Stock Code: 2923
TWSE: Sino Horizon Holdings - KY

SINO HORIZON HOLDINGS LIMITED

Annual Report

2021 Annual Report
A Firm Foundation, A Strong Future



This annual report is available on the following website:
Market Observation Post System mops.twse.com.tw/mops/web/index | Company website: www.sinohorizon.cn Printed on April 30, 2022

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The Company

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Shanghai Ding Jia Real Estate Development Co., Ltd.
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Shanghai Hong Xiang Land Investment Co., Ltd.
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Shanghai Ding Rong Real Estate Development Co., Ltd.
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Shanghai Dingyi Real Estate Development Co., Ltd.
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Wuxi Ding Gu Real Estate Development Co., Ltd.
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Listed Overseas Securities Trading Market Name and Information Access

The Company does not issue overseas securities

Company Website:

www.sinohorizon.cn

List of Directors

Title	Name	Nationality or registered place	Gender	Education and work experience
Chairman	Great Sino Development Ltd.	BVI	-	B.S. in Industrial Engineering, Chung Yuan Christian University ASE Technology Holding Co., Ltd. - Vice Chairman, President and Director (Representative). Chairman, Universal Scientific Industrial Co., Ltd. Chairman, Universal Scientific Industrial (Shanghai) Co., Ltd.
	Hung-Pen Chang (representative of Great Sino Development Ltd.)	Hong Kong, China	Male	
Director	True Elite Holdings Limited	BVI	-	B.S. in Electrical Engineering, Taiwan University Master, Illinois Institute of Technology Chairman, ASE Technology Holding Co., Ltd.
	Chien Shen Chang (representative of True Elite Holdings Limited)	Singapore	Male	
Director	True Elite Holdings Limited	BVI	-	B.A., Barnard College, Columbia University M.Des., Parsons School of Design Designer, Skidmore, Owings and Merrill (SOM) Design Director, Shanghai Ding Hui Real Estate Development Co., Ltd.
	Madeline D. Chang (representative of True Elite Holdings Limited)	U.S.A	Female	
Director	Great Sino Development Ltd.	BVI	-	B.S. in Engineering, Duke University Chairman Assistant, Shanghai Ding Gu Real Estate Development Co., Ltd.
	Nen-Yao Chang (representative of Great Sino Development Ltd.)	Republic of China	Male	
Director	An Yee Jennifer Fung	Hong Kong, China	Female	B.S.B., City University of Hong Kong Chartered financial analyst (CFA) Vice President, KGI Asia Limited Sales Agent, Morgan Stanley Asia Limited
Director	Fong-Cheng Lin	Republic of China	Male	LL.B., National Taipei University (formerly College of Law and Business, National Chung Hsing University) Vice Chairman, Kuomintang of China Minister of Interior Minister of Transportation and Communications
Director	Ching-Chong Chen	Republic of China	Male	Waseda University Chairman, Advanced Microelectronic Products, Inc. Chairman, Shang Ren Electronics Co., Ltd. Supervisor, Rechi Precision Co., Ltd.
Director	Du-Tsuen Uang	Republic of China	Male	J.D., National Chengchi University Secretary-General, Central Bureau of Standards Associate Researcher, Institute of International Relations, National Chengchi University Member, Fair Trade Commission, Executive Yuan
Independent Director	Li-Teh Hsu	Republic of China	Male	M.P.A., Harvard University Vice Premier, Executive Yuan Chairman, China Aviation Development Foundation Senior Advisor, Office of the President
Independent Director	Su-Chun Kuo	Republic of China	Female	M.B.A., William Woods University 4th, 6th, and 7th-term Legislator, Legislative Yuan 2nd and 3rd-term Assembly Representative, National Assembly Lecturer of Small and Medium Enterprise Management, Ministry of Economic Affairs.
Independent Director	Charles Chen	Republic of China	Male	E.M.B.A., National Sun Yat-Sen University B.Acy., National Taiwan University Vice Chairman, Deloitte & Touche and supervisor and partner of the South District Part-time lecturer, Department of Finance, National Sun Yat-sen University

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I. Letter to Shareholders

Dear Shareholders,

In 2021, China's real estate market encountered business cycle fluctuations. With the long-term and sound development of the market in mind, local authorities have tightened requirements and regulations that demand real estate enterprises to strengthen their financial health and adopt benign macro-economic control. Since most of Sino Horizon's construction projects are located in benchmark cities with high stability such as Shanghai and Chongqing, the Company has a solid foundation that makes it more resistant to changes in the real estate environment. Additionally, Sino Horizon's commercial real estate in the city center also contributes stable cash flow and consistently invigorates the real estate value, driving the smooth operation of Sino Horizon's 2021 businesses, including "housing sales", "commercial office leasing", and "shopping center operation".

2021 Business Accomplishments

Sino Horizon's 2021 consolidated revenue amounted to NT$4.83188 billion. The profit before tax amounted to NT$1.96455 billion, the net profit amounted to NT$1.171014 billion, and the earnings per share was NT$0.67.

In terms of housing sales, the Company benefited in 2021 from sales from the "Yuhuashan" project in Shanghai, the "Dinggu Huating" project in Jiading, the "Wanxiyaju" project in Wuxi, and the "Jiefangbei No.1" project in Chongqing, which contributed approximately NT$2.22 billion to the overall annual revenue. In terms of pre-sale project, the Company launched the pre-sale project "Huijing Huating III" with 300 units, achieving a total of NT$5.6 billion in sales with the sales rate of 99%.

On the other hand, Sino Horizon's commercial office leasing and shopping center operation businesses as well as property management projects brought in revenues totaling approximately NT$2.58 billion in 2021. Renovations of the Taikang and Ruijin sections of the Shanghai SML Center were also completed, incorporating natural elements into the design of the bright shopping space and effectively attracting returning customers. In 2021, the highest single-day traffic of the shopping center reached approximately 100 thousand people. The shopping center will also continue to renew and replace energy-intensive equipment to improve carbon reduction sustainability and economic benefits.

Sino Horizon is optimistic about its long-term operation plans as well as how the Taiwan's housing market is sure to benefit from the rush of capital and export boom. In 2021, Sino Horizon and ASE Group purchased two pieces of land in Taichung's 7th and 14th Redevelopment Zone in a joint venture. The two pieces of land were 567 ping and approximately 5,000 ping respectively, with the total price of NT$1.417 billion and NT$3.318 billion respectively. The land is planned for housing products.

Business Plan:

Sino Horizon's main business strategies are as follows:

1. Prudently plan and reserve land, enhance the added value of Sino Horizon construction projects and control costs pragmatically, strengthen market competitiveness, launch projects accurately, increase selling speed,

weaken the impact of the housing market fluctuations, maintain the profitability of construction projects, and continue to evaluate potential land investment opportunities in both Taiwan and Mainland China.

2. Steady development of shopping malls and commercial leasing businesses that generate consistent cash flow, continuous development of operating bases, and upgrade of economic scale. The SML Center in Jiading, Shanghai has been put into operation, and the second phase of the SML Center in Huangpu, Shanghai is also under construction.

3. Sino Horizon's commercial real estate management teams must take multi-faceted approaches to make business adjustments and continue to introduce specialty stores in order to create differentiation in shopping centers and innovative services, improve the quality of services and infrastructure as well as the efficiency of shopping center management, and attract more diversified clientele.

4. Adhering to the financial regulations of the competent authorities, continue to strengthen Sino Horizon's financial structure in response to changes in the overall economy, and maintain good relations with financial institutions, paying attention to maintaining Sino Horizon's business reputation and credit quality while also deepening operational risk control and liquidity management.

Promote diversified ESG-oriented sustainable development, ensure that operations comply with professional ethics and social responsibility, and invest in sustainable public welfare projects to integrate sustainable concepts into the brand management strategy and enhance Sino Horizon's outstanding corporate image.

Key projects in 2022:

In line with the business objectives of "real estate development, financial stability, and sustainable development", housing sales is the main driver of Sino Horizon's revenue. Following the annual business targets set according to the development timetable, sales, and construction progress of individual projects, the Company has completed the handover and registration of 298 units in the "Huijing Huating Phase III" construction project in Jiading, Shanghai. The Company is also committed to enhancing the value of products and its corporate brand value in hopes of improving its ability to generate value in the market.

Focusing on the stages of impact that the COVID-19 pandemic had on Sino Horizon businesses, the Company adjusted according to market consumption behavior, actively developed new business models, and maintained the resilience of Sino Horizon's Shanghai Huangpu SML Center and other shopping centers to increase the loyalty of business tenants. Sino Horizon's management team also actively cooperates with the competent authorities regarding anti-epidemic measures and gives back to society with specific actions.

Future Outlook

Instead of pursuing large-scale enterprise expansion, Sino Horizon adheres to a long-term development strategy, maintaining abundant cash flow and a stable financial structure, and ensuring the accuracy of its real estate investments. The Company focuses on the development of urban elite areas, and improves project management

capabilities to strengthen its overall operational quality and reduce housing market risks and the possible impact on the overall economy.

Looking ahead, in addition to the difficulty of obtaining suitable land for development, rapid inflation of raw materials around the world and the rise in construction costs will also put pressure on the profitability of the real estate industry. However, Sino Horizon has ample land in reserve. Many pre-sale projects are near completion, and new projects are being rolled out according to the planned timetable. Overall projects costs are still within control, and the Company will carefully evaluate the changes in the trend of construction materials and industry development and adjust the operation strategy accordingly.

After considering the operating results in 2021, Sino Horizon has decided to give back to its shareholders by distributing cash dividends of NT$1.2 per share (note: to be implemented only after approval is granted by the 2022 Annual Shareholders' Meeting) to express our thanks to the shareholders for your support in recent years.

Finally, on behalf of the board of directors, I would like to express my heartfelt gratitude to all shareholders, customers, employees, and business partners for your full support and valuable contributions. Sino Horizon will continue to elevate its sustainable development competitiveness and the brand value of outstanding developers, in addition to actively develop new projects. We sincerely hope that all shareholders will continue to support this company.

II. Company Profile

1. Date of establishment

(1) Date of Establishment: December 5, 2007

Since the Zhang brothers invested in establishing Beijing Dinggu Real Estate Development Co., Ltd. (equity has been sold completely) in July 2001, Sino Horizon Holdings Limited (hereafter referred to as the "Company" or "Sino Horizon") has successively engaged in the management of real estate development, property sales and leases, and parking lot business in Mainland China. In May 2010, the Company acquired approval from the Investment Commission, Ministry of Economic Affairs ("MOEAIC"). The Company operates a business in renting shopping malls and office spaces, and also selling residential buildings. It has made returns on assets through property management, creating maximum interest for shareholder.

Sino Horizon Holdings Limited established and consolidated the shares of project companies within the border of Mainland China in December 2007.

(2) Group structure

Please refer to Page 10 for the organizational structure of the Company.

2. Company history

Date	Highlights	Key Events
July 2000	Wealthy Joy Co., Ltd. (BVI) was established.	Initial capital was obtained and holding company was established
September 2000	Follow International Ltd. (HK) was established in September 2000	Hong Kong holding company was established and prepared for expansion in China's real estate market
January 2001	Noble World International Ltd. (HK) was established	
May 2002	Realty Gain Ltd. (HK) was established	
July 2002	Time On Investment Ltd. (HK) was established and Bond Capital Ltd. (HK) was established	
November 2002	Long Tech Investments Ltd. (HK) was established	
January 2003	Shanghai Ding Gu Real Estate Development Co., Ltd. was established	Acquired and developed land on Huashan Road, Jing'an District, Shanghai (Renamed Shanghai Ding Gu Properties Co., Ltd.)
May 2003	Shanghai Ding Rong Real Estate Development Co., Ltd. was established	Acquired and developed land on Xujiahui Road, Huangpu District, Shanghai
July 2004	Kunshan Ding Yao Real Estate Development Co., Ltd. was established	Acquired and developed land on Ma'anshan Road, Kunshan
December 2004	Shanghai Ding Xin Real Estate Development Co., Ltd. was established	Acquired and developed land on Chunshen Rd. and Humin Rd., Minhang District, Shanghai (Renamed Shanghai Ding Xin Properties Co., Ltd.)
January 2005	Techwin Development Ltd. (HK) was established	
February 2005	Easy Rise Development Ltd. (HK) was established	
April 2005	Chongqing Dinggu Real Estate Development Co., Ltd. was established	Acquired and developed land in Baizi Alley, Yuzhong District, Chongqing

Date	Highlights	Key Events
December 2006	Fullrich Investment Development Ltd. (HK) was established	
August 2007	Shanghai Ding Lin Real Estate Development Co., Ltd. was established	Acquired and developed land in ZhaoJiaBang, HuangPu District, Shanghai
December 2007	Sino Horizon Holdings Limited was established in Cayman Islands	Application for primary listing in Taiwan was submitted
January 2008	Acquired the shares of Shanghai Ding Jia Real Estate Development Co., Ltd., Shanghai Ding Tong Real Estate Development Co., Ltd., Shanghai Hong Xiang Land Investment Co., Ltd., and Shanghai Ming Long Construction And Development Co., Ltd.	Acquired and developed lands A, B, C, and D on Chengbei Road Station, Jiading District, Shanghai
March 2009	Commenced the sale of Yuhuashan on Huashan Road, Shanghai	
August 2009	Commenced leasing of stores in Chongqing SML Center	
January 2010	Commenced leasing of stores in Shanghai SML Center	
March 2011	Commenced leasing of Shanghai Ding Rong office building	
December 2012	Sino Horizon Holdings Limited listed on Taiwan Stock Exchange	
April 2013	Pre-sale of Shanghai Ming Long Residential Building Huijing Huating Phase 1	
May 2013	Shanghai Dingyi Real Estate Development Co., Ltd. was established	Acquired and developed land in Anting, Jiading District, Shanghai
May 2014	Wuxi Ding Gu Real Estate Development Co., Ltd. was established	Acquired and developed land in Xishan District, Wuxi
April 2015	Pre-sale of Shanghai Ding Tong Residential Building Dinggu Junting	
May 2015	Pre-sale of Chongqing SML Center Residential Building Phase 3	
August 2015	Pre-sale of Kunshan Ding Yao Phase 4	
January 2016	Handed over of Chongqing SML Center Residential Building Phase 3	
July 2016	Imperial Corporation Ltd. was established	
December 2016	Completed and handed over Kunshan Ding Yao Residential Building Phase 4	
July 2017	Jiading SML Center opened	
January 2018	Pre-sale of Wuxi Wanxiyaju Phase 1	
May 2018	Pre-sale of Jiading Anting Dinggu Huating Phase 1	
December 2018	Completed and handed over Jiading Anting Dinggu Huating Phase 1	
December 2018	Pre-sale of Wuxi Wanxiyaju Phase 2	
May 2019	Completed and handed over Wuxi Wanxiyaju Phase 1	
July 2019	Pre-sale of Jiading Anting Dinggu Huating Phase 2	
April 2020	Completed and handed over Wuxi Wanxiyaju Phase 2	
September 2020	Completed and handed over Jiading Anting Dinggu Huating Phase 2	
January 2021	Pre-sale of Shanghai Ming Long Residential Building Huijing Huating Phase 3	
May 2021	Wealthy Joy Co., Ltd., Taiwan Branch was established	
February 2022	Completed and handed over Shanghai Ming Long Residential Building Huijing Huating Phase 3	

3. Risks

(1) Industry Risks

1. Risks associated with the acquisition of land use rights, failure to comply with the provisions regarding transfer of land use rights, and acquisition of undeveloped land

   The Company's income stems primarily from the sale and lease of developed real estate. Therefore, whether the Company can acquire high-quality land at reasonable prices is closely related to the business operation of the Company. Land supply in China is generally governed by the Chinese government. Whether the Company can purchase land use rights required for future development and the purchase cost of land are both adherent to government policies.

   If the Company fails to develop land in accordance with the provisions regarding transfer of land use rights in Mainland China, penalty for idle land or revocation of the land use right may be imposed on the Company by the Chinese government. The State Council of the People's Republic of China promulgated the *Notice of the State Council on Promoting Land Saving and Intensive Use* (No.3 [2008] of the State Council) in January 3, 2008, mandating rigid enforcement of policies concerning idle land. According to the Notice, if a piece of land has been idle for at least two years, it must be confiscated free of charge by the government, and rearranged for any other uses. If a piece of land has been idle for one year but less than two years, an idle land penalty must be collected at 20% of the transfer or assignment price of the land. The acquisition of undeveloped land (still resided by households that have not yet relocated) may increase the cost of land demolition and relocation or cause delays in development progress.

2. Risks associated with acquisition of approval documents at different stages of real estate development

   To develop and complete a real estate development project, the Company must acquire permits and certificates from administrative agencies of the Chinese government at different states of the development process. These include land certificates, permits for construction planning of land, construction project planning permits, building construction permits, and project completion and acceptance certificates. The aforementioned documents may be acquired upon compliance with the applicable criteria of laws and regulations. Therefore, failure to acquire relevant supporting documents would delay the progress of development projects, and in turn influence the subsequent operating and financial status of the Company.

(2) Operational risks

1. Liquidity risk resulting from a considerable amount of investment capital

Real estate developers must invest considerable amount of capital during the planning and construction period, and will probably generate positive cash flows only after several years of investment from presale and sale of real estate (real estate developers in Mainland China may, within two months after the official signing of a presale agreement, obtain the full amount of payment from a buyer or bank with whom the buyer has made a mortgage).

For real estate developers, the longer the holdup, the more variables they will encounter; therefore, careful consideration is required when making long-term financial plans for the Company because a sound financial structure in a time when real estate market is sluggish is key to ensuring the sustainable operation of the Company.

2. The real estate market in China is often under strict supervision and is limited by new laws and regulations, which may pose adverse risks to property developers.

The Chinese government occasionally adjusts its policies on the real estate market, including policies on land supply and idle land handling, the capital ratios of real estate development companies, construction financing criteria, remortgages in recent years, purchase limit measures for residents, sales limit measures for developers, land value increment tax policies, and policies where business tax was changed into increment tax as of May 2016. These changes all influence the overall real estate market, and the Company is also addressing various regulatory issues in a pragmatic manner.

(3) Other major risks

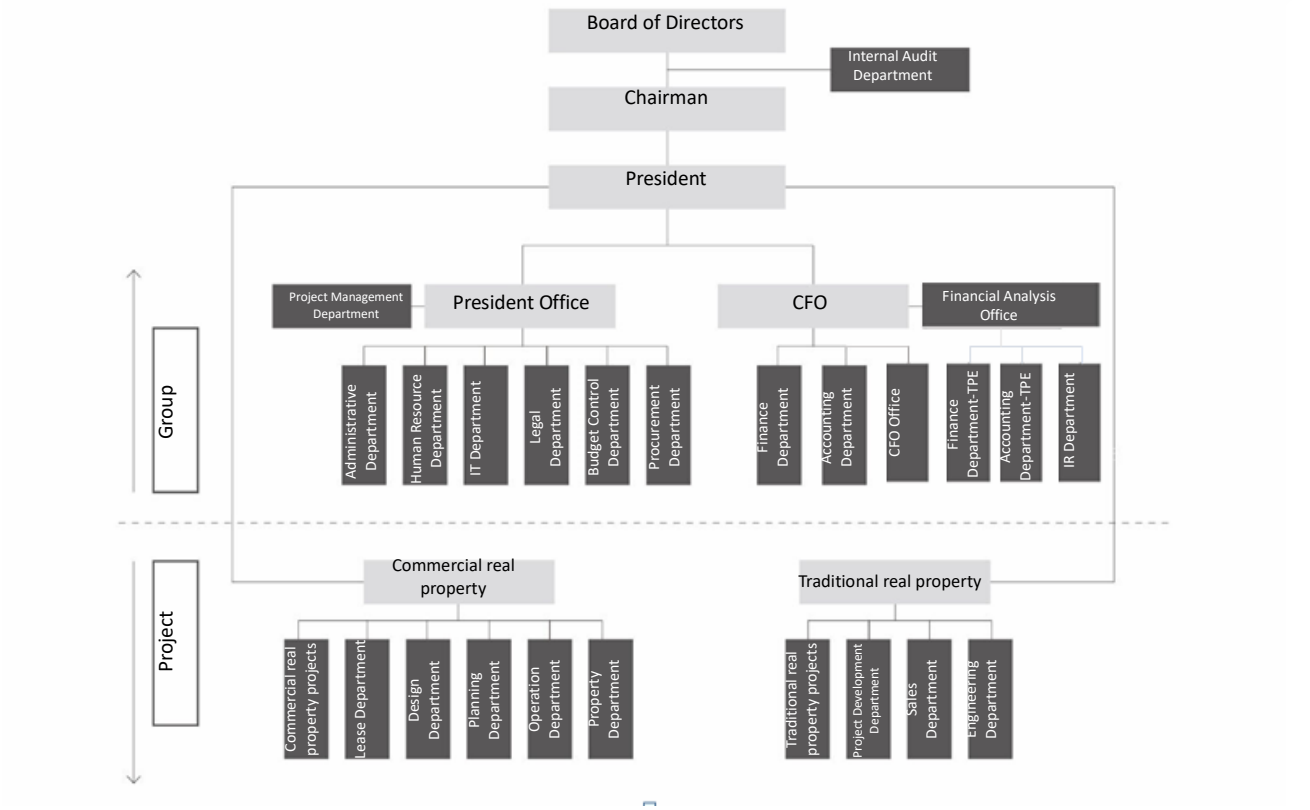
Please refer to 6. Risk management, analysis, and assessment on Page 196 for other major risks.

III. Corporate Governance Report

1. Organizational Chart

(1) Organizational Profile

As of April 30,2022



(2) Major business units and their key businesses

Department	Duties
Project Development Department	1. Recommend land development strategies and perform investment analysis and calculations 2. Inquire about, collect, and organize land and market information 3. Plan preliminary development designs and organize progress schedules
Engineering Department	1. Manage construction project planning and design 2. Manage the costs, quality, progress, and safety relating to construction projects 3. Obtain relevant government permits and licenses during the construction period of a project 4. Handle the inspection and acceptance of construction projects, and project completion and delivery tasks
Sales Department	1. Devise project development sales plans 2. Execute project marketing plans and carry out sales-related handling procedures 3. Supervise contract signing and payment collection 4. Complete permit/license application and property handover procedures
Lease Department	1. Establish leasing plans and carry out leasing plans along with leasing agents 2. Manage the signing of lease contracts and leasing business services 3. Adjust and control rent, and develop potential customers

Department	Duties
Design Department	1. Draft regulations for design management systems and processes, and perfect the Company's design management system 2. Provide renovation services to merchants during improvement period, including installed electrical and mechanical increased capacity, fire prevention facilities, water supply facilities, and exhaust systems required for business operations 3. Manage the review of designs and diagrams before a merchant enters a site, and provide guiding services 4. Assist the Sales Department to collect data on the area of the premise leased by the lessor and the electrical and mechanical conditions of the premise of the lessor
Property Department	1. Provide daily property management services for property owners and property users 2. Repair and maintain the infrastructure and facilities of the property
Planning Department	1. Lease and manage advertising spaces in shopping malls 2. Improve the Company's image, exhibition attendance, advertisements, planning, and implementation
Operation Department	1. Manage information on business activities and customers 2. Establish and execute business operations and customer service management tasks
Budget Control Department	1. Oversee project tendering and contract signing tasks 2. Develop total cost estimates for a construction project and review construction safety cost analyses to control the total cost of a project 3. Review certificates of changes during the implementation of a project 4. Handle final pricing and settlement of a construction project
Accounting Department	1. Compile financial statements and management-based financial statements 2. Handle account books, and collect and analyze cost information 3. Report and manage tax affairs 4. Control comprehensive budgets and analyze implementation status
Finance Department	1. Handle payment collection from property sales and leases 2. Conduct cash management through banks and control project fund allocation 3. Be responsible for bank financing operations 4. Review financial report signatures and expenditure approval
CFO Office	1. Compile information for quarterly audit committee board meetings and board meetings 2. Oversee domestic and foreign financing matters of the group 3. Oversee analysis and reporting of investment projects 4. Compile consolidated financial statements for the group
Legal Department	1. Handle public legal documents and review external contracts 2. Apply for company licenses and handle legal affairs and disputes
Human Resource Department	1. Formulate and amend human resource-related management guidelines and rules to develop a sound human resource management system 2. Use the Company's development strategies as the basis to predict personnel needs, devise human resource plans and development projects, and allocate personnel budgets 3. Handle the management of compensation and welfare, maintain employer-employee relations, and provide employee care 4. Develop recruitment plans, promote and execute recruitment campaigns, and achieve recruitment goals 5. Complete performance management systems and conduct performance evaluation 6. Plan education and training framework, and implement training plans for general competencies and professional competencies

Department	Duties
Administrative Department	1. Manage the daily administration tasks of the Company 2. Improve the Company's logistics-related management regulations, carry out logistics tasks, handle purchase and distribution of office supplies, vehicle management, facilities repair, and file archiving 3. Handle visa and work permit applications, and purchase tickets for business travels and arranging accommodations 4. Organize group recreational activities and travel itineraries for employees, and plan matters related to employee welfare
Procurement Department	1. Manage supplier qualifications and behavior 2. Establish and optimize procurement systems 3. Compile procurement needs of the Group, and purchase the most competitive products through search, comparison and bargaining of prices
Project Management Department	1. Establish and maintain internal SOPs 2. Launch charity events 3. Plan cross-departmental projects of the group
Financial Analysis Office	1. Compile information for shareholders' meeting manuals and annual report of shareholders meeting 2. Deal with the matters related to the information disclosure of the listed company 3. Compile consolidated financial statements for the group 4. Comply with corporate governance regulations in accordance with law 5. Maintain media relations, media promotion, and advertising 6. Coordinate the preparation of ESG reports
IT Department	1. Support company strategies and managerial needs, and conduct the organization's long/mid/short-term informational planning and implementation 2. Oversee the drafting of information systems and participate in the promotion and execution of systems upon approval 3. Oversee the planning, establishment, daily maintenance, and safety protection of network infrastructures (local area network, virtual network, and standalone router); Oversee the IT services provided in the organization; and Oversee the establishment and promotion of online office suites 4. Support corporate operational plans, develop short/mid/long-term information plans, and compile and approve annual budgets
Audit Department	1. Ensure the effective implementation of internal control systems 2. Formulate regular audit plans according to risk assessment results 3. Carry out inspection of the Company's internal control system according to audit reports 4. Periodically report to the Audit Committee on internal control results and follow-ups

2. Profile of directors, president, vice presidents, assistant vice presidents, and supervisors of departments and branches

