16</u>
Other equity				
Exchange differences on translating the financial statements of foreign operations	(1,313,072)	(4)	(997,561)	(3)
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	66,779	-	41,562	-
Total other equity	<u>(1,246,293)</u>	<u>(4)</u>	<u>(955,999)</u>	<u>(3)</u>
Total equity attributable to owners of the Company	12,408,205	40	11,818,983	35
NON-CONTROLLING INTERESTS (Note 24)	124,034	-	126,497	-
Total equity	<u>12,532,239</u>	<u>40</u>	<u>11,945,480</u>	<u>35</u>
TOTAL	<u>\$ 31,181,076</u>	<u>100</u>	<u>\$ 34,070,677</u>	<u>100</u>

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

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 25, 32 and 37)				
Sales revenue	\$ 2,664,926	19	\$ 2,668,176	19
Service revenue	<u>11,539,992</u>	<u>81</u>	<u>11,055,550</u>	<u>81</u>
Total operating revenue	<u>14,204,918</u>	<u>100</u>	<u>13,723,726</u>	<u>100</u>
OPERATING COSTS (Notes 10, 23, 26 and 32)				
Cost of sales	1,997,406	14	2,159,325	16
Service cost	<u>8,423,176</u>	<u>60</u>	<u>8,273,282</u>	<u>60</u>
Total operating costs	<u>10,420,582</u>	<u>74</u>	<u>10,432,607</u>	<u>76</u>
GROSS PROFIT	<u>3,784,336</u>	<u>26</u>	<u>3,291,119</u>	<u>24</u>
OPERATING EXPENSES (Notes 9, 23, 26 and 32)				
General and administrative expenses	1,729,675	12	1,711,891	13
Expected credit loss	<u>2,673</u>	<u>-</u>	<u>1,926</u>	<u>-</u>
Total operating expenses	<u>1,732,348</u>	<u>12</u>	<u>1,713,817</u>	<u>13</u>
OPERATING INCOME	<u>2,051,988</u>	<u>14</u>	<u>1,577,302</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 26)	246,083	2	124,330	1
Other income (Notes 26 and 32)	103,633	-	103,436	1
Other gains and losses (Notes 4, 14, 16, 26 and 32)	144,076	1	14,489	-
Finance costs (Notes 26 and 32)	<u>(175,956)</u>	<u>(1)</u>	<u>(157,532)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>317,836</u>	<u>2</u>	<u>84,723</u>	<u>1</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	2,369,824	16	1,662,025	12
INCOME TAX EXPENSE (Notes 4 and 27)	<u>(598,470)</u>	<u>(4)</u>	<u>(425,817)</u>	<u>(3)</u>
NET PROFIT FOR THE YEAR	<u>1,771,354</u>	<u>12</u>	<u>1,236,208</u>	<u>9</u>

(Continued)

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 23)	\$ 3,356	-	\$ 148,611	1
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	23,363	-	(196,454)	(1)
Share of the other comprehensive income (loss) of associates accounted for using the equity method	1,854	-	(2,587)	-
Income tax expense relating to items that will not be reclassified subsequently to profit or loss (Note 27)	(671)	-	(29,722)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>(315,536)</u>	<u>(2)</u>	<u>304,605</u>	<u>2</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(287,634)</u>	<u>(2)</u>	<u>224,453</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 1,483,720</u>	<u>10</u>	<u>\$ 1,460,661</u>	<u>11</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,760,980	12	\$ 1,223,336	9
Non-controlling interests	<u>10,374</u>	<u>-</u>	<u>12,872</u>	<u>-</u>
	<u>\$ 1,771,354</u>	<u>12</u>	<u>\$ 1,236,208</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,473,515	10	\$ 1,446,785	11
Non-controlling interests	<u>10,205</u>	<u>-</u>	<u>13,876</u>	<u>-</u>
	<u>\$ 1,483,720</u>	<u>10</u>	<u>\$ 1,460,661</u>	<u>11</u>
EARNINGS PER SHARE (Note 28)				
From continuing operations				
Basic	<u>\$ 2.39</u>		<u>\$ 1.66</u>	
Diluted	<u>\$ 2.39</u>		<u>\$ 1.66</u>	

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

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company					Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital		Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Investments in Equity Instruments at Fair Value through Other Comprehensive Income			
	Ordinary Shares	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)
Difference between consideration and carrying amount of subsidiaries acquired	-	(106)	-	-	-	-	-	(106)	106	-
Net profit for the year ended December 31, 2022	-	-	-	-	1,223,336	-	-	1,223,336	12,872	1,236,208
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	117,881	304,609	(199,041)	223,449	1,004	224,453
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	1,341,217	304,609	(199,041)	1,446,785	13,876	1,460,661
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	(17,728)	(17,728)
BALANCE AT DECEMBER 31, 2022	7,368,465	63,790	2,762,813	1,061,567	1,518,347	(997,561)	41,562	11,818,983	126,497	11,945,480
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 year ended December 31, 2023	-	-	-	-	1,760,980	-	-	1,760,980	10,374	1,771,354
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	2,829	(315,511)	25,217	(287,465)	(169)	(287,634)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	1,763,809	(315,511)	25,217	1,473,515	10,205	1,483,720
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(12,745)	(12,745)
BALANCE AT DECEMBER 31, 2023	\$ 7,368,465	\$ 63,790	\$ 2,896,935	\$ 955,999	\$ 2,369,309	\$ (1,313,072)	\$ 66,779	\$ 12,408,205	\$ 124,034	\$ 12,532,239

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

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,369,824	\$ 1,662,025
Adjustments for:		
Depreciation expenses	674,366	685,442
Amortization expenses	26,481	32,647
Expected credit loss recognized on trade receivables	2,673	1,926
Net loss (gain) on financial assets at fair value through profit or loss	386	(156)
Finance costs	207,881	183,444
Interest income	(246,083)	(124,330)
Dividend income	(9,967)	(13,079)
Share of profit of associates	(17,359)	(16,896)
Net loss on disposal of property, plant and equipment	3,182	2,860
Net (gain) loss on disposal of investment properties	(15,185)	199
Impairment loss recognized on non-financial assets	52,461	82,874
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(2,500)	45,244
Notes receivable	(23,668)	28,040
Trade receivables	(356,074)	362,216
Other receivables	50,710	(4,618)
Inventories	1,766,359	(411,408)
Other current assets	(13,270)	(112,008)
Contract liabilities	(827,294)	(208,696)
Notes payable	(422)	552
Trade payables	(194,454)	(204,368)
Other payables	817,789	(785,340)
Provisions	(82)	(1,182)
Other current liabilities	85,606	(37,833)
Other operating liabilities	(486,248)	(183,396)
Cash generated from operations	3,865,112	984,159
Interest received	234,820	125,469
Interest paid	(233,845)	(179,054)
Income tax paid	(477,024)	(1,388,323)
Net cash generated from (used in) operating activities	<u>3,389,063</u>	<u>(457,749)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(3,835)	(56,714)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	10,000	-
Payments for property, plant and equipment	(210,640)	(134,166)
Proceeds from disposal of property, plant and equipment	446	987
Increase in refundable deposits	-	(33,893)
Decrease in refundable deposits	2,999	-

(Continued)

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars)

	2023	2022
Payments for intangible assets	\$ (30,186)	\$ (16,805)
Payments for right-of-use assets	(261,684)	-
Payments for investment properties	(47,220)	(56,880)
Proceeds from disposal of investment properties	81,988	745
Increase in other financial assets	(1,347,515)	(2,450,783)
Decrease in other non-current assets	3,983	190
Dividends received	<u>16,927</u>	<u>13,576</u>
Net cash used in investing activities	<u>(1,784,737)</u>	<u>(2,733,743)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	386,088	1,098,077
Repayment of bonds payable	(3,700,000)	-
Increase in long-term borrowings	30,805,605	16,744,893
Repayment of long-term borrowings	(30,338,387)	(13,434,520)
Decrease in refund of guarantee deposits	(5,962)	(5,038)
Increase in other payables to related parties	-	8,878
Decrease in other payables to related parties	(23,867)	-
Repayment of the principal portion of lease liabilities	(516,260)	(509,862)
Dividends paid to owners of the Company	(884,216)	(2,063,170)
Repayment of the cash dividends of non-controlling interests	<u>(12,745)</u>	<u>(17,728)</u>
Net cash (used in) generated from financing activities	<u>(4,289,744)</u>	<u>1,821,530</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(147,434)</u>	<u>133,629</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(2,832,852)	(1,236,333)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>8,310,286</u>	<u>9,546,619</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 5,477,434</u>	<u>\$ 8,310,286</u>

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

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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 November of the same year, the stocks were officially listed for public trading. 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 February 26, 2024.

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

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

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

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

<u>New, Amended and Revised Standards and Interpretations IFRSs</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 16 “Leases Liability in a Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to 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.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

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

<u>New, Amended and Revised Standards and Interpretations IFRSs</u>	<u>Effective Date Announced by IASB (Note 1)</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 IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The Group shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the Group 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 of the application of other standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

- a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

- 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, 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. Classification of current and non-current assets and liabilities

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

The Group engages in the construction business, which has an operating cycle of over one year; the normal operating cycle of over one year is observed when considering the classification of the Group's construction-related assets and liabilities.

- d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 12, Tables 8 and 9 following the notes to consolidated financial statements for the detailed information of subsidiaries (including the percentage of ownership and main business).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquire over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

f. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the individual entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items denominated in foreign currencies and measured at historical cost are stated at the reporting currencies as originally translated from the foreign currencies.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and the entities in the Group (including subsidiaries and associates) are translated into the presentation currency - the New Taiwan dollars as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the year. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

g. Inventories

Inventories consist of properties under development, undeveloped properties, prepayment for land purchases and merchandise. Once the ownership of land is transferred, it will be recorded under land held for construction site. Payments for land purchases prior the transition of ownership is recorded under prepayment for land purchases. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale.

Before acquiring land use right and before completing the construction, the interest incurred on land payment and the actual construction cost are capitalized as cost of land use rights and as development costs, respectively.

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates attributable to the Group.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of the associate and joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Group's share of equity of associates and joint ventures. If the Group's ownership interest is reduced due to the additional subscription of the new shares of associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

i. Property, plant and equipment

Property, plant and equipment are stated at cost less recognized accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If the lease term of the item of property, plant and equipment is shorter than its useful life, it is depreciated over its lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Freehold investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

For a transfer from inventories to investment properties, the deemed cost of an item of inventory for subsequent accounting is its carrying amount at the inception of an operating lease.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the allocated goodwill, with its recoverable amount. If the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized on goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal.

l. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

m. Assets related to contract costs

When a sales contract is obtained, commission paid to employees who obtained from the sale of property and selling service fees paid to agents under exclusive sale agreements are recognized as assets (incremental cost of obtaining a contract) to the extent that the costs are expected to be recovered and are recognized in profit or loss when the property is transferred to the customers. However, the Group elects not to capitalize the incremental costs of obtaining a contract if the amortization period of the related asset, which the Group otherwise would have recognized, is expected to be one year or less.

n. Impairment of property, plant and equipment, right-of-use asset, investment property, intangible assets other than goodwill and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment property and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit, or assets is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

o. Financial instruments

Financial assets and financial liabilities are recognized when an entity in the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost, and investments in equity instruments at FVTOCI.

i. Financial assets at FVPTL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL.

A financial asset may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.

Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI that do not meet the amortized cost criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends, interest earned and remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 31.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables at amortized cost, other receivables, other financial assets - current and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit loss (ECL) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

p. Provisions

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

q. Revenue recognition

The Group identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

Revenue from rendering of services

Revenue from rendering of services comes from real-estate brokerage and agency sale business and will be recognized when performance obligations are completed.

Revenue from sale of real estate

Revenue from sales of real estate in mainland China is recognized on the day of real estate transfer when buyers and sellers sign and register the sales contract to the local real estate institution and acceptance has been issued by relevant departments and the filing procedures are completed. The Group issues a notice of real estate transfer according to the provisions of the contract. Revenue from the sale of properties in Taiwan is recognized when construction is completed, certificates of ownership of the properties are transferred to buyers. Until such revenue is recognized, installment payments from sales of properties are recognized as contract liabilities in the consolidated balance sheets.

r. Leasing

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Under finance leases, lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments and in-substance fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in the amounts expected to be payable under a residual value guarantee, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

s. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

t. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement (comprising actuarial gains and losses, effect of changes to the asset ceiling and return on plan assets excluding interest) is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plan except that remeasurement is recognized in profit or loss.

u. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred tax for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of the inflation and interest rate fluctuations on the cash flow projection, growth rate, discount rate, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

a. Impairment of property, plant and equipment, investment property and right-of-use asset

Impairment of property, plant and equipment, investment property and right-of-use asset is evaluated based on the recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Any changes in the market prices, future cash flows or discount rate will affect the recoverable amount of the equipment and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

b. Write-down of inventory

Inventories are stated at the lower of cost or net realizable value. Net realizable value of inventory is the estimated selling price made by the Group taking into consideration the market value less the estimated costs of completion and the estimated costs necessary to make the sale. In the valuation process, if market condition changes, the Group will change the estimated net realizable value of inventory accordingly, which may result in an increase or decrease in the value of inventories.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Cash on hand	\$ 26,030	\$ 20,214
Checking accounts and demand deposits	3,426,163	8,158,940
Cash equivalents		
Time deposits with original maturities of three months or less	<u>2,025,241</u>	<u>131,132</u>
	<u>\$ 5,477,434</u>	<u>\$ 8,310,286</u>

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

	<u>December 31</u>	
	2023	2022
Cash in bank	0%-5.62%	0%-4.55%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - NON-CURRENT

	<u>December 31</u>	
	2023	2022
<u>Financial assets mandatorily classified as at FVTPL - non-current</u>		
Non-derivative financial assets		
Domestic limited partnership	\$ <u>4,614</u>	\$ <u>2,500</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investment in Equity Instruments at FVTOCI

	<u>December 31</u>	
	2023	2022
Domestic investments		
Listed shares	\$ 127,300	\$ 109,723
Unlisted shares	<u>101,216</u>	<u>105,404</u>
	<u>228,516</u>	<u>215,127</u>
Foreign investments		
Listed shares	323,840	276,490
Unlisted shares	<u>29,707</u>	<u>74,670</u>
	<u>353,547</u>	<u>351,160</u>
	<u>\$ 582,063</u>	<u>\$ 566,287</u>
Current	\$ 451,140	\$ 386,213
Non-current	<u>130,923</u>	<u>180,074</u>
	<u>\$ 582,063</u>	<u>\$ 566,287</u>

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

9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
<u>Notes receivable</u>		
At amortized cost		
Operating - gross carrying amount	\$ <u>100,335</u>	\$ <u>76,667</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount	\$ 1,260,549	\$ 909,433
Less: Allowance for impairment loss	<u>(10,245)</u>	<u>(12,530)</u>
	<u>\$ 1,250,304</u>	<u>\$ 896,903</u>
<u>Other receivables</u>		
Interest receivables	\$ 12,192	\$ 929
Others	48,289	98,999
Less: Allowance for impairment loss	<u>(2,848)</u>	<u>(2,848)</u>
	<u>\$ 57,633</u>	<u>\$ 97,080</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. 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 by the Group. 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.

December 31, 2023

	Up to 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate (Note 1)	0%-0.3%	0%-0.3%	0%-0.3%	0%-6%	24%-100%	
Gross carrying amount	\$ 1,137,910	\$ 91,012	\$ 85,302	\$ 29,524	\$ 26,229	\$ 1,369,977
Refund liabilities (Note 2)	(37,519)	(5,030)	(4,117)	(2,022)	(9,138)	(57,826)
Loss allowance (Lifetime ECL)	<u>(147)</u>	<u>(7)</u>	<u>(102)</u>	<u>(382)</u>	<u>(9,607)</u>	<u>(10,245)</u>
Amortized cost	<u>\$ 1,100,244</u>	<u>\$ 85,975</u>	<u>\$ 81,083</u>	<u>\$ 27,120</u>	<u>\$ 7,484</u>	<u>\$ 1,301,906</u>

December 31, 2022

	Up to 60 Days	61 to 90 Days	91 to 180 Days	181 to 360 Days	Over 361 Days	Total
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 liabilities (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>

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

Note 2: Refund liabilities is recorded under other current liabilities and other non-current liabilities.

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

	<u>2023</u>	
	<u>Trade Receivables</u>	<u>Other Receivables</u>
Balance at January 1, 2023	\$ 12,530	\$ 2,848
Add: Net measurement of loss allowance	2,673	30,510
Less: Amounts written off	(4,792)	(30,510)
Foreign exchange gains and losses	<u>(166)</u>	<u>-</u>
Balance at December 31, 2023	<u>\$ 10,245</u>	<u>\$ 2,848</u>

	<u>2022</u>	
	Trade Receivables	Other Receivables
Balance at January 1, 2022	\$ 10,500	\$ 5,999
Add: Net measurement of loss allowance	1,926	-
Less: Amounts written off	-	(3,151)
Foreign exchange gains and losses	<u>104</u>	<u>-</u>
Balance at December 31, 2022	<u>\$ 12,530</u>	<u>\$ 2,848</u>

b. Other receivables

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

10. INVENTORIES

	Expected Completion Year	<u>December 31</u>	
		2023	2022
Properties under development			
Banqiao Dist., New Taipei City, Jia-Pin	Before 2026	\$ 2,218,215	\$ 1,889,819
Xinzhuang Dist., New Taipei City, Jia-Xue	Before 2028	1,093,122	1,078,966
Properties to be developed			
Nanzi District, Kaohsiung City		1,279,557	-
Banqiao Dist., New Taipei City (for transferable development rights)		490	490
Land prepayment			
Nanzi Dist., Kaohsiung City		-	1,276,880
Inventory - merchandise			
Binhu Dist., Wuxi, Shan-shui-jia-ting		2,894,148	4,096,168
Banqiao Dist., New Taipei City, Jia-he		-	1,470,522
Jiading Dist., Shanghai, Sinyi-jia-ting		<u>96,584</u>	<u>115,892</u>
		<u>\$ 7,582,116</u>	<u>\$ 9,928,737</u>

The cost of goods sold transferred from inventories was \$1,997,406 thousand and \$2,159,325 thousand for the years ended December 31, 2023 and 2022, respectively. The cost of goods sold included inventory write-downs, which amounted to \$39,366 thousand and \$72,414 thousand for the years ended December 31, 2023 and 2022, respectively.

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

Land Numbers/ Project Name	Trustee	Trust Period
Jia-Pin	Taishin International Bank Co., Ltd.	2017/9/30- The completion date of the trust's objectives
Jia-Xue	E.SUN Commercial Bank, Ltd.	2022/7/12 - The completion date of the trust's objectives
Land No. 361, Lantianjhong section, Kaohsiung	E.SUN Commercial Bank, Ltd.	2023/7/17 - The completion date of the trust's objectives

In accordance with the trust contract, Taiwan Sinyi Development 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

	December 31	
	2023	2022
Time deposits with original maturities of more than three months	\$ 1,287,332	\$ 881,315
Restricted assets	<u>2,981,019</u>	<u>2,039,521</u>
	<u>\$ 4,268,351</u>	<u>\$ 2,920,836</u>
Current	\$ 4,268,351	\$ 2,060,956
Non-current	<u>-</u>	<u>859,880</u>
	<u>\$ 4,268,351</u>	<u>\$ 2,920,836</u>

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

	December 31	
	2023	2022
Time deposits with original maturities of more than three months	0.02%-5.50%	0.002%-4.91%

- b. Restricted assets are mainly composed of the deposits as collaterals provided by the subsidiary Sinyi International Limited for the Company to borrow from banks, and the collaterals for issuing commercial papers by Sinyi Development, operating guarantee for real-estate brokerage by the Company, and the restricted bank deposits in trust account collected from sales of real estate in advance by Sinyi Development. Refer to Notes 10 and 33.

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

	December 31	
	2023	2022
Restricted cash in bank	0.51%-5.74%	0.25%-5.00%

12. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

Those subsidiaries included in the consolidated financial statements as of December 31, 2023 and 2022 were as follows:

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Remark	
			December 31	2022		
Sinyi Realty Inc.	Sinyi International Limited (Sinyi International)	Investment holding	100	100		
	Sinyi Development Inc. (Taiwan Sinyi Development)	Development, construction, rental and sale of residential building and factories	100	100		
	Sinyi Limited	Investment holding	100	100		
	Sinyi Global Asset Management Co., Ltd. (Sinyi Global)	Real estate brokerage	100	100		
	Heng-Yi Intelligent Technology Inc. (Heng-Yi)	Information software, data processing and electronic information providing services	80	80		
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100		
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99		
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51		
	Yowoo Technology Inc. (Yowoo Technology)	Information software, data processing and electronic information providing services	100	100		
	Sin Chiun Holding Sdn. Bhd. (Sin Chiun)	Investment holding	100	100		
	Sinju Holding Sdn. Bhd. (Sinju)	Investment holding	100	100		
	Sinyi Morefun Tourism Development Ltd. (Sinyi Morefun)	Investment holding	100	100		
	Jin Mei Travel Service Co., Ltd. (Jin Mei)	Tourism	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	
	Chengjing Enterprise Co., Ltd. (Chengjing)	Investment holding	100	-	Note 6	
	Sinyi Limited	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	99	99	
	Inane	Inane International Limited (Inane)	Investment holding	100	100	
		Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi)	Real estate brokerage	100	100	
Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)		Real estate brokerage	95	100	Note 5	
Shanghai Zhi Xin Allograph Ltd. (Shanghai Zhi Xin)		Real estate brokerage and management consulting	100	100		
Max Success International Limited (Max Success)		Investment holding	-	100	Note 10	

(Continued)

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Remark
			2023	2022	
Shanghai Sinyi	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	-	100	Note 10
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	100	100	
	Jiaxing Zhi Zheng Real Estate Marketing Planning Inc. (Jiaxing Zhi Zheng)	Real estate marketing planning and management consulting	-	100	Note 7
	Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Chuzhou Zhi Zheng)	Real estate marketing planning and management consulting	-	-	Notes 1 and 10
	Yishan Shanghai Real Estate Management Consulting Inc. (Shanghai Yishan)	Real estate brokerage and management consulting	-	10	Notes 2, 4, and 10
Shanghai Zhi Xin	Beijing Sinyi	Real estate brokerage	5	-	Note 5
	Suzhou Zhi Xin Real Estate Co., Ltd. (Suzhou Zhi Xin)	Market information consultation and management consulting	100	100	
Ke Wei HK	Shanghai Yishan	Real estate brokerage and management consulting	-	90	Notes 2, 4, and 10
Sinyi International	Forever Success International Ltd. (Forever Success)	Investment holding	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage and management	100	100	
	Sinyi Development Ltd. (Sinyi Development)	Investment holding	100	100	
Forever Success	Sinyi Estate Ltd. (Sinyi Estate)	Investment holding	100	100	
	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	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	
	Shanghai Chang Yuan Co., Ltd. (Shanghai Chang Yuan)	Property management	100	100	
Hua Yun	Lunheng Business Management (Shanghai) Ltd. (Lunheng)	Management consulting	100	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	
Japan Sinyi	Sinyi Asset Management Co., Ltd. (Japan Management)	Real estate brokerage	100	100	
	Tokyo Sinyi Real Estate Co., Ltd. (Tokyo Sinyi)	Real estate brokerage	100	100	
Sinyi Development	Sinyi Real Estate (Hong Kong) Limited (Hong Kong Real Estate)	Investment holding	100	100	
	Kunshan Dingxian Trading Co., Ltd. (Kunshan Digxian Trading)	Construction materials furniture, sanitary ware and ceramic products wholesale	100	100	
Sinyi Estate	Sinyi Estate (Hong Kong) Limited (Hong Kong Sinyi Estate)	Investment holding	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	
Hong Kong Sinyi Estate	Jiu Xin Estate (Wuxi) Limited (Jiu Xin Estate)	Development of commercial and residential building	100	100	
Shanghai Sinyi Estate	Xin Yeh Business Administration (Shanghai) Ltd. (Xin Yeh)	Development of commercial and residential building	-	100	Note 10
	Lunheng	Management consulting	-	96	Note 9
Xin Yeh	Sinyi Real Estate (Wuxi) Limited (Sinyi Wuxi)	Development of commercial and residential building; property management, real estate brokerage, decoration construction and equipment leasing	-	100	Note 8

(Continued)

Investor	Investee	Main Businesses	Percentage of Ownership (%)		Remark
			2023	2022	
Yowoo Technology	Heng-Yi	Information software, data processing and electronic information providing services	20	20	
	Lin Yue Traffic Inc. (Lin Yue Traffic)	Manpower dispatch and merchandise delivery	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	
	Sinyi Real Estate Co., Ltd. (Sinyi Real Estate)	Development, construction, rental and sale of residential building and factories	100	100	
Sin Chiun	Fidelity Property Consultant Sdn. Bhd. (Fidelity)	Investment holding	49	49	
Pegasus	Pegasus Holding Sdn. Bhd. (Pegasus)	Investment holding	100	100	
	Fidelity	Real estate brokerage, management and identification	51	51	
Sinju	Sinkang	Tourism	-	-	Note 3
Sinyi Morefun	Sinhong International Sdn. Bhd.	Investment holding	100	100	Note 1
	Sinyi Infinite Limited (Infinite)	Investment holding	-	100	Note 10
	Sinyi Elite Limited (Elite)	Investment holding	100	100	Note 1
	Sinyi Unique Limited (Unique)	Investment holding	-	100	Note 10
Infinite Elite	Zhansin	Tourism	-	-	Note 3
	Zhanyi Tourism Development Sdn. Bhd. (Zhanyi)	Tourism	100	-	
Unique	Zhancheng	Tourism	-	-	Note 3

(Concluded)

Remark:

- Note 1: The Group established the subsidiaries in 2020; as of December 31, 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 Company 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.

b. Subsidiaries excluded from the consolidated financial statements: None.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Investments in associates	<u>\$ 77,688</u>	<u>\$ 65,434</u>