(1) Name, shareholding ratio, and educational background of directors

1. Director

April 30, 2022

Title (Note 1)	Nationality or registered place	Name	Gender	Age	Date of appointment	Office term	Date first elected	Shares owned upon appointment		Shares currently held		Current shares held by spouse and underage children	
								No. of shares (1,000 shares)	Percentage of shares	No. of shares (1,000 shares)	Percentage of shares	No. of shares (1,000 shares)	Percentage of shares
Chairman	BVI	Great Sino Development Ltd.	-	-	2019.06.28	3	2016.8.26	339,971	19.54%	339,971	19.54%	0	0%
	Hong Kong, China	Hung-Pen Chang (representative of Great Sino Development Ltd.)	Male	75	2019.06.28	3	2007.12.11	0	0.00%	0	0.00%	0	0%
Director	BVI	True Elite Holdings Limited	-	-	2019.06.28	3	2016.08.26	677,880	38.95%	677,880	38.95%	0	0%
	Singapore	Chien Shen Chang (representative of True Elite Holdings Limited)	Male	78	2019.06.28	3	2007.12.11	0	0.00%	0	0.00%	0	0%
Director	BVI	True Elite Holdings Limited	-	-	2019.06.28	3	2016.8.26	677,880	38.95%	677,880	38.95%	0	0%
	U.S.	Madeline D. Chang (representative of True Elite Holdings Limited)	Female	47	2019.06.28	3	2016.8.26	0	0.00%	0	0.00%	0	0%
Director	BVI	Great Sino Development Ltd.	-	-	2019.06.28	3	2016.8.26	339,971	19.54%	339,971	19.54%	0	0%

Title (Note 1)	Nationality or registered place	Name	Gender	Age	Date of appointment	Office term	Date first elected	Shares owned upon appointment		Shares currently held		Current shares held by spouse and underage children	
								No. of shares (1,000 shares)	Percentage of shares	No. of shares (1,000 shares)	Percentage of shares	No. of shares (1,000 shares)	Percentage of shares
	Republic of China	Nen-Yao Chang (representative of Great Sino Development Ltd.)	Male	41	2019.06.28	3	2010.08.26	0	0.00%	556	0.03%	0	0%
Director	Hong Kong, China	An Yee Jennifer Fung	Female	50	2019.06.28	3	2011.03.31	165	0.01%	165	0.01%	0	0%
Director	Republic of China	Fong-Cheng Lin	Male	82	2019.06.28	3	2010.08.26	0	0.00%	0	0.00%	0	0%
Director	Republic of China	Ching-Chong Chen	Male	82	2019.06.28	3	2010.08.26	0	0.00%	0	0.00%	0	0%
Director	Republic of China	Du-Tsuen Uang	Male	63	2019.06.28	3	2014.06.18	0	0.00%	0	0.00%	0	0%
Independent Director	Republic of China	Li-Teh Hsu	Male	90	2019.06.28	3	2010.08.26	0	0.00%	0	0.00%	0	0%
Independent Director	Republic of China	Su-Chun Kuo	Female	66	2019.06.28	3	2014.06.18	0	0.00%	0	0.00%	0	0%
Independent Director	Republic of China	Charles Chen	Male	78	2019.06.28	3	2010.08.26	0	0.00%	0	0.00%	0	0%

Title	Name	Shares owned in the name of others		Education and work experience	Positions held at the Company or other companies	Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads		
		No. of shares (1,000 shares)	Percentage of shares			Title	Name	Relation
Chairman	Great Sino Development Ltd.	0	0%	—		—	—	—
	Hung-Pen Chang (representative of Great Sino Development Ltd.)	847,350	48.69%	B.S. in Industrial Engineering, Chung Yuan Christian University ASE Technology Holding Co., Ltd. - Vice Chairman, President and Director (Representative). Chairman, Universal Scientific Industrial Co., Ltd. Chairman, Universal Scientific Industrial (Shanghai) Co., Ltd.	(Note 1)	Director Director	Chien Shen Chang Nen-Yao Chang	Siblings Father and son
Director	True Elite Holdings Limited	0	0%	—		—	—	—
	Chien Shen Chang (representative of True Elite Holdings Limited)	847,350	48.69%	B.S. in Electrical Engineering, Taiwan University Master, Illinois Institute of Technology Chairman, ASE Technology Holding Co., Ltd.	(Note 1)	Chairman Director	Hung-Pen Chang Madeline D. Chang	Siblings Father and daughter
Director	True Elite Holdings Limited	0	0%	—		—	—	—
	Madeline D. Chang (representative of True Elite Holdings Limited)	0	0%	B.A., Barnard College, Columbia University M.Des., Parsons School of Design Designer, Skidmore, Owings and Merrill (SOM) Design Director, Shanghai Ding Hui Real Estate Development Co., Ltd.	(Note 1)	Director	Chien Shen Chang	Father and daughter
Director	Great Sino Development Ltd.	0	0%	—		—	—	—
	Nen-Yao Chang (representative of Great Sino Development Ltd.)	0	0%	B.S. in Engineering, Duke University Chairman Assistant, Shanghai Ding Gu Real Estate Development Co., Ltd.	(Note 1)	Chairman	Hung-Pen Chang	Father and son (Note 2)
Director	An Yee Jennifer Fung	0	0%	B.S.B., City University of Hong Kong Chartered financial analyst (CFA) Vice President, KGI Asia Limited Sales Agent, Morgan Stanley Asia Limited	(Note 1)	—	—	—

Title	Name	Shares owned in the name of others		Education and work experience	Positions held at the Company or other companies	Spouse or relatives of second degree or closer acting as directors, supervisors, or other department heads		
		No. of shares (1,000 shares)	Percentage of shares			Title	Name	Relation
Director	Fong-Cheng Lin	0	0%	LL.B., National Taipei University (formerly College of Law and Business, National Chung Hsing University) Vice Chairman, Kuomintang of China Minister of Interior Minister of Transportation and Communications	(Note 1)	—	—	—
Director	Ching-Chong Chen	0	0%	Waseda University Chairman, Advanced Microelectronic Products, Inc. Chairman, Shang Ren Electronics Co., Ltd. Supervisor, Rechi Precision Co., Ltd.	(Note 1)	—	—	—
Director	Du-Tsuen Uang	0	0%	J.D., National Chengchi University Secretary-General, Central Bureau of Standards Associate Researcher, Institute of International Relations, National Chengchi University Member, Fair Trade Commission, Executive Yuan	(Note 1)	—	—	—
Independent	Li-Teh Hsu	0	0%	M.P.A., Harvard University Vice Premier, Executive Yuan Chairman, China Aviation Development Foundation Senior Advisor, Office of the President	(Note 1)	—	—	—
Independent Director	Su-Chun Kuo	0	0%	M.B.A., William Woods University 4th, 6th, and 7th-term Legislator, Legislative Yuan 2nd and 3rd-term Assembly Representative, National Assembly Lecturer of Small and Medium Enterprise Management, Ministry of Economic Affairs.	(Note 1)	—	—	—
Independent	Charles Chen	0	0%	E.M.B.A., National Sun Yat-Sen University B.Acy., National Taiwan University Vice Chairman, Deloitte & Touche and supervisor and partner of the South District Part-time lecturer, Department of Finance, National Sun Yat-sen University	(Note 1)	—	—	—

Note 1: Positions held by the Company's directors in the Company and other companies are summarized below.

Note 2: Where the Company's Chairman and the President or person of an equivalent post (the highest level manager) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of applicable information on the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: The Company's Chairman and President are relatives within the first degree of kinship. President Nen-Yao Chang has years of experience in real estates; he worked for real estate companies after graduating from Duke University in the United States. Chang has been the President of the Company ever since the Company was established. He has shown excellent performance throughout his tenure, generating massive value for the shareholders of the Company. Chairman Hung-Pen Chang has more than 40 years of experience in real estate and has always provided important guidance for the Company's strategic direction. Therefore, both being the Chairman and President of the Company is deemed as reasonable and necessary. The Company has more than half of directors who are not an employee or manager of the Company. The Company plans to increase the number of independent directors.

Hung-Pen Chang

Sino Engine Group Limited - Director

Fairwheel Holdings Limited - Director

Imperial Corporation Ltd. - Director

Sino Horizon Holdings Limited - Chairman

Wealthy Joy Co. Ltd. - Director

Peak Vision International Limited - Director

Peak Paramount International Limited - Director

Great Sino Development Ltd. - Director

Shanghai Ding Gu Properties Co., Ltd. - Chairman

Shanghai Ding Jia Real Estate Development Co., Ltd. - Chairman

Shanghai Ding Tong Real Estate Development Co., Ltd. - Chairman

Shanghai Hong Xiang Land Investment Co., Ltd. - Chairman

Shanghai Ming Long Construction And Development Co., Ltd. - Chairman

Shanghai Ding Rong Real Estate Development Co., Ltd. - Chairman

Shanghai Ding Lin Real Estate Development Co., Ltd. - Chairman

Shanghai Ding Xin Properties Co., Ltd. - Chairman

Shanghai Dingyi Real Estate Development Co., Ltd. - Chairman

Kunshan Ding Yao Real Estate Development Co., Ltd. - Chairman

Chongqing Dinggu Real Estate Development Co., Ltd. - Chairman

Chongqing Dinggu Property Management Co., Ltd.- Executive Director

Wuxi Ding Gu Real Estate Development Co., Ltd. - Executive Director

Chongqing Dinggu Market Management Co., Ltd. - Executive Director

Shanghai Ding Gu Property Management Co., Ltd. - Executive Director

ASE Enterprises - Director

Warm Land Development Ltd. – Director

Wenzhou Hongde Construction Development Co., Ltd. - Director

Ding-Chang Investment Co., Ltd. - Chairman

Wan-Chang Investment Co., Ltd. - Chairman

Wan-Ya Investment Co., Ltd - Chairman

Ding-Ku Investment Co., Ltd. - Chairman

ASE Technology Holding Co., Ltd. - Vice Chairman, President, and Director (representative)

J&R Industrial Inc. - Director (representative)

Innosource Ltd. - Director

Omniquest Industrial Ltd. - Director

A.S.E Holding Ltd. - Director

J&R Holding Ltd. - Director

GAPT-Cayman - Director

Advanced Semiconductor Engineering (HK) Limited - Chairman

Alto Enterprises Ltd. - Director

Super Zone Holdings Ltd. - Director

Chien Shen Chang

Sino Horizon Holdings Limited - Director (representative)

ASE Technology Holding Co., Ltd. – CEO, Chairman, Director (representative), and Chairman of Resource Integration and Decision-Making Committee

Advanced Semiconductor Engineering, Inc. – Chairman

J&R Industrial Inc. – Chairman

ASE Test Inc. –Director

ASE Test Holding, Ltd. – Director

A.S.E. Holding Ltd. – Director

J&R Holding Ltd. – Director

Innosource Ltd. – Director

ASE Test Limited (Singapore) – Director

ASE Investment (Kunshan) Limited – Chairman

ASE Mauritius Inc. – Director

ASE Corporation – Director

ASE Labuan Inc. – Director

Alto Enterprises Ltd. – Director

Super Zone Holdings Ltd. – Director

Shanghai Ding Hui Real Estate Development Co., Ltd. – Chairman

Shanghai Ding Wei Real Estate Development Co., Ltd. – Chairman

Shanghai Ding Yu Real Estate Development Co., Ltd. – Chairman

KunShan Ding Hong Real Estate Development Co., Ltd. – Chairman

Shanghai Ding Qi Property Management Co., Ltd– Chairman

Shanghai Ding Fan Department Store Co., Ltd. – Chairman

Shanghai Dingxu Property Management Co., Ltd. – Chairman

SH Dingyao Estate Development Co., Ltd. – Chairman

Wealthy Joy Co. Ltd. – Director

Shanghai Ding Rong Real Estate Development Co., Ltd. – Director

Chongqing Dinggu Real Estate Development Co., Ltd. – Director

Shanghai Ding Xin Properties Co., Ltd. – Director

Kunshan Ding Yao Real Estate Development Co., Ltd. – Supervisor

Shanghai Ding Jia Real Estate Development Co., Ltd. – Supervisor

Shanghai Ding Tong Real Estate Development Co., Ltd. – Supervisor

Shanghai Hong Xiang Land Investment Co., Ltd. – Supervisor

Shanghai Ming Long Construction and Development Co., Ltd. – Supervisor

Shanghai Ding Yi Real Estate Development Co., Ltd. – Director

True Elite Holdings Limited – Director

Wenzhou Hongde Construction Development Co., Ltd. – Director

Forest Symbol Limited – Director

Excellent Worth Holdings Limited – Director

ASE Enterprises – Director

Value Tower Limited – Director

Aintree Limited – Director

JC Holdings Limited – Director

ASE Environmental Protection and Sustainability Foundation – Chairman

ASE Cultural and Educational Foundation – Director

Madeline D. Chang

Sino Horizon Holdings Limited - Director (representative)

Shanghai Ding Hui Real Estate Development Co., Ltd. – Director, Vice President of Design and Planning Department

Dingwei Real Estate Development– Director

Dingyu Real Estate Development– Director

ASE Environmental Protection and Sustainability Foundation –Director

ASE Cultural and Educational Foundation – Director

Nen-Yao Chang

Sino Horizon Holdings Limited - Director/President

Wealthy Joy Co. Ltd. - President

Peak Vision International Limited - President

Peak Paramount International Limited - President

Noble World International Limited - President

Follow International Limited - President

Time On Investments Limited - President

Realty Gain Limited - President

Long Tech Investments Limited - President

Techwin Development Limited - President

Fullrich Investment Development Ltd - President

Bond Capital Limited - President

Easy Rise Development Limited - President

Imperial Corporation Ltd. - President

Shanghai Ding Gu Properties Co., Ltd. - Director/President

Shanghai Ding Jia Real Estate Development Co., Ltd. - Director/President

Shanghai Ding Tong Real Estate Development Co., Ltd. - Director/President

Shanghai Hong Xiang Land Investment Co., Ltd. - Director/President

Shanghai Ming Long Construction And Development Co., Ltd. - Director/President

Shanghai Ding Lin Real Estate Development Co., Ltd. - Director/President

Shanghai Ding Xin Properties Co., Ltd. - Director/President

Kunshan Ding Yao Real Estate Development Co., Ltd. - Director/President

Shanghai Ding Rong Real Estate Development Co., Ltd. - Director/President

Chongqing Dinggu Real Estate Development Co., Ltd. - President

Ding Gu Properties Co., Ltd. - President

Shanghai Dingyi Real Estate Development Co., Ltd. - Director/President

Wuxi Ding Gu Real Estate Development Co., Ltd. - President

An Yee Jennifer Fung

Sino Horizon Holdings Limited - Director/CFO/Chief Corporate Governance Officer

Wealthy Joy Co. Ltd - CFO

Peak Vision International Limited - Director/CFO

Peak Paramount International Limited - Director/CFO

Noble World International Limited - CFO

Follow International Limited - CFO

Time On Investments Limited - CFO

Realty Gain Limited - CFO

Long Tech Investments Limited - CFO

Techwin Development Limited - CFO

Fullrich Investment Development Ltd - CFO

Bond Capital Limited - CFO

Easy Rise Development Limited - CFO

Imperial Corporation Ltd. - CFO

Shanghai Ding Gu Properties Co., Ltd. - CFO

Shanghai Ding Jia Real Estate Development Co., Ltd. - CFO

Shanghai Ding Tong Real Estate Development Co., Ltd. - CFO

Shanghai Hong Xiang Land Investment Co., Ltd. – CFO

Shanghai Ming Long Construction And Development Co., Ltd. - CFO

Shanghai Ding Lin Real Estate Development Co., Ltd. - CFO

Shanghai Ding Xin Properties Co., Ltd. - CFO

Kunshan Ding Yao Real Estate Development Co., Ltd. - CFO

Shanghai Ding Gu Property Management Co., Ltd. - CFO

Chongqing Dinggu Property Management Co., Ltd. - CFO

Chongqing Dinggu Market Management Co., Ltd. - CFO

Shanghai Ding Rong Real Estate Development Co., Ltd. - CFO

Chongqing Dinggu Real Estate Development Co., Ltd. - CFO

Ding Gu Properties Co., Ltd. - CFO

Shanghai Dingyi Real Estate Development Co., Ltd. - CFO

Wuxi Ding Gu Real Estate Development Co., Ltd. - CFO

Fong-Cheng Lin

Sino Horizon Holdings Limited - Director

Presidium, Central Advisory Committee of Kuomintang of China - Chairperson

Taiwan Glass Industry Corp. - Independent Director

Lien Chan Foundation for Peace and Development - Director

Ching-Chong Chen

Sino Horizon Holdings Limited - Director

Rong Da Investment Co. Ltd. - Chairman

Advanced Microelectronic Products, Inc. - Chairman	Chien Yang Enterprise Co., Ltd. – Chairman

Du-Tsuen Uang

Sino Horizon Holdings Limited - Director	Universal Scientific Industrial (Shanghai) Co., Ltd.-Director
ASE Technology Holding Co., Ltd – Chief Administration Officer, Chief of Corporate Governance Officer, Chief of Risk Committee, and Chief Information Security Officer	Hung Ching Development & Construction Co., Ltd.- Director
	Hung Ching Hsin Co., Ltd. - Director/President
Advanced Semiconductor Engineering, Inc. - Director(representative), Chief Administration Officer	Environmental Sustainability Foundation – Director, and CEO
	ASE Cultural and Educational Foundation - Director
ASE (China) Ltd. – Chairman/President	Chang Yao Hung Social Welfare and Charity Foundation – Director, and CEO
ASE Advanced Semiconductor (Shanghai) Limited –Director, and President	

Li-Teh Hsu

Sino Horizon Holdings Limited - Independent Director	Prudence Capital Management Ltd. - Chairman
Global Financial Services Co.,Ltd. - Chairman	Ching Sheng Investment Co., Ltd. - Director
Global Investment Holdings Co.,Ltd. - Chairman	Asia Pacific Emerging Industry Venture Investment Co., Ltd. - Director
Global Management Inc. - Director	Huang Guan Enterprise Co., Ltd. - Director
Zi Yu Investment Co., Ltd. - Chairman	Asia Pacific Emerging Industry Management Co., Ltd. - Director
Grand Cathay Venture Capital Co.,Ltd - Chairman	Lien-Ho Foundation - Chairman
Grand Cathay Venture Capital Ⅱ Co.,Ltd - Chairman	Modern Legal Research Foundation - Chairman
Grand Cathay Venture Capital Ⅲ Co.,Ltd - Chairman	Chinese Management Science Research Foundation - Director
Chung Chia Investment Development Co., Ltd. - Chairman	Epoch Foundation - Director
China Investment and Development Co.,Ltd - Chairman	Lien Chan Foundation for Peace and Development - Director
Prudence Venture Investment Corporation - Chairman	

Su-Chun Kuo

Sino Horizon Holdings Limited - Independent Director

Charles Chen

Sino Horizon Holdings Limited - Independent Director	Chung Hsin Development Co., Ltd. - Supervisor
VIZIONFOCUS Inc. - Independent Director	China Steel Management Consulting Corporation - Supervisor

2. Major shareholders of corporate directors

Name of institutional shareholder	Major shareholders of institutional shareholders	Shareholding percentage
Great Sino Development Ltd.	Hung-Pen Chang	100%
True Elite Holdings Limited	JC Holdings Limited	100%

3. Major shareholders in the table above who are institutional investors and their major shareholders

Name of institutional shareholder	Major shareholders of institutional shareholders	Shareholding percentage
JC Holdings Limited	JC International Holdings Limited	100%

(2) Professional knowledge and independence of directors

Qualification / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Hung-Pen Chang	· Graduated from B.S. in Industrial Engineering, Chung Yuan Christian University. In addition to the current chairman of the Company, he is also the Vice Chairman and President of ASE Technology Holding Co., Ltd. He has been committed to the real estate development industry and related fields of the semi-conductor industry for many years. He has the work experience required by the Company's business, and has the ability of professional leadership, operation management and strategic planning. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company's chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000.	-
Chien Shen Chang	· Graduated from B.S. in Electrical Engineering, Taiwan University Master, Illinois Institute of Technology. He is the Chairman of ASE Technology Holding Co., Ltd. He has been committed to the real estate development industry and related fields of the semi-conductor industry for many years. He has the work experience required by the Company's business, and he has the abilities of professional leadership, operation management and strategic planning. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company's chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000.	-

Qualification / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Madeline D. Chang	· Graduated from B.A., Barnard College, Columbia University M.Des., Parsons School of Design Designer, Skidmore, Owings and Merrill (SOM). She is an architectural designer and has the work experience required by the Company's business. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders. · Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company's chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000.	-
Nen-Yao Chang	· Graduated from B.S. in Engineering, Duke University. He is the President of the Company. He has been dedicated to the real estate development industry for many years. He has the work experience required by the Company's business, and has the ability of professional leadership, operation management and strategic planning. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders. · Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company's chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000.	-

Qualification / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
An Yee Jennifer Fung	· Graduated from B.S.B., City University of Hong Kong. She used to be the Vice President of KGI Securities Asia Co., Ltd., She has the necessary work experience in corporate finance and accounting, specializing in corporate finance and accounting. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders. · Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company' s chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000. · Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.	-
Fong-Cheng Lin	· Graduated from the Department of Law, Taipei University. He was Minister of the Interior and Minister of Transport. He is currently an independent director of Taiwan Glass Industry Co., Ltd. He has legal expertise. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not an employee of the Company or any of its affiliates and not a director or supervisor of the Company or any of its affiliates. · Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders. · Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company' s chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000. · Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.	1

Qualification / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Ching-Chong Chen	· Graduated from Waseda University. He is currently the Chairman of Advanced Microelectronic Products, Inc.He has the work experience required for the Company's business. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not an employee of the Company or any of its affiliates and not a director or supervisor of the Company or any of its affiliates. · Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders. · Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company' s chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000. · Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.	-
Du-Tsuen Uang	· Graduated from National Chengchi University with J.D. He is currently Chief Administration Officer, Chief of Corporate Governance Officer, Chief of Risk Committee, and Chief Information Security Officer of ASE Technology Holding Co., Ltd. He has expertise in law, corporate governance and risk management. He is able to provide professional legal advice for the Company. · No circumstance under any subparagraph of Article 30 of the Company Act.	· Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranks as one of its top ten shareholders. · Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the Company. · Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the Company' s chairman or CEO (or equivalent). · Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company. · Other than serving as a compensation committee member of the Company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000. · Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.	-

Qualification / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Li-Teh Hsu	· Graduated from Harvard University with M.P.A. He was previously Senior Advisor of Office of the President and Vice Premier of Executive Yuan. He has the work experience required for the Company's business. · No circumstance under any subparagraph of Article 30 of the Company Act.	Without items that specified in sub-item 1~9 of item 1 in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which is conformed to independence condition.	-
Su-Chun Kuo	· Graduated from William Woods University with M.B.A. She has served many terms as a Legislative Councilor and has the work experience required for corporate business. · No circumstance under any subparagraph of Article 30 of the Company Act.	Without items that specified in sub-item 1~9 of item 1 in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which is conformed to independence condition.	-
Charles Chen	· Graduated from National Taiwan University with a bachelor's degree in accounting. He was the Vice Chairman of Deloitte & Touche LLP and Partner of the Head of the Southern District. He is currently an independent director of VIZIONFOCUS Inc., and has the necessary working experience in finance and accounting. · No circumstance under any subparagraph of Article 30 of the Company Act.	Without items that specified in sub-item 1~9 of item 1 in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which is conformed to independence condition.	1

(3) Diversity and Independence of the Board of Directors:

1. Diversity of the Board of Directors

The Company adopts the candidate nomination system to elect directors. The board of directors examines whether the qualifications of candidates conform to the Company's diversification policy of operation, business model and development needs in accordance with the "Director Election Measures". The policy includes but is not limited to the candidate's gender, age, nationality, culture and professional knowledge and skills.

The board of directors of the Company consists of eleven directors. The implementation of diversity among all directors is as follows:

- There are three female directors, of which two are directors and one is an independent director (27%).
- There are two of the directors are employees of the Company (18%).
- Three directors are between the ages of 41-50, two are 61-70, and six are over 71.
- The professional knowledge and skills possessed by the directors include different fields such as industrial engineering, electronic engineering, design, finance, accounting, law and management.

Therefore, the Company has fully implemented a board diversification policy.

2. Independence of the Board of Directors

The board of directors of the Company consists of eleven directors, including 3 independent directors, which accounts 27% of the seats. The board of directors is independent in exercising its functions and powers. There is no kinship among all directors as stipulated in Article 26-3, Paragraph 3 of the Securities and Exchange Act. The Company has established an audit committee to replace the supervisor, so the provisions of Article 26-3, paragraph 4 of the Securities and Exchange Act do not apply.

(4) Profile of president, vice presidents, and assistant vice presidents of departments and branches (the Company did not appoint any assistant vice president)

April 30, 2022

Title	Nationality	Name	Gender	Date of appointment	Shares held		Shares held by spouse and underage children		Shares owned in the name of others	
					No. of shares (1,000 shares)	Percentage of shares	No. of shares (1,000 shares)	Percentage of shares	No. of shares (1,000 shares)	Percentage of shares
President	Republic of China	Nen-Yao Chang	Male	2010.06.30	566	0.03%	0	0	0	0
CFO	Hong Kong, China	An Yee Jennifer Fung	Female	2010.06.30	165	0.01%	0	0	0	0
Vice President of Finance	Republic of China	Hsien-Chih Tsai	Male	2010.06.30	0	0.00%	0	0	0	0
Vice President of Finance	Republic of China	Kuo- Lung Chu	Male	2021.07.20	0	0.00%	0	0	0	0
Vice President of Legal Affairs	China	Xiang-Lei Sun	Female	2010.06.30	0	0.00%	0	0	0	0
Vice President of Personnel	Republic of China	Ching-Te Ni	Male	2019.08.30	0	0.00%	0	0	0	0
Vice President of IT	Republic of China	Chih-Chun Wang	Male	2020.12.01	0	0.00%	0	0	0	0

Title	Name	Education and work experience	Current position in other companies	Managerial officer who is a spouse or a relative within second degree (Note1)		
				Title	Name	Relation
President	Nen-Yao Chang	B.S. in Engineering, Duke University Chairman Assistant, Shanghai Ding Gu Real Estate Development Co., Ltd.	Sino Horizon Group subsidiaries	Chairman	Hung-Pen Chang	Father
CFO	An Yee Jennifer Fung	B.S.B., City University of Hong Kong Chartered financial analyst (CFA) Vice President, KGI Asia Limited Sales Agent, Morgan Stanley Asia Limited	Sino Horizon Group subsidiaries	NA	NA	NA
Vice President of Finance	Hsien-Chih Tsai	B.Acy., Soochow University Vice President of Finance, Advanced Semiconductor Engineering, Inc. Vice President of Finance, Universal Scientific Industrial Co., Ltd.	Sino Horizon Group subsidiaries	NA	NA	NA
Vice President of Finance	Kuo-Lung Chu	National Chengchi University Vice President of Finance, Advanced Semiconductor Engineering, Inc	Sino Horizon Group subsidiaries	NA	NA	NA
Vice President of Legal Affairs	Xiang-Lei Sun	M.L.E., East China University of Political Science and Law Vice President of Legal Affairs, Shanghai Ding Gu Real Estate Development Co., Ltd. Director of Legal Affairs, Shanghai Heng Bang Real Estate Development Co., Ltd.	Sino Horizon Group subsidiaries	NA	NA	NA
Vice President of Personnel	Ching-Te Ni	M.A. in Communication Mgt,Shih Hsin University Vice President of Personnel, Taiwan Express Co.,Ltd. Senior Manager, WPG China Inc.	Sino Horizon Group subsidiaries	NA	NA	NA
Vice President of IT	Chih-Chun Wang	M. Eng in IE, National Yang Ming Chiao Tung University Senior IT Division Chief, Advanced Semiconductor Engineering, Inc. IT Manager, Institute for Information Industry	Sino Horizon Group subsidiaries	NA	NA	NA

Note 1: Where the Company's Chairman and the President or person of an equivalent post (the highest level manager) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of applicable information on the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: The Company's Chairman and President are relatives within the first degree of kinship. President Nen-Yao Chang has years of experience in real estates; he worked for real estate companies after graduating from Duke University in the United States. Chang has been the President of the Company ever since the Company was established. He has shown excellent performance throughout his tenure, generating massive value for the shareholders of the Company. Chairman Hung-Pen Chang has more than 40 years of experience in real estate and has always provided important guidance for the Company's strategic direction. Therefore, both being the Chairman and President of the Company is deemed as reasonable and necessary. The Company has more than half of directors who are not an employee or manager of the Company. The Company plans to increase the number of independent directors.

3. Remuneration paid to Directors, the President and Vice Presidents for the Most Recent Year

(1) Remuneration to Directors and Independent Directors

Unit:NT$ in thousands

Title	Name	Director's remuneration								Sum of A+B+C+D and ratio to net income (Note 2)	
		Remuneration (A)		Severance pay and pension (B)		Director's remuneration (C)		Business expense (D)			
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Juridical Person Director	Great Sino Development Ltd.	-	-	-	-	16,996	16,996	-	-	16,996 (1.45%)	16,996 (1.45%)
Juridical Person Director	True Elite Holdings Limited	12,219	12,219	-	-	23,932	23,932	-	-	36,151 (3.09%)	36,151 (3.09%)
Representative of Juridical Person Director, Great Sino Development Ltd.	Hung-Pen Chang (Chairman)										
	Nen-Yao Chang										
Representative of Juridical Person Director, True Elite Holdings Limited	Chien Shen Chang										
	Madeline D. Chang										
Director	An Yee Jennifer Fung										
Director	Fong-Cheng Lin										
Director	Ching-Chong Chen										
Director	Du-Tsuen Uang										
Independent Director	Li-Teh Hsu	5,882	5,882	-	-	-	-	-	-	5,882 (0.50%)	5,882 (0.50%)
Independent Director	Su-Chun Kuo										
Independent Director	Charles Chen										

Unit:NT$ in thousands

Title	Name	Pay received as concurrent employee								Sum of A+B+C+D+E+F+G and ratio to net income (Note 2)		Compensation from reinvestments other than in subsidiaries or from parent company
		Salaries, incentives and allowances (E)		Severance pay and pension (F)		Employee remuneration (Note 1)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
						Amount in cash	Amount in stocks	Amount in cash	Amount in stocks			
Juridical Person Director	Great Sino Development Ltd.	-	-	-	-	-	-	-	-	16,996 (1.45%)	16,996 (1.45%)	-
Juridical Person Director	True Elite Holdings Limited	10,586	17,004	922	922	5,700	-	5,700	-	53,359 (4.56%)	59,777 (5.10%)	-
Representative of Juridical Person Director, Great Sino Development Ltd.	Hung-Pen Chang (Chairman)											
	Nen-Yao Chang											
Representative of Juridical Person Director, True Elite Holdings Limited	Chien Shen Chang											
	Madeline D. Chang											
Director	An Yee Jennifer Fung											
Director	Fong-Cheng Lin											
Director	Ching-Chong Chen											
Director	Du-Tsuen Uang											
Independent Director	Li-Teh Hsu	-	-	-	-	-	-	-	-	5,882 (0.50%)	5,882 (0.50%)	-
Independent Director	Su-Chun Kuo											
Independent Director	Charles Chen											

1.Please describe the policy, system, standard and structures of remuneration payment for independent directors, and their association with the amount of remuneration payment according to their responsibilities, risks, and the time spent by independent directors, among other factors:
The Company's Articles of Incorporation state that “directors' remuneration shall be in cash only. The amount of remuneration to directors is decided by the Board of Directors with reference to the standards of other peer industries and shall be paid regardless of profit or loss. Directors may ask for payment of all travel, accommodation, and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, shareholders' meetings of the Company and/or in connection with the business of the Company or their general duties as directors” and that “remunerations decided by the Remuneration Committee shall include the salary paid to the Company’s directors and managerial officers, stock options, and other substantive incentive measures.” Therefore, remunerations for the Company’s directors are decided by giving reference to the responsibilities of the Remuneration Committee, risks, and the time spent and take into account the general level of remuneration in the industry in Taiwan and overseas.

2 Except as disclosed above, remuneration received by directors in the latest year for on-balance sheet services (e.g., acting as an non-employee consultant) rendered to the Company: None

Note 1: It was resolved by the Board of Directors on 11 March 2022 that 40,928 thousand NTD would be distributed to directors as director remuneration and 40,928 thousand NTD would be distributed to employees as employee remuneration.

Note 2: Net profit after tax refers to the net (loss) profit attributable to the parent company in the consolidated financial report for the most recent fiscal year.

Range of remuneration for directors (including independent directors)

Range of remuneration applicable to the Company's directors	Name of director			
	Total of the four preceding remuneration categories (A+B+C+D)		Total of the seven preceding remuneration categories (A+B+C+D+E+F+G)	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Below NT$1,000,000	Chien Shen Chang, Nen-Yao Chang, Madeline D. Chang	Chien Shen Chang, Nen-Yao Chang, Madeline D. Chang	Chien Shen Chang, Madeline D. Chang	Chien Shen Chang, Madeline D. Chang
NT$1,000,000 (inclusive) to NT$2,000,000 (exclusive)	Li-Teh Hsu, Charles Chen, Su-Chun Kuo	Li-Teh Hsu, Charles Chen, Su-Chun Kuo	Li-Teh Hsu, Charles Chen, Su-Chun Kuo	Li-Teh Hsu, Charles Chen, Su-Chun Kuo
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang, An Yee Jennifer Fung	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang, An Yee Jennifer Fung	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	-	-	-	-
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	-	-	Nen-Yao Chang	Nen-Yao Chang
NT$10,000,000 (inclusive) to NT$15,000,000 (exclusive)	True Elite Holdings Limited, Hung-Pen Chang	True Elite Holdings Limited, Hung-Pen Chang	True Elite Holdings Limited, Hung-Pen Chang, An Yee Jennifer Fung	True Elite Holdings Limited, Hung-Pen Chang, An Yee Jennifer Fung
NT$15,000,000 (inclusive) to NT$30,000,000 (exclusive)	Great Sino Development Ltd.	Great Sino Development Ltd.	Great Sino Development Ltd.	Great Sino Development Ltd.
NT$30,000,000 (inclusive) to NT$50,000,000 (exclusive)	-	-	-	-
NT$50,000,000 (inclusive) to NT$100,000,000 (exclusive)	-	-	-	-
Greater than NT$100,000,000	-	-	-	-
Total	13	13	13	13

(2) Remuneration to the president and vice presidents

Unit:NT$ in thousands

Title	Name	Salary (A)		Severance pay and pension (B)		Bonus and allowance (C)		Amount of employee remuneration (D) (Note 1)				Sum of A+B+C+D and ratio to net income (%)(Note2)		Remune-ration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Amount in cash	Amount in stocks	Amount in cash	Amount in stocks			
President	Nen-Yao Chang	13,039	36,673	922	1,265	-	-	14,100	-	14,100	-	28,061 (2.40%)	52,038 (4.44%)	-
CFO	An Yee Jennifer Fung													
Vice President of Finance	Hsien-Chih Tsai													
Vice President of Finance	Kuo-Lung Chu (Note 3)													
Vice President of Legal Affairs	Xiang-Lei Sun													
Vice President of Personnel	Ching-Te Ni													
Vice President of IT	Chih-Chun Wang													

Note 1: It was resolved by the Board of Directors on 11 March 2022 that 40,928 thousand NTD would be distributed to directors as director remuneration and 40,928 thousand NTD would be distributed to employees as employee remuneration.

Note 2: After-tax profit refers to the net profit (loss) attributable to the parent company in the consolidated financial report for the most recent year.

Note 3: Vice President of Finance , Kuo-Lung Chu was appointed on July 20, 2021.

Range of remuneration for the president and vice presidents

Range of remuneration for the president and vice presidents of the Company	Name of president and vice presidents	
	The Company	All companies in the financial statements
Below NT$1,000,000	Chin-Te Ni, Chih-Chun Wang	-
NT$1,000,000 (inclusive) to NT$2,000,000 (exclusive)	Kuo-Lung Chu	-
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	Hsien-Chih Tsai	Kuo-Lung Chu
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	Nen-Yao Chang, Xiang-Lei Sun,	Chin-Te Ni
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	-	Nen-Yao Chang, Hsien-Chih Tsai, Xiang-Lei Sun, Chih-Chun Wang
NT$10,000,000 (inclusive) to NT$15,000,000 (exclusive)	An Yee Jennifer Fung	An Yee Jennifer Fung
NT$15,000,000 (inclusive) to NT$30,000,000 (exclusive)	-	-
NT$30,000,000 (inclusive) to NT$50,000,000 (exclusive)	-	-
NT$50,000,000 (inclusive) to NT$100,000,000 (exclusive)	-	-
Greater than NT$100,000,000	-	-
Total	-	-

(3) Manager's name and respective distribution of employee bonus

Unit:NT$ in thousands

	Title	Name	Amount in stocks	Amount in cash	Total	Total compensation to after-tax profit (%)
Manager	President	Nen-Yao Chang	—	14,100	14,100	1.20%
	CFO	An Yee Jennifer Fung				
	Vice President of Finance	Hsien-Chih Tsai				
	Vice President of Finance (Note 4)	Kuo-Lung Chu				
	Vice President of Legal Affairs	Xiang-Lei Sun				
	Vice President of Personnel	Ching-Te Ni				
	Vice President of IT	Chih-Chun Wang				

Note 1: The Company's 2021 earnings distribution proposal has yet to be approved at the shareholders' meeting on June 24, 2022.

Note 2: Calculation based on after-tax profit for 2021.

Note 3: It was resolved by the Board of Directors on 11 March 2022 that 40,928 thousand NTD would be distributed to directors as director remuneration and 40,928 thousand NTD would be distributed to employees as employee remuneration.

Note 4: Vice President of Finance , Kuo-Lung Chu was appointed on July 20, 2021.

(4) Analysis of the total remuneration as a percentage of net profit after tax stated in the standalone or individual financial report and paid by the Company and all the companies in the consolidated financial report for the most recent two fiscal years to the Company's directors, president, and vice presidents; and description of the policies, standards, and packages for payment of remuneration, the procedures for determining remuneration, and its connection to business performance and future risk exposure

1. Analysis of the total remuneration as a percentage of net profit after tax paid by the Company and all the companies in the consolidated financial report to the Company's directors, president, and vice presidents

Unit:NT$ in thousands

Item	2021				2020			
	Amount		Ratio of total amount to after-tax profit (%)		Amount		Ratio of total amount to after-tax profit (%)	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Directors	59,029	59,029	5.04%	5.04%	98,,086	98,,086	8.33%	8.33%
President and vice presidents	28,061	52,038	2.40%	4.44%	29,380	48,622	2.50%	4.13%

Note: It was resolved by the Board of Directors on 11 March 2022 that 40,928 thousand NTD would be distributed to directors as director remuneration and 40,928 thousand NTD would be distributed to employees as employee remuneration.

2. Policies, standards, and packages for payment of remuneration, the procedures for determining remuneration, and its connection to business performance and future risk exposure

The Company's Articles of Incorporation state that directors' remuneration shall be in cash only. The amount of remuneration to independent directors is decided by the Board of Directors with reference to the standards of other peer industries and shall be paid regardless of profit or loss. Directors may ask for payment of all travel, accommodation, and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, shareholders' meetings of the Company and/or in connection with the business of the Company or their general duties as directors. Directors are also entitled to compensation pursuant to the Company Act, regulations of public companies, service agreements, or other similar contracts that the director has entered into with the Company.

The Company was approved by the Board of Directors on July 18, 2011 to establish a Remuneration Committee. Remuneration to directors and managerial officers is formulated in a meeting convened by the Remuneration Committee, which has the duty to regularly inspect the director and manager performance assessments and the remuneration policy, system, standards, and structures; and regularly assess and formulate the remuneration to directors and managerial officers.

4. Implementation of corporate governance

(1) Board of Directors operating status

A total of 6 meetings of the Board of Directors were held in the most recent year (2021). The attendance of directors was as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance in person rate (%)	Note
Representative of institutional director Great Sino Development Ltd.	Hung-Pen Chang (Chairman)	6	-	100%	-
Representative of institutional director True Elite Holdings Limited	Chien Shen Chang	6	-	100%	
Representative of institutional director Great Sino Development Ltd.	Nen-Yao Chang	6	-	100%	-
Representative of institutional director True Elite Holdings Limited	Madeline D. Chang	6	-	100%	-
Director	Fong-Cheng Lin	6	-	100%	-
Director	Ching-Chong Chen	6	-	100%	-
Director	An Yee Jennifer Fung	6	-	100%	-
Director	Du-Tsuen Uang	6	-	100%	-
Independent Director	Li-Teh Hsu	6	-	100%	-
Independent Director	Charles Chen	6	-	100%	-
Independent Director	Su-Chun Kuo	6	-	100%	-

Other matters that require reporting:

1. Should any of the following take place in a Board meeting, the date of the Board meeting, the term, contents of the proposals, independent directors' opinions and the Company's response to such opinions should be recorded:
   (1) Matters included in Article 14-3 of the Securities and Exchange Act: regulations from Article 14-3 are not applicable since the Company has already established an Audit Committee. For explanations on matters stipulated in Article 14-5 of the Securities and Exchange Act, please see Operations of the Audit Committee.
   (2) In addition to the aforementioned matters, any other resolutions from the Board of Directors where an Independent Director expressed a dissenting or qualified opinion that has been recorded or stated in writing: None.
2. For any recusal of directors due to conflict of interests in certain proposals, names of directors, the content of proposal, reasons for the recusal and participation in the voting shall be noted:

Date of meeting	Name of Director	Contents of the motion	Reason for recusal	Voting participation
2021.03.12	Li-Teh Hsu; Su-Chun Kuo; Charles Chen	Remuneration of the Company's Independent Directors	The recused directors were beneficiaries of the bonus allocation.	Except for the aforementioned directors who were recused due to their interest involvement, the other directors passed the motion without objection.
	Nen-Yao Chang; An Yee Jennifer Fung	Proposal for Approval of the Remuneration for Managers	The recused directors were beneficiaries of the bonus allocation.	Except for the aforementioned directors who were recused due to their interest involvement, the other directors passed the motion without objection.
2021.05.12	All directors except independent directors	To propose the detailed distribution plan of remuneration for the Company's directors.	The recused directors were beneficiaries of the bonus allocation.	Except for the aforementioned directors who were recused due to their interest involvement, the other directors passed the motion without objection.

3. Implementation Status of Board Evaluations:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Content of Evaluation
Board performance evaluation shall be executed at least once every year and once every three years by an external professional independent institution or external expert scholar.	January 01, 2021 to December 31, 2021	Board as a whole, individual directors, and functional committees	Board internal self-assessment, director self-assessment, evaluation by external professional institution, and internal self-evaluation by the functional committees.	Performance evaluation of the board of directors and individual members includes the five dimensions: Degree of participation in the Company's operations; quality of board decisions; board composition and structure; selection of suitable board directors and continuing professional education; and internal control. Performance evaluation of board members (self-assessment or peer evaluation) includes the six dimensions: Alignment of the goals and missions of the Company; awareness of the duties of a director; participation in the operation of the Company; management of internal relationship and communication; director's professionalism and continuing education; and internal control. Performance evaluation of the functional committees and individual members includes the five dimensions: Degree of participation in the Company's operations; how well members know of their duties; improvement in the quality of decision making by the committee; the composition of the committee and selection of committee members; and internal control.

4. An evaluation of the goals set for strengthening the functions of the Board (e.g., set up Audit Committee and increase information transparency) and implementation status during the current and immediately preceding years:
   (1) In order to improve the functions of the board of directors and strengthen the management mechanism, the Company established the Audit committee and the Remuneration Committee on August 26, 2010 and July 18, 2011 respectively to enhance the operational efficiency of the board of directors.
   (2) The Company regularly arranges lecturers to provide Directors with at the office classes every year to continue to enrich their new knowledge. In 2021, the total number of training hours of all Directors reached 102 hours.
   (3) In order to insure against risks incurred by Directors and the Managers in carrying out their responsibilities and improve corporate governance capabilities, the Company has purchased "Directors and Managers liability Insurance" for directors and managers, which has been reported to the board of Directors on March 12, 2021.

(2) Operating status of the Audit Committee

The Audit Committee convened a total of 4 meetings in the most recent year (2021) The attendance of independent directors was as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance in person rate (%)	Note
Independent Director	Li-Teh Hsu	4	-	100%	-
Independent Director	Charles Chen	4	-	100%	-
Independent Director	Su-Chun Kuo	4	-	100%	-

The audit committee of the Company consists of 3 independent directors. The audit committee aims to establish sound corporate governance and strengthen the supervision function of the board of directors. Key focus areas for audit committee in 2021 were as follows:

- The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- Assessment of the effectiveness of the internal control system.
- Loans of funds, endorsements, or provision of guarantees of a material nature.
- The hiring or dismissal of a certified public accountant, or their compensation.
- Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting office.

Other matters that require reporting:

1. The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting:

(1) Matters listed in Article 14-5 of the Securities and Exchange Act:

Date and Term	Contents of the motion	Audit Committee Resolution Results	The Company' treatment of feedback from the Audit Committee
2021.03.12 4th session (8th meeting)	1. Proposal for Approval of the Declaration on Internal Control System of the Company for Year 2020.	All members present agreed to approve the proposal and submit it to the board of directors for resolution. The independent directors have no objection.	The resolution of the board of directors was approved as proposed.
	2. Proposal for Approval of the Consolidated Financial Statements of the Company for Year 2020.		
	3. Proposal for Adoption of Profit Distribution Plan for Year 2020.		
	4. Proposal for Approval of the Remuneration of Employees and Directors for Year 2020.		
	5. Proposal for Appointment of Certified Public Accountant ("CPA") and Evaluating the Independence and Suitability of the CPA.		
2021.05.12 4th session (9th meeting)	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 31 March 2021.	All members present agreed to approve the proposal and submit it to the board of directors for resolution. The independent directors have no objection.	The resolution of the board of directors was approved as proposed.
	2. Proposal for the operation process revision of investment cycle of the Company.		
2021.08.25 4th session (10th meeting)	1.Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 June 2021.	All members present agreed to approve the proposal and submit it to the board of directors for resolution. The independent directors have no objection.	The resolution of the board of directors was approved as proposed.
	2.Proposal for Approval of the Company to Provide Guarantee to Secure the Obligations of Follow International Ltd. (the Company's indirectly wholly-owned subsidiary) under a US$660,000,000.		

Date and Time	Contents of the motion	Audit Committee Resolution Results	The Company' treatment of feedback from the Audit Committee
2021.11.11 4th session (11th meeting)	1.Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 June 2021.	All members present agreed to approve the proposal and submit it to the board of directors for resolution. The independent directors have no objection.	The resolution of the board of directors was approved as proposed.
	2. Proposal for Approval of the Annual Aduit Plan of the Company for Year 2022.		
	3.Proposal for Approval of the Company to Provide Guarantee to Secure the Obligations of Noble World International Ltd. (the Company's indirectly wholly-owned subsidiary) under a US$80,000,000 or the Equivalent in EURO Facility.		

(2) In addition to the above-mentioned items, other resolutions not approved by the Audit Committee but approved by two-thirds or more of the Company's directors: None.

2. For any recusal of independent directors due to conflict of interests in certain proposals, the names of the independent directors, content of the motion, reasons for the recusal and participation in the voting shall be noted: None.

3. Descriptions of the communication between the independent directors, the chief internal auditor, and CPAs (including methods, significant matters, and results of communication on the Company's finance and operations, business, etc.)
Description:

(1) Every quarter, the Audit Department of the Company presents audit report, response to deficiencies, and follow-up report to independent directors for review. Every quarter, the chief audit reports and communicates audit results to independent directors during standalone communication meetings or other meetings, and presents reports on internal audit progress at meetings of the board of directors. In the event of special occurrences, the chief auditor informs the independent directors by phone or email. There were no special occurrences in 2021. To date, effective communication is conducted between the Company's independent directors and chief auditor.

(2) At quarterly standalone communication meetings with independent directors, the Company's CPA presents audit or reviews results of financial statements for the current quarter as well as other matters to be communicated as per relevant laws and regulations. In addition, the Company's CPA reports key audit matters and internal control audit findings to independent directors in the form of meetings. In 2021, there were no special occurrences to be reported to independent directors. To date, effective communication is conducted between the Company's independent directors and CPA.

(3) Corporate governance implementation status and departure from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
1. Has the Company set and disclosed principles for practicing corporate governance according to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?		V	The Company has yet to establish a set of Corporate Governance Best Practice Principles. Nevertheless, the Company's core value of corporate governance is included in the Articles of Incorporation, internal control system, and various regulations.	The spirit of the Principles has been embodied in various regulations.
2. The Company's shareholding structure and shareholders' rights and interests				
(1) Has the Company set internal operations procedures for dealing with shareholder proposals, doubts, disputes, and litigation as well as implemented those procedures appropriately?	V		(1) The Company has investor relations, public relations and finance departments to deal with stock affairs and other related matters.	(1) No material differences.
(2) Does the Company have a list of major shareholders with ultimate control over the Company and the list of ultimate owners of those major shareholders?	V		(2) Through a share administration agency, the Company provides information and keeps abreast of the shareholding status of its directors, managers, and major shareholders with more than 10% interest on the Company.	(2) No material differences.
(3) Has the Company established and implemented risk control/management and firewall mechanisms between it and affiliated corporations?	V		(3) The Company implements control measures through the internal control system and relevant laws and regulations. The Audit Department conducts periodical audits as oversight.	(3) No material differences.
(4) Does the Company have internal regulations in place to prevent its people from trading securities based on information yet to be public on the market?	V		(4) The Company has established the *Procedures for Handling Material Internal Information and the Administrative and Practice Procedures to Prevent Insider Trading*.	(4) No material differences.

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
3. Composition and responsibilities of the Board of Directors				
(1) Has the Board of Directors devised and implemented a plan for a more diverse composition of the Board?	V		(1) The Company's board of directors is composed of 11 directors, which include three independent directors (27%) and three female directors, two of whom are a director and one an independent director (27%). Two of the directors are employees of the Company (18%). The board consisted of skilled professionals from different backgrounds: industrial engineering, electrical engineering, design, finance, accounting, law, and management, etc. Therefore, the Company has effectively implemented a board diversification policy. Please see the Company's website for specific management goals and implementation status.	(1) No material differences.
(2) In addition to establishing a Remuneration Committee and an Audit Committee in accordance with law, has the Company voluntarily established other types of functional committees?		V	(2) The Company has established an Audit Committee on August 26, 2010 pursuant to law. The Audit Committee is composed of independent directors with accounting or financial expertise, as prescribed by the regulations of Taiwan Stock Exchange Corporation. The Company has also established a Remuneration Committee on July 18, 2011 in accordance with law. The Committee currently is composed of three members, all of whom are independent directors. Please see the Company's website for the duties and operating status of the committee.	(2) The Company has not set up other functional committees. The Company will comply with laws and regulations in the future.
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and use the results as reference for directors' remuneration and renewal?	V		(3) The Company's board of directors has approved the Board Performance Evaluation Regulations on August 11, 2020. The regulations stipulate that board performance evaluation shall be executed internally at least once every year and once every three years by an external professional independent institution or external expert scholar. On November 13, 2020, the Company's board of directors presented the external evaluation results. The content of the evaluation included board composition, board guidance, board authority, board supervision, board communication, internal control and risk management, self-discipline of the board, and others such as board meetings, support systems, etc. The overall evaluation results indicated that the Chairman and key managers both have an extensive understanding of the Company's operating status and the nature of the real estate business. The Company furnishes directors with information required for board meetings. The Audit Committee regularly reviews the audit reports provided by the chief auditor. The Company was recommended to consider setting up a Sustainability Committee or Risk Management Committee under the board of directors. The Company was also recommended to establish Corporate Governance Best Practice Principles, Corporate Social Responsibility Best Practice Principles, Ethical Corporate Management Best Practice Principles, and Code of Ethical Conduct to progressively enhance its corporate governance system. On March 11, 2022, the Company's board of directors presented the self-assessment results. Performance evaluation of the board of directors includes the five dimensions: Degree of participation in the Company's operations; quality of board decisions; board composition	(3) No material differences.

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
(4) Does the Company periodically evaluate the level of independence of the CPA?	V		and structure; selection of suitable board directors and continuing professional education; and internal control. Individual director performance evaluation: Alignment of the goals and missions of the Company; awareness of the duties of a director; participation in the operation of the Company; management of internal relationship and communication; director's professionalism and continuing education, internal control. Functional committee performance self-evaluation includes five dimensions: Degree of participation in the Company's operations; how well members know of their duties; improvement in the quality of decision making by the committee; the composition of the committee and selection of committee members; and internal control. Performance evaluation scores were 4.2 for board of directors, 4.3 for individual board members, and 4.3 for functional committees. (4) The Audit Committee regularly obtains Declaration of Independence from the CPAs, conducts assessments on the independence of the CPAs, and submits the assessment results to the Board of Directors. 1. Assessment mechanisms are described as follows: (1) The Company's accounting firm must obtain approval from the Audit Committee before conducting audits and accepting other cases for the year. (2) The Company's CPAs are not a related party of the Company and its directors. (3) The Company's CPAs report independence compliance to the Audit Committee each year. (4) The Company's CPAs engage in rotation in accordance with auditing standard regulations. 2. Assessment result: According to the assessment of the Company, the CPA meet the independence standards. On March. 12, 2021, the Audit Committee and Board of Directors approved the 2021 Certified Public Accountant Independence Assessment Proposal.	(4) No material differences.
4. Does the Company appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to board meetings and shareholders' meetings according to law, and recording minutes of board meetings and shareholders' meetings)?	V		On March 20, 2019, the Company's board of directors approved the appointment of the Chief Accountant An Yee Jennifer Fung as the Corporate Governance Officer. Ms. Fung is a Chartered Financial Analyst (CFA) and has 9 years of experience in managing the finances of public entities. A Corporate Governance Officer is responsible for overseeing and executing the operations of corporate governance, including the following tasks: 1. Handling matters relating to board meetings and shareholders' meeting according to laws. 2. Producing minutes of board meetings and shareholders' meetings. 3. Assisting the election and continuing education of directors and independent directors. 4. Furnishing information required for business execution by directors and independent directors. 5. Assisting the regulatory compliance of directors and independent directors. 6. Other matters set out in the Company's articles of corporation or contracts. Key implementations of matters related to corporate governance are as follows:	No material differences.