Investments in Associates

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Unlisted companies		
Sinyi Interior Design Co., Ltd.	\$ 17,636	\$ 16,213
Rakuya International Info. Co., Ltd.	<u>60,052</u>	<u>49,221</u>
	<u>\$ 77,688</u>	<u>\$ 65,434</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:

<u>Name of Associate</u>	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Sinyi Interior Design Co., Ltd.	19%	19%
Rakuya International Info. Co., Ltd.	23%	23%

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

	<u>For the Year Ended December 31</u>	
	<u>2023</u>	<u>2022</u>
The Group's shares		
Net income for continuing operations	\$ 17,359	\$ 16,896
Other comprehensive income (loss)	<u>1,854</u>	<u>(2,587)</u>
Total comprehensive income for the year	<u>\$ 19,213</u>	<u>\$ 14,309</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 investments for the years ended December 31, 2023 and 2022 were based on unaudited financial statements. The Group's management believes the unaudited financial statements of the investees above do not have material impact.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	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	-	-	1,902	22,187	53,955	7,098	125,498	210,640
Disposals	-	-	(2,002)	(28,404)	(45,176)	(1,089)	-	(76,671)
Transferred from Inventories	-	99,576	-	-	-	-	-	99,576
Reclassifications	-	-	-	-	10,829	32,541	(43,370)	-
Effect of foreign currency exchange differences	-	(3,725)	(208)	(1,320)	(2,019)	(124)	(2,552)	(9,948)
Balance at December 31, 2023	<u>\$ 3,090,961</u>	<u>\$ 733,292</u>	<u>\$ 10,492</u>	<u>\$ 451,397</u>	<u>\$ 692,979</u>	<u>\$ 151,948</u>	<u>\$ 116,300</u>	<u>\$ 5,247,369</u>
Accumulated depreciation								
Balance at January 1, 2023	\$ -	\$ 225,274	\$ 7,002	\$ 359,895	\$ 535,340	\$ 96,140	\$ -	\$ 1,223,651
Depreciation expense	-	17,230	631	35,379	52,280	8,748	-	114,268
Disposals	-	-	(1,940)	(27,649)	(42,368)	(1,086)	-	(73,043)
Effect of foreign currency exchange differences	-	127	1,072	(2,231)	(1,562)	(29)	-	(2,623)
Balance at December 31, 2023	<u>\$ -</u>	<u>\$ 242,631</u>	<u>\$ 6,765</u>	<u>\$ 365,394</u>	<u>\$ 543,690</u>	<u>\$ 103,773</u>	<u>\$ -</u>	<u>\$ 1,262,253</u>
Net carrying amount at December 31, 2023	<u>\$ 3,090,961</u>	<u>\$ 490,661</u>	<u>\$ 3,727</u>	<u>\$ 86,003</u>	<u>\$ 149,289</u>	<u>\$ 48,175</u>	<u>\$ 116,300</u>	<u>\$ 3,985,116</u>
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	37,721	49,469	3,491	43,080	134,166
Disposals	-	-	(1,309)	(23,972)	(45,543)	-	-	(70,824)
Transferred from investment property	257,215	38,236	-	-	-	-	-	295,451
Transferred to investment property	-	-	-	-	-	-	(7,124)	(7,124)
Reclassifications	-	-	-	-	3,872	160	(4,032)	-
Effect of foreign currency exchange differences	-	2,306	230	449	901	66	220	4,172
Balance at December 31, 2022	<u>\$ 3,090,961</u>	<u>\$ 637,441</u>	<u>\$ 10,800</u>	<u>\$ 458,934</u>	<u>\$ 675,390</u>	<u>\$ 113,522</u>	<u>\$ 36,724</u>	<u>\$ 5,023,772</u>
Accumulated depreciation								
Balance at January 1, 2022	\$ -	\$ 192,669	\$ 7,286	\$ 347,123	\$ 526,024	\$ 90,148	\$ -	\$ 1,163,250
Depreciation expense	-	17,700	854	34,833	51,596	5,974	-	110,957
Disposals	-	-	(1,244)	(22,452)	(43,281)	-	-	(66,977)
Transferred from investment property	-	14,585	-	-	-	-	-	14,585
Effect of foreign currency exchange differences	-	320	106	391	1,001	18	-	1,836
Balance at December 31, 2022	<u>\$ -</u>	<u>\$ 225,274</u>	<u>\$ 7,002</u>	<u>\$ 359,895</u>	<u>\$ 535,340</u>	<u>\$ 96,140</u>	<u>\$ -</u>	<u>\$ 1,223,651</u>
Net carrying amount at December 31, 2022	<u>\$ 3,090,961</u>	<u>\$ 412,167</u>	<u>\$ 3,798</u>	<u>\$ 99,039</u>	<u>\$ 140,050</u>	<u>\$ 17,382</u>	<u>\$ 36,724</u>	<u>\$ 3,800,121</u>

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 years ended December 31, 2023 and 2022.
- Refer to Note 33 for the details of property, plant and equipment pledged as collaterals.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
<u>Carrying amounts</u>		
Land	\$ 1,712,219	\$ 1,510,997
Buildings	3,018,075	3,220,529
Other equipment	<u>15,285</u>	<u>10,962</u>
	<u>\$ 4,745,579</u>	<u>\$ 4,742,488</u>
	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	<u>\$ 623,949</u>	<u>\$ 405,945</u>
Depreciation charge for right-of-use assets		
Land	\$ 20,960	\$ 19,837
Buildings	521,026	536,559
Other equipment	<u>4,545</u>	<u>4,865</u>
	<u>\$ 546,531</u>	<u>\$ 561,261</u>

b. Lease liabilities

	December 31	
	2023	2022
<u>Carrying amounts</u>		
Current	<u>\$ 491,133</u>	<u>\$ 526,700</u>
Non-current	<u>\$ 2,663,956</u>	<u>\$ 2,800,989</u>

Range of discount rate for lease liabilities was as follows:

	December 31	
	2023	2022
Buildings	0.93%-5.70%	0.93%-5.70%
Other equipment	0.93%-2.05%	0.93%-1.62%

c. Material leasing activities and terms

Sin Chiun signed an agreement to acquire right-of-use land at Pulau Mengalum, Sabah, 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.

In 2022, Zhancheng acquired land use rights in the Papar district, West Coast division, Sabah state, Malaysia. Legal procedures for some of the land transfers were completed in December 2023. The rights to use the land extend until December 31, 2116, and May 24, 2936, respectively.

The Group leases buildings for the use of office spaces, stores and staff dormitories with lease terms of 1 to 42 years, and parts of land leasing for optimizing the external access of the hotel in the future with lease terms of 10 years. The Group does not have bargain purchase options to acquire the land and 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 freehold investment properties are set out in Note 16.

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term and low-value asset leases	<u>\$ 32,097</u>	<u>\$ 31,764</u>
Total cash outflow for leases	<u>\$ 605,910</u>	<u>\$ 596,564</u>

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

16. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2023	\$ 1,664,858	\$ 428,412	\$ 2,093,270
Additions	38,297	8,923	47,220
Disposals	(73,000)	(10,995)	(83,995)
Transferred from inventory	-	383,224	383,224
Effects of foreign currency exchange differences	-	(8,530)	(8,530)
Balance at December 31, 2023	<u>\$ 1,630,155</u>	<u>\$ 801,034</u>	<u>\$ 2,431,189</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 18,323	\$ 140,413	\$ 158,736
Depreciation expense	-	13,567	13,567
Disposals	(14,600)	(2,592)	(17,192)
Impairment loss	8,541	4,554	13,095
Effects of foreign currency exchange differences	-	(554)	(554)
Balance at December 31, 2023	<u>\$ 12,264</u>	<u>\$ 155,388</u>	<u>\$ 167,652</u>
Net carrying amount at December 31, 2023	<u>\$ 1,617,891</u>	<u>\$ 645,646</u>	<u>\$ 2,263,537</u>

(Continued)

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2022	\$ 1,868,451	\$ 455,452	\$ 2,323,903
Additions	54,659	2,221	56,880
Disposals	(1,037)	(163)	(1,200)
Transferred to property, plant and equipment	(257,215)	(38,236)	(295,451)
Transferred from property, plant and equipment	-	7,124	7,124
Effects of foreign currency exchange differences	<u>-</u>	<u>2,014</u>	<u>2,014</u>
Balance at December 31, 2022	<u>\$ 1,664,858</u>	<u>\$ 428,412</u>	<u>\$ 2,093,270</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 8,480	\$ 141,189	\$ 149,669
Depreciation expense	-	13,224	13,224
Disposals	(207)	(49)	(256)
Transferred to property, plant and equipment	-	(14,585)	(14,585)
Impairment loss	10,050	410	10,460
Effects of foreign currency exchange differences	<u>-</u>	<u>224</u>	<u>224</u>
Balance at December 31, 2022	<u>\$ 18,323</u>	<u>\$ 140,413</u>	<u>\$ 158,736</u>
Net carrying amount at December 31, 2022	<u>\$ 1,646,535</u>	<u>\$ 287,999</u>	<u>\$ 1,934,534</u> (Concluded)

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

The maturity analysis of lease payment receivables under operating leases of investment properties as follows:

	<u>December 31</u>	
	2023	2022
Year 1	\$ 94,385	\$ 87,871
Year 2	57,304	82,740
Year 3	10,631	40,271
Year 4	9,962	279
Year 5	9,526	5
Onwards	<u>190</u>	<u>-</u>
	<u>\$ 181,998</u>	<u>\$ 211,166</u>

The investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings - main buildings 30-60 years

The total fair value of the Group's investment properties as of December 31, 2023 and 2022 were \$5,087,067 thousand and \$4,714,886 thousand, respectively. The total fair value of the Group's property, plant and equipment as of December 31, 2023 and 2022 were \$6,971,781 thousand and \$6,918,007 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 was value was measured by using Level 3 inputs. The valuation model was based on the sales comparison approach and direct capitalization method, where fair value indicators of the different valuation techniques are weighed and adjustments are made by reference to the available market information on the measurement date. The Group assessed that the future recoverable amount of some investment properties was less than its carrying amount, thus an impairment loss of \$13,095 thousand and \$10,460 thousand, classified as other gains and losses in 2023 and 2022, respectively.

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 is disclosed in Note 33.

17. INTANGIBLE ASSETS

	December 31	
	2023	2022
Franchises	\$ -	\$ -
Goodwill	-	-
System software costs	47,734	44,056
Patent rights	<u>-</u>	<u>-</u>
	<u>\$ 47,734</u>	<u>\$ 44,056</u>

	Franchises	Goodwill	System Software Costs	Patent Rights	Total
<u>Cost</u>					
Balance at January 1, 2023	\$ 93,836	\$ 17,943	\$ 351,388	\$ 5,000	\$ 468,167
Additions	-	-	30,186	-	30,186
Disposals and write-off	-	-	(3,539)	-	(3,539)
Effect of foreign currency exchange differences	<u>(15)</u>	<u>-</u>	<u>(598)</u>	<u>-</u>	<u>(613)</u>
Balance at December 31, 2023	<u>\$ 93,821</u>	<u>\$ 17,943</u>	<u>\$ 377,437</u>	<u>\$ 5,000</u>	<u>\$ 494,201</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2023	\$ 93,836	\$ 17,943	\$ 307,332	\$ 5,000	\$ 424,111
Amortization expense	-	-	26,481	-	26,481
Disposals and write-off	-	-	(3,539)	-	(3,539)
Effect of foreign currency exchange differences	<u>(15)</u>	<u>-</u>	<u>(571)</u>	<u>-</u>	<u>(586)</u>
Balance at December 31, 2023	<u>\$ 93,821</u>	<u>\$ 17,943</u>	<u>\$ 329,703</u>	<u>\$ 5,000</u>	<u>\$ 446,467</u>
Net carrying amount at December 31, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,734</u>	<u>\$ -</u>	<u>\$ 47,734</u>

(Continued)

	Franchises	Goodwill	System Software Costs	Patent Rights	Total
<u>Cost</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 341,099	\$ 5,000	\$ 459,133
Additions	-	-	16,805	-	16,805
Disposals and write-off	-	(10,513)	(6,679)	-	(17,192)
Effect of foreign currency exchange differences	<u>9,258</u>	<u>-</u>	<u>163</u>	<u>-</u>	<u>9,421</u>
Balance at December 31, 2022	<u>\$ 93,836</u>	<u>\$ 17,943</u>	<u>\$ 351,388</u>	<u>\$ 5,000</u>	<u>\$ 468,167</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2022	\$ 84,578	\$ 28,456	\$ 282,205	\$ 3,958	\$ 399,197
Amortization expense	-	-	31,605	1,042	32,647
Disposals and write-off	-	(10,513)	(6,679)	-	(17,192)
Effect of foreign currency exchange differences	<u>9,258</u>	<u>-</u>	<u>201</u>	<u>-</u>	<u>9,459</u>
Balance at December 31, 2022	<u>\$ 93,836</u>	<u>\$ 17,943</u>	<u>\$ 307,332</u>	<u>\$ 5,000</u>	<u>\$ 424,111</u>
Net carrying amount at December 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,056</u>	<u>\$ -</u>	<u>\$ 44,056</u>

(Concluded)

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

	December 31	
	2023	2022
Tax prepayment	\$ 256,057	\$ 251,221
Prepaid expenses	46,531	32,794
Overpaid VAT	44,946	48,330
Temporary payments	9,205	11,124
Overdue receivables	9,093	6,104
Prepayments for right-of-use assets - land	<u>-</u>	<u>6,972</u>
	<u>\$ 365,832</u>	<u>\$ 356,545</u>
Current	\$ 356,739	\$ 343,469
Non-current	<u>9,093</u>	<u>13,076</u>
	<u>\$ 365,832</u>	<u>\$ 356,545</u>

Tax prepayment is land value increment tax paid to each subsidiary's local tax bureau for presold real estate and prepaid sales tax.