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operations</th><th rowspan="2">Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>1. 6 board meetings and 4 Audit Committee meetings were held in 2021.
2. 1 Annual Shareholders' Meeting was held in 2021.
3. Assisting the directors in conducting 6-hour internal and external training and continuing education.
4.Performance evaluation of the board as a whole and functional committee was conducted and favorable evaluation results were obtained.
5. In 2021, the Corporate Governance Officer undertook 12 hours of training and reported them on the Market Observation Post System.
Training courses are shown below and disclosed on the Company's website.
<table>
<tr><th rowspan="2">No</th><th rowspan="2">Hosting Organization</th><th rowspan="2">Course name</th><th colspan="2">Training Date</th><th rowspan="2">Training Hours</th></tr>
<tr><th>Started On</th><th>Ended On</th></tr>
<tr><td>1</td><td>Accounting Research and Development Foundation</td><td>Directors, supervisors and senior executives oversee the Company's implementation of ESG</td><td>2021 /10/27</td><td>2021 /10/27</td><td>3.0</td></tr>
<tr><td>2</td><td>Accounting Research and Development Foundation</td><td>Analysis of Corporate Governance Evaluation and Board Performance Evaluation</td><td>2021 /11/03</td><td>2021 /11/03</td><td>3.0</td></tr>
<tr><td>3</td><td>Accounting Research and Development Foundation</td><td>How to effectively perform the functions of the corporate governance officer, and also discuss the legal responsibility of the manager.</td><td>2021 /11/24</td><td>2021 /11/24</td><td>3.0</td></tr>
<tr><td>4</td><td>Taiwan Corporate Governance Association</td><td>The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors</td><td>2021 /11/29</td><td>2021 /11/29</td><td>3.0</td></tr>
</table></td><td></td></tr>
<tr><td>5. Has the Company established channels for communicating with stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a dedicated stakeholder area on the Company website, as well as appropriately responded to important corporate and social responsibility issues of concern to stakeholders?</td><td>V</td><td></td><td>The Company has designated units to be in charge of handling matters related to communication with stakeholders, such as shareholders, clients, and suppliers. A “President's Mailbox” has also been established to ensure open communication channels for employee feedback.
A Stakeholders section on our corporate website has been established as feedback channels for stakeholders to help the Company to better understand the concerns of stakeholders and provide fitting responses to their concerns. Relevant information on stakeholder communication is disclosed on the Company's annual CSR report and corporate website. Please see the Company's website for details.</td><td>No material differences.</td></tr>
<tr><td>6. Has the Company hired a professional stock affairs agency to handle tasks and issues related to organizing shareholders’ meetings?</td><td>V</td><td></td><td>Since its public listing, the Company has commissioned a third-party share administration agency, Stock Register Agency Department of Fubon Securities, to handle matters relating to shareholders’ meetings in order to ensure compliance with relevant laws.</td><td>No material differences.</td></tr>
</table>

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
7. Information disclosure (1) Has the Company established a corporate website to disclose information regarding the Company's financial, business and corporate governance status?	V		(1) The Company has established a website that introduces the Company's development of each project, and provides direct links to the Market Observation Post System and corporate governance information.	(1) No material differences.
(2) Has the Company adopted other means of information disclosure (such as establishing a website in English, appointing specific personnel to collect and disclose company information, implementing a spokesperson system, and disclosing the process of investor conferences on the Company's website)?	V		(2) The Company has established a spokesperson and deputy spokesperson system as means of collecting, disclosing, and communicating information.	(2) No material differences. .
(3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?		V	(3) The Company has followed relevant laws and regulations to announce and report the financial statements and the operating status of each month before the prescribed deadline.	(3) Executed in accordance with laws and regulations.

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
8. Does the Company have other information that is helpful for understanding its status of corporate governance (including but not limited to employee rights and interests, employee care, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, implementation of risk management policies and risk evaluation standards, implementation of customer policies, and purchase of liability insurance for directors and supervisors)?	V		1. The Company has purchased liability insurance for its directors, supervisors, and managers. 2. The Company complies with law, attaches importance to employer-employee relations, provides employment opportunities, and fulfills social responsibilities. 3. In 2015, the Company began establishing its Corporate Social Responsibility Code of Practice based on the *Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies*. So far, the Company has established the *Employee Ethical Code of Conduct* and *Code of Business Ethics* as well as applicable regulations for key concepts of corporate social responsibilities, including gender equality, equal pay for work of equal value, and anti-corruption, and has asked its employees and lessees to sign them. 4. The Company has established professional career development courses and implemented training programs for employees based on the business nature of each department. The Group is taking progressive measures to complete its training system and framework. The goal is to establish and develop more diverse and comprehensive education and training courses and programs, thereby creating a learning oriented organizational culture.	No material differences.
9. Please describe improvements in terms of the Corporate Governance Evaluation Results conducted by the Corporate Governance Center in the most recent year and propose areas and measures to be given priority where improvement is necessary. In future, the Company will prioritize strengthening the disclosure of corporate governance related information on the Company's website to implement the principles of corporate governance.				

(4) Composition, duties, and operating status of the Remuneration Committee

1. Information on members of the Remuneration Committee

Qualification / Name	Title	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an on Remuneration Committee
Charles Chen (convener)	Independent Director	· Graduated from National Taiwan University with a bachelor's degree in accounting. He was the Vice Chairman of Deloitte & Touche LLP and Partner of the Head of the Southern District. He is currently an independent director of VIZIONFOCUS Inc., and has the necessary working experience in finance and accounting. · No circumstance under any subparagraph of Article 30 of the Company Act.	Without items that specified in sub-item 1~9 of item 1 in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which is conformed to independence condition.	1
Li-Teh Hsu	Independent Director	· Graduated from Harvard University with M.P.A. He was previously Senior Advisor of Office of the President and Vice Premier of Executive Yuan. He has the work experience required for the Company's business. · No circumstance under any subparagraph of Article 30 of the Company Act.	Without items that specified in sub-item 1~9 of item 1 in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which is conformed to independence condition.	-
Su-Chun Kuo	Independent Director	· Graduated from William Woods University with M.B.A. She has served many terms as a Legislative Councilor and has the work experience required for corporate business. · No circumstance under any subparagraph of Article 30 of the Company Act.	Without items that specified in sub-item 1~9 of item 1 in Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which is conformed to independence condition.	-

2. Operating status of the Remuneration Committee

(1) The Company's Remuneration Committee is composed of three persons.

(2) Current term for the committee members: June 28, 2019 to June 27, 2022 (same as the term for the current Board of Directors). The Remuneration Committee met three times in the most recent year (2021), and the titles and attendance records of the committee members were as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance in person rate (%)	Note
Convener	Charles Chen	3	—	100%	-
Committee member	Li-Teh Hsu	3	—	100%	-
Committee member	Su-Chun Kuo	3	—	100%	-

Other matters that require reporting:

1. If the Board of Directors did not adopt or revise the recommendations of the Remuneration Committee, the date of the Board meeting, term of the Board, agenda item, resolutions adopted by the Board, and actions taken by the Company in response to the opinion of the Remuneration Committee should be specified (if the remuneration approved by the Board is superior to the recommendations of the Remuneration Committee, the Board should describe the difference and reasons): None.
2. If a member opposes a resolution the Committee has adopted or has qualified opinions with a written record or a statement, the date and session of the meeting, the resolution, opinions of all the members, and the handling of their opinions should be specified: None.

(3) The scope of authority of the Remuneration Committee: Committee members must exercise the care of a prudent manager to fulfill the following duties, and offer recommendations for discussion by the Board of Directors.

- Stipulate and review regularly the compensation policies, systems, standards and structures, and performance of directors, Audit Committee members, and managers.
- Regularly assess and establish remunerations for the directors, Audit Committee members, and managers.

The Committee performs the aforementioned duties based on the following principles:

- Performance appraisal and remuneration of directors, Audit Committee members, and managers shall be based on the levels of industry peers, as well as their individual achievements, the Company's overall performance, and the level of risks involved.
- The remuneration plan should not entice directors and managers into seeking high returns by taking undue risks.
- Short-term performance bonuses to directors and senior executives and the timing of variable salary payments/remunerations shall be set in reference to the particular industry characteristics and the Company's business nature.

(4) Operation in recent year:

Date and Term	Contents of the motion	Remuneration Committee Resolution Results	The Company' treatment of feedback from the Remuneration Committee
2021.03.12 4th session (4th meeting)	1.Proposal for Approval of the Remuneration of Employees and Directors for Year 2020.	Except for the 2nd proposal, all the members recused themselves in accordance with the law and submitted to the board of directors for a resolution, the other proposals were approved by all the attending members and submitted to the board of directors for resolution.	Since members have no comments, no further action is taken.
	2.Remuneration of the Company's Independent Directors		
	3.Proposal for Approval of the Remuneration for Managers		
2021.05.12 4th session (5th meeting)	1.Proposal for Approval of Amendments to Remuneration Committee Charter	All members present agreed to approve the proposal and submit It to the board of directors for resolution.	Since members have no comments, no further action is taken.
	2.Proposal for Approval of Remuneration Policy for Directors and Managers		
	3. Distribution of Profits to Directors and Managers		
2021.08.25 4th session (6th meeting)	1.Proposal for Approval of the Remuneration for Vice President of Finance	All members present agreed to approve the proposal and submit It to the board of directors for resolution.	Since members have no comments, no further action is taken.

(5) Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operating Status</th><th rowspan="2">Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?</td><td>V</td><td></td><td>The Company has established a concurrent CSR unit responsible for promoting CSR-related operations The Company has established a concurrent CSR unit responsible for promoting CSR-related operations, including hosting meetings, summarizing information, and implementing management. The unit reports the progress of implementation to the Board of Directors at least once every year. The report for 2020 has been presented to the Board of Directors on November 11, 2021.</td><td>No material differences.</td></tr>
<tr><td>2. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?</td><td>V</td><td></td><td>The Company conducts analysis and risk identification according to the materiality management principles of the sustainability report. According to the "operation", "industry", "environment", "social" risk items to identify and distinguish categories, and formulate relevant response strategies.
The ESG risk items and response strategies identified by the Company are as follows:
<table>
<tr><th>Risk Category</th><th>Risk Category</th><th>Coping Strategies</th></tr>
<tr><td rowspan="2">Operation risk</td><td>Liquidity risk resulting from a considerable amount of investment capital.</td><td>1. In the preliminary planning of the Company's development project, the relevant departments carefully formulate various financial modules and cash flow estimates.
2. Maintain the financial principle that the overall debt ratio of the Company is less than 70%.</td></tr>
<tr><td>The real estate market is often under strict supervision and is limited by new laws and regulations, which may influence land developers.</td><td>1. Maintain appropriate cash reserves and strengthen the Company's financial structure to cope with policy adjustments and overall market changes.
2. Adjust the Company's operating strategy, increase the rental revenue of investment properties in the long-term plan, and balance the proportion of real estate construction projects.</td></tr>
<tr><td>Industrial risk</td><td>Risks associated with the acquisition of land use rights, failure to comply with the provisions regarding transfer of land use rights, and acquisition of undeveloped land.</td><td>Most of the land developed by the Company in China is acquired at an early stage, so the land cost is relatively low and the land development volume is sufficient. In the future, the Company will be more cautious in acquiring development land in China and conform to the land-use policy of the local government so that the development project can proceed successfully.</td></tr>
</table></td><td>No material differences.</td></tr>
</table>

Evaluation item	Operating Status					Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary			
			Environ-mental risk	During the process of the land development project, due to the impact of the construction on the surrounding environment, there may be opposition from the local government and the public, so the progress of the development project may be put off.	1. The planning and construction of the development project will follow the regulations formulated by the local government. In addition, to select high-quality building materials, so as to be able to create a sustainable environment with the surrounding land. 2. Maintain friendly relations with local communities and adjust construction methods appropriately to reduce the impact on community residents during the construction period.	
			Social risk	1. Land development project planning, caring for company employees, and friendly interaction with customers are factors that can create a positive social impression, which will affect future construction sales and leasing business, and the approval of various licenses by government agencies. 2. Paying attention to the impact of products on the health, safety and privacy of customers is also of great social significance to the Company's corporate brand value.	1. After the completion of the Company's land development project, such as the investment real estate shopping mall business, it will promote the co-prosperity and benefit to the regional economy and the environment, and make friendly connections with local government agencies, communities and customers. 2. Maintain care for employees, pay attention to the social impact of labor-employment relations, occupational safety and human rights, in order to create a high-quality working environment.	

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Operating Status</th><th rowspan="2">Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>3. Environmental Issues
(1) Has the Company set an environmental management system designed to industry characteristics?</td><td>V</td><td></td><td>(1) The Company has established and optimized its “construction site management system”, “shopping mall management system”, and other related systems according to the characteristics of the real estate industry.</td><td>(1) No material differences</td></tr>
<tr><td>(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?</td><td>V</td><td></td><td>(2) The Company’s construction materials and work procedures conform to local environmental laws, regulations, and standards. Wastes generated from construction and demolition processes are sorted and disposed of in a clearly labeled waste disposal site. Recyclable wastes are reused to reduce resource consumption. Government-certified waste disposal company is hired to regularly classify and remove wastes. In addition, the Company is committed to constructing eco-friendly buildings.
In early 2021, the Dapuqiao SML Center changed its electricity bill metering system for businesses, switching to a prepayment model where lessees prepay for electricity. A third-party platform is used to manage the system, with functions including electricity usage, outstanding bills, fees paid, arrears reminders, cutting power for those with outstanding fees, and remote monitoring that improves the efficiency and response time of electricity metering and settlement. This greatly reduce the work involved in reading meters, accounting, and collecting electricity fees, providing businesses with higher quality of service and laying a good foundation for subsequent sustainable energy conservation.</td><td>(2) No material differences</td></tr>
<tr><td>(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?</td><td>V</td><td></td><td>(3) The Company analyzes the risks and opportunities that climate change may bring as follows:<table><tr><td>Governance status</td><td>Given the potential impact of climate change on business operations and the importance of stepping up efforts to save energy and reduce carbon emission, Sino Horizon actively promotes measures to manage the environment and conserve energy. The implementation status of these measures is regularly reported to the Board of Directors.</td></tr><tr><td>Climate-related impacts and influences</td><td>Abnormal climate may cause shortage of raw materials, lack of water resources, and rising electricity bills, increasing Sino Horizon's operating costs and supply chain risks.</td></tr><tr><td>Measures to identify, assess, and manage climate-related risks</td><td>The Company conserves energy and reduces carbon emission by taking measures such as shifting to LED lights, switching off lights and air-conditioners when leaving any rooms, reducing the use of office paper and reusing office paper.</td></tr><tr><td>Indicators and goals of climate-related issues</td><td>The Company continues to monitor and study the development of climate change-related issues and possible impacts they can have on Sino Horizon, planning long-term objectives and strategies in response.</td></tr></table>In response to the impact climate change has on the Sino Horizon, the company has been actively replacing energy-intensive equipment at</td><td>(3) No material differences</td></tr>
</table>

Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	
			the Shanghai Dapuqiao SML Center since 2021. The Company has adopted carbon-reducing and more efficient management strategies and pays attention to how abnormal climate may cause shortage of raw materials, lack of water resources, and rising electricity bills, increasing Sino Horizon's operating costs and supply chain risks. Also, the promote the idea of green design, the Company encourages businesses to sign the “Renovation Construction Commitment” and “Commitment to Use Green Materials for Second Renovation Construction”. In 2021, 113 new businesses leasing from the Company in Dapuqiao, Shanghai signed the commitments, achieving a signing rate of 100%. The Company also conserves energy and reduces carbon emission by taking basic measures such as shifting to LED lights, switching off lights and air-conditioners when leaving any rooms, reducing the use of and reusing office paper.	
(4) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		(4) The Company promotes the integration of environmental protection and energy conservation in the whole process of construction and operation. Following the “3R” principles (reduce, reuse, recycle), the Company continues to construct and improve relevant energy resource management systems, remaining committed to reducing the impact its operations have on the environment. Over the past 3 years, the Company has continuously collected statistics on greenhouse gas emissions, water consumption and total weight of waste, and disclosed relevant statistical data and the current status of promotion strategies in its sustainability report.	(4) No material differences
4.Social issues (1) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		(1) Human rights conventions for the Company have been established with reference to the UN Universal Declaration of Human Rights, United Nations Global Compact, UN Guiding Principles on Business and Human Rights (UNGPs), and the ILO Declaration of Fundamental Principles and Rights at Work. The Company complies with local labor related laws and regulations and provides an effective communication channel for labor management.	(1) No material differences
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/ compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	V		(2) 1. Employee compensation The company provides competitive salaries and compensation. The overall compensation includes the basic salary, allowances, and employee remuneration. In order to attract and retain talented individuals, the company rewards employees who make continuous contributions and deducts employee compensation from the net profit before tax (up to 3%) according to company regulations. In 2021, Sino Horizon’s employee compensation totaled NT$40,928,000, and the cumulative total from 2020 to the end of 2021 was NT$94,061,000. Additionally, employee bonuses not only consider the overall operational performance of the company, but also refer to the individual performance rate and contribution to provide reasonable compensation and create a strong link between performance and rewards. 2. Employee benefits In addition to providing statutory benefits (including the five	(2) No material differences

Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	
			insurances and one housing fund for employees in mainland China, and labor health insurance and vacation subsidies for employees in Taiwan), the company also provides a number of welfare measures as follows: (a) Incentives: Professional certification incentives (b) Subsidies: Education and training subsidies (c) Others: Help non-Shanghai graduates from Shanghai universities to apply for settlement in Shanghai; Purchase commercial insurance for foreign employees to provide additional protection; Holiday gift vouchers, birthday vouchers, store discounts; Maternity benefits; Annual bonuses (including marriage benefits, maternity benefits, and birthday vouchers).	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		(3) To provide employees with a safe and healthy working environment, the Company implements the following management systems: 1. Occupational safety and health management system The Company's project staff oversees the safety management of construction units, supervisors, and contractors in accordance with the "Safety Management System", organizing daily inspections of the Company's project safety production management, and strengthening the safety production management of construction sites. The Company's project staff conducts safety management of construction units, supervisory units, and contractors in accordance with the "Safety Management System". According to the relevant provisions of the "Production Safety Law", the staff establish regulations regarding the use of helmets and seat belts, including the selection of specifications, methods, and matters of attention, conducting regular supervision to ensure that relevant personnel follow the regulations. The staff also establishes ways to supervise maintenance workers and suppliers. The general contractor of construction projects establishes a safety production leading group in accordance with the Shanghai “Construction Site Safety Production Guarantee System” and the “Production Safety Assurance Plan” for construction projects, establishing production safety leading groups with the project manager as the person in charge of on-site safety assurance. The safety activities stipulated in the “Production Safety Assurance Plan”" shall be managed by the project manager. The management staff of the project department and other personnel shall cooperate with the safety management. There are 12 members in the production safety leading group and a total of 9 employees from different positions. 2. Occupational safety training In order to reduce the risk of accidents, the Company pays great attention to the nature and ethics literacy of front-line personnel on site, conducting license training according to professional needs (for example: property engineering). The Company also encourages employees to participate in external education and training. The occupational safety education and training we provide includes safety education and training, professional training for outsourced security personnel and training for workers that are not part of our staff.	(3) No material differences
(4) Has the Company				

Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	
established effective career development training programs for employees?	V		(4) The Company provides educational support in the forms of orientation training, professional training, managerial training, and employee independent learning based on employees' career stage and occupational needs. Each year, the human resource department will collect information on training courses that are conducive to the company's development and employee growth, and provide it to every department as reference for establishing annual training plans.	(4) No material differences
(5) Does the Company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		(5) The Company has always remained committed to customer safety. Providing safe spaces and buildings for the public is the most basic responsibility of the Group. In order to maintain such a high level of product safety and quality, the Company follows a chain quality control model and strictly controls the value chain of products. Through clear assessment indicators and division of responsibilities, strict material control procedures have been established internally to ensure that the materials used comply with the national and local building standards and specifications. The Company also scrutinizes and supervises the use of building materials to provide consumers with the safest and most stable high-quality projects. For example, the Company uses eco-friendly adhesives, sealants, and paints with low-volatility, as well as LED energy-saving lighting fixtures. Additionally, we implemented a green construction plan to reuse 75% of recyclable, pollution-free construction and demolition waste during the construction process, taking into account quality and sustainability at every turn. Also, complying with laws, regulations, and international standards in the sale, marketing, and labeling of products and services and in protecting the health, safety, and privacy of customers has always been the Company's standard and important principle. The Company ensures the effective safeguarding and continuous management of existing processes, security control, and IT equipment. The Company fulfills its responsibility to manage and protect customer privacy as the personal information of customers is shared with third parties only when customer consent is legally obtained or a request is formally submitted by other competent authorities through legal procedures.	(5) No material differences
(6)Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		(6) The Company continues to establish risk and supplier management system that has been gradually introduced since 2020. At the current stage, the Company has established a supplier construction license inspection mechanism, a supplier self-assessment mechanism, and a large-scale property project supplier on-site inspection mechanism. For suppliers with good performance, such as suppliers who follow legal norms, have good service attitudes, and pay attention to environmental protection issues, will be prioritized in future projects. In addition, regarding the occupational safety of suppliers, the procurement of maintenance and construction projects includes signing the "Maintenance Safety Agreement" with suppliers. Suppliers that provide maintenance and construction work are required to comply with relevant safety regulations issued by the national and Shanghai labor protection and production safety departments regarding production safety and fire protection. At the same time, suppliers are required to make clear requirements in terms of safety management systems, construction surveys, safety education, operation safety, personnel qualification, and public safety.	(6) No material differences
5. Does the Company refer to	V		The Company has been issuing ESG reports on an annual basis since 2014.	No material

Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	
international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the Company obtain third party assurance or certification for the reports above?			These reports are prepared in accordance with the Global Reporting Initiatives (GRI) guidelines and have been verified by an independent third-party.	differences.
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company's operations: The Company has begun establishing its Corporate Social Responsibility Code of Practice based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies. So far, the Company has established the Employee Ethical Code of Conduct and Code of Business Ethics as well as applicable regulations for key concepts of corporate social responsibilities, including gender equality, equal pay for work of equal value, and anti-corruption, and has asked its employees and lessees to sign them.				
7. Other key information useful for explaining status of corporate social responsibility practices: Promoting ESG concepts and establishing ESG indicators for the entire company and its departments are major tasks of the Company every year. The Company is actively pursuing all ways to promote and implement ESG practices and examine the effectiveness of these practices.				

(6) Implementation and measures for ethical corporate management

Evaluation item	Operating Status			Deviation from *Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies* and reasons for deviation
	Yes	No	Summary	
1. Establishment of ethical corporate management policy and approaches				
(1) Does the Company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1) The Company has established the Ethical Corporate Management Best Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies. These Principles were approved at the board meeting on May 12, 2021. Ethical management policies are detailed in these Principles, providing regulations with which all directors, managers, and employees shall comply.	(1) No material differences.
(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	V		(2) The Company has developed a mechanism for assessing risks of unethical conducts. Measures for preventing the following unethical conducts are provided in the Ethical Corporate Management Best Practice Principles. ● Offering and accepting bribes ● Illegal political donations ● Improper charitable donations or sponsorship ● Offering or acceptance of unreasonable presents or hospitality, or other improper benefits ● Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights ● Engaging in unfair competitive practices	(2) No material differences.
(3) Whether the Company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?	V		(3) The principles for preventing unethical conduct are stipulated in the Company's Ethical Corporate Management Best Practice Principles. Matters concerning disciplinary actions against violation of code of ethics and laws are provided in the Code of Conduct for Employees to ensure that all employees comply with these rules. The Company also reviews and revises the aforementioned rules and prevention programs when laws and regulations are amended.	(3)No material differences.
2. Full implementation of ethical				

Evaluation item	Operating Status			Deviation from *Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies* and reasons for deviation
	Yes	No	Summary	
management principles (1) Does the Company evaluate the ethical integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		(1) The Company's rules and regulations stipulate that before engaging in business transactions, employees must evaluate the ethical integrity of all counterparties to avoid trading with those involved in unethical conducts. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction. The Shanghai SML Center has established the Sino Horizon Holdings Limited Employee Ethical Code of Conduct, which must be signed by all lessees.	(1) No material differences.
(2) Whether the Company has set up a unit which is dedicated to promoting the Company's ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation?	V		(2) The Company has designated the Audit Office, which serves under the Board of Directors, to be in charge of formulating corporate integrity policies and unethical conduct prevention programs and supervising the implementation of these policies. In addition, the Audit Office report to the board of directors at least once a year, mainly stating the integrity policies, unethical conduct prevention programs, and supervision implementation status. The implementation situation of 2021 has been reported to the board of directors on Nov 11,2021.	(2) No material differences.
(3) Has the Company established policies to prevent conflicts of interests, implemented such policies, and provided adequate channels of communications?	V		(3) In accordance with the Ethical Corporate Management Best Practice Principles, the Company has established policies for the prevention of conflicts of interest to identify and manage the risks of unethical conducts that may arise from conflicts of interest.	(3) No material differences.
(4) To implement relevant policies on ethical conducts, has the Company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct, and have its ethical conduct program audited by internal auditors or CPA periodically?	V		(4) The Company has established effective accounting systems and internal control systems. The Company does not have under-the-table accounts or secret accounts. To ensure that the design and enforcement of the systems are effective, the Company's internal auditors periodically review the status of compliance with these systems.	(4) No material differences.
(5) Does the Company periodically provide internal and external training programs on ethical management?		V	(5) The Company conducts announcements and promotions on its internal website. Regularly promote the integrity management code to employees every year, and implement the principle of avoidance of interests. From the beginning of entry, in order to help new staffs understand the Company's corporate culture and organizational	(5) No material differences.