19. BORROWINGS

a. Short-term borrowings

	<u>December 31</u>	
	2023	2022
<u>Secured borrowings</u>		
Bank loans	\$ 200,000	\$ 998,077
<u>Unsecured borrowings</u>		
Line of credit borrowings	100,000	100,000
Short-term commercial papers payable	1,200,000	-
Less: Discount on short-term commercial paper payable	<u>(1,379)</u>	<u>-</u>
	<u>\$ 1,498,621</u>	<u>\$ 1,098,077</u>

The short-term borrowing interest rates of the merge companies are as follows:

	<u>December 31</u>	
	2023	2022
<u>Secured borrowings</u>		
Annual interest rates	1.59%	2.95%-2.98%
<u>Unsecured borrowings</u>		
Annual interest rates	1.935%	1.965%
<u>Short-term commercial papers payable</u>		
Annual interest rates	1.678%	-

Outstanding short-term bills payable were as follows:

<u>Promissory Institution</u>	<u>Nominal Amount</u>	<u>Discount Amount</u>	<u>Carrying Amount</u>	<u>Interest Rates</u>	<u>Collateral</u>	<u>Carrying Amount of Collateral</u>
<u>Commercial promissory notes</u>						
Mega Bills Finance Co., Ltd.	\$ 300,000	\$ 345	\$ 299,655	1.678%	-	\$ -
International Bills Finance	150,000	172	149,828	1.678%	-	-
China Bills Finance Co.	<u>750,000</u>	<u>862</u>	<u>749,138</u>	1.678%	-	<u>-</u>
	<u>\$ 1,200,000</u>	<u>\$ 1,379</u>	<u>\$ 1,198,621</u>			<u>\$ -</u>

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

b. Long-term borrowings

	<u>December 31</u>	
	2023	2022
<u>Secured borrowings</u>		
Bank loans	\$ 4,170,800	\$ 4,145,903
<u>Unsecured borrowings</u>		
Line of credit borrowings	1,721,471	1,507,183
Long-term commercial papers payable	540,000	300,000
Less: Discount on long-term commercial paper payable	<u>(810)</u>	<u>(69)</u>
	6,431,461	5,953,017
Less: Current portion	<u>(149,911)</u>	<u>-</u>
	<u>\$ 6,281,550</u>	<u>\$ 5,953,017</u>

The long-term borrowing interest rates and maturity dates of the merged company are as follows:

	<u>December 31</u>	
	2023	2022
<u>Secured borrowings</u>		
Annual interest rates	1.52%-2.63%	1.48%-3.00%
Maturity date	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%
Maturity date	Mature sequentially before May 2028	Mature sequentially before September 2025
<u>Long-term commercial papers payable</u>		
Annual interest rates	0.938%-1.908%	0.928%-0.938%
Maturity date	Mature sequentially before November 2025	Mature sequentially before February 2025

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

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

20. BONDS PAYABLE

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

The major terms of domestic unsecured bonds were 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

	<u>December 31</u>	
	2023	2022
Construction payables	<u>\$ 413,018</u>	<u>\$ 607,472</u>

22. OTHER LIABILITIES

	<u>December 31</u>	
	2023	2022
<u>Current</u>		
Other payables	\$ 3,771,112	\$ 3,003,058
Other liabilities	<u>425,249</u>	<u>339,643</u>
	<u>\$ 4,196,361</u>	<u>\$ 3,342,701</u>
<u>Non-current</u>		
Other liabilities	<u>\$ 703,389</u>	<u>\$ 1,167,818</u>

a. Other payables were as follows:

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
<u>Other payables - accrued expenses</u>		
Payables for performance bonus and salaries	\$ 2,574,244	\$ 1,921,922
Payables for annual leave	179,420	166,543
Advertisement payable	147,368	114,244
Payables for labor and health insurance	103,306	97,280
Payables for employees bonuses and compensation to directors	28,393	24,191
Payables for professional fees	7,060	9,610
Interest payables	4,316	28,760
Others	<u>154,681</u>	<u>169,831</u>
	<u>\$ 3,198,788</u>	<u>\$ 2,532,381</u>
<u>Other payables - others</u>		
Receipts under custody from real estate transactions	\$ 448,071	\$ 366,617
Other receipts under custody	<u>122,538</u>	<u>72,876</u>
	<u>\$ 570,609</u>	<u>\$ 439,493</u>
<u>Other payables to related parties</u>		
Loans from related parties	\$ -	\$ 23,803
Interest payable	-	6,100
Others	<u>1,715</u>	<u>1,281</u>
	<u>\$ 1,715</u>	<u>\$ 31,184</u>

- 1) Employees and senior management who meet the performance standards under the bonus rules are eligible for performance bonuses. Performance bonuses to be paid one year later are recorded as other non-current liabilities.
- 2) Loans from related parties were accounted for other payables to related parties.
- 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:

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Receipts under custody - escrow service	\$ 13,423,922	\$ 9,818,356
Interest payables	3,070	2,944
Deposit accounts	<u>(13,426,992)</u>	<u>(9,821,300)</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%-0.59% and 0.385%-0.465% for the years ended December 31, 2023 and 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:

	December 31	
	2023	2022
<u>Current</u>		
VAT payable and other tax payable	\$ 347,619	\$ 257,701
Refund liabilities	48,688	37,669
Others	<u>28,942</u>	<u>44,273</u>
	<u>\$ 425,249</u>	<u>\$ 339,643</u>
<u>Non-current</u>		
Long-term bonus payable	\$ 694,251	\$ 1,161,714
Refund liabilities	<u>9,138</u>	<u>6,104</u>
	<u>\$ 703,389</u>	<u>\$ 1,167,818</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

- a. Defined contribution plans

The pension plan under the Labor Pension Act (LPA) is a defined contribution plan. Based on the LPA, the Company, An-Sin, An-Shin, Sinyi Global, Taiwan Sinyi Development, Yowoo Technology, Tokyo Sinyi, Lin Yue Traffic and Jin Mei make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in other countries are members of a state-managed retirement benefit plan operated by local government. The subsidiary is required to contribute amounts calculated at a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions to the fund.

Sinyi Limited, Sinyi International, Forever Success, Inane, Ke Wei HK, Max Success, Sinyi Development, Sinyi Estate, Sin Chiun, Hong Kong Real Estate, Hong Kong Sinyi Estate, Heng-Yi, Chengjing, Sinyi Culture, Da-Chia Construction, Sinyi Real Estate, Jui-Inn, Sinju, Sinyi Morefun and Zhansin have no full-time employees. Thus, there are no related pension obligations or pension costs.

b. Defined benefit plans

The defined benefit plans adopted by the Company, An-Sin and Sinyi Global in accordance with the Labor Standards Act are operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company, An-Sin and Sinyi Global contribute amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2023	2022
Present value of defined benefit obligation	\$ 611,953	\$ 648,559
Fair value of plan assets	<u>(625,855)</u>	<u>(637,957)</u>
(Surplus) deficit	<u>\$ (13,902)</u>	<u>\$ 10,602</u>
Net defined benefit liabilities	\$ 4,050	\$ 10,602
Net defined benefit assets	<u>(17,952)</u>	<u>-</u>
	<u>\$ (13,902)</u>	<u>\$ 10,602</u>

Movements in net defined benefit (assets) liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit (Assets) Liabilities
Balance at January 1, 2022	<u>\$ 779,659</u>	<u>\$ (603,862)</u>	<u>\$ 175,797</u>
Service cost			
Current service cost	1,896	-	1,896
Past service cost	740	-	740
Net interest expense (income)	<u>3,896</u>	<u>(3,043)</u>	<u>853</u>
Recognized in profit or loss	<u>6,532</u>	<u>(3,043)</u>	<u>3,489</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(47,951)	(47,951)
Actuarial profit - changes in financial assumptions	(72,024)	-	(72,024)
Actuarial profit - experience adjustments	<u>(28,636)</u>	<u>-</u>	<u>(28,636)</u>
Recognized in other comprehensive income	<u>(100,660)</u>	<u>(47,951)</u>	<u>(148,611)</u>
Contributions from the employer	<u>-</u>	<u>(16,340)</u>	<u>(16,340)</u>
Benefits paid	<u>(36,972)</u>	<u>33,239</u>	<u>(3,733)</u>
Balance at December 31, 2022	<u>648,559</u>	<u>(637,957)</u>	<u>10,602</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit (Assets) Liabilities
Service cost			
Current service cost	\$ 1,159	\$ -	\$ 1,159
Past service cost and loss on settlement	-	-	-
Net interest expense (income)	<u>9,729</u>	<u>(9,695)</u>	<u>34</u>
Recognized in profit or loss	<u>10,888</u>	<u>(9,695)</u>	<u>1,193</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(4,046)	(4,046)
Actuarial profit - changes in financial assumptions	14,624	-	14,624
Actuarial loss - experience adjustments	<u>(13,934)</u>	<u>-</u>	<u>(13,934)</u>
Recognized in other comprehensive income	<u>690</u>	<u>(4,046)</u>	<u>(3,356)</u>
Contributions from the employer	<u>-</u>	<u>(12,778)</u>	<u>(12,778)</u>
Benefits paid	<u>(48,184)</u>	<u>38,621</u>	<u>(9,563)</u>
Balance at December 31, 2023	<u>\$ 611,953</u>	<u>\$ (625,855)</u>	<u>\$ (13,902)</u> (Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	<u>For the Year Ended December 31</u>	
	2023	2022
Operating costs	\$ 1,006	\$ 1,769
General and administrative expenses	<u>187</u>	<u>1,720</u>
	<u>\$ 1,193</u>	<u>\$ 3,489</u>

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government or corporate bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated using the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2023	2022
Discount rates	1.25%	1.50%
Expected rates of salary increase	2.25%-3.00%	2.25%-3.00%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2023	2022
Discount rates		
0.25% increase	<u>\$ (14,615)</u>	<u>\$ (16,176)</u>
0.25% decrease	<u>\$ 15,110</u>	<u>\$ 16,742</u>
Expected rates of salary increase		
0.25% increase	<u>\$ 14,597</u>	<u>\$ 16,213</u>
0.25% decrease	<u>\$ (14,195)</u>	<u>\$ (15,747)</u>

The above sensitivity analysis may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2023	2022
The expected contributions to the plan for the next year	<u>\$ 13,167</u>	<u>\$ 16,527</u>
The average duration of the defined benefit obligation	8.21-9.78 years	9.07-10.18 years

24. EQUITY

Share Capital

	December 31	
	2023	2022
Number of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>
Share capital authorized	<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>
Share capital issued	<u>\$ 7,368,465</u>	<u>\$ 7,368,465</u>

As of December 31, 2023, the Company has issued share capital of \$7,368,465 thousand with 736,847 thousand ordinary shares at \$10 per share.

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

Capital Surplus

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

- a. Under the dividend policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, please refer to Employee benefits expense in Note 26-8 (Compensation of Employees and Remuneration of Directors).
- b. In addition, according to the revised Articles of Incorporation of the Company, the dividend policy of the Company is to distribute dividends in light of the present and future development plan, taking into consideration the investment environment, fund demands, and domestic competition status, as well as factors of interests of shareholders. However, the amount of proposed earnings distribution of the current year may not be less than 20% of the accumulated distributable earnings. In distributing dividends and bonuses to shareholders, the distribution may be made by shares or cash, of which cash dividends may not be less than 10% of the total amount of dividends.
- c. 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, which had been approved in the shareholders' meetings held on May 18, 2023 and May 19, 2022, respectively, were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For the Year Ended</u>		<u>For the Year Ended</u>	
	<u>December 31</u>		<u>December 31</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Legal reserve	\$ 134,122	\$ 244,770	\$ -	\$ -
Special (reversal) reserve	(105,586)	288,875	-	-
Cash dividends	884,216	2,063,170	1.20	2.80

- e. The appropriations of earnings for 2023 had been proposed by the Company's board of directors on February 26, 2024. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Legal reserve	\$ 176,373	\$ -
Special reserve	290,294	-
Cash dividends	1,178,954	1.60

The appropriations of earnings for 2023 are subject to the resolution of the shareholders in their meeting to be held on May 22, 2024.

Other Equity Items

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

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

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

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

Non-controlling Interests

	For the Year Ended December 31	
	2023	2022
Balance at beginning of year	\$ 126,497	\$ 130,243
Attributed to non-controlling interests:		
Net income	10,374	12,872
Exchange differences on translating the financial statements of foreign operations	(25)	(4)
Remeasurement of defined benefit plans	(180)	1,260
Related income tax	36	(252)
Difference between consideration and carrying amount of subsidiaries acquired (Note 12)	77	106
Payment of cash dividends to non-controlling interests	<u>(12,745)</u>	<u>(17,728)</u>
Balance at end of year	<u>\$ 124,034</u>	<u>\$ 126,497</u>

25. REVENUE

a. Disaggregation of revenue

Refer to Note 37 for information about disaggregation of revenue.

b. Contract balances

The Group's contract liabilities are the payment received by Jiu Xin Estate and Taiwan Sinyi Development from the purchaser for the pre-sale of real estate. Sales 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, when the handover is completed, it will be transferred to sales revenue.

The Group recognizes revenues when performance obligations are satisfied from providing real estate brokerage services and agency sale business, and recognizes the right to receive the consideration as accounts receivable.

	December 31, 2023	December 31, 2022	January 1, 2022
Notes receivable, trade receivables and overdue receivables (Notes 9 and 18)	<u>\$ 1,359,732</u>	<u>\$ 979,674</u>	<u>\$ 1,370,155</u>
Contract liabilities	<u>\$ 687,413</u>	<u>\$ 1,514,707</u>	<u>\$ 1,723,403</u>

26. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations consisted of the following:

Interest Income

	<u>For the Year Ended December 31</u>	
	2023	2022
Interest income		
Cash in bank	\$ 244,918	\$ 120,499
Others	<u>1,165</u>	<u>3,831</u>
	<u>\$ 246,083</u>	<u>\$ 124,330</u>

Other Income

	<u>For the Year Ended December 31</u>	
	2023	2022
Other income		
Rental income	\$ 93,666	\$ 90,357
Dividend income	<u>9,967</u>	<u>13,079</u>
	<u>\$ 103,633</u>	<u>\$ 103,436</u>

Other Gains and Losses

	For the Year Ended December 31	
	2023	2022
Impairment loss of investment properties	\$ (13,095)	\$ (10,460)
(Losses) gains on financial assets classified as at FVTPL	(386)	156
Losses on disposal of property, plant and equipment	(3,182)	(2,860)
Gains (losses) on disposal of investment properties (Note 16)	15,185	(199)
Net foreign exchange gains (losses)	103,756	(28,210)
Share of gains on associates	17,359	16,896
Others	<u>24,439</u>	<u>39,166</u>
	<u>\$ 144,076</u>	<u>\$ 14,489</u>

Finance Costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	\$ 121,176	\$ 77,970
Interest on unsecured bonds payable	29,042	50,480
Interest on lease liabilities	57,553	54,938
Others	<u>110</u>	<u>56</u>
	207,881	183,444
Deduct: Amounts included in the cost of qualifying asset (inventory - properties under development)	<u>(31,925)</u>	<u>(25,912)</u>
	<u>\$ 175,956</u>	<u>\$ 157,532</u>

Information about capitalized interest was as follows:

	For the Year Ended December 31	
	2023	2022
Interest capitalization rate	1.73%-2.63%	1.73%-2.49%

Depreciation and Amortization

	For the Year Ended December 31	
	2023	2022
Property, plant and equipment	\$ 114,268	\$ 110,957
Right-of-use assets	546,531	561,261
Investment property	13,567	13,224
Intangible assets	<u>26,481</u>	<u>32,647</u>
	<u>\$ 700,847</u>	<u>\$ 718,089</u>
An analysis of depreciation by function		
Operating costs	\$ 587,405	\$ 587,575
General and administrative expenses	73,394	84,643
Other losses	<u>13,567</u>	<u>13,224</u>
	<u>\$ 674,366</u>	<u>\$ 685,442</u>

(Continued)

	For the Year Ended December 31	
	2023	2022
An analysis of amortization by function		
Operating costs	\$ 4,342	\$ 4,628
General and administrative expenses	<u>22,139</u>	<u>28,019</u>
	<u>\$ 26,481</u>	<u>\$ 32,647</u>
		(Concluded)

Operating Expenses Directly Related to Investment Properties

	For the Year Ended December 31	
	2023	2022
Direct operating expenses from investment properties		
Generating rental income	\$ 24,689	\$ 36,107
Not generating rental income	<u>139</u>	<u>118</u>
	<u>\$ 24,828</u>	<u>\$ 36,225</u>

Employee Benefits Expense

	For the Year Ended December 31	
	2023	2022
Salary expense	\$ 6,364,213	\$ 6,072,142
Labor and health insurance expense	<u>471,659</u>	<u>476,113</u>
	<u>6,835,872</u>	<u>6,548,255</u>
Post-employment benefits		
Defined contribution plans	226,200	255,332
Defined benefit plans (Note 23)	<u>1,193</u>	<u>3,489</u>
	<u>227,393</u>	<u>258,821</u>
Other employee benefits	<u>235,517</u>	<u>201,537</u>
Total employee benefits expense	<u>\$ 7,298,782</u>	<u>\$ 7,008,613</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 6,315,438	\$ 6,140,681
General and administrative expenses	<u>983,344</u>	<u>867,932</u>
	<u>\$ 7,298,782</u>	<u>\$ 7,008,613</u>

Compensation of Employees and Remuneration of Directors

In accordance with the Company's Articles of incorporation, 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 compensation of employees and remuneration of directors for the years ended December 31, 2023 and 2022, which have been approved by the Company's board of directors on February 26, 2024 and February 22, 2023, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2023	2022
Compensation of employees	1.00%	1.00%
Remuneration of directors	0.25%	0.35%

Amount

	For the Year Ended December 31	
	2023	2022
	Cash	Cash
Compensation of employees	\$ 21,724	\$ 15,260
Remuneration of directors	5,410	5,310

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

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 2024 and 2023 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

Impairment Loss on Non-financial Assets

	For the Year Ended December 31	
	2023	2022
Investment property (included in other operating income and expenses, net)	\$ 13,095	\$ 10,460
Inventories (included operating cost)	<u>39,366</u>	<u>72,414</u>
	<u>\$ 52,461</u>	<u>\$ 82,874</u>

27. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Year Ended December 31	
	2023	2022
In respect of the current year		
Current tax	\$ 561,515	\$ 522,074
Income tax expense of unappropriated earnings	21,422	25
Land value increment tax	25,989	57,703
Deferred tax	<u>12,372</u>	<u>(117,346)</u>
	<u>621,298</u>	<u>462,456</u>
In respect of the prior years		
Current tax	(9,990)	(74,114)
Deferred tax	<u>(12,838)</u>	<u>37,475</u>
	<u>(22,828)</u>	<u>(36,639)</u>
Income tax expense recognized in profit or loss	<u>\$ 598,470</u>	<u>\$ 425,817</u>

Land value increment tax is estimated according to the related tax regulations issued by Taiwan and the People's Republic of China. The amount of final actual liability of land value increment tax shall be examined by the tax authorities of each country, the adjustment between actual and estimated amount was recognized as a tax benefit for the following year.

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2023	2022
Profit before tax from continuing operations	<u>\$ 2,369,824</u>	<u>\$ 1,662,025</u>
Income tax expense calculated at the statutory rate	\$ 473,965	\$ 332,405
Nondeductible expenses in determining taxable income	41	74
Tax-exempt income	(32,104)	(17,217)
Additional income tax on unappropriated earnings	21,422	25
Land value increment tax	25,989	57,703
Unrecognized deductible temporary differences	40,952	39,718
Loss carryforwards unrecognized in current period	37,285	34,586
Tax of controlled foreign company income	28,643	-
Effect of different tax rates of the Group operating in other jurisdictions	25,105	15,162
Adjustments for prior years' tax	<u>(22,828)</u>	<u>(36,639)</u>
Income tax expense recognized in profit or loss	<u>\$ 598,470</u>	<u>\$ 425,817</u>

b. Income tax expense recognized in other comprehensive income

For the Year Ended December 31
2023 **2022**

Deferred tax

In respect of the current year

Remeasurement of defined benefit plan

\$ 671

\$ 29,722

c. Current tax assets and liabilities

December 31

2023

2022

Current tax assets

Tax refund receivables

\$ 62,892

\$ 9,796

Current tax liabilities

Income tax payables

\$ 492,685

\$ 314,519

Land value tax payables

21,396

25,334

\$ 514,081

\$ 339,853

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2023

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre- hensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Allowance for impairment loss	\$ 1,265	\$ 210	\$ -	\$ -	\$ 1,475
Provisions	11,321	2,795	-	-	14,116
Loss carryforwards	7,480	(7,480)	-	-	-
Defined benefit obligation	1,218	(400)	72	-	890
Deferred revenue	6,268	724	-	(109)	6,883
Deferred advertisement	65,878	(27,854)	-	-	38,024
Employee benefits	65,843	7,642	-	-	73,485
Others	<u>14,503</u>	<u>12,645</u>	<u>-</u>	<u>-</u>	<u>27,148</u>
	<u>\$ 173,776</u>	<u>\$ (11,718)</u>	<u>\$ 72</u>	<u>\$ (109)</u>	<u>\$ 162,021</u>

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre- hensive Income	Closing Balance
<u>Deferred tax liabilities</u>				
Temporary differences				
Return on investment	\$ 86,056	\$ (14,455)	\$ -	\$ 71,601
Defined benefit obligation	<u>30,614</u>	<u>2,271</u>	<u>743</u>	<u>33,628</u>
	<u>\$ 116,670</u>	<u>\$ (12,184)</u>	<u>\$ 743</u>	<u>\$ 105,229</u>

For the year ended December 31, 2022

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre- hensive Income	Exchange Differences	Closing Balance
<u>Deferred tax assets</u>					
Temporary differences					
Allowance for impairment loss	\$ 1,633	\$ (368)	\$ -	\$ -	\$ 1,265
Provisions	16,409	(5,088)	-	-	11,321
Loss carryforwards	37,580	(30,100)	-	-	7,480
Defined benefit obligation	3,358	27,582	(29,722)	-	1,218
Deferred revenue	19,165	(12,877)	-	(20)	6,268
Deferred advertisement	60,466	5,412	-	-	65,878
Employee benefits	62,883	2,960	-	-	65,843
Others	<u>16,336</u>	<u>(1,833)</u>	<u>-</u>	<u>-</u>	<u>14,503</u>
	<u>\$ 217,830</u>	<u>\$ (14,312)</u>	<u>\$ (29,722)</u>	<u>\$ (20)</u>	<u>\$ 173,776</u>

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Compre- hensive Income	Closing Balance
<u>Deferred tax liabilities</u>				
Temporary differences				
Return on investment	\$ 210,853	\$ (124,797)	\$ -	\$ 86,056
Defined benefit obligation	<u>-</u>	<u>30,614</u>	<u>-</u>	<u>30,614</u>
	<u>\$ 210,853</u>	<u>\$ (94,183)</u>	<u>\$ -</u>	<u>\$ 116,670</u>

- e. Unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31	
	2023	2022
Loss carryforwards		
Expiry in 2023	\$ -	\$ 123,362
Expiry in 2024	119,624	130,686
Expiry in 2025	201,541	205,193
Expiry in 2026	261,266	261,266
Expiry in 2027	257,896	257,896
Expiry in 2028	217,414	47,184
Expiry in 2029	47,361	47,361
Expiry in 2030	30,597	32,432
Expiry in 2031	82,824	53,174
Expiry in 2032	7,831	7,831
Expiry in 2033	<u>4,275</u>	<u>-</u>
	<u>\$ 1,230,629</u>	<u>\$ 1,166,385</u>

- f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2023 comprised:

Unused Amount	Expiry Year
\$ 119,624	2024
201,541	2025
261,266	2026
257,896	2027
217,414	2028
47,361	2029
30,597	2030
82,824	2031
7,831	2032
<u>4,275</u>	2033
<u>\$ 1,230,629</u>	

- g. Income tax assessments

Sinyi Realty Inc., Sinyi Global, Jui-Inn, Heng-Yi, An-Sin, An-Shin, Yowoo Technology, Lin Yue Traffic, Da-Chia, 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 PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2023	2022
Basic EPS	<u>\$ 2.39</u>	<u>\$ 1.66</u>
Diluted EPS	<u>\$ 2.39</u>	<u>\$ 1.66</u>

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

Net Profit for the Year

	For the Year Ended December 31	
	2023	2022
Profit for the year attributable to owners of the Company	<u>\$ 1,760,980</u>	<u>\$ 1,223,336</u>

Weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Year Ended December 31	
	2023	2022
Weighted average number of ordinary shares used in computation of basic earnings per share	736,847	736,847
Effect of dilutive potential ordinary shares		
Bonus issued to employees	<u>801</u>	<u>697</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>737,648</u>	<u>737,544</u>

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

29. CASH FLOW INFORMATION

Changes in Liabilities Arising from Financing Activities

For the year ended December 31, 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	386,088	-	14,456	-	1,498,621
Long-term borrowings (including current portion)	5,953,017	467,218	-	11,226	-	6,431,461
Guarantee deposits received	33,206	(5,962)	-	-	-	27,244
Lease liabilities	3,327,689	(516,260)	623,949	(222,736)	(57,553)	3,155,089
Other payables to related parties	23,803	(23,867)	-	64	-	-
	<u>\$ 15,035,792</u>	<u>\$ (3,392,783)</u>	<u>\$ 623,949</u>	<u>\$ (196,990)</u>	<u>\$ (57,553)</u>	<u>\$ 12,012,415</u>

For the year ended December 31, 2022

	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	\$ -	\$ -	\$ -	\$ -	\$ 4,600,000
Short-term borrowings	-	1,098,077	-	-	-	1,098,077
Long-term borrowings (including current portion)	2,617,989	3,310,373	-	24,655	-	5,953,017
Guarantee deposits received	38,244	(5,038)	-	-	-	33,206
Lease liabilities	3,448,990	(509,862)	405,945	37,554	(54,938)	3,327,689
Other payables to related parties	14,770	8,878	-	155	-	23,803
	<u>\$ 10,719,993</u>	<u>\$ 3,902,428</u>	<u>\$ 405,945</u>	<u>\$ 62,364</u>	<u>\$ (54,938)</u>	<u>\$ 15,035,792</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

a. 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.