Evaluation item	Operating Status			Deviation from *Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies* and reasons for deviation
	Yes	No	Summary	
			rules. In 2021, 46 new employees have been trained for 2 hours each. The training content includes the promotion of ethical behavior and corporate ethics. The Company also usually promotes the integrity of business practices to employees through important meetings.	
3. Implementation of the Company's whistleblowing system (1) Has the Company established a concrete whistleblowing and reward system, have a convenient reporting channel in place, and assign an appropriate person to deal with accusations? (2) Whether the Company has established standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner? (3) Does the Company adopt measures for protecting whistle-blowers against improper treatment or retaliation?	V V	V	The Company has adopted a standard operating procedure for the investigation of specific complaints, and established the e-mail address and contact number of related supervisors, thus ensuring an open reporting channel. The Company does not yet have a rewarding system. If any complaints are filed, they are investigated and handled by the personnel in charge of auditing. Matters related to rewards and punishments are handled and treated impartially in accordance with the Rewards and Punishments Regulations to fulfill the responsibility for protecting the persons involved and the whistleblower.	No material deviation, except for the first item.
4. Enhancing information disclosure Has the Company disclosed its business integrity principles and progress onto its website and at the Market Observation Post System?	V		The Company has disclosed the integrity management code and its implementation on the Company's website and annual report, and will update it immediately if there are any changes.	No material differences.
5. The Company shall establish its own business integrity principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies. Please clearly articulate the differences between its operations and the established principles: In May 2021, the Company established Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies." The implementation status of the Company's ethical management does not deviate significantly from the principles for TWSE/TPEx Listed Companies.				
6. Other important information to facilitate better understanding of the Company's implementation of ethical corporate management (e.g., review and amendment of the Company's business integrity principles, etc.): None				

(7) If the Company has established corporate governance principles and related

guidelines, it shall disclose the means of accessing this information

None.

(8) Other significant information which may improve the understanding of corporate governance and related operations may be jointly disclosed

None.

(9) Status of implementation of internal control system

1. Internal Control System Statement

Sino Horizon Holdings Limited
Internal Control System Statement

Date: March11, 2022

Based on the findings of a self-assessment, Sino Horizon Holdings Limited (SHH) states the following with regard to its internal control system during the year 2021:

1. SHH's board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.

2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to changes in circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and SHH takes immediate remedial actions in response to any identified deficiencies.

3. SHH evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.

4. SHH has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.

5. Based on the findings of such evaluation, SHH believes that, on December 31, 2021, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.

6. This Statement is an integral part of SHH's annual report for the year 2021 and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.

7. This statement was resolved by the board of directors in their meeting held on March 11, 2022, with none of the eleven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Chairman: Hung-Pen Chang

President: Nen-Yao Chang

2. If the Company engages a CPA to examine its internal control system, disclose the CPA audit report:

   None.

(10) Penalties on the Company or its personnel or punishment imposed by the Company on personnel in violation of internal control system regulations, where the punishment result may have significant impacts on shareholders' rights and interests or securities price, major deficiencies and improvement in the most recent year and up to the date of report.

None.

(11) Important resolutions adopted in shareholders' meetings and Board of Directors meetings in the most recent year and up to the date of report

1. Important resolutions adopted in the Company's 2021 shareholders' meeting

Meeting date	Important resolutions	Implementation status
July 30, 2021	Approval Matters: 1. The Company's 2020 Business Report and consolidated financial statements. 2. The Company's 2020 earnings distribution proposal.	Implementation status: 1. The Company's 2020 financial statements were published on the Company website and disclosed on the Market Observation Post System within the deadline as stipulated by the competent authority. 2. SHH distributed NT$2,088,356,378 in cash dividends (i.e., NT$1.2 per share) on September 16, 2021.

2. Important resolutions adopted in Board of Directors meetings

Meeting date	Important resolutions
2021.03.12	1. Proposal for Approval of the Declaration on Internal Control System of the Company for Year 2020 2. Proposal for Approval of the Consolidated Financial Statements of the Company for Year 2020 3. Proposal for Adoption of Profit Distribution Plan for Year 2020 4. Proposal for Approval of the Remuneration of Employees and Directors for Year 2020 5. Proposal for Approval of the Business Plan of the Company for Year 2021 6. Proposal for Appointment of Certified Public Accountant ("CPA") and Evaluating the Independence and Suitability of the CPA 7. Proposal for Approval of the Remuneration for Independent Directors 8. Proposal for Approval of the Remuneration for Managers 9. Proposal for Acceptance of Shareholder's Proposal regarding the AGM Agenda 10. Proposal for Convention of the AGM
2021.05.12	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 31 March 2021 2. Proposal for Approval of Ethical Corporate Management Best Practice Principles 3. Proposal for Approval of Amendment to the Rules Governing the Investment Cycle 4. Proposal for Approval of Amendments to Remuneration Committee Charter 5. Proposal for Approval of Remuneration Policy for Directors and Managers 6. Distribution of Profits to Directors and Managers 7. Proposal and Ratification for Approval of Acquisition of Land for Construction in Taichung by the Preparatory Office of Wealthy Joy Co., Ltd. , Taiwan Branch (the Company's Wholly-Owned Subsidiary)

Meeting date	Important resolutions
2021.07.07	Proposal to Postpone and Reschedule the Annual General Meeting (the “AGM”)
2021.07.30	Proposal for Approval of the Record Date for Ex Dividend ("XD") and the Related Timetable
2021.08.25	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 June 2021 2. Proposal for Approval of the Company to Provide Guarantee to Secure the Obligations of Follow International Limited (the Company's indirectly wholly-owned subsidiary) under a Syndicated Term Loan Facility of US$660,000,000
2021.11.11	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 September 2021 2. Proposal for Approval of the Annual Audit Plan of the Company for Year 2022 3. Proposal for Approval of the Company to Provide Guarantee to Secure the Obligations of Noble World International Limited (the Company's indirectly wholly-owned subsidiary) under a US$80,000,000 or the Equivalent in EURO Facility
2022.03.11	1. Proposal for Approval of the Declaration on Internal Control System of the Company for Year 2021 2. Proposal for Approval of the Consolidated Financial Statements of the Company for Year 2021 3. Proposal for Approval of the Remuneration of Employees and Directors for Year 2021 4. Proposal for Adoption of Profit Distribution Plan for Year 2021 5. Proposal for Approval of the Business Plan of the Company for Year 2022 6. Proposal for Appointment of Certified Public Accountant ("CPA") and Evaluating the Independence and Suitability of the CPA 7. Proposal for Approval of the Remuneration for Independent Directors 8. Proposal for Approval of the Remuneration for Managers 9. Proposal for Adoption of Amended M&A 10. Proposal for Amendments to Rules Governing the Shareholders Meeting 11. Proposal for Amendment to Rules Governing Procedures for Board of Directors Meetings 12. Proposal for Amendments to Rules Governing the Acquisition and Disposal of Assets 13. Election of Directors and Nomination of Directors 14. Proposal for Release from Non-Competition Restrictions 15. Proposal for Acceptance of Nomination by Shareholders for Directors to be Appointed at the AGM 16. Proposal for Acceptance of Shareholder's Proposal regarding the AGM Agenda 17. Proposal for Convention of the AGM

(12) Dissenting opinions of directors with regard to an important resolution passed by the Board of Directors that is on record or stated in writing in the past year and up to the date of report

None.

(13) Resignation and dismissal of professional managerial officers of the Company, including chairman, president, chief accounting officer, chief financial officer, chief internal auditor, chief corporate governance officer and chief R&D officer, in the past year and up to the date of report

None.

5. Information on fees to CPA

(1) The amounts of both audit and non-audit fees and the details of the non-audit services ,when non-audit fees paid to the CPA, to the accounting firm of the CPA, and to any affiliated enterprise of such accounting firm

Unit:NT$ in thousands

Name of accounting firm	Name of CPA		Period covered by the CPA audit	Audit fees	Non-audit fees	Remarks
Deloitte & Touche	Shiuh-Ran Cheng	Chun-Hung Chen	2021.1.1 - 2021.12.31	13,517	220	Tax compliance audit

(2)If the Company changes accounting firm and the amount of audit fee paid in the year of change is less than that in the year before, the difference in audit fee and reason shall be disclosed: Not applicable.

(3)If the audit fee is over 10% less than that paid in the previous year, the amount and percentage of decrease as well as the reason shall be disclosed: Not applicable.

6. Has the CPA been changed in the last two years and the subsequent period:

None.

7. If the chairman, president and chief financial or accounting officer of the Company has worked for the accounting firm or its affiliate in the most recent year, their name, position or term during which the position was held in the accounting firm or its affiliate shall be disclosed

None.

8. Equity transfers by directors, managerial officers and shareholders holding more than 10 percent of equity and changes to share pledging by them in the past year and up to the date of report

(1) Changes to share equity by directors, managerial officers and shareholders holding more than 10 percent of equity

Title	Name	2021		The current year (2022) up to April 30	
		Increase (decrease) in no. of shares held	Increase (decrease) in pledged shares	Increase (decrease) in no. of shares held	Increase (decrease) in pledged shares
Major shareholder	True Elite Holdings Limited (Note 2)	0	0	0	0
Major shareholder	Great Sino Development Ltd. (Note 1)	0	0	0	0
Major shareholder	Sino Engine Group Ltd. (Note 1)	0	0	0	0
Major shareholder	Fairwheel Holdings Ltd. (Note 1)	0	0	0	0
Director/Major shareholder	Chien Shen Chang (Note 2) (representative of True Elite Holdings Limited)	0	0	0	0
Major shareholder	Forest Symbol Limited (Note 2)	0	0	0	0
Major shareholder	Excellent Worth Holdings Limited (Note 2)	0	0	0	0
Chairman	Hung-Pen Chang (Note 1) (representative of Great Sino Development Ltd.)	0	0	0	0
President	Nen-Yao Chang (representative of Great Sino Development Ltd.)	0	0	0	0
Director/CFO	An Yee Jennifer Fung	0	0	0	0
Director	Madeline D. Chang (representative of True Elite Holdings Limited)	0	0	0	0
Director	Fong-Cheng Lin	0	0	0	0
Director	Ching-Chong Chen	0	0	0	0
Director	Du-Tsuen Uang	0	0	0	0
Independent Director	Li-Teh Hsu	0	0	0	0
Independent Director	Su-Chun Kuo	0	0	0	0
Independent Director	Charles Chen	0	0	0	0
Vice President	Hsien-Chih Tsai	0	0	0	0
Vice President	Kuo-Lung Chu (Note 3)	0	0	0	0
Vice President	Xiang-Lei Sun	0	0	0	0
Vice President	Ching-Te Ni	0	0	0	0
Vice President	Chih-Chun Wang	0	0	0	0

Note 1: Hung-Pen Chang is the substantial owner of Great Sino Development Ltd., Sino Engine Group Ltd. and Fairwheel Holdings Ltd.

Note 2: Chien Shen Chang is the substantial owner of True Elite Holdings Ltd., Forest Symbol Ltd. and Excellent Worth Holdings Ltd.

Note 3: Vice President of Finance , Kuo-Lung Chu was appointed on July 20, 2021.

(2) Information on counterparty of equity transfer(s) as a related party

None.

(3) Information on counterparty of share pledge(s) as a related party

None.

9. Information on the relationship between any of the top ten share-holders (related party, spouse, or kinship within the second degree)

April 30, 2022; Unit: 1,000 shares; %

Name	Shares held by the individual		Shares held by spouse and underage children		Total shares held in the name of others		Titles, names and relationships between top 10 shareholders (related party, spouse, or kinship within the second degree)		Note
	No. of shares	Percentage of shares	No. of shares	Percentage of shares	No. of shares	Percentage of shares	Title (or name)	Relation	
True Elite Holdings Limited Representative: Chien Shen Chang	677,880	38.95%	0	0%	0	0%	Hung-Pen Chang	Siblings	—
Great Sino Development Ltd Representative: Hung-Pen Chang	339,971	19.54%	0	0%	0	0%	Chien Shen Chang	Siblings	—
Sino Engine Group Ltd. Representative: Hung-Pen Chang	333,321	19.15%	0	0%	0	0%	Chien Shen Chang	Siblings	—
Fairwheel Holdings Ltd. Representative: Hung-Pen Chang	174,058	10.00%	0	0%	0	0%	Chien Shen Chang	Siblings	—
Forest Symbol Limited Representative: Chien Shen Chang	84,735	4.87%	0	0%	0	0%	Hung-Pen Chang	Siblings	—
Excellent Worth Holdings Limited Representative: Chien Shen Chang	84,735	4.87%	0	0%	0	0%	Hung-Pen Chang	Siblings	—

Name	Shares held by the individual		Shares held by spouse and underage children		Total shares held in the name of others		Titles, names and relationships between top 10 shareholders (related party, spouse, or kinship within the second degree)		Note
	No. of shares	Percentage of shares	No. of shares	Percentage of shares	No. of shares	Percentage of shares	Title (or name)	Relation	
BNP Paribas Hong Kong under the custody of HSBC Representative: Not applicable.	20,528	1.18%	0	0%	0	0%	—	—	—
KGI Asia Limited under the custody of Standard Chartered Representative: Not applicable.	9,657	0.55%	0	0%	0	0%	—	—	—
Goldman Sachs International investment account under the custody of HSBC Bank Representative: Not applicable.	1,571	0.09%	0	0%	0	0%	—	—	—
Zhou-Zheng Chen	885	0.05%	0	0%	0	0%	—	—	—

10. The shareholding in an invested company by the Company, the Company's directors, and managerial officers, or an enterprise that is directly or indirectly controlled by the Company, and the consolidated shareholding ratio

Not applicable because the Company invests in subsidiaries by following the cost approach in the International Accounting Standard No. 27.

IV. Information on capital raising activities

1. Capital and shareholding

(1) Share capital source

1. Type of shares

April 30, 2022; Unit: 1,000 shares

Type of shares	Authorized capital			Note
	Outstanding shares	Unissued shares	Total	
Ordinary shares	1,740,297	439,703	2,180,000	

2. Formation of share capital

April 30,2022; Unit:NT$ in thousands/1,000 shares

Year Month	Issue price	Authorized capital		Paid-in capital		Note		
		No. of shares (1,000 shares)	Amount (NT$1,000)	No. of shares (1,000 shares)	Amount (NT$1,000)	Share capital source	Shares acquired by non-cash assets	Others
2007.12.05	US$1 per share	50	USD50	—	—	—	None	None
2007.12.24	US$1 per share	50	USD50	4 Shares	US$4	Share change	Long-term investments	None
2010.06.30	—	—	—	(4) Shares	US$(4)	Buyback for write-down	None	None
2010.06.30	NT$10 per share	2,180,000	21,800,000	1,681,362	16,813,620	(Note 1)	Claim	None
2012.12.05	NT$10 per share	2,180,000	21,800,000	1,721,362	17,213,620	(Note 2)	None	None
2013.09.12	NT$10 per share	2,180,000	21,800,000	1,740,297	17,402,970	NT$189,350,000 in earnings for capital increase	None	None

Note 1: Denomination is converted from USD to NTD. Amount of capital increase includes advance receipts for share capital of NT$13,399,360,000 and shareholder advance of NT$3,414,260,000 over the past years.

Note 2: Proceeds from shares from capital increase by cash due to public listing.

3. Information for shelf registration: Not applicable.

(2) Shareholder Structure

April 30, 2022; shares

Shareholder Structure / Quantity	Government Agencies	Financial Institutions	Other corporations	Individuals	Foreign Institutions and Individuals	Total
people	-	-	11	1,683	26	1,720
No. of shares held	-	-	461,311	11,029,053	1,728,806,618	1,740,296,982
Shareholding percentage	0.00%	0.00%	0.03%	0.63%	99.34%	100.00%

Note: Primary listing of TWSE (TPEx) listed companies and companies listed in the emerging stock market shall disclose shareholders with funding from Mainland China. Funding from Mainland China refers to companies invested in by nationals, corporations, groups and other institutions or through a third territory as stipulated under Article 3 of the Regulations Governing Investment Permits for the People of the Mainland Area.

(3) Shareholding Distribution Status

1. Ordinary Shares

April 30, 2022; Unit: Shares/Par value of NT$10 per share

Shareholding range	Number of shareholders	No. of shares held	Shareholding percentage
1 to 999	766	98,318	0.01%
1,000 to 5,000	690	1,335,494	0.08%
5,001 to 10,000	96	778,076	0.05%
10,001 to 15,000	35	456,759	0.03%
15,001 to 20,000	23	427,365	0.03%
20,001 to 30,000	17	450,270	0.03%
30,001 to 50,000	35	1,390,137	0.08%
50,001 to 100,000	23	1,548,746	0.09%
100,001 to 200,000	13	1,885,380	0.11%
200,001 to 400,000	8	2,241,000	0.13%
400,001 to 600,000	3	1,568,160	0.09%
600,001 to 800,000	1	775,000	0.05%
800,001 to 1,000,000	1	885,000	0.05%
Over 1,000,001	9	1,726,457,277	99.21%
Total	1,720	1,740,296,982	100.00%

2. Preferred stocks: N/A. The Company has not issued any preferred shares.

(4) List of major shareholders

Names, shares and percentage of shareholding of top ten shareholders and shareholders with more than 5% of equity:

April 30, 2022; shares

Shares / Name of major shareholder	No. of shares held	Shareholding percentage
True Elite Holdings Limited	677,880,352	38.95%
Great Sino Development Ltd.	339,971,396	19.54%
Sino Engine Group Ltd.	333,321,053	19.15%
Fairwheel Holdings Ltd.	174,057,991	10.00%
Forest Symbol Limited	84,735,044	4.87%
Excellent Worth Holdings Limited	84,735,044	4.87%
BNP Paribas Hong Kong under the custody of HSBC	20,528,453	1.18%
KGI Asia Limited under the custody of Standard Chartered	9,656,702	0.55%
Goldman Sachs International investment account under the custody of HSBC Bank	1,571,242	0.09%
Zhou-Zheng Chen	885,000	0.05%

(5) Market price per share, net worth, earnings, dividends, and the related information for the last 2 years

Unit: NT$/1,000 shares

Item / Year			2020	2021	As of March 31, 2022 (Note 8)
Market price per share (Note 1)	Highest		30.70	43.85	29.45
	Lowest		19.10	23.10	24.10
	Average		25.03	29.18	26.71
Net worth per share (Note 2)	Before distribution		31.07	30.24	32.09
	After distribution		31.07	(Note 9)	NA
Earnings per share	Weighted average shares (1,000 shares)	Before retroactive adjustment	1,740,297	1,740,297	1,740,297
		After retroactive adjustment	1,740,297	-	-
	Earnings per share (Note 3)	Before retroactive adjustment	0.68	0.67	0.83
		After retroactive adjustment	0.68	-	-
Dividends per share	Cash dividend		1.20	1.20	NA
	Bonus shares	From retained earnings	-	-	-
		From capital surplus	-	-	-
	Accumulated dividend (Note 4)		-	-	-

Item \ Year		2020	2021	As of March 31, 2022 (Note 8)
Analysis of return on Investment	Price-earnings ratio (Note 5)	36.81	43.55	-
	Price-dividend ratio (Note 6)	20.86	24.32	-
	Cash dividend yield (Note 7)	4.79%	4.11%	-

* If shares are distributed in connection with a capital increase out of earnings or capital reserve, further disclose information on market prices and cash dividends retroactively adjusted based on the number of shares after distribution.

Note 1: List the highest and lowest market price per share of ordinary shares for each fiscal year and calculate each fiscal year's average market price based on each fiscal year's actual transaction prices and volume.
Note 2: lease use the number of issued shares by the end of the year as basis and the describe the distribution status resolved in the Board of Directors or Annual Shareholders' Meeting.
Note 3: If retroactive adjustment is required due to bonus shares, the earnings per share before and after adjustment shall be disclosed.
Note 4: If the criteria for issuing equity securities stipulate that undistributed dividends for the year may be accumulated for distribution in the year of earnings, the accumulated dividends shall be disclosed.
Note 5: Price-earnings (P/E) ratio = Average closing price in the current year / Earnings per share.
Note 6: Price-dividend (P/D) ratio = Average closing price in the current year / Cash dividends per share.
Note 7: Cash dividend yield rate = Cash dividend per share / Average closing price in the current year.
Note 8: Net worth per share and earnings per share shall be disclosed in the information audited by the CPA in the past quarter as of the publication date of the annual report; the other columns shall disclose the information for the year as of the publication date of the annual report.
Note 9: The Company's 2021 profit distribution proposal has yet to be approved at the current Shareholders' Meeting.

(6) Dividend policy and implementation status

1. Dividend policy defined in the Articles of Incorporation

The Company operates in an ever-changing business environment at a positive growth stage. To facilitate the Company's future business expansion plan, and simultaneously give consideration to equal dividends and shareholder interests, the Company's dividend policy states that undistributed earnings remaining may be added onto a part or all of the remaining earnings from the previous year and distributed as stock dividends. However, the Company has resolved to distribute no less than 30% of the remaining profits for the year as stock dividends, whereas cash dividends shall not be less than 20% of the total stock dividends distributed for the year. When cash dividends are less than NT$0.1 per share, profit may be distributed as stock dividends.

2. Current year dividend distribution proposal to the Shareholders' Meeting

(1) The Company's Board of Directors proposed on March 11, 2022 to distribute NT$2,088,356,378 in shareholder dividend in cash at NT$1.2 per share. This proposal will be submitted in the current Shareholders' Meeting for resolution.

(2) Regarding current year dividend distribution proposal in the Shareholders' Meeting, upon approval, the Board of Directors will be authorized to set an ex dividend date separately, which will be announced later.

3. Expected significant changes to stock dividend policy shall include a description of distribution situation: Not applicable.

(7) The effects of the bonus shares proposed by the Shareholders' Meeting on the Company's business performance and earnings per share

Not applicable.

(8) Distribution of employees' remuneration and directors' remuneration (the Company does not appoint supervisors, therefore only directors' remuneration is disclosed)

1. Percentages or ranges of remuneration to employees and remuneration to directors and supervisors under the Articles of Incorporation

   According to the Company's Articles of Incorporation, if there is surplus profits on the Company's net profits before tax (before deducting any employees' remuneration and Directors' remuneration), the Board of Directors shall, upon approval by a majority of the Directors present at a meeting attended by two thirds or more of the total number of the Directors, set aside employees' remuneration and Directors' remuneration in accordance with the following manner, and report such distribution of remuneration to the general meeting. However, if the Company has accumulated losses, the Company shall reserve an amount thereof first to offset the losses:

   (1) Employee remuneration: No more than 3%.

   (2) Director's remuneration: No more than 3%.

2. The basis for estimating the amount of employee remuneration and director remuneration, basis for calculating the number of shares to be distributed as stock remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount for the current period

   (1) The basis for estimating the amount of employee remuneration and director remuneration for the current period:

   The employee remuneration and director remuneration in 2021 are respectively calculated at 2.00% and 2.00% of net profit before tax before deducting remuneration of employees and directors.

(2) Basis for calculating the number of shares to be distributed as stock remuneration:

The Board of Directors has not yet approved the distribution of employee stock remuneration.

(3) Accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount:

If there is a change in the proposed amounts after the consolidated financial statements authorized for issue, the differences are recorded as a change in accounting estimate and will be adjusted in the following year.

3. Remuneration proposals passed by the Board of Directors:

(1) The Company distributes employee cash/stock remuneration and remuneration to directors. In case of any discrepancy between the recognized expenses and the estimates for the current year, the differences, reasons, and responses should be disclosed.

The Company's 2021 employee and director remuneration proposal approved by the Board of Directors on March 11, 2022 is as follows:

The Company plans to distribute NT$40,928,000 in employee remuneration and NT$40,928,000 in remuneration to directors. There was no discrepancy between the amount of employee remuneration and director remuneration proposed by the Board of Directors for the current year and the expenses recognized for the current year.

(2) The ratio of employee stock remuneration to be distributed as a percentage of the sum of net profit after tax and employee remuneration in the individual or standalone financial report for the current period:

NT$0 employee stock remuneration, representing a ratio of 0% for the sum of net profit after tax and employee remuneration for the current period.

4. Actual distribution of employee bonus and remuneration of directors and supervisors of previous year (including dividend shares, amount and stock price), discrepancies, if any, from the amount of employee bonus and remuneration of directors and supervisors previously recognized, and the causes and treatments for the discrepancies:

(1) The Board of Directors of the Company approved the earnings distribution plan of 2020 on March 12, 2021 and the actual distribution status: The actual distribution of employee compensation was NT$ 53,132,700 and the amount of director remuneration was NT$ 79,600,000.

(2) Discrepancies, if any, between the aforementioned amount and the amount of employee bonus and director remuneration previously recognized, and the causes and treatments for the discrepancies:

No discrepancies.

(9) Buyback of Company shares

None.

2. Issuance of corporate bonds

None.

3. Issuance of preferred stocks

None.

4. Issuance of global depositary receipts (GDR)

None.

5. Employee stock warrants and new restricted employee shares

None.

6. Mergers, acquisitions or issuance of new shares for acquisition of shares of other companies

None.

7. Status of implementation of capital allocation plans

(1) Project Content

For the period as of the quarter preceding the date of publication of the annual report, each uncompleted public issue or private placement of securities, and issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits: None.

(2) Implementation status

With respect to the purpose of plans referred to in the preceding paragraph, the status of implementation and comparison of actual benefits with expected benefits for the period as of the quarter preceding the date of publication of the annual report: None.

V. Business Overview

1. Business Activities

(1) Business scope

1. Major business activities

The Company specializes in real estate development and sales, leasing of shopping malls and office spaces, and property management in major cities in Mainland China, including the municipalities of Shanghai and Chongqing. The Company currently targets the Greater China market.

2. Key products and revenue breakdown

Unit:NT$ in thousands

Year / Item	2020		2021	
	Operating revenue	Ratio	Operating revenue	Ratio
Real estate sales	11,157,891	83%	2,223,754	46%
Shopping mall/Office leasing	1,711,236	13%	1,947,017	41%
Property management	312,217	2%	384,508	8%
Others	238,572	2%	247,909	5%
Total	13,419,916	100%	4,803,188	100%

3. Current product/Service lineup

The Company makes business profits mainly by renting shopping malls and office spaces and selling residential buildings, and also rendering property management services to provide premium residential properties and excellent shopping center and office environments that would facilitate regional development for mutual prosperity in society.

4. New products (services) to be developed

New products we plan to develop in the future will mainly involve using suitable prices to invest in land that has potential for further development. With a team of business professionals and comprehensive product planning, we will establish a sustainable business model that ensures both cash flow and asset growth.

In general, for future product portfolios, the Company will make the most suitable design while taking into consideration a location, transportation, area, surrounding city government plans, and development potential; as well as creating different product portfolios based on the following factors:

(1) Changes in market demands: Including requirements for high-quality modern housing, needs for commercial activities of higher quality and quantity, needs of high-worth consumers for composite shopping malls, and needs for other recreational services such as higher-end restaurants and hotels.

(2) Respect for government policies: The Company also makes adjustments in terms of the direction of urban planning, urban development, requirements of eco-friendly buildings, and old city renovation plans in order to meet the positive expectations of the society.

Given the different market trends and environmental changes, the Company employs world-class teams and learns from successful cases of construction in advanced regions to create visionary product portfolios that meet the needs of local residents and local conditions. The products will include small residential complexes, luxury residences, all-in-one shopping centers, electronic stores, hotels, and office buildings. Using the most rigorous attitude, Ding Gu will deliver our promises to clients, foster customer loyalty, and create greater brand value for the Company.

(2) Industry Overview

1. Current trends and outlook of the industry

The Company's main products include leasing of shopping malls and office buildings, and selling of commodity housing estates, with promotion focusing on the markets in Shanghai and Chongqing.

(1) Real estate market

In recent years, the sales area and average unit price of the real estate market in mainland China have increased incrementally on a yearly basis. Such increase is accompanied by the implementation and cancellation of property curbs and purchase restriction policies by the government, which in turn influence interest rate adjustments. First-tier cities and municipalities, such as Shanghai and Chongqing, will continue to have increasing demands for commodity housing estates and improvements due to an inflow of talents that are attracted to these cities for their diverse employment opportunities and strong economic activity.

(2) Commercial real estate market

The series of macroeconomic control policies over real estate markets by the Chinese government are aimed directly at stabilizing the prices of the housing market, preventing price bubbles, and simultaneously solving the housing problems of mid to low-income households. These policies are not focused on commercial properties. The rent of commercial properties in major cities in Mainland China, particularly central districts, has been increasing consistently at

a steady pace. For example, rents for office buildings in Shanghai and Chongqing have maintained a steady growth since 2000.

In general, commercial properties have resisted the impact of the economic and regulatory policies. Commercial properties in central business districts of major cities will still maintain steady growth, despite the recession of the global economy and implementation of property curbs.

2. Relationships with suppliers in the industry's supply chain

Real estate has been known as an “engine” industry, composed of upstream industries (e.g., construction material suppliers) and downstream industries (e.g., individual purchase and company business). The real estate industry has a support network composed by real estate agencies, construction supervision companies, and financial institutions, with construction companies acting as actual coordinators and integrators that have dependent and reciprocal relationships with various industries.

The Company is involved in development projects that are structurally different from those of the industry supply chain. See Figures 1 and 2:

Figure 1: Value chain for lease of shopping centers and office buildings

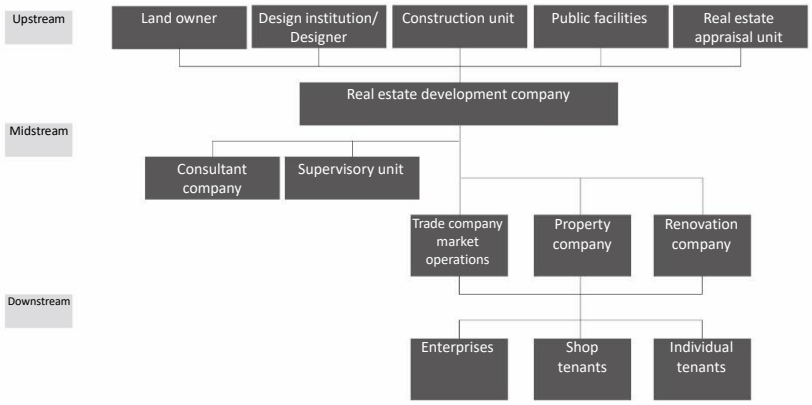
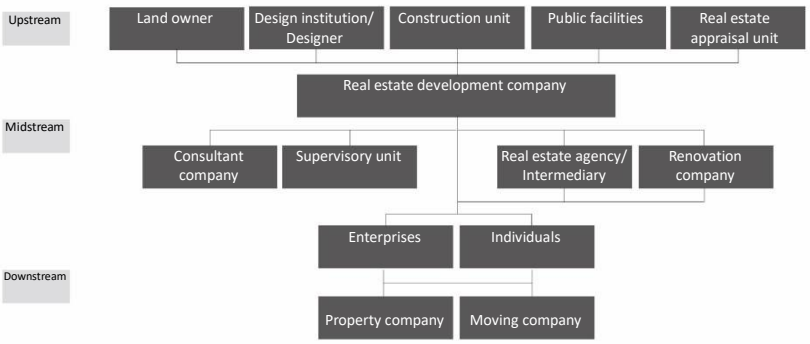


Figure 2: Value chain for sale of real estate



3. The development of real estate products

(1) Product diversification and adjustments to the needs of different customer groups

The Company offers products that are mainstream in the market, including residential properties, commodity spaces, office buildings, resort homes, and eco-friendly residential buildings, which are diverse and reflect our response to the needs of customers in different hierarchies. As per capita income gradually increases, consumers are setting higher living standards. In other words, their focus on practicality is morphing into a focus on better living environments, including the quality of construction materials and facilities, exterior designs, overall environmental plans, and community functions. Therefore, the product planning of the Company will be adjusted to the diverse needs of consumers.

(2) Comprehensive community functions

Due to the vast expanse of land in Mainland China, the comprehensive development of small communities is considerably widespread, but requirements have diversified following the increase in public income, shifting the focus of future new communities to functional completeness. In addition to serving as clubs to satisfy residents' recreational and sporting needs, all-in-one shopping centers, kindergartens, high-end restaurants and hotels, and other recreational services will also be incorporated as the key focus of future product planning to fulfill the basic living expectations of modern people (food, clothing, housing, transportation, education, and entertainment).

(3) Railway construction for residential areas

The saturation of urban residential populations is coupled with a gradual depletion of land resources in urban areas, thus requiring outward urban expansion. China's 12th Five Year Plan proposes the adoption of a three-level policy as a preliminary step in the development of railway transportation. A network operational system for hub optimization will be constructed in Beijing, Shanghai, Guangzhou, and Shenzhen. Therefore, through the government's active promotion of urban transportation infrastructure, the selection of land for development will be based on railway construction and governmental urban plans in the future, indicating that the real estate industry is set to construct residential areas around new railways.

Following years of rapid development in Mainland China, the real estate industry has turned its attention from quantity to quality, while developers focus on the effects of their corporate brand image in the market. As Chinese governmental

departments take further steps to regulate business systems, developers should abide by government policies and take the initiative to promote industry upgrade, thereby improving the quality of people's living environment. In the long run, the potential market space of businesses cannot be underestimated.

4. Competition

Due to the vast territory of mainland China, the area and population of a single city are quite large. For example, Chongqing and Shanghai, which are our key service locations, have a total urban area of 82,400 and 6,341 square kilometers , respectively. Its area is very wide.

Therefore, the real estate markets in mainland China are enormous and widely distributed across unique locations, necessitating individual evaluation of the position of real estate markets in each location in order to create more competitive products for a fiercely competitive market. Properties sold by the Company are mostly located in areas where transportation is convenient, such as upstream from or around railways, so as to create products with commercial values unique to a region. For example, the SML Center in Shanghai is conveniently located above the Dapuqiao Station on Line 9 of the Shanghai Metro, providing excellent amenities for daily living. The SML Center in Chongqing is also conveniently located on the intersection of Line 1 and Line 2 of Chongqing Metro and is expected to become the focus of future developments in Chongqing.

(3) Overview of Technology and R&D

1. Technical level of Sino Horizon business operations

Given the business characteristics of Sino Horizon, the Company acquires production technologies by harnessing its product planning capabilities and selecting the most suitable construction developers. According to the laws and regulations of China, construction developers must obtain construction certificates relevant to the type of construction to carry out property construction projects. Therefore, the Company selects responsible developers in accordance with applicable laws and regulations. We also appoint dedicated personnel to supervise and manage construction sites. The construction supervisory office of the Chinese government also supervises construction works to effectively monitor their progress and quality. Properties to be sold by the Company are mostly planned with consideration to the structure of railway lines and located alongside these, as well as constructed above metro stations, which proves that the Company counts with a high-standard technical level.

2. Research and development

The Company's competitive advantages depend on the acquisition of specific land, excellent construction plan designs, and strict selection of construction materials.

Before reserving land, the Company not only collects and analyzes data on the surrounding environment of the land of interest, including transportation convenience and people flow to understand the demands of people living in that specific area. In addition, we also conduct on-site inspections repeatedly at different times of the day and under different weather conditions to carefully verify important conditions of the land.

Regarding planning and design, the Company hires internationally acclaimed architects to plan designs that are focused on modernization, environmental protection, energy conservation, cost effectiveness, and constructability. In terms of material selection, the Company's management team has gained years of land development experience in Mainland China, Taiwan, Hong Kong, and the United States. The team adopts a rigorous process in selecting premium construction materials.

3. Researchers and their academic qualifications/experience: Not applicable.

4. R&D expenses incurred in the past 5 years: Not applicable.

5. Technologies and products successfully developed: Not applicable.

(4) Long- and Short-Term Business Development Plans

1. Short-Term Strategies and Development Plan

(1) Product planning

- Leverage the excellent lands in our possession and world-class architects to plan valuable products for land development.
- Engage in appropriate planning in support of mainland Chinese government policies and regional developments.
- Provide diverse range of products to satisfy the needs of different customers in the market.
- Develop high-quality housing products.

(2) Construction

Seek reputable local construction developers and use open and fair methods as required by law to have developers provide their most competitive prices that also meet the construction deadlines and quality requirements of the Company, all in order to deliver the finest quality to clients under the supervision of the Company and a third-party supervisory company.

(3) Marketing Strategy

- Consign internationally acclaimed or the most representative marketing and property agents in Mainland China (e.g., Savills and E-House) and plan the most appropriate business solicitation strategies according to past cooperation experiences, construction properties, location, and comprehensive conditions.
- Maximize the overall profit for the Company by adopting price adjustment strategies in line with the price adjustment mechanisms of agency companies and the price-oriented approach that the Company continuously uses to assess a market.
- Continue to attract existing customers and drive the purchase decisions of new customers with the Company's excellent after-sales services and consistent reputation for quality, thereby boosting the overall sales performance of the Company.

(4) Financial collaboration

- Adopt different product layouts in response to product diversification trends, with the hope of acquiring a suitable equilibrium between rapid cash acquisition and long-term stable cash flow development.
- Use appropriate financial leverages to strike a balance between shareholder returns and business risks, and use appropriate financial instruments depending on capital cost variations in the financial market to lower capital cost.

2. Mid/Long-Term Strategies and Development Plan

- Keep pace with the progress of urbanization in Mainland China, establish presence in Shanghai, assist other municipalities, and target capital cities with populations of over 10 million, faster income growth, or higher employment rate.
- Focus on developing well-located lands in cities, place equal emphasis on residential and office buildings, increase property value through professional management, and acquire business profits and long-term value-added benefits.

- With respect to office building development, continue to pay attention to metro stations that lack office buildings and actively purchase excellent land for potential office development. With respect to residential property development, respond to the development trends of railway transportation, consider the Company's financial status, and choose the best time to reserve land for residential use.
- Focus on and timely evaluate investment opportunities in Taiwan.
- Cultivate and recruit talented professionals to strengthen our management team.

2. Market, Production and Sales

(1) Market analysis

1. Areas in which core products (services) are sold (provided)

Projects implemented by the Company are mostly located in Shanghai and Chongqing in Mainland China. A summary of these projects for the periods 2008 to 2021 and the first quarter of 2022 is presented below:

Year	Company	Description	Project name	Purpose	Sales region
2008 - Present	Shanghai Dinggu	Shopping centers, office buildings	Yuhuashan	Lease of shopping centers and sale of office buildings	Jing'an District, Shanghai
2008 - Present	Shanghai Ding Xin	Residential properties and shopping centers	Chunshenli Garden	Sale of residential properties and lease of shopping centers	Minhang District, Shanghai
2009 - Present	Chongqing Dinggu	Residential properties and shopping centers	Chongqing SML Center	Sale of residential properties and lease of shopping centers	Yuzhong District, Chongqing
2009 - Present	Kunshan Ding Yao	Residential properties	Ding Yao Garden	Sale of residential properties	Kunshan
2010 - Present	Shanghai Hong Xiang	Residential properties	City Huating Jiading SML Center	Sale of residential properties	Jiading District, Shanghai
2010 - Present	Shanghai Ding Rong	Shopping centers, office buildings	Shanghai SML Center Earl Mansion	Lease of shopping centers, and sale and lease of office buildings	Huangpu District, Shanghai
2013 - Present	Shanghai Ming Long	Residential properties	Huijing Huating	Sale of residential properties	Jiading District, Shanghai
2015 - Present	Shanghai Ding Tong	Residential properties	Dinggu Junting	Sale of residential properties	Jiading District, Shanghai
2018 - Present	Shanghai Ding Yi	Residential properties	Dinggu Huating	Sale of residential properties	Jiading District, Shanghai
2018 - Present	Wuxi Ding Gu	Residential properties	Wanxiyaju	Sale of residential properties	Wuxi

2. Market Share

Properties sold by the Company are strategically located in well-located areas of first-tier cities, with particular emphasis on transportation convenience so as to create products unique to local characteristics. For example, the SML Center in Shanghai is conveniently located above the Dapuqiao Station on Line 9 of the Shanghai Metro, providing excellent amenities for daily living. The SML Center in Chongqing is also conveniently located on the intersection of Line 1 and Line 2 of Chongqing Metro, and is expected to become the focus of future developments in Chongqing. Presently, the Company's existing projects and future plans will help the Company to establish a significant presence in China's real estate market.

3. Future Market Supply and Demand and Future Growth

(1) Supply

A. Increase in built-up area

Built-up area in China dropped significantly in 2011 due to the implementation of property curbs and restriction policies. Thereafter, the area has increased on a yearly basis, reaching 9,753.87 million square meters in 2021. The built-up area has been increasing on a yearly basis since 2011, demonstrating the sufficient supply of commodity housing estates.

Table 3 Total built-up area in Mainland China

	2017	2018	2019	2020	2021
Built-up area (10,000 m2)	781,484	822,300	893,821	926,759	975,387
YoY	3.00%	5.20%	8.70%	3.70%	5.20%
Residential construction (10,000 m2)	536,444	569,987	627,673	655,558	690,319
YoY	2.90%	6.30%	10.10%	4.40%	5.30%
Percentage of residential construction	68.64%	69.32%	70.22%	70.74%	70.77%

Source: National Bureau of Statistics of China (2017-2021)

B. Maintaining a stable ratio of residential and commercial buildings

Based on the above statistical data, the overall housing supply in China exhibits an increasing trend, and the percentage of residential properties is

increasing steadily. Because urbanization is still on-going in China, the country is undergoing healthy development as its people concentrate in major cities along the southeast coast. Working populations are attracted to major cities thanks to the increase in commercial buildings brought about by the positive economic impact, which subsequently results in increased supply of residential properties. However, the rise in residential population has created other living needs and in turn driven an increase in the supply of commercial buildings. In general, housing market supply in China is steadily increasing in line with economic growth.

(1) Demand

Urbanization is a key driver of real estate development. In general, the process of urbanization comprises four stages: the initial stage, growth stage, accelerated growth stage, and post-urbanization stage. Currently, the progress of urbanization in China is as shown in Table 4: the rate of urbanization increased from 58.52% in 2017 to 64.72% in 2021; the disposable income of urban population also rose from RMB 36,396 in 2017 to RMB 47,412 in 2021. Urbanization in China was only around 64.72% in 2021. Compared with the 70% in developed countries, China is in the accelerated growth stage, where there is considerable population flow from small cities to major cities and from rural villages to urban areas. Thus, housing and commercial property demands relating to consumption and services are still increasing. Recent property control policies will definitely impact the housing market in the short run; however, the purpose of these policies is to control the surging housing prices rather than restricting the development of real estate businesses. Current real estate development is still of great significance for maintaining China's economic growth.

In summary, we may look forward to the development potential of China's real estate market in the next 5 to 10 years.

Table 4 Urbanization in China from 2017 to 2021

Item \ Year	2017	2018	2019	2020	2021
Total population (million)	1,390.08	1,395.38	1,400.05	1411.78	1412.60
Urban population (million)	813.47	831.37	848.43	901.99	914.00
Urbanization rate (%)	58.52	59.58	60.60	63.89	64.72%
Per capita disposable income of urban households (RMB/year)	36,396	39,251	42,359	43,834	47,412

Source: Statistics Publication (2017-2021), National Bureau of Statistics of China

4. Competitive niches

(1) Advantage in land cost

Our existing lands were acquired from primary or secondary markets after a series of careful evaluations, making them extremely valuable for further development. The unit cost of land in China is increasing, which indicates that the lands owned by the Company have considerable development potential.

(2) Land location selection

"Location, location, and location" are traditionally considered to be the most important factors of real estate investment. This concept clearly indicates that the key factor for successful real estate investment is a good location that will yield rental income or capital gain. Given the vast expanse of land in Mainland China and the need to expend considerable amount of capital during land acquisition and construction, real estate developers must acquire specific land to gain competitive advantage in the market. Therefore, the Company typically develops projects in Tier-1 and Tier-2 cities in China, including Beijing, Chongqing, and Shanghai, and chooses land on the basis of railway transportation and governmental urban plans. In addition, the Company has also started construction and development planning in Taiwan in 2021. As of December 2021, the Company still has 13 ongoing projects. The table below shows the advantages of the locations acquired by the Company.

Company	Project name	Location
Chongqing Dinggu	Chongqing SML Center	Adjacent to the Yuzhong Peninsula Liberation Monument by the Chongqing World Financial Center and adjacent to the Jiaochangkou Station on the intersection of Metro Lines 1 and 2
Shanghai Ding Rong	Shanghai SML Center	1. Luwan District in Central Shanghai (merged with Huangpu District in 2011), integrated with the Dapuqiao Station on Line 9 of the Shanghai Metro. 2. Adjacent to Tianzifang, a popular tourist destination
Shanghai Dinggu	Yuhuashan	Neighboring the Jing'an Temple Station on Metro Line 2 in Jing'an District, with abundant culture and commerce
Shanghai Ding Xin	Chunshenli Garden	Located next to Chunshen Road Station on Metro Line 5
Kunshan Ding Yao	Ding Yao Garden	Located near the Kunshan Sports Center and the planned urban development zone of Yushanzhen, Kunshan
Shanghai Ding Lin	To be determined	Neighboring the Shanghai SML Center
Shanghai Hong Xiang	City Huating Jiading SML Center	Adjacent to Jiading North Station, terminal station of Shanghai Metro's Line 11

Company	Project name	Location
Shanghai Ding Jia	To be determined (in Jiading District)	Located above the terminal station Jiading North Station on Line 11 of Shanghai Metro
Shanghai Ding Tong	Dinggu Junting	Adjacent to Jiading North Station, terminal station of Shanghai Metro's Line 11
Shanghai Ming Long	Huijing Huating	Adjacent to Jiading North Station, terminal station of Shanghai Metro's Line 11
Shanghai Ding Yi	Dinggu Huating	Adjacent to Anting Station on Line 11 of Shanghai Metro
Wuxi Ding Gu	Wanxiyaju	Located in Wuxi's Xishan Economic Development Zone
Wealthy Joy Co., Ltd., Taiwan Branch	To be determined (in Taichung City)	Located in Taichung City Xitun District and Beitun District

(3) Commercial products provide stable inflow of cash

The Company leases out completed office and commercial buildings, which not only provide a stable flow of cash for the Company every year, but also increase the potential gains of commercial products.

(4) Robust financial policy

Real estate development is a capital intensive industry that requires considerable capital expenditure on land acquisition and construction. The required funds come from existing capital and loans. If the Company has too much debts, the Company will be exposed to increased operational risks when the real estate market recedes. Hence, even if the Company has a supply of well-located lands, the Company still abides by its robust financial policy and takes into consideration whether it has sufficient capital in order to avoid the risk of excessively tying up our capital. Our robust financial policy is a favorable factor for the future development of the Company.

5. Favorable and Unfavorable Factors to Long-term Development and Response Measures

(1) Favorable Factors

A. The Chinese government actively promotes urbanization

Urbanization in China was only around 64.72% in 2021 Compared with the 70% in developed countries, China is in the accelerated growth stage, where there is considerable population flow from small cities to major cities and from rural villages to urban areas. Thus, housing and commercial property demands relating to consumption and services are still increasing.

B. National economy is growing steadily and rapidly

The growth rate of Mainland China's GDP has remained around 6% in recent years. Infrastructure constructions including the real estate industry, manufacturing industry, service industry, and others are still in the growth phase of the development process. Real estate investment in China has been increasing since 2016, which shows that the real estate development industry in Mainland China is still growing.

C. Considerable increase in residents' incomes

While the country's economy is growing steadily and rapidly, residents are also earning more income. The National Bureau of Statistics of China reported that between 2017 and 2021, the increase rate in per capita disposable income of urban households is greater than that of the economy of China. More income reflects in more capital for private companies, which is the cornerstone for the healthy and continuous development of real estate industries and the Company.

(2) Unfavorable factors and response measures

A. Risks associated with the acquisition of land use rights, failure to comply with the provisions regarding transfer of land use rights, and acquisition of undeveloped land

The Company's income stems primarily from the sale and lease of developed real estate. Therefore, whether the Company can acquire high-quality land at reasonable prices is closely related to the business operation of the Company. Land supply in China is generally controlled by the Chinese government. Whether the Company can purchase land use rights required for future development, and the purchase cost of land are both affected by government policies. Please refer to Section B for details on the political risks regarding policy amendments.

If the Company fails to develop land in accordance with the provisions regarding transfer of land use rights in Mainland China, penalty for idle land or revocation of the land use right may be imposed on the Company by the Chinese government. The State Council of the People's Republic of China promulgated the *Notice of the State Council on Promoting Land Saving and Intensive Use* (No.3 [2008] of the State Council) in January 3, 2008, mandating rigid enforcement of policies concerning idle land. According to

the Notice, if a piece of land has been idle for at least two years, it must be confiscated free of charge by the government, and rearranged for any other uses. If a piece of land has been idle for one year but less than two years, an idle land penalty must be collected at 20% of the transfer or assignment price of the land.

The acquisition of undeveloped land (still resided by households that have not yet relocated) may increase the cost of land demolition and relocation or cause delays in development progress.

Response measures:

- Actively strengthen our land development capabilities, foster land development personnel who have excellent communication skills and expertise in land development, and ensure full access to information on land release in major cities.
- Acquire land in primary markets by purchasing from the Chinese government through the “bidding, auctioning, and listing” procedure, as well as through secondary markets by purchasing the equity of companies that have acquired suitable lands.
- Exert our utmost to develop land within the deadline stipulated by the Chinese government for land development constructions.
- On September 8, 2007, the Ministry of Land and Resources of the People's Republic of China promulgated the Notice on Strengthening the Measures for Disposal of Idle Land, which stipulates that the use right of state-owned lands must be transferred as “clear land”. Therefore, there will be no matters relating to acquisition of undeveloped land.

B. Risks associated with acquisition of approval documents at different stages of real estate development

To develop and complete a real estate development project, the Company must acquire such legal documents as permits and certificates from administrative agencies of the Chinese government at different stages of the development process. Failure to do so will result in construction delays and also disciplinary actions by the competent authority for violation of laws and regulations.

Response measures:

The Company appoints dedicated personnel to oversee development projects, monitor progress at all times, and propose countermeasures for

potential causes of delay to reduce the risk of failing to obtain permits and avoid violation of applicable regulations or unexpected events that may delay the progress of construction works and increase financial and operational risks.

C. Liquidity risk resulting from a considerable amount of investment capital

Difficulty in capital allocation must be avoided to ensure the sound financial structure of the Company and meet the Company's investment and development needs.

Response measures:

- Maintain a positive relationship with banks to ensure uninterrupted financing.
- Develop and build properties in stages and sell timely to generate cash inflow as quickly as possible.
- Designate some of the Company's products as lease properties to continuously generate inflow of cash.
- Make plans to penetrate the capital market and meet the Company's future capital requirements.

D. The real estate market in China is often under strict supervision and is limited by new laws and regulations, which may influence land developers.

Response measures:

- Actively strengthen our land development capabilities, foster land development personnel who have excellent communication skills and expertise in land development, and ensure full access to information on land release in major cities.
- The Company's relevant personnel must stay informed of the latest regulations and propose response strategies to mitigate adverse effects of policy amendments.
- Adopt robust and conservative strategies to acquire land use rights.
- The Opinions Regarding Clean-up by Commercial Office Projects promulgated by the Shanghai Municipal People's Government on May 2017 require developers and owners to clean up during implementation of apartment-style office projects. All of the Company's apartment-style office projects are implemented in accordance with applicable regulations and diagrams that have been reviewed and approved by the government.

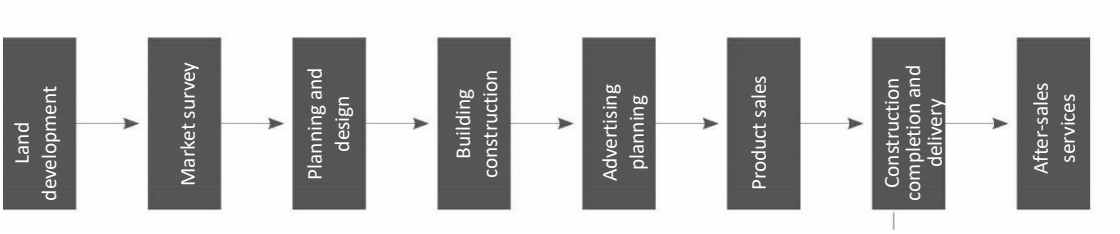
The Company has acquired completion and acceptance certificates for these projects. Currently, the Shanghai Municipal People's Government has partially suspended the online processing of apartment-style office sales contracts; therefore, the Company will lease its unsold apartment-style offices before the government formally introduces the subsequent guiding opinions.

(2) Application and production of key products

1. Important applications of major products

Key products	Important applications
Residential properties	Residential use
Office buildings	Commercial offices
Shopping centers	For use by shops and as product exhibition space

2. Manufacturing processes of major products



(3) Supply status of primary raw materials

1. Land supply status

Except for lands owned by Shanghai Ding Jia, Shanghai Ding Tong, Shanghai Hong Xiang, and Shanghai Ming Long, which were purchased from other companies in 2007, the remaining lands were mostly purchased from local Chinese governments or independent third parties in and before 2005. The Company will continue to purchase well-located lands with due consideration to railway constructions and governmental urban plans. Therefore, as far as the Company's current reserve of land is concerned, the source of land supply is sufficient.

2. Construction works and material supply status

The Company's construction contracts are assigned to suitable contractors upon comprehensive consideration, in accordance with internal operational procedures. Given the need to control costs, the Company primarily subcontracts based on each type of construction work. After contracts for construction works are made, the Company dispatches personnel to supervise and manage the construction site. In accordance with Chinese laws and regulations, a third-party construction supervision company must be commissioned to supervise and manage construction quality, thereby ensuring the effective monitoring of the progress and quality of construction works. Hence, there were no matters regarding supply shortage or disruption, and construction progress and quality are under effective control.