December 31, 2023

	Carrying Amount	Fair Value Hierarchy			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost - bonds payable	\$ 900,000	\$ -	\$ 873,107	\$ -	\$ 873,107

December 31, 2022

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

The fair values of the financial liabilities included in the Level 2 category above have been determined in accordance with quoted market price provided by third party pricing services.

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

1) Fair value hierarchy

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic limited partnership	\$ -	\$ -	\$ 4,614	\$ 4,614
Financial assets at FVTOCI				
Domestic listed shares - equity investments	\$ 127,300	\$ -	\$ -	\$ 127,300
Domestic unlisted shares - equity investments	-	-	101,216	101,216

(Continued)

	Level 1	Level 2	Level 3	Total
Foreign listed shares - equity investments	\$ 323,840	\$ -	\$ -	\$ 323,840
Foreign unlisted shares - equity investments	<u>-</u>	<u>-</u>	<u>29,707</u>	<u>29,707</u>
	<u>\$ 451,140</u>	<u>\$ -</u>	<u>\$ 130,923</u>	<u>\$ 582,063</u> (Concluded)

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic limited partnership	<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	<u>-</u>	<u>-</u>	<u>74,670</u>	<u>74,670</u>
	<u>\$ 386,213</u>	<u>\$ -</u>	<u>\$ 180,074</u>	<u>\$ 566,287</u>

There were no transfers between fair value hierarchy levels in the current and prior periods.

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

For the year December 31, 2023

	Financial Assets at FVTPL	Financial Assets at FVTOCI
Balance at January 1, 2023	\$ 2,500	\$ 180,074
Addition	2,500	-
Capital returned due to capital reduction	-	(10,000)
Recognized in profit or loss	(386)	-
Recognized in other comprehensive (loss) income	-	(38,470)
Effect of exchange rate changes	<u>-</u>	<u>(681)</u>
Balance at December 31, 2023	<u>\$ 4,614</u>	<u>\$ 130,923</u>

For the year December 31, 2022

	Financial Assets at FVTPL	Financial Assets at FVTOCI
Balance at January 1, 2022	\$ -	\$ 234,726
Addition	2,500	56,714
Recognized in other comprehensive (loss) income	-	(113,345)
Effect of exchange rate changes	<u>-</u>	<u>1,979</u>
Balance at December 31, 2022	<u>\$ 2,500</u>	<u>\$ 180,074</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
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 and limited partnership	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.

For fair value measurements categorized within Level 3 of the fair value hierarchy as derivatives and investments in equity instruments, the lack of quoted prices in an active market categorized the financial assets into Level 3 of which fair values are based on valuations provided by market participants or quoted prices of the counterparty. Quantitative information is not disclosed since the relationship between significant unobservable inputs and the fair value cannot be fully controlled.

Categories of Financial Instruments

	<u>December 31</u>	
	2023	2022
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 4,614	\$ 2,500
Financial assets at amortized cost (Note 1)	11,293,025	12,452,507
Financial assets at FVTOCI	582,063	566,287
<u>Financial liabilities</u>		
Financial assets at amortized cost (Note 2)	13,735,837	16,457,096

Note 1: The balance included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables (including overdue receivables), other receivables, other current 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, short-term borrowings, long-term borrowings (including current portion of long-term borrowings and bonds payable), long-term bonus payable (classified as other non-current liabilities) and guarantee deposits received.

Financial Risk Management Objectives and Policies

The Group's major financial instruments included equity, notes receivable, trade receivables, notes payable, trade payables, other payables, bonds payable and borrowings. 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), interest rates (see (2) below) and other price risk (see (3) 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 positive if the other factors remain unchanged.

	For the Year Ended December 31							
	2023				2022			
	RMB	JPY	USD	MYR	RMB	JPY	USD	MYR
Equity	\$ 43,740	\$ 4,614	\$ 47,180	\$ 2,164	\$ 60,109	\$ 3,672	\$ 9,150	\$ 681
Profit or loss	35,092	17	3,142	414	17,733	49	619	7

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>December 31</u>	
	2023	2022
Fair value interest rate risk		
Financial assets	\$ 6,128,592	\$ 2,987,968
Financial liabilities	7,952,900	8,251,423
Cash flow interest rate risk		
Financial assets	165,000	64,000
Financial liabilities	4,032,271	6,751,163

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 \$38,673 thousand and \$66,872 thousand for the years ended December 31, 2023 and 2022, respectively.

3) Other price risk

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

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$46 thousand and \$25 thousand, respectively as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by \$5,821 thousand and \$5,663 thousand, respectively as a result of the changes in fair value of financial assets at FVTOCI.

b. Credit risk

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

Business related credit risk

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

Financial credit risk

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

c. Liquidity risk

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

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

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Unsecured bank overdraft facility (including commercial papers facility):		
Amount used	\$ 3,321,471	\$ 1,907,183
Amount unused	<u>13,776,939</u>	<u>10,609,477</u>
	<u>\$ 17,098,410</u>	<u>\$ 12,516,660</u>
Secured bank overdraft facility (including commercial papers facility):		
Amount used	\$ 4,610,800	\$ 5,143,980
Amount unused	<u>7,449,000</u>	<u>3,348,123</u>
	<u>\$ 12,059,800</u>	<u>\$ 8,492,103</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.

December 31, 2023

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5+ Years
Non-interest bearing	\$ 130	\$ 4,184,130	\$ 721,495	\$ -
Lease liabilities	46,641	500,121	1,906,659	1,025,407
Floating interest rate liabilities	6,780	320,954	3,913,525	-
Fixed interest rate liabilities	<u>6,791</u>	<u>1,455,669</u>	<u>2,566,334</u>	<u>910,310</u>
	<u>\$ 60,342</u>	<u>\$ 6,460,874</u>	<u>\$ 9,108,013</u>	<u>\$ 1,935,717</u>

Additional information about the maturity analysis for financial liabilities:

	On Demand or Less than 1 Month	1 Month to 1 Year	1-5 Years	5-10 Years	10-20 Years
Lease liabilities	\$ 46,641	\$ 500,121	\$ 1,906,659	\$ 940,761	\$ 84,646
Fixed interest rate liabilities	<u>6,791</u>	<u>1,455,669</u>	<u>2,566,334</u>	<u>910,310</u>	<u>-</u>
	<u>\$ 53,432</u>	<u>\$ 1,955,790</u>	<u>\$ 4,472,993</u>	<u>\$ 1,851,071</u>	<u>\$ 84,646</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	<u>4,798</u>	<u>3,751,493</u>	<u>346,105</u>	<u>922,227</u>
	<u>\$ 66,042</u>	<u>\$ 9,090,209</u>	<u>\$ 9,292,495</u>	<u>\$ 1,883,731</u>

Additional information about the maturity analysis for financial 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	<u>4,798</u>	<u>3,751,493</u>	<u>346,105</u>	<u>922,227</u>	<u>-</u>
	<u>\$ 53,421</u>	<u>\$ 4,286,902</u>	<u>\$ 2,329,265</u>	<u>\$ 1,824,280</u>	<u>\$ 59,451</u>

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

<u>Related Party</u>	<u>Relationship with the Group</u>
Sinyi Land Administration Agent Joint Office	Related party in substance
H&B Business Co., Ltd.	Related party in substance
Sinyi Cultural Foundation	Related party in substance
Sinyi Public Welfare Foundation	Related party in substance
Taiwan Regional Revitalization Foundation	Related party in substance

(Continued)

<u>Related Party</u>	<u>Relationship with the Group</u>
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 Non Guaranty Co., Ltd.	Related party in substance
Sinyi Real Estate Appraisal Office	Related party in substance
Ken Investment Co., Ltd.	Related party in substance
Sin-Heng Limited.	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

(Concluded)

Note: On October 27, 2023, Sinyi Co., Ltd. resigned as the chairman of the Company, but still served as a director of the Company.

Operating Revenue

	<u>For the Year Ended December 31</u>	
	<u>2023</u>	<u>2022</u>
Service revenue		
The Company's director is its director	\$ 4,131	\$ 7,885
Corporate shareholder (indirect investment using the equity method)	<u>53</u>	<u>-</u>
	<u>\$ 4,184</u>	<u>\$ 7,885</u>

Trade Receivables - Related Parties

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
The Company's director is its director	<u>\$ 14</u>	<u>\$ 646</u>

Other Payables to Related Parties

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Other related parties - related parties in substance	<u>\$ 1,715</u>	<u>\$ 31,184</u>

Parts of other payables to related parties were financing. Information on the financing for the years ended December 31, 2023 and 2022 were as follows:

	For the Year Ended December 31, 2023				
	Highest Balance During the Period	Amount	Interest Rate	Interest Expense	Interest Payable
Other related parties - related parties in substance	<u>\$ 23,803</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
	For the Year Ended December 31, 2022				
	Highest Balance During the Period	Amount	Interest Rate	Interest Expense	Interest Payable
Other related parties - related parties in substance	<u>\$ 24,332</u>	<u>\$ 23,803</u>	-	<u>\$ -</u>	<u>\$ 6,100</u>

The financing above were unsecured.

Remuneration of Key Management Personnel

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	\$ 119,786	\$ 143,935
Other long-term employee benefits	<u>6,441</u>	<u>12,995</u>
	<u>\$ 126,227</u>	<u>\$ 156,930</u>

Other long-term benefits included a long-term incentive plan approved by the Company's board of directors to encourage senior management to contribute further to the sustainable growth of the Company. Senior managers will be entitled to such incentive when they continue to serve for two 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

	For the Year Ended December 31	
	2023	2022
Other related parties		
Related parties in substance	\$ 7,556	\$ 7,451
The director of the company	57	57
Corporate shareholder (direct investment using the equity method)	57	57
Corporate shareholder (indirect investment using the equity method)	57	57
Associates	<u>34</u>	<u>34</u>
	<u>\$ 7,761</u>	<u>\$ 7,656</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 benefits

	<u>For the Year Ended December 31</u>	
	2023	2022
Other related parties		
Related parties in substance	\$ 770	\$ 1,395
Corporate shareholder (indirect investment using the equity method)	<u>190</u>	<u>286</u>
	<u>\$ 960</u>	<u>\$ 1,681</u>

Other benefits are mainly derived from management consulting services provided to the related parties, etc.

c. Service costs

	<u>For the Year Ended December 31</u>	
	2023	2022
Other related parties		
Related parties in substance	<u>\$ 3,068</u>	<u>\$ 3,861</u>

d. General and administrative expenses

	<u>For the Year Ended December 31</u>	
	2023	2022
Other related parties		
Related parties in substance	<u>\$ 21,436</u>	<u>\$ 20,177</u>

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

e. Lease agreements

	<u>December 31</u>	
	2023	2022
Lease liabilities - related parties in substance	<u>\$ 9,527</u>	<u>\$ -</u>

	<u>For the Year Ended December 31</u>	
	2023	2022
<u>Interest expense</u>		
Related parties in substance	<u>\$ 123</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 or a yearly basis.

f. Other receivables

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Other related parties		
Related parties in substance	\$ 1,170	\$ 1,001
Corporate shareholder (indirect investment using the equity method)	<u> -</u>	<u> 50</u>
	<u>\$ 1,170</u>	<u>\$ 1,051</u>

g. Right-of-use asset

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Other related parties		
Treasure Sage Sabah SDN.BHD. (Malaysia)	<u>\$ 244,950</u>	<u>\$ -</u>

Right-of-use asset are mainly comprised of the land use rights and buildings which has been purchased and leased from the above related party by Zhancheng. See Note 36 Table 5.

h. Prepaid right-of-use asset - land

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

Prepaid right-of-use asset - land are mainly comprised of the land use rights which has been purchased from the above related party by Zhancheng. 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>December 31</u>	
	<u>2023</u>	<u>2022</u>
Property, plant and equipment (including investment properties)		
Land	\$ 4,125,647	\$ 4,125,647
Building	351,626	344,004
Other financial assets		
Pledged time deposits and demand deposits	2,981,019	2,039,521
Inventories	<u>4,590,894</u>	<u>2,968,785</u>
	<u>\$ 12,049,186</u>	<u>\$ 9,477,957</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, Hong Kong Real Estate has endorsed The Company in obtaining financing limit of \$50,663 thousand, \$2,600,000 thousand, \$204,188 thousand, \$18,355 thousand, \$5,219,850 thousand, \$675,510 thousand and \$1,289,610 thousand, respectively. Refer to Note 36, Table 2 for the details.
- d. As of December 31, 2023, the Group had signed construction contracts and land use right, but not yet paid for \$1,117,946 thousand and \$88,186 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 \$30,678 thousand as of December 31, 2023. The amount of mortgage loan was remitted 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. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group’s significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023

	Foreign Currency (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>			
Monetary items			
RMB	\$ 1,092,630	4.327	\$ 4,727,809
JPY	4,381,959	0.2172	951,761
USD	153,657	30.705	4,718,029
MYR	33,360	6.682	222,921
Non-monetary items			
RMB	6,866	4.327	29,707
JPY	1,490,978	0.2172	323,840

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial liabilities</u>			
Monetary items			
RMB	\$ 81,769	4.327	\$ 353,814
JPY	2,257,781	0.2172	490,390 (Concluded)

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

Financial liabilities

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

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 gains and losses were as follows:

Functional Currency	For the Year Ended December 31			
	2023		2022	
	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	\$ 5,906	1 (NTD:NTD)	\$ (35,333)
USD	31.1548 (USD:NTD)	9,725	29.8045 (USD:NTD)	(51,846)
RMB	4.3956 (RMB:NTD)	75,487	4.4218 (RMB:NTD)	58,963
JPY	0.2221 (JPY:NTD)	83	0.2275 (JPY:NTD)	231
MYR	6.8348 (MYR:NTD)	17,644	6.7728 (MYR:NTD)	(225)
HKD	3.9795 (HKD:NTD)	(5,089)	3.8055 (HKD:NTD)	-
		<u>\$ 103,756</u>		<u>\$ (28,210)</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: Table 6 (see the attached)
- i. Information about derivative: None
- j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 7 (see the attached)
- k. Information on investees: Table 8 (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 9 (see the attached)
- b. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, 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 10 (see the attached)

37. SEGMENT INFORMATION

- a. 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 years ended December 31, 2023 and 2022:

	Real Estate Brokerage		Real Estate Lease Construction and Development		Tourism		Elimination	Consolidated
	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others	Taiwan	Mainland China and Others		
For the year ended December 31, 2023								
Revenues from external customers	\$ 10,801,653	\$ 733,346	\$ 2,004,610	\$ 753,981	\$ 4,994	\$ -	\$ -	\$ 14,298,584
Inter-segment revenues	166,351	44,745	-	12,383	667	9,509	(233,655)	-
Segment revenues	<u>\$ 10,968,004</u>	<u>\$ 778,091</u>	<u>\$ 2,004,610</u>	<u>\$ 766,364</u>	<u>\$ 5,661</u>	<u>\$ 9,509</u>	<u>\$ (233,655)</u>	14,298,584
Rental income from investment property								(93,666)
Consolidated revenues								<u>\$ 14,204,918</u>
Operating profit (loss)	<u>\$ 1,711,323</u>	<u>\$ 14,275</u>	<u>\$ 493,931</u>	<u>\$ (52,222)</u>	<u>\$ 1,532</u>	<u>\$ (115,319)</u>	<u>\$ 67,306</u>	\$ 2,120,826
Operating income from investment property								(68,838)
Operating income								<u>\$ 2,051,988</u>
Segment assets	<u>\$ 11,395,538</u>	<u>\$ 8,585,800</u>	<u>\$ 7,279,454</u>	<u>\$ 5,538,112</u>	<u>\$ 13,923</u>	<u>\$ 2,063,873</u>	<u>\$ (3,773,312)</u>	\$ 31,103,388
Investments accounted for by the equity method								77,688
Total assets								<u>\$ 31,181,076</u>
For the year ended December 31, 2022								
Revenues from external customers	\$ 10,482,576	\$ 570,884	\$ 1,117,122	\$ 1,641,409	\$ 2,090	\$ -	\$ -	\$ 13,814,081
Inter-segment revenues	100,764	34,291	348	30,438	45	-	(165,886)	-
Segment revenues	<u>\$ 10,583,340</u>	<u>\$ 605,175</u>	<u>\$ 1,117,470</u>	<u>\$ 1,671,847</u>	<u>\$ 2,135</u>	<u>\$ -</u>	<u>\$ (165,886)</u>	13,814,081
Rental income from investment property								(90,355)
Consolidated revenues								<u>\$ 13,723,726</u>
Operating profit (loss)	<u>\$ 1,508,829</u>	<u>\$ (195,262)</u>	<u>\$ 216,026</u>	<u>\$ 37,878</u>	<u>\$ (867)</u>	<u>\$ (96,415)</u>	<u>\$ 161,243</u>	\$ 1,631,432
Operating income from investment property								(54,130)
Operating income								<u>\$ 1,577,302</u>
Segment assets	<u>\$ 10,791,599</u>	<u>\$ 11,174,948</u>	<u>\$ 8,128,626</u>	<u>\$ 14,251,143</u>	<u>\$ 9,587</u>	<u>\$ 1,677,941</u>	<u>\$ (12,028,601)</u>	\$ 34,005,243
Investments accounted for by the equity method								65,434
Total assets								<u>\$ 34,070,677</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 follows:

	December 31	
	2023	2022
Real estate brokerage revenue	\$ 10,088,107	\$ 9,752,261
Sales of real estate agency	1,446,891	1,301,199
Developing business revenue	2,664,926	2,668,176
Others	<u>4,994</u>	<u>2,090</u>
	<u>\$ 14,204,918</u>	<u>\$ 13,723,726</u>

c. Location information

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

d. Major customers

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

SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 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 14)
													Item	Value			
0	Sinyi Realty Inc.	Sinyi Development Inc.	Other receivables	Yes	\$ 2,052,709	\$ 1,000,000	\$ 446,908	1.62%	Short-term financing	\$ -	Working capital	\$ -	-	\$ -	\$ 3,722,461 (Note 1)	\$ 4,963,282 (Note 1)	\$ 8,890
		Jin Mei Travel Service Co., Ltd.	Other receivables	Yes	10,000	5,000	5,000	1.67%	Short-term financing	-	Working capital	-	-	-	3,722,461 (Note 1)	4,963,282 (Note 1)	69
		Yowoo Technology Inc.	Other receivables	Yes	2,000	2,000	-	-	-	Short-term financing	-	Working capital	-	-	-	3,722,461 (Note 1)	4,963,282 (Note 1)
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 13)	-	Working capital	-	-	-	610,607 (Note 2)	915,910 (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 13)	-	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 13)	-	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)	-	-	6%	Short-term financing	-	Working capital	-	(Note 5)	-	- (Notes 4 and 5)	- (Notes 4 and 5)	-
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 13)	-	Working capital	-	-	-	111,690 (Note 6)	167,535 (Note 6)	33,965
4	Sinyi Global Asset Management Co., Ltd	Sinyi Realty Inc.	Other receivables	Yes	250,000	130,000	130,000	1.67%	Short-term financing	-	Working capital	-	-	-	291,741 (Note 7)	486,235 (Note 7)	2,016
5	Sinyi International Limited	Sinyi Realty Inc.	Other receivables	Yes	2,394,990 (US\$ 78,000 thousand)	2,363,210 (US\$ 76,965 thousand)	2,363,210 (US\$ 28,000 thousand)	-	Short-term financing (Note 13)	-	Working capital	-	-	-	9,590,940 (Note 8)	11,988,676 (Note 8)	14,060
		Zhancheng Tourism Development Sdn. Bhd.	Other receivables	Yes	226,975 (US\$ 7,000 thousand)	214,925 (US\$ 7,000 thousand)	49,128 (US\$ 1,600 thousand)	-	Short-term financing (Note 13)	-	Working capital	-	-	-	9,590,940 (Note 8)	11,988,676 (Note 8)	-
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 13)	-	Working capital	-	-	-	- (Note 9)	- (Note 9)	-
7	Jiu Xin Estate (Wuxi) Limited	Sinyi Real Estate (Shanghai) Limited	Other receivables	Yes	181,734 (RMB 42,000 thousand)	181,734 (RMB 42,000 thousand)	173,080 (RMB 40,000 thousand)	4.75%	Short-term financing (Note 13)	-	Working capital	-	-	-	1,200,791 (Note 10)	2,001,318 (Note 10)	7,447
		Shanghai Sinyi Real Estate Inc.	Other receivables	Yes	1,426,845 (RMB 321,000 thousand)	-	-	4.75%	Short-term financing (Note 13)	-	Working capital	-	-	-	1,200,791 (Note 10)	2,001,318 (Note 10)	34,256
		Suzhou Sinyi Real Estate Inc.	Other receivables	Yes	12,981 (RMB 3,000 thousand)	12,981 (RMB 3,000 thousand)	-	4.75%	Short-term financing (Note 13)	-	Working capital	-	-	-	1,200,791 (Note 10)	2,001,318 (Note 10)	-
8	Sinyi Morefun Tourism Development Ltd.	Sinyi International Limited	Other receivables	Yes	24,564 (US\$ 800 thousand)	24,564 (US\$ 800 thousand)	24,564 (US\$ 800 thousand)	-	Short-term financing (Note 13)	-	Working capital	-	-	-	31,715 (Note 11)	47,572 (Note 11)	-
9	Sinyi Limited	Sinyi International Limited	Other receivables	Yes	30,705 (US\$ 1,000 thousand)	29,170 (US\$ 950 thousand)	29,170 (US\$ 950 thousand)	-	Short-term financing (Note 13)	-	Working capital	-	-	-	70,000 (Note 12)	87,500 (Note 12)	-

(Continued)

- 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: Shanghai Sinyi Real Estate Inc. has extended loans beyond its net worth due to a decline in its net worth. A plan for improvement has been formulated and submitted to the company's independent directors. The board of directors approved on December 27, 2023, that following the execution of collection procedures and assessment of loan recoverability, all outstanding loans have been fully reserved for bad debt losses, and other receivables have been written off from the accounts.
- 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 100% 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 financing provided by Xin Yeh Business Administration (Shanghai) Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Xin Yeh Business Administration (Shanghai) Ltd. or Sinyi Realty Inc., The maximum total financing provided should not exceed 150% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth. The individual lending amount should not exceed 100% of Xin Yeh Business Administration (Shanghai) Ltd.'s net worth. 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 financing provided by Sinyi Morefun Tourism Development Ltd. for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Morefun Tourism Development Ltd. or Sinyi Realty Inc., the maximum total financing provided should not exceed 150% of Sinyi Morefun Tourism Development Ltd.'s net worth. The individual lending amount should not exceed 100% of Sinyi Morefun Tourism Development Ltd.'s net worth.
- Note 12: The financing provided by Sinyi Limited for borrowing company which is owned 100% of its voting shares directly or indirectly by Sinyi Limited or Sinyi Realty Inc., the maximum total financing provided should not exceed 100% of Sinyi Limited's net worth. The individual lending amount should not exceed 80% of Sinyi Limited's net worth.
- Note 13: 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 14: Interest recognized in the current period.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 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	\$ 9,926,564 (Note 1)	\$ 1,070,748 (US\$ 35,650 thousand)	\$ 50,663 (US\$ 1,650 thousand)	\$ -	\$ -	0.41	\$ 18,612,307 (Note 1)	Yes	No	No	Note 5
		An-Sin Real Estate Management Ltd.	Directly 51% owned subsidiary	9,926,564 (Note 1)	2,600,000	2,600,000	-	-	20.95	18,612,307 (Note 1)	Yes	No	No	Note 6
		Sinyi International Limited	Directly 100% owned subsidiary	9,926,564 (Note 1)	215,626 (US\$ 6,650 thousand)	204,188 (US\$ 6,650 thousand)	-	-	1.65	18,612,307 (Note 1)	Yes	No	No	Note 7
1	Jiu Xin Estate (Wuxi) Limited	Kunshan Dingxian Trading Co., Ltd.	Business dealings	3,202,109 (Note 2)	18,856 (RMB 4,242 thousand)	18,355 (RMB 4,242 thousand)	18,355 (RMB 4,242 thousand)	-	0.46	4,002,637 (Note 2)	No	No	Yes	Note 8
2	Sinyi International Limited	Sinyi Realty Inc.	Directly 100% owned parent company	9,590,940 (Note 3)	5,512,250 (US\$ 170,000 thousand)	5,219,850 (US\$ 170,000 thousand)	2,150,000	2,478,745 (US\$ 44,100 thousand) (RMB 250,000 thousand) (JPY 197,533 thousand)	43.54	11,988,676 (Note 3)	No	Yes	No	Note 9
		Sinyi Development Inc.	The same parent company	9,590,940 (Note 3)	713,350 (US\$ 22,000 thousand)	675,510 (US\$ 22,000 thousand)	240,000	307,050 (US\$ 10,000 thousand)	5.63	11,988,676 (Note 3)	No	No	No	Note 10
3	Sinyi Real Estate (Hong Kong) Limited	Sinyi Realty Inc.	Directly 100% owned parent company	1,820,658 (Note 4)	1,361,850 (RMB 42,000 thousand)	1,289,610 (RMB 42,000 thousand)	-	-	212.50	2,427,544 (Note 4)	No	Yes	No	Note 11

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: For those subsidiaries which the parent company of Sinyi Real Estate (Hong Kong) Limited (hereafter referred to as "Hong Kong Real Estate") has 100% of ownership directly or indirectly, and the parent company of Hong Kong Real Estate, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 300% of Hong Kong Real Estate's net worth. The maximum total endorsement/guarantee should not exceed 400% of Hong Kong Real Estate's net worth.