(4) List of key clients

1. Names of customers who accounted for more than 10% of the sales in the last two years

Unit:NT$ in thousands

Item	2020				2021				2022 up to the previous quarter			
	Name	Amount	Percentage of total net sales for the entire year (%)	Relationship with issuer	Name	Amount	Percentage of total net sales for the entire year (%)	Relationship with issuer	Name	Amount	Percentage of total net sales for the entire year (%)	Relationship with issuer
1.	-	-	-	-	-	-	-	-	-	-	-	-
	Others	13,419,916	100	None	Others	4,803,188	100	None	Others	6,168,433	100	None
	Net sales	13,419,916	100		Net sales	4,803,188	100		Net sales	6,168,433	100	

Reasons for changes:

The Company's income in 2020 to 2021 originated primarily from real estate development and sale, lease of shopping centers and office space, and property management. The Company does not focus specifically on a single merchant when leasing its shopping centers and office space, and targets non-specific individuals when selling apartments. Therefore, the Company does not have customers who accounted for more than 10% of the sales between 2020 to 2021.

2. Names of suppliers who accounted for more than 10% of the purchases of the Company in the last two years

Unit:NT$ in thousands

Item	2020				2021				2022 up to the previous quarter			
	Name	Amount	Percentage of net net purchase %	Relationship with issuer	Name	Amount	Percentage of net net purchase %	Relationship with issuer	Name	Amount	Percentage of net perchase (%)	Relationship with issuer
1	Fujian Zhongma Construction Engineering Co., Ltd.	1,004,915	29	None	Fujian Zhongma Construction Engineering Co., Ltd.	1,121,687	23	None	Shanghai Zhu'an Construction Development Co., Ltd.	289,966	21	None
2	Hongrun Construcion Co., Ltd.	452,484	13	None	Shanghai Zhu'an Construction Development Co., Ltd.	1,115,799	23	None	Hongrun Construcion Co., Ltd.	227,144	16	None
3	Shanghai Zhu'an Construction Developmet Co., Ltd.	439,095	13	None	Shanghai Tonglu Industrial Co., Ltd.	527,473	11	None	Changye Construction Group Company Ltd.	193,831	14	None
4	Others	1,527,436	45		Others	2,121,015	43	None	Others	693,094	49	None
	Net purchase	3,423,930	100		Net purchase	4,885,974	100		Net purchase	1,404,035	100	

Reasons for changes:

In 2020, Fujian Zhongma Construction Engineering Co., Ltd. , Hongrun Construcion Co., Ltd. and Shanghai Zhu'an Construction Development Co., Ltd., were the suppliers who accounted for more than 10% of the purchases of the Company. Fujian Zhongma Construction Engineering Co., Ltd. is the general contractor of Shanghai Ding Yi, third-phase construction project of Shanghai Minglong, and Kunshan Ding Yao. Hongrun Construcion Co., Ltd is the general contractor of Shanghai Ding Lin. Shanghai Zhu'an Construction Development Co., Ltd is the general contractor of Shanghai Ding Yi, the fourth-phase construction project of Shanghai Minglong. Subsequently, they became the Company's top three suppliers in 2020. In 2021, Fujian Zhongma Construction Engineering Co., Ltd., Shanghai Zhu'an Construction Development Co., Ltd. and Shanghai Tonglu Industrial Co., Ltd. were the suppliers who accounted for more than 10% of the purchases of the Company. Fujian Zhongma Construction Engineering Co., Ltd. is the general contractor of Kunshan Ding Yao and the third-phase construction project of Shanghai Minglong . Shanghai Zhu'an Construction Development Co., Ltd is the general contractor of the fourth-phase construction project of

Shanghai Minglong. Shanghai Tonglu Industrial Co., Ltd. is the earthmoving transporter of Shanghai Ding Lin. In summary, the aforementioned companies became the Company's top three suppliers in 2021.

(5) Output volume and value for the last two years

Unit:NT$ in thousands; Number of corporate customers

Year / Item	2020		2021	
	Output volume (Note 1)	Output value (Note 1)	Output volume (Note 1)	Output value (Note 1)
Shanghai Ding Yi/Dinggu Huating	354	3,495,412	-	-
Wuxi Dinggu/Wangxi Yaju	781	2,692,043	-	-
Shanghai Ding Jia/ Dinggu Commercial Center	-	-	-	1,910,021
Total	1,135	6,187,455	-	1,910,021

Note 1: Output volume is the number of constructions completed and output value is the total cost of the completed constructions.

(6) Sales volume and value for the last 2 years

Unit: Lots; NT$ in thousand

Year / Sales volume and value Key products	2020		2021	
	Domestic sale (Note 1)		Domestic sale (Note 1)	
	Sales volume (Note 2)	Sales value (Note 2)	Sales volume (Note 2)	Sales value (Note 2)
Shopping mall/Office leasing	N/A	1,711,236	N/A	1,947,017
Real estate development (Note 2)	1271	11,157,891	153	2,223,754
Property management	N/A	312,217	N/A	384,508
Others	N/A	238,572	N/A	247,909
Total		13,419,916		4,803,188

Note 1: The Company sells 100% of its products in the domestic market.

Note 2: Real estate development refers to the sale of residential property; sales volume refers to the number of buildings handed over; and sales value refers to the actual amount recognized in the accounts.

3. Employee information during the last two years and up to the date of annual report publication

Year		2020	2021	Current year up to April 30, 2022
Number of employees	Manager	93	102	103
	General staff	179	164	158
	Engineering Department employees	45	44	43
	Total	317	310	304
Average age (year)		38.27	39.50	39.73
Average years of service		5.79	5.64	5.80
Education background percentage(%)	Ph.D.	0.6	0.65	0.66
	Master's	4.1	4.84	526
	University/College	83.3	81.61	82.24
	Senior high school	6.3	5.81	5.59
	Below Senior high school	5.7	7.10	6.25

4. Environmental protection expenditure information

(1) Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclose an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

None.

5. Employer/employee relations

(1) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests.

1. Employee benefits

Talent is fundamental to corporate development. The Company has always regarded talent as the most important resource for corporate development. We emphasize the importance of talent cultivation and we also value and care about every employee. Related benefits are as follows:

- The Company provides endowment policy, health insurance, unemployment insurance, occupational accident insurance, child birth insurance, and housing provident fund for employees.
- The Company offers competitive salaries. For new employees, we adhere to the notion of equal pay for work of equal value irrespective of gender. Salaries and benefits are unaffected by gender.
- Compensated absences parental leave and annual leave are provided in accordance with applicable laws and regulations.
- Every year, organizational employees undergo free health screening, and weekly health examinations are provided by physicians to employees who need them. The purpose of these services is to prevent disease and strengthen employees' self-health management.
- Birthday vouchers and festival bonuses are issued regularly.
- Creative activities such as flower arrangement and DIY activities are organized from time to time to keep employees busy during their spare time.
- Employees are encouraged to celebrate their hobbies by establish social clubs such as badminton clubs, and funding for event organization is provided.
- The Company's salary and benefit plans are enriched to prevent risks of occupational injuries. The Company also enrolls employees in commercial insurance policies, including employer liability insurance and group personal insurance policies.

2. Continuing education and training

In order to further develop our human resources and establish a positive corporate image, we enhance the competency of our employees by implementing training programs for employees from time to time. Our hope is to foster a pool of professional talents, thereby increasing our business performance and achieving sustainable operations.

In 2021, employees of the Company have completed 1103.55 hours of training in total, averaging 6.98 hours (excluding public online courses and external visits).

- Orientation training: Orientation helps new hires to obtain a complete understanding of the Company's development history, corporate culture, and various policies, thus acclimatizing them to their work environment and roles as soon as possible. Training covers company

history and current status, code of conduct for employees, corporate culture and rules, financial reporting, and administrative applications, etc.

- Management ability training: In order to improve the management ability of the Company's middle and senior managers, and learn leadership styles in different situations and build management styles, so as to achieve the excellent performance of the Company's management team. The Company invited external teachers to hold a 2-day "Blanja SLII Leadership" course.
- Professional capability training: To meet the job requirements of employees, the Company has provided occupational skills training for employees that work in finance, property management, auditing, and administration. In 2021, 31 employees participated in this training program.
- Internal experience sharing and external visits: To effectively internalize and pass on knowledge within the Company, we have organized a wide range of courses for all employees, including courses on “How should we prepare for the coming era” and “SML CRM system”. Meanwhile, the Company has conducted an inspection of our line of business (e.g., a visit to Suzhou center and Dayue chunfengli commercial project) by coordinating relevant resources to strengthen business exchange.

Participation of directors and managers in corporate governance-related education and training

Title	Name	Date	Organizer	Course name	Hours
Chairman	Hung-Pen Chang	2021/10/15	Taiwan Corporate Governance Association	The Rule of Law in the Era of Climate Tension and Legal Risk Management under Corporate Governance	3
		2021/04/15	Taiwan Corporate Governance Association	Development Trends and Defense Strategies of Cyber Threats	3
Director	Chien Shen Chang	2021/10/15	Taiwan Corporate Governance Association	The Rule of Law in the Era of Climate Tension and Legal Risk Management under Corporate Governance	3
		2021/04/15	Taiwan Corporate Governance Association	Development Trends and Defense Strategies of Cyber Threats	3
Director	Nen-Yao Chang	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3
		2021/01/08	Securities and Futures Institute	Discussion on Remuneration Issues for Employees and Directors	3
Director	MADELINE D CHANG	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3
		2021/01/08	Securities and Futures Institute	Discussion on Remuneration Issues for Employees and Directors	3
Director	Fong-Cheng Lin	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3

Title	Name	Date	Organizer	Course name	Hours
Director	Ching-Chong Chen	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3
Director /CFO	An Yee Jennifer Fung	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3
		2021/11/24	Accounting Research and Development Foundation	How to effectively perform the functions of the corporate governance officer, and also discuss the legal responsibility of the manager.	3
		2021/11/03	Accounting Research and Development Foundation	Analysis of Corporate Governance Evaluation and Board Performance Evaluation	3
		2021/10/27	Accounting Research and Development Foundation	Directors, supervisors and senior executives oversee the Company's implementation of ESG	3
		2021/08/13	Accounting Research and Development Foundation	Continuing training course for accounting officer of issuers, securities firms and stock exchanges	12
		2021/01/08	Accounting Research and Development Foundation	Discussion on Remuneration Issues for Employees and Directors	3
Director	Du-Tsuen Uang	2021/10/15	Taiwan Corporate Governance Association	The Rule of Law in the Era of Climate Tension and Legal Risk Management under Corporate Governance	3
		2021/09/01	Financial Supervisory Commission	The 13th Taipei Corporate Governance Forum - Morning Session	3
		2021/09/01	Financial Supervisory Commission	The 13th Taipei Corporate Governance Forum - Afternoon Session	3
		2021/04/16	Taiwan Corporate Governance Association	The second insurance that directly points to corporate governance - information security insurance	3
		2021/04/15	Taiwan Corporate Governance Association	Development Trends and Defense Strategies of Cyber Threats	3
		2021/03/23	Taiwan Corporate Governance Association	Matters needing attention for the Board of Directors and Shareholders' Meeting in 2021	3
		2021/03/09	Taiwan Corporate Governance Association	Driving force behind Corporate Governance: The Practice of Corporate Governance Personnel	3
Independent Director	Li-Teh Hsu	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3
		2021/01/08	Securities and Futures Institute	Discussion on Remuneration Issues for Employees and Directors	3
Independent Director	Su-Chun Kuo	2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the	3

Title	Name	Date	Organizer	Course name	Hours
				perspective of directors and supervisors	
		2021/01/08	Securities and Futures Institute	Discussion on Remuneration Issues for Employees and Directors	3
Independent Director	Charles Chen	2021/12/23	Taiwan Institute of Directors	The 10th Chinese Family Business Annual Forum	3
		2021/11/29	Taiwan Corporate Governance Association	The impact of Economic Substance Act and Global Anti-Tax Avoidance on corporate governance from the perspective of directors and supervisors	3
		2021/01/08	Securities and Futures Institute	Discussion on Remuneration Issues for Employees and Directors	3

3. Retirement system and implementation status

   The Company pays social security institutions the endowment insurance premium for employees who meet criteria. In mainland China, currently 16% of payments are made to social security institutions (slightly different according to local laws and regulations). By participating in the pension system of government agencies, the Company ensures that employees' life after retirement is effectively protected, which also motivates employees to work more proactively and efficiently for the Company.
   In addition, the Company has a sound financial system in place to ensure stable processing of pension contribution and payment for employees, and further encourage employees to develop long-term plans and involvement while providing services for the Company.
   For employees who are applicable to the pension system under the Labor Pension Act of Taiwan, the Company makes monthly pension contributions that equal to no less than 6% of the employee's monthly salary, in accordance with the Labor Pension Act. According to the Monthly Contribution Wages Classification of Labor Pension, such contributions are made directly to employees' personal pension bank account setup by the Bureau of Labor Insurance.

4. Employer-employee agreements and measures for maintenance of employee rights

   The Company consistently values the importance of employees’ rights, and adopts humane management practices to maintain employer-employee harmony in the workplace. Employees can provide feedback, express personal opinions, or propose suggestions to supervisors or the Company verbally, in writing, or by any means. Agreements are entered between the Company and its employees in accordance with law, stipulating rights and obligations. Therefore, no significant employer-employee disputes have occurred so far.

5. Protective measures for ensuring workplace and employee personal safety

The Company provides a safe, healthy, comfortable and adequately spacious workplace for employees. Protective measures for ensuring employees' personal safety are based on labor related laws and regulations, as well as the Company's internal measures that secure the various benefits of employees:

Item	Explanation
Access control	1. The Company has a strict access control monitoring system in place 24⁄7 under all weather conditions. 2. Security guards are appointed to guard and patrol the office buildings and parking entrance to ensure their safety.
Maintenance and examination of office equipment	1. The Company hires professional building administration personnel to provide immediate maintenance services for office equipment to protect employee health. 2. Public safety inspection is performed regularly in accordance with building public safety inspection and reporting regulations. 3. Fire prevention facility inspection and fire drills are conducted every year in accordance with the Fire Services Act. 4. In compliance with labor safety and health regulations, the Company periodically maintains and inspects air conditioners, firefighting equipment, and other equipment; regularly cleans and sterilizes the working environment; and conducts water quality inspections.
Physiological/ psychological health maintenance	1. Pursuant to laws and policies promulgated by the government, the Company prohibits smoking in workplaces and puts up no-smoking signs to remind employees not to smoke in workplaces, so as to maintain the quality of our working environment. 2. Our office buildings are equipped with blood pressure monitors and automated external defibrillators (AEDs). We also arrange regular health check-ups for employees to maintain their physical, mental, and spiritual health. 3. The Company believes that communication with employees is important. We therefore offer all types of formal and informal communication channels. For example, we organize employee group activities, cross-departmental gatherings, birthday parties, and department supervisor seminars so that employees can express their opinions and thoughts across different departments and levels. Additionally, the Company employs its email system to make announcements from time to time, thereby providing employees with information that might considerably impact their rights or obligations.

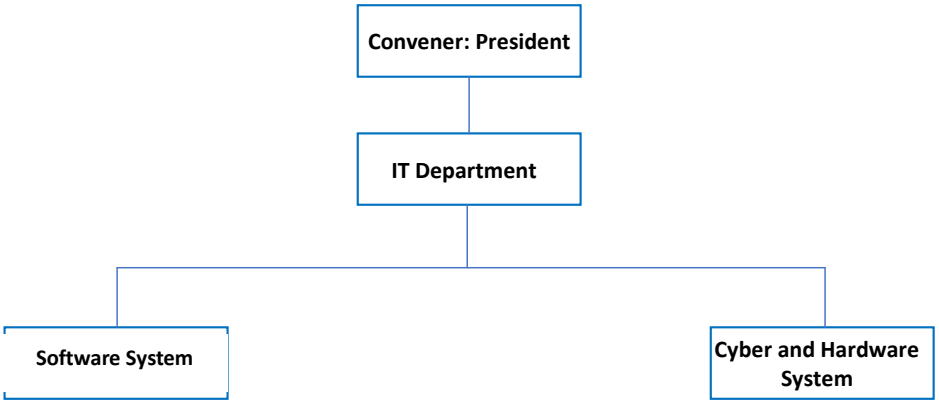
(2) Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

In general, the Company adopts humane management practices and offers a harmonious workplace and enticing benefits to employees. The Company has enjoyed harmonious relations between employers and employees and there have been no employer-employee disputes or losses.

6. Cyber Security Management

(1) State cyber security management structure, policies, detailed management schemes and resources invested on cyber security, etc.

(A) Cyber security management structure



(B) Cyber security management policies:

(1) Set up cyber asset supervisory and control mechanism, and all staffs are responsible for protecting relevant cyber properties, to maintain the confidentiality, validity and availability of company's information security assets.

(2) Staffs' job duties must be appropriately differentiated, and authorize limited access to information required by work only.

(3) Employed staffs must be verified with relevant signed hob specifications, to maintain and guarantee cyber security management during daily work.

(4) Establish business continuing operation management mechanism, to maintain its serviceability.

(5) The Company's cyber security management measures shall conform to legal norms and information security policy; and establishment and modification of all cyber security management standards or procedures must follow information safety management system.

(6) Ensure internal data protection, proper storage and safety, and prevent improper intentions and illegal conditions.

(7) If an accident happened to cause damage of the rights and interests, make timely and proper response and treatment.

(C) Detailed implementation measures:

The Company attaches great importance to cyber security management. In 2021, the Company has completed optimization and new measures, including server-side backup, mail filtering and authorized entry, wireless network security, VPN, internal enterprise instant messaging platform, online behavior management, user terminal backup, anti-virus, Desktop management and account authority management, etc. The cumulative investment amount is about 1.25 million RMB (about 5.6 million New Taiwan dollars). The completed cyber security management projects are as follows:

(1) All PC operating systems are upgraded to Windows 10.
(2) All PC and Windows servers are equipped with anti-virus software and integrated into the platform for management.
(3) Wired and wireless networks implement access restriction control, and computers that do not meet security requirements or fail to pass identity authentication cannot access the intranet.
(4) Mobile storage control: except for special application, it is prohibited to use external storage device.
(5) Prevent users' computer data from being leaked by recording the user's Internet access, external information, printing and instant messaging.
(6) Synchronously back up all user computer files in the intranet to prevent data loss.
(7) Complete the backup function of application system, operating system and business database, and perform off-site backup. In addition, disaster recovery drills are conducted annually for key business systems.
(8) Set up monitoring and encrypted access control for office and computer room access. After the employee resignation, the access control permission will be automatically deleted.
(9) Real-time monitoring of the hardware, load, service, and execution of planned tasks of the information system, and the use of email warning functions.
(10) Remote users access the intranet through a specific VPN, and record the access information of VPN users and the intranet at the same time.
(11) Mail Firewall filters spam and malicious mail.
(12) Emails are automatically backed up when they are sent and reviewed before they are sent.
(13) Set up Team+ instant messaging platform.
(14) Set up an independent dedicated network disk for confidential exchange of engineering and bidding documents.
(15) Accounts and permissions of important information systems are regularly reviewed.
(16) Continuous cyber security education and training.

(2) As of the publication date of the annual report, any damages, possible influences and countermeasures due to significant cyber security events, which are unable to estimated reasonably, shall state the facts:

None.

7. Important contracts

Nature of contract	Contracting parties	Commencement date/expiration date	Content	Restriction clauses
Loan contract	Chongqing Dinggu and Shanghai Pudong Development Zone Sub-branch, Industrial and Commercial Bank of China	2010.4.22~ 2022.4.22	Borrowed RMB 1,050,000,000 for financing from Industrial and Commercial Bank of China; and real estate properties were provided by Chongqing Dinggu as mortgage.	General commercial loan/pledge/ Guarantee clause
Loan contract	Shanghai Ding Jia and Shanghai Branch, China Construction Bank	2014.1.30~ 2027.1.30	Borrowed RMB 893,822,200 from Shanghai Branch, China Construction Bank.	General commercial loan/pledge/ Guarantee clause
Loan contract	Shanghai Ding Lin and Agricultural Bank of China	2014.6.18~ 2033.6.17	Shanghai Ding Lin borrowed not more than RMB 1,800,000,000 from Agricultural Bank of China.	General commercial loan/pledge/ Guarantee clause
Loan contract	Shanghai Ming Long and Shanghai Pudong Development Zone Sub-branch, Industrial and Commercial Bank of China	2018.2.14~ 2023.2.20	Shanghai Minglong borrowed at most RMB 1.38 billion from Shanghai Pudong Development Zone Sub-branch, Industrial and Commercial Bank of China.	General commercial loan/pledge/ Guarantee clause
Syndicated loan clause	Time On and DBS Bank	2020.10.13~2023. 10.12	Time On borrowed not more than US$220,000 thousand or the equivalent in EUR from DBS Bank and the banking group it represents; and Sino Horizon Holdings provided joint guarantee.	General commercial loan/pledge/ Guarantee y clause/financial ratio restrictions
Loan contract	Kunshan Ding Yao and Kunshan Branch of the Agricultural Bank of China	2020.11.13~2025. 11.12	Kunshan Ding Yao borrowed at most RMB 500 million from the Kunshan Branch of the Agricultural Bank of China.	General commercial loan/pledge/ Guarantee clause
Real estate purchase and sale contract	Wealthy Joy Co., Ltd., Taiwan Branch and natural person landlord	2021.4.23	Acquired One-half of property rights located at Lot 247 & 248, Jhouji Section, Beitun District, Taichung City, with a price of NT$1,658,800,000.	None
Loan contract	Shanghai Hong Xiang and pilot Free Trade Zone Branch of the Agricultural Bank of China	2021.9.13～ 2046.9.12	Shanghai Hong Xiang borrowed at most RMB 220 million from the pilot Free Trade Zone Branch of the Agricultural Bank of China.	General commercial loan/pledge/ Guarantee clause
Syndicated loan agreement	Follow International and Taipei Fubon Bank, Standard Chartered Bank, and DBS Bank	2021.10.18～ 2026.01.27	Follow International borrowed not more than US$660,000,000 from Taipei Fubon Bank, Standard Chartered Bank, DBS Bank, and the	General commercial loan/pledge/ Guarantee clause/financial ratio

Nature of contract	Contracting parties	Commencement date/expiration date	Content	Restriction clauses
			banking group they represent; and Sino Horizon Holdings provided joint guarantee.	restrictions
Syndicated loan agreement	Noble World and DBS Bank	2021.12.30～2024.12.29	Follow International borrowed not more than US$80,000,000 from Taipei Fubon Bank, Standard Chartered Bank, DBS Bank, and the banking group they represent; and Sino Horizon Holdings provided joint guarantee.	General commercial loan/pledge/ Guarantee clause/financial ratio restrictions
Real estate purchase and sale contract	Wealthy Joy Co., Ltd., Taiwan Branch and natural person landlord	2021.12.10	Acquired One-half of property rights located at Lot 63 Huiguo Section, Situn District,Taichung City, with a price of NT$708,818,000.	None

VI. Financial Overview

1. Condensed balance sheet and statement of comprehensive income for the last five years

(1) Condensed consolidated balance sheet

Unit:NT$ in thousands

Item \ Year		Financial information for the past 5 years (Note 1)					Financial information for the current year up to March 31, 2022 (reviewed by CPA)
		2017	2018	2019	2020	2021	
Current assets		44,484,427	71,656,247	59,079,536	53,860,296	63,163,245	62,953,471
Property, plant and equipment		1,113,820	964,216	635,305	580,118	533,993	569,267
Investment properties		69,109,922	45,138,117	43,722,207	43,823,194	43,314,625	44,929,949
Other assets and others		1,400,099	1,266,177	20,110,352	18,239,814	4,061,833	3,623,645
Total assets		116,108,268	119,024,757	123,547,400	116,503,422	111,073,696	112,076,332
Current liabilities	Before distribution	12,667,681	18,758,836	15,014,025	7,992,274	31,372,226	11,318,096
	After distribution	13,294,188	20,011,850	18,894,888	10,080,630	31,372,226 (Note 2)	11,318,096
Non-current liabilities		49,429,542	47,742,241	53,724,801	54,359,459	27,006,059	44,840,207
Total liabilities	Before distribution	62,097,223	66,501,077	68,738,826	62,351,733	58,378,285	56,158,303
	After distribution	62,723,730	67,754,091	72,619,689	64,440,089	58,378,285 (Note 2)	56,158,303
Equity attributable to owners of parent		51,218,849	50,016,763	54,731,787	54,073,659	52,617,989	55,837,715
Share capital		17,402,970	17,402,970	17,402,970	17,402,970	17,402,970	17,402,970
Capital surplus - additional paid-in capital of common stock		201,861	201,861	201,861	201,861	201,861	201,861
Retained earnings	Before distribution	33,758,097	34,762,889	41,718,964	39,015,496	38,098,172	39,539,123
	After distribution	33,131,590	33,509,875	37,838,101	36,927,140	38,098,172 (Note 2)	39,539,123
Other equity		(144,079)	(2,350,957)	(4,592,008)	(2,546,668)	(3,085,014)	(1,306,239)
Non-controlling interests		2,792,196	2,506,917	76,787	78,030	77,422	80,314
Total equity	Before distribution	54,011,045	52,523,680	54,808,574	54,151,689	52,695,411	55,918,029
	After distribution	53,384,538	51,270,666	50,927,711	52,063,333	52,695,411 (Note 2)	55,918,029

Note 1: (1) The CPA has audited or reviewed the consolidated financial information for 2017 to 2021 and Q1 2022by following the International Financial Reporting Standards.

Note 2: As of the date of report, the Company has not yet convened the 2022 Shareholders' Meeting; therefore, “before distribution” amount is temporarily used as “after distribution” amount.

(2) Condensed statement of comprehensive income

Unit:NT$ in thousands

Year / Item	Financial information for the past 5 years (Note 1)					Financial information for the current year up to March 31, 2022 (reviewed by CPA)
	2017	2018	2019	2020	2021	
Operating revenue	3,701,823	6,928,722	5,737,206	13,419,916	4,803,188	6,168,433
Gross profit	2,359,951	3,998,671	2,851,740	5,522,503	2,667,298	3,823,353
Operating income/loss	2,609,602	4,172,758	(649,231)	3,298,885	1,825,122	3,501,730
Non-operating income and expenses	(1,451,149)	(996,037)	291,142	(603,290)	139,428	(1,337)
Pre-tax profit from continuing operations	1,158,453	3,176,721	(358,089)	2,695,595	1,964,550	3,500,393
Net income (loss) for the current period from continuing operations	(12,542)	1,668,192	422,629	1,177,355	1,171,014	1,440,954
Net income (loss) for the year from discontinued operations	202,606	(35,033)	7,791,012	—	—	—
Net profit (loss) of the term	190,064	1,633,159	8,213,641	1,177,355	1,171,014	1,440,954
Other comprehensive income of the term (Net income after tax)	621,125	(2,494,017)	(1,997,280)	2,046,623	(538,936)	1,781,664
Total comprehensive income of the term	811,189	(860,858)	6,216,361	3,223,978	632,078	3,222,618
Net income attributable to owners of the parent	147,750	1,631,299	8,209,089	1,177,395	1,171,032	1,440,951
Net income attributable to non-controlling interests	42,314	1,860	4,552	(40)	(18)	3
Comprehensive income attributable to parent company shareholders	799,328	(575,579)	6,154,391	3,222,735	632,686	3,219,726
Comprehensive income attributable to non-controlling interests	11,861	(285,279)	61,970	1,243	(608)	2,892
Earnings per share (NT$)	0.08	0.94	4.72	0.68	0.67	0.83

Note 1: The CPA has audited or reviewed the consolidated financial information for 2017 to2021 and Q1 2022 by following the International Financial Reporting Standards.