Note 5: 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 6: 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 7: 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 8: 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.

(Continued)

Note 9: 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 10: 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.

Note 11: In response to the Company's operational needs, Hong Kong Real Estate provides endorsement guarantees to secure a lower borrowing interest rate limit from the bank for the Company.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES)

DECEMBER 31, 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	December 31, 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	\$ 127,300	-	\$ 127,300	
	<u>Unlisted shares</u> Han Yu Venture Capital Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	4,000,000	25,714	11	25,714	
	NOWnews Network Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	5,049,632	5,404	9	5,403	
	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	-	
	Cité Information Services Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	106,392	-	1	-	
	B Current Impact Investment Fund 3	-	Financial assets at fair value through other comprehensive income - non-current	1,000,000	13,373	10	13,373	
	LEJU Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	364,964	56,726	11	56,726	
	<u>Limited partnership</u> B Current Impact Investment Fund 5 LP	-	Financial assets at fair value through profit or loss - non-current	-	4,614	-	4,614	
Sinyi Limited	<u>Listed shares</u> Orix Corp.	-	Financial assets at fair value through other comprehensive income - current	561,300	323,840	-	323,840	
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	29,707	2	29,707	
	Taicang Yalong Management Consulting Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	150,000	-	-	-	

SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
 FOR THE YEAR ENDED DECEMBER 31, 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 Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Selling Price	Book Value	Gain (Loss) on Disposal	Shares	Amount
Sinyi Realty Inc.	Unlisted shares Zhancheng Tourism Development SDN. BHD.	Investments accounted for using equity method	-	Subsidiary	2,500,000	\$ 15,591 (Note)	59,500,000	\$ 412,334	-	\$ -	\$ -	\$ -	62,000,000	\$ 42,925 (Note)

Note: 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 FOR THE YEAR ENDED DECEMBER 31, 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	Refer to market trend and estimate report.	The investment of real estate is for the tourism industry.	-

Note: Zhancheng acquired the right-of-use of land at Papar district, Sabah, Malaysia from related party in substance in 2022 and only a portion of right-of-use lands has been transferred as of December 31, 2023.

SINYI REALTY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

DECEMBER 31, 2023

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

Company Name	Nature of Relationships	Related Party	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	Subsidiary	\$ 100,706	-	\$ -	-	\$ 100,706	\$ -

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

Note 2: The accounts receivable represent service fees payable to the Company by An-Sin Real Estate Management Ltd., which undertakes the performance guarantee business for the real estate of the Company's clients and collects payments on behalf of the Company.

SINYI REALTY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

(In Thousands of New Taiwan Dollars, Unless Stated 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. An-Sin Real Estate Management Ltd.	a a	Other receivables	\$ 446,908	For working capital, rate at 1.62% Regular settlement	1
				Trade receivables	100,706		-
1	Sinyi Global Asset Management Co., Ltd.	Sinyi Realty Inc.	b	Other receivables	130,000	For working capital, rate at 1.67%	-
2	Sinyi International Limited	Sinyi Realty Inc.	b	Other receivables	2,363,210	For working capital	8
3	Jiu Xin Estate (WuXi) Limited	Shanghai Sinyi Real Estate Inc.	c	Other receivables	173,080	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 assets as of December 31, 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 year ended December 31, 2023.

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

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 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.	Sinyi International Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	\$ 10,041,794	\$ 10,407,073	333,248,785	100	\$ 11,988,676	\$ 339,423	\$ 339,423	
	Sinyi Limited	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	87,500	(105,758)	(105,758)	
	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	2,035,000	2,035,005	203,500,000	100	1,918,073	358,454	279,923	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	97,247	13,414	13,414	
	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	6,588	(95)	(76)	
	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	746	(35)	(35)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	-	99	1,691	(41)	(40)	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	25,500	25,500	7,650,000	51	129,087	21,087	10,754	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	17,636	1,593	303	
	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	2,873	(2,822)	(2,822)	
	Chengjing Enterprise Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Investment holding	500	-	50,000	100	466	(34)	(34)	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	60,052	75,773	17,056	
	Sin Chiun Holding Sdn. Bhd.	Suite 9-13A, Level 9, Wisma Uoa II, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Investment holding	1,842,325	1,795,572	250,537,766	100	1,467,966	(40,530)	(40,530)	
	Sinju Holding Sdn. Bhd.	Unit 20-1, Level 20, Menara Prestige, No.1, Jalan Pinang, 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysian	Investment holding	57,158	57,158	8,200,000	100	32,331	952	952	
	Sinyi Morefun Tourism Development Ltd.	Coastal Building, Wickham's Cay II, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding	130,679	130,679	14,390	100	31,715	(34,196)	(34,196)	
	Jin Mei Travel Service Co., Ltd.	9F.-2, No.50, Linsen N. Rd., Zhongshan Dist., Taipei City, Taiwan	Tourism	8,310	8,310	-	100	5,277	1,518	1,518	
	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	28,536	(23,317)	(23,317)	
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	3,143	(147)	(147)		
Zhancheng Tourism Development Sdn. Bhd.	Lot No.6-2, 2ND Floor, Block a Bundusan Commercial, Centre 88300 Kota Kinabalu Sabah, Malaysia	Tourism	427,925	15,591	62,000,000	100	411,518	(230)	(230)		
Sinyi International Limited	Forever Success International Ltd.	3rd Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius.	Investment holding	68,741	68,741	2,216,239	100	200,176	(9,611)	(9,611)	
	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	396,103	95,858	95,858	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	967,766	2,257,376	31,506,209	100	586,244	87,106	87,106	
Sinyi Limited	Sinyi Estate Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	4,517,746	6,360,046	148,510,749	100	4,054,980	24,203	24,203	
	Inane International Limited	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	(267,093)	(119,755)	(119,755)	
Inane International Limited	Ke Wei Hk Realty Limited	Rooms 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, HK	Investment holding	95,129	95,129	2,675,000	99	(446)	4,478	4,437	
	Max Success International Limited	Palm Grove House, P.O. Box 438, Road Town, Torola, British Virgin Islands	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	122,254	11,862	11,862	
Sinyi Realty Inc. Japan	Sinyi Asset 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	72,695	14,085	14,085	
	Tokyo Sinyi Real Estate Co., Ltd.	3rd Floor, No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage	5,000	5,000	500,000	100	19,026	(24)	(24)	
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	908,457	2,198,067	29,640,200	100	606,886	83,334	83,334	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2023			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
Sinyi Estate Ltd.	Sinyi Estate (Hong Kong) Limited	Unit 2103, Futura Plaza, 111 How Ming Street, Kwun Tong, Kowloon, Hong Kong	Investment holding	\$ 4,508,824	\$ 6,351,124	147,010,749	100	\$ 4,039,609	\$ 29,832	\$ 29,832	
Sinyi Development Inc.	Da-Chia Construction Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	800	800	80,000	100	296	(34)	(34)	
	Sinyi Real Estate Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	800	800	80,000	100	219	(34)	(34)	
Sin Chiun Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Management and identification	39,987	39,987	5,443,949	49	2,573	(2,519)	(1,234)	
	Pegasus Holding Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Investment holding	42,160	42,160	5,741,100	100	2,706	(1,319)	(1,319)	
Pegasus Holding Sdn. Bhd.	Fidelity Property Consultant Sdn. Bhd.	Suite 9-13a, Level 9, Wisma Uoa Ii, Jalan Pinang, 50450 Kuala Lumpur, Malaysia	Management and identification	41,619	41,619	5,666,151	51	2,678	(2,519)	(1,285)	
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	1,647	(95)	(19)	
	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	2,090	(997)	(997)	
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	-	-	-	-	(136)	(11)	(11)	Note 1
Sinyi Morefun Tourism Development Ltd.	Sinyi Infinite Limited	Coastal Building, Wickham'S Cay Ii, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding	-	3,481	-	-	-	-	-	Note 4
	Sinyi Elite Limited	Coastal Building, Wickham'S Cay Ii, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding	-	-	-	-	12	(12)	(12)	Note 1
	Sinyi Unique Limited	Coastal Building, Wickham'S Cay Ii, P. O. Box 2221, Road Town, Tortola, British Virgin Islands.	Investment holding	-	17,794	-	-	-	-	-	Note 4
Sinyi Elite Limited	Zhanyi Tourism Development Sdn. Bhd.	Lot No. 62, 2nd Floor, Block A Bundusan Commercial Centre 88300 Kota Kinabalu Sabah Malaysia	Tourism	-	-	-	-	(80)	(12)	(12)	Note 1

Note 1: The Group established the subsidiaries in 2020; as of December 31, 2023, the capital injection had not been completed.

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

Note 3: The Group established the subsidiary in 2023.

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

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 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 December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Value as of December 31, 2023 (Note 1)	Accumulated Inward Remittance of Earnings as of December 31, 2023
					Outflow	Inflow						
YiShan Shanghai Real Estate Management Consulting Inc. (Note 9)	Real estate brokerage and management consulting	RMB -	Investment in company located in mainland China indirectly through Ke Wei HK Realty Limited and Shanghai Sinyi Real Estate Inc.	\$ 81,859	\$ -	\$ -	\$ 81,859	\$ -	-	\$ -	\$ -	\$ -
Shanghai Sinyi Real Estate Inc. (Note 2)	Real estate brokerage	RMB 293,632	Investment in company located in mainland China indirectly through Inane International Limited	1,294,418	-	-	1,294,418	(128,223)	100	(128,223)	(249,291)	-
Beijing Sinyi Real Estate Ltd. (Note 2)	Real estate brokerage	RMB 36,397	Investment in company located in mainland China indirectly through Inane International Limited and Shanghai Sinyi Real Estate Inc.	149,955	-	-	149,955	18,045	100	18,045	4,473	-
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	(7,386)	100	(7,386)	(22,330)	-
Suzhou Sinyi Real Estate Inc. (Note 2)	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	(24,899)	100	(24,899)	(96,608)	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 3)	Real estate fund investment management	RMB 1,636,300	Investment in company located in mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	(Note 7)	-	(Note 7)	-	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 9)	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	5,401	100	5,401	48,297	-
Chengdu Sinyi Real Estate Co., Ltd. (Note 4)	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 5)	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	76,605	100	76,605	610,607	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 December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Value as of December 31, 2023 (Note 1)	Accumulated Inward Remittance of Earnings as of December 31, 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	\$ (6,768)	100	\$ (6,768)	\$ 170,930	\$ -
Kunshan Dingxian Trading Co., Ltd.	Construction materials, furniture, sanitary ware and ceramic products wholesale	RMB 6,000	Investment in company located in mainland China indirectly through Sinyi Development Ltd.	31,020	-	-	31,020	8,282	100	8,282	(11,758)	-
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.	-	-	-	-	4,621	100	4,621	9,485	-
Jiaying Zhi Zheng Real Estate Marketing Planning Inc. (Note 8)	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 Estate (Hong Kong) Limited	3,900,696	-	-	3,900,696	29,630	100	29,630	4,002,637	-
Suzhou ZHI XIN Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 3,000	Investment in company located in Mainland China indirectly through Shanghai ZHI XIN Allograph Ltd.	-	-	-	-	(1,912)	100	(1,912)	(2,537)	-
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.	-	-	-	-	28,682	100	28,682	111,690	-
Xin Yeh Business Administration (Shanghai) Ltd. (Note 9)	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 3)	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.	-	-	-	-	1,378	100	1,378	(544)	-
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 7)	-	(Note 7)	-	-
Chuzhou Zhi Zheng Real Estate Marketing Planning Inc. (Note 9)	Real estate marketing planning and management consulting	RMB -	Investment in company located in Mainland China indirectly through Shanghai Sinyi Real Estate Inc.	-	-	-	-	-	-	-	-	-

Accumulated Outflow for Investment in Mainland China as of December 31, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 6)
\$9,211,888	\$21,152,448	\$ -

(Continued)

- Note 1: The carrying value was converted into New Taiwan dollars at the exchange rates of US\$1=NT\$30.705 and US\$1=RMB7.096 on December 31, 2023.
- Note 2: Some of the investments were made indirectly through earnings of the Company's subsidiary in China.
- Note 3: Investments were made indirectly through the earnings of the Company's subsidiary in China.
- Note 4: The Corporation has been liquidated in the second quarter 2019.
- Note 5: The Corporation has been liquidated in the second quarter 2017.
- Note 6: The Company has acquired the certification of operation headquarters issued by the Ministry of Economic Affairs, ROC.
- Note 7: 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 8: The Corporation has been liquidated in the second quarter 2023.
- Note 9: The Corporation has been liquidated in the third quarter 2023.

(Concluded)

SINYI REALTY INC.**INFORMATION OF MAJOR SHAREHOLDERS
AS OF DECEMBER 31, 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	39,639,742	5.37

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

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