Note 2: On December 6, 2018, the Company's Board of Directors resolved to authorize the Chairman to approve the share transfer agreement of the wholly-owned subsidiary Wealthy Joy Co., Ltd. to sell 100% of its equity in subsidiary Niceworld International Ltd., and indirectly transfer 80% of its equity in Beijing Dinggu Dinghao Industrial Co., Ltd., Beijing Dinggu Property Management Co., Ltd., and Beijing Dinghao Tiandi Electronic Market Co., Ltd. The said transaction complies with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, and the 2017 condensed statement of comprehensive income shall be retroactively adjusted.

(3) Names of auditing CPAs of the past five years and their audit opinions

Year	CPA	Name of unit to which he/she belongs:	Audit opinion
2017	Jui-Chan Huang, Li-Chi Chen	Deloitte & Touche	Unqualified opinion
2018	Jui-Chan Huang, Li-Chi Chen	Deloitte & Touche	Unqualified opinion
2019	Shiuh-Ran Cheng, Chun-Hung Chen	Deloitte & Touche	Unqualified opinion
2020	Shiuh-Ran Cheng, Chun-Hung Chen	Deloitte & Touche	Unqualified opinion
2021	Shiuh-Ran Cheng, Chun-Hung Chen	Deloitte & Touche	Unqualified opinion

2. Financial analysis for the last five years

Analytical item \ Year		Financial information for the past 5 years (Note 3)					As of March 31, 2022 (reviewed by CPA)
		2017	2018	2019	2020	2021	
Capital Structure Analysis (%)	Debt-to-asset ratio	53.48	55.87	55.64	53.52	52.56	50.11
	Long-term fund to property, plant and equipment	7,423.48	8,190.22	12,749.09	13,709.61	10,834.76	12,979.56
Solvency (%)	Current ratio	351.16	381.99	393.50	673.90	201.33	556.22
	Quick ratio	48.06	166.58	113.93	180.46	50.44	129.72
	Times interest earned (times)	1.15	2.16	0.32	2.40	1.85	12.11
Operating ability	Receivables turnover (times)	17.49	23.81	20.56	41.37	12.72	15.01
	Average collection period (days)	20.87	15.33	17.75	8.82	28.69	24.32
	Inventory turnover (times)	0.05	0.07	0.07	0.20	0.05	0.05
	Payables turnover (times)	2.40	3.94	4.66	11.69	2.51	3.16
	Average days sales outstanding (days)	7,300.00	5,214.29	5,214.29	1,825.00	7,300.00	7,300.00
	Property, plant and equipment turnover (times)	4.17	5.29	5.53	16.34	6.29	8.16
	Total assets turnover (times)	0.04	0.06	0.05	0.11	0.04	0.06
Profitability	Return on assets %	0.67	1.93	7.37	1.46	1.33	1.36
	Return on equity %	0.35	3.07	15.31	2.16	2.19	2.65
	Pre-tax income to paid-in capital (%)	6.50	18.25	-2.06	15.49	11.29	20.11
	Net profit margin %	3.78	23.57	143.16	8.77	24.38	23.36
	Basic earnings per share (NT$)	0.08	0.94	4.72	0.68	0.67	0.83

Analytical item \ Year		Financial information for the past 5 years (Note 3)					As of March 31, 2022 (reviewed by CPA)
		2017	2018	2019	2020	2021	
Cash flows (%)	Cash flow ratio	-40.57	7.00	-14.19	20.97	-5.99	(Note 2)
	Cash flow adequacy ratio	-46.95	-20.78	-34.83	-45.79	-31.16	(Note 2)
	Cash reinvestment ratio	-17.18	1.26	-7.47	-4.69	-12.04	(Note 2)
Leverage	Operating leverage	1.21	0.96	-4.39	1.67	1.46	1.09
	Financial leverage	1.41	1.25	0.40	1.30	1.33	1.03

Note 1: Unless otherwise explained, the above financial information for each year has been audited by CPAs.

Note 2: As the financial period is only one quarter, the financial analysis is not listed.

Note 3: The following calculation methods should be included at the bottom of this table:

1. Capital Structure Analysis
   (1) Debt-to-asset ratio = total liabilities / total assets.
   (2) Long-term fund to property, plant and equipment ratio =(net shareholders' equity + non-current liabilities)/ net amount of property, plant and equipment.
2. Solvency
   (1) Current ratio = current assets / current liabilities.
   (2) Quick ratio =(current assets - inventory - prepaid expense)/ current liabilities.
   (3) Times interest earned = net income before income tax and interest expense / interest expense for the current period.
3. Operating ability
   (1) Receivables (including accounts receivable and notes receivable arising from operations) turnover ratio = net sales / average receivables (including accounts receivable and notes receivable arising from operations) balances from each period.
   (2) Average collection period = 365 / receivables turnover.
   (3) Inventory turnover = cost of sales / average amount of inventory.
   (4) Payables (including accounts payable and notes payable arising from operations) turnover ratio = cost of sales / average payables (including accounts payable and notes payable arising from operations) balances from each period.
   (5) Average days sales outstanding = 365 / inventory turnover.
   (6) Property, plant, and equipment turnover = net sales / average net amount of property, plant, and equipment.
   (7) Total assets turnover = net sales / average gross assets.
4. Profitability
   (1) Return on assets =[post-tax profit or loss + interest expense (1 - tax rate)]/ average total assets.
   (2) Return on equity= post-tax profit or loss / net average shareholders' equity.
   (3) Net profit margin = post-tax profit or loss / net sales.
   (4) Earnings per share =(income attributable to owner of parent company - preference dividends)/ weighted average outstanding shares.(Note 4)

5. Cash flows
   (1) Cash flow ratio = new cash flows from operating activities / current liabilities.
   (2) Net cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years /(capital expenditure + inventory increase + cash dividends) for the most recent five years.
   (3) Cash reinvestment ratio =(net cash flows from operating activities - cash dividends)/ (gross margin of property, plant and equipment + long-term investment + other non-current assets + working capital).(Note 5)
6. Leverage
   (1) Operating leverage =(net operating revenue -variable operating cost and expense)/ operating profit (Note 6).
   (2) Financial leverage = operating profit /(operating profit - interest expense).

Note 4: The following should be noted when using the aforementioned calculation method for earnings per share:

1. Calculation is based on the weighted average number of ordinary shares and not on the outstanding shares at the end of the year.
2. Weighted average number of shares should be calculated with due consideration to the outstanding period of capital increase by cash or treasury stock trade.
3. In the case of capitalization of profits or capitalization of capital surplus, earnings per share for previous years and half a year should be retroactively adjusted according to the ratio of capital increase and not the period of issuance for capital increase.
4. If preference shares are inconvertible cumulative preference shares, stock dividends for the year (issued and outstanding) should be deducted from post-tax net income or added into post-tax net loss. If preference shares are not cumulative, preference dividends should be deducted from post-tax net income, if any; if there are losses, adjustment is not necessary.

Note 5: The following should be noted when analyzing cash flow:

1. Net cash flow from operating activities refers to net cash inflow from operating activities in the cash flow statement.
2. Capital expenditure refers to the cash outflow from capital expenditure every year.
3. Inventory increase is calculated when closing balance is larger than opening balance. If inventory is reduced at the end of the year, it should be calculated at zero.
4. Cash dividends include cash dividends from ordinary shares and preference shares.
5. Gross margin of property, plant and equipment refers to the total amount of property, plant and equipment before subtracting accumulated depreciation.

Note 6: Issuers should classify operating costs and operating expenses by their nature into fixed or variable costs or expenses. When costs/expenses are estimated or subjectively determined, issuers should pay attention to whether the amounts are reasonable, and keep them consistent.

Reasons for changes in financial ratios in past two years (deviation over 20%):

1. Solvency
   (1) Long-term fund to property, plant and equipment decreased by 20.97%
   Decrease in Long-term fund to property, plant and equipment by 20.97% was mainly due to the decrease of long-term loans in 2021 compared with that in the same period last year.
   (2) Current ratio decreased by 70.12%
   Decrease in current ratio by 70.12% was mainly due to the increase of long-term loans due within one year in current liabilities in 2021 compared with that in the same period last year.
   (3) Quick ratio decreased by 72.05%
   Decrease in quick ratio by 72.05% was mainly due to the increase of long-term loans due within one year in current liabilities in 2021 compared with that in the same period last year.
   (4) Times interest earned decreased by 22.84%
   The 22.84% decrease of times interest earned in 2021 was mainly due to a significant decrease of profit before tax in 2021 compared with 2020.
2. Operating ability
   (1) Receivables turnover ratio decreased by 69.24%
   Decrease in receivables turnover ratio by 69.24% was mainly due to the decrease of net sales in 2021 compared with that in the same period last year, and the balance of accounts receivable has not changed significantly.
   (2) Average collection period increased by 225.24%
   Increase in average collection period by 225.24% was mainly due to the decrease of net sales in 2021 compared with that in the same period last year, and the balance of accounts receivable has not changed significantly , which increased receivables turnover ratio.
   (3) Inventory turnover decreased by 74.54%
   Decrease in inventories turnover by 74.54% was mainly due to the decrease of net sales in 2021 compared with that in the same period last year, which decreased the cost of sales from that in the same period of previous year, and the balance of inventory has not changed significantly.
   (4) Payables turnover decreased by 78.54%
   Decrease in payables turnover by 78.54% was mainly due to the decrease of net sales in 2021 compared with that in the same period last year, which decreased the cost of sales from that in the same period of previous year, and the balance of inventory has not changed significantly.
   (5) Average days sales outstanding increased by 300%
   Increase in average days sales outstanding by 300% was mainly due to the decrease of net sales in 2021 compared with that in the same period last year, which decreased the cost of sales from that in the same period of previous year, and the balance of inventory has not changed significantly, which raised inventory turnover.
   (6) Property, plant and equipment turnover decreased by 61.50%
   Decrease of property, plant and equipment turnover by 61.50% was mainly due to the decrease of net sales in 2021 compared with that in the same period last year.
   (7) Total asset turnover ratio decreased by 62.25%
   Decrease of total asset turnover ratio by 62.25% was mainly due to the decrease of net sales in 2020compared with that in the same period last year.

3. Profitability
   (1) Pre-tax income to paid-in capital ratio decreased by 27.12%
   The 27.12% decrease of pre-tax income to paid-in capital ratio was mainly due to the significant decrease of profit before tax in 2021 compared with 2020.
   (2) Net profit margin increased by 177.89%
   The 177.89% increase of net profit margin was mainly due to the decrease of net sales in 2021 compared with 2020.
4. Cash flows
   (1) Cash flow ratio changed by 128.55%
   The 128.55% cash flow ratio change was mainly due to the negative value of net cash flow and significant increase of current liabilities in business activities in 2021.
   (2) Cash flow adequacy ratio changed by 31.96%
   The 31.96% cash flow adequacy ratio change was mainly due to the significant increase of net cash outflow in business activities over the past five years.
   (3) Cash reinvestment ratio changed by 156.85%
   The 156.85% cash reinvestment ratio change was mainly due to the decrease of cash dividend paid in 2021 compared with that in 2020, and the negative value of net cash flow, which significant decrease in business activities in 2021 compared with that in 2020.

3. Audit Committee's review report in the most recent fiscal year

Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2021 Business Report, consolidated financial statements, and earnings distribution proposal. The consolidated financial statements have been audited by Deloitte & Touche and an audit report has been submitted. The Audit Committee has reviewed the aforementioned Business Report, consolidated financial statements, and the earnings distribution proposal and did not find any instances of noncompliance. According to Articles 14-4 and 14-5 of the Securities and Exchange Act, it is hereby submitted for your review and perusal.

Sino Horizon Holdings Limited

Audit Committee: Independent Director Li-Teh Hsu

Independent Director Su-Chun Kuo

Independent Director Charles Chen



March 11, 2022

4. Financial statement for the most recent fiscal year, including an audit report prepared by a CPA, 2-year comparative balance sheet, statement of comprehensive income, statement of changes in equity, cash flow statement, and any related footnotes or appendices.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Sino Horizon Holdings Limited

Opinion

We have audited the accompanying consolidated financial statements of Sino Horizon Holdings Limited and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, 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, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in 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, 2021. 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, 2021 are described as follows:

Fair Value of Investment Properties

Description of key audit matter:

As of December 31, 2021, the carrying amount of the Group's investment properties was NT$43,314,625 thousand. The impact of the changes in the fair value of investment properties on the net gain before income tax for the year ended December 31, 2021 was a loss of NT$186,995 thousand. As the balance of investment properties is material to the consolidated financial statements as a whole and determination of the fair value involves significant accounting estimates, the valuation of investment properties has been deemed as a key audit matter

To support the management in making reasonable estimates, the Group adopted the valuation of an independent appraisal firm to determine the fair value of investment properties. The assumptions that have a significant impact on the valuation have been disclosed in Note 14 of the consolidated financial statements.

Audit procedures performed in response to the aforementioned key audit matter:

Our main audit procedures performed with respect to the aforementioned key audit matter are as follows:

1. Assessed the professional abilities, capabilities and objectivity of the independent valuers who were appointed by the management as well as verified their qualifications.

2. The internal specialist in our firms assessed the reasonableness of the judgements made by the management, including the valuation methods, main valuation parameters and the reasonableness of discount rates.

3. Compared the financial data used in the valuation of investment properties which includes the rental revenue, rental cost and other related expenses with the historical financial data, to confirm the reasonableness and relevance of the data.

Timing of Recognition of Real Estate Sales Revenue

Description of key audit matter:

For the year ended December 31, 2021, revenue from the sale of real estate was NT$2,223,754 thousand. Based on the accounting policies of the Group (refer to Note 4), when real estate which is still in development stage has reached its expected usable status and has passed the acceptance of relevant departments and completed the filing procedures, the Group will issue a transfer notice according to the provisions prescribed in the sales contract and recognize sales revenue on the transfer date or the due date of the transfer. Since revenue from the sale of real estate can only be recognized after all the above-mentioned conditions have been met, the timing of recognition of real estate sales revenue has been identified as one of the key audit matters.

Audit procedures performed in response to the aforementioned key audit matter:

We implemented control testing to understand the timing of the recognition of real estate sales revenue and the design and implementation of the related controls.

In addition, the main audit procedures we performed on the selected samples of real estate sales transaction forms in the current year are as follows:

1. Reviewed the sales contracts signed by the Group and the customers to confirm the contractual arrangements.

2. Checked the related transfer records or transfer notices to confirm the date of transfer or the due date of transfer.

3. Checked whether the collection records of the sales corresponded with the sales contract prices.

4. Confirmed that the revenues from the sales of real estate were recognized only after the completion of the transfer procedures in order to ensure that the revenue was properly recorded in the correct accounting period.

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 IFRS, IAS, IFRIC and SIC, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from 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 reasonable assurance about whether the consolidated financial statements as a whole are free from 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 auditing standards generally accepted in ROC 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 auditing standards generally accepted in 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, 2021 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 Shiuh-Ran Cheng and Chun-Hung Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2022

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.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021		2020	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 6,953,823	6	$ 6,776,782	6
Financial assets at fair value through profit or loss - current (Notes 7 and 30)	2,781,862	3	4,273,377	4
Financial assets at fair value through other comprehensive income - current (Notes 8 and 30)	5,082,766	5	2,729,865	2
Trade receivables, net (Note 10)	394,694	-	360,354	-
Other receivables	119,558	-	276,868	-
Inventories (Notes 11 and 30)	46,355,005	42	39,032,242	34
Other financial assets - current (Notes 9 and 30)	438,713	-	407	-
Other current assets (Notes 15 and 25)	983,152	1	405,332	-
Incremental costs of obtaining a contract - current (Note 23)	53,672	-	5,069	-
Total current assets	63,163,245	57	53,860,296	46
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	318,357	-	247,889	-
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 30)	2,789,270	3	16,237,109	14
Property, plant and equipment (Note 12)	533,993	-	580,118	-
Right-of-use assets (Note 13)	201,616	-	211,379	-
Investment properties (Notes 14 and 30)	43,314,625	39	43,823,194	38
Deferred tax assets (Note 25)	646,067	1	640,618	1
Other financial assets - non-current (Notes 9 and 30)	-	-	807,628	1
Other non-current assets (Note 15)	106,523	-	95,191	-
Total non-current assets	47,910,451	43	62,643,126	54
TOTAL	$ 111,073,696	100	$ 116,503,422	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 16 and 30)	$ 1,320,073	1	$ 1,891,285	2
Financial liabilities at fair value through profit or loss - current (Note 7)	47,539	-	-	-
Contract liabilities - current (Note 23)	5,433,900	5	430,940	-
Trade payables (Note 17)	848,314	1	853,516	1
Other payables (Note 19)	486,067	-	746,130	1
Current tax liabilities (Note 25)	1,518,797	1	1,679,163	1
Lease liabilities - current (Note 13)	1,004	-	1,582	-
Other financial liabilities - current (Note 20)	414,191	-	385,291	-
Unearned revenue (Note 18)	149,671	-	159,937	-
Current portion of long-term borrowings (Notes 16 and 30)	20,644,140	19	1,685,145	2
Other current liabilities (Note 19)	508,530	1	159,285	-
Total current liabilities	31,372,226	28	7,992,274	7
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Note 7)	115,629	-	454,614	-
Long-term borrowings (Notes 16 and 30)	17,999,177	16	45,132,474	39
Deferred tax liabilities (Note 25)	8,448,682	8	8,295,577	7
Lease liabilities - non-current (Note 13)	-	-	1,012	-
Other financial liabilities - non-current (Note 20)	442,571	1	475,782	1
Total non-current liabilities	27,006,059	25	54,359,459	47
Total liabilities	58,378,285	53	62,351,733	54
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)				
Share capital	17,402,970	16	17,402,970	15
Capital surplus	201,861	-	201,861	-
Retained earnings	38,098,172	34	39,015,496	33
Exchange differences on translating the financial statements of other foreign operations	(3,012,149)	(3)	(2,918,038)	(2)
Unrealized gains or losses on investments at fair value through other comprehensive income	(164,160)	-	280,075	-
Revaluation surplus	91,295	-	91,295	-
Total equity attributable to owners of the Company	52,617,989	47	54,073,659	46
NON-CONTROLLING INTERESTS	77,422	-	78,030	-
Total equity	52,695,411	47	54,151,689	46
TOTAL	$ 111,073,696	100	$ 116,503,422	100

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

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Note 23)	$ 4,803,188	100	$ 13,419,916	100
OPERATING COSTS (Notes 11, 23 and 24)	(2,135,890)	(44)	(7,897,413)	(59)
GROSS PROFIT	2,667,298	56	5,522,503	41
OPERATING EXPENSES (Note 24)				
Selling expenses	(290,130)	(6)	(385,684)	(3)
General and administrative expenses	(365,051)	(8)	(377,708)	(2)
Total operating expenses	(655,181)	(14)	(763,392)	(5)
LOSS ON CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES (Note 14)	(186,995)	(4)	(1,460,226)	(11)
PROFIT FROM OPERATIONS	1,825,122	38	3,298,885	25
NON-OPERATING INCOME AND EXPENSES (Note 24)				
Interest income	657,095	14	1,095,240	8
Other income	84,274	2	81,869	1
Other gains and losses, net	(145,161)	(3)	(1,018,226)	(8)
Finance costs	(456,780)	(10)	(762,173)	(6)
Total non-operating income and expenses	139,428	3	(603,290)	(5)
PROFIT BEFORE INCOME TAX	1,964,550	41	2,695,595	20
INCOME TAX EXPENSE (Note 25)	(793,536)	(17)	(1,518,240)	(11)
NET PROFIT FOR THE YEAR	1,171,014	24	1,177,355	9
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(427,679)	(9)	1,112,878	8

(Continued)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	$ 332,978	7	$ 619,751	5
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	(444,235)	(9)	313,994	2
Other comprehensive income (loss) for the year, net of income tax	(538,936)	(11)	2,046,623	15
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 632,078	13	$ 3,223,978	24
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 1,171,032	24	$ 1,177,395	9
Non-controlling interests	(18)	-	(40)	-
	$ 1,171,014	24	$ 1,177,355	9
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 632,686	13	$ 3,222,735	24
Non-controlling interests	(608)	-	1,243	-
	$ 632,078	13	$ 3,223,978	24
EARNINGS PER SHARE (Note 26)				
Basic	$ 0.67		$ 0.68	
Diluted	$ 0.67		$ 0.67	

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

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 22)											
	Share Capital			Retained Earnings			Other Equity					
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating	Revaluation Increment	Unrealized Gains or Loss on Investment at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2020	1,740,297	$ 17,402,970	$ 201,861	$ 1,545,759	$ 21,127,754	$ 19,045,451	$ (4,649,384)	$ 91,295	$ (33,919)	$ 54,731,787	$ 76,787	$ 54,808,574
Appropriation of 2019 earnings												
Legal reserve	-	-	-	934,522	-	(934,522)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(3,880,863)	-	-	-	(3,880,863)	-	(3,880,863)
Special reserve reversed	-	-	-	-	(5,646,872)	5,646,872	-	-	-	-	-	-
	-	-	-	934,522	(5,646,872)	831,487	-	-	-	(3,880,863)	-	(3,880,863)
Net profit for the year ended December 31, 2020	-	-	-	-	-	1,177,395	-	-	-	1,177,395	(40)	1,177,355
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	-	1,731,346	-	313,994	2,045,340	1,283	2,046,623
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	1,177,395	1,731,346	-	313,994	3,222,735	1,243	3,223,978
BALANCE AT DECEMBER 31, 2020	1,740,297	17,402,970	201,861	2,480,281	15,480,882	21,054,333	(2,918,038)	91,295	280,075	54,073,659	78,030	54,151,689
Appropriation of 2020 earnings												
Legal reserve	-	-	-	193,997	-	(193,997)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(2,088,356)	-	-	-	(2,088,356)	-	(2,088,356)
Special reserve reversed	-	-	-	-	(2,527,841)	2,527,841	-	-	-	-	-	-
	-	-	-	193,997	(2,527,841)	245,488	-	-	-	(2,088,356)	-	(2,088,356)
Net profit for the year ended December 31, 2021	-	-	-	-	-	1,171,032	-	-	-	1,171,032	(18)	1,171,014
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	-	(94,111)	-	(444,235)	(538,346)	(590)	(538,936)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	1,171,032	(94,111)	-	(444,235)	632,686	(608)	632,078
BALANCE AT DECEMBER 31, 2021	1,740,297	$ 17,402,970	$ 201,861	$ 2,674,278	$ 12,953,041	$ 22,470,853	$ (3,012,149)	$ 91,295	$ (164,160)	$ 52,617,989	$ 77,422	$ 52,695,411

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

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,964,550	$ 2,695,595
Adjustments for:		
Depreciation expenses	70,878	74,788
Amortization expenses	2,465	1,703
Expected credit loss	284,678	721,102
Net loss (gain) on financial assets at fair value through profit or loss	50,421	(62,022)
Interest expenses	456,780	762,173
Interest income	(657,095)	(1,095,240)
Dividend income	(84,274)	(81,869)
Loss on disposal of property, plant and equipment	3,240	6,401
Net gain on disposal of financial assets	(135,438)	(7,878)
Reversal of write-down of inventories	(7,369)	(48)
Net loss on unrealized foreign currency exchange	20,372	88,156
Loss on changes in fair value of investment properties	186,995	1,460,226
Changes in operating assets and liabilities		
Trade receivables	(37,057)	(67,066)
Other receivables	36,417	141,414
Inventories	(6,753,874)	3,625,157
Other current assets	(349,423)	226,801
Other financial assets	363,004	1,102,440
Incremental cost of obtaining a contract	(48,641)	48,548
Contract liabilities	5,006,209	(5,177,068)
Trade payables	1,232	340,549
Other payables	(148,070)	3,606
Unearned revenue	(9,060)	(21,187)
Deposits received	2,181	4,211
Other liabilities	350,446	(293,270)
Cash generated from operations	569,567	4,497,222
Interest paid	(1,424,251)	(1,291,401)
Income taxes paid	(1,023,148)	(1,530,107)
Net cash generated from (used in) operating activities	(1,877,832)	1,675,714
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(892,147)	(7,728,161)
Proceeds from sale of financial assets at fair value through other comprehensive income	10,964,538	6,533,387
Purchase of financial assets at amortized cost	(196,934)	-
Proceeds from sale of financial assets at amortized cost	196,934	-
Purchases of financial assets at fair value through profit or loss	(9,829,985)	(16,968,201)
Proceeds from sale of financial assets at fair value through profit or loss	10,766,559	18,839,623
Payments for property, plant and equipment	(25,833)	(12,633)

(Continued)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
Proceeds from disposal of property, plant and equipment	$ -	$ 80
Decrease in refundable deposits	8,654	4,735
Payments for investment properties	(8,937)	(4,227,793)
Increase in other assets	(21,566)	(14,509)
Interest received	733,199	1,179,798
Dividends received	84,274	81,869
Net cash generated from (used in) investing activities	11,778,756	(2,311,805)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	-	585,260
Repayments of short-term borrowings	(519,820)	-
Proceeds from long-term borrowings	6,817,037	17,979,731
Repayments of long-term borrowings	(13,880,223)	(15,400,174)
Repayment of the principal portion of lease liabilities	(1,569)	(1,592)
Dividends paid to owners of the Company	(2,088,356)	(3,880,863)
Net cash used in financing activities	(9,672,931)	(717,638)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(50,952)	(44,244)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	177,041	(1,397,973)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,776,782	8,174,755
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 6,953,823	$ 6,776,782

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

1. GENERAL INFORMATION

Sino Horizon Holdings Limited (the "Company") was incorporated in the Cayman Islands in December 2007. The Company and its subsidiaries (collectively referred to as the "Group") are mainly engaged in the development of real estate, the sale of property and the leasing of property in China.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since December 7, 2012.

The functional currency of the Company is the Chinese Yuan. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in the New Taiwan dollar since the Company's shares are listed on the TWSE.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on March 11, 2022.

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

a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC) and Interpretations of IAS (SIC) (collectively, the "IFRSs")

The application of the IFRSs in 2021 did not have any material impact on the Group's accounting policies.

b. New IFRSs in issue but not yet endorsed and issued into effect

The Group has not applied the following IFRSs issued by the IASB

New, Amended or Revised Standards and Interpretations (the "New lFRSs")	Effective Date Announced by IASB (Note 1)
"Annual Improvements to IFRS Standards 2018-2020"	January 1, 2022 (Note 2)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 3)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 4)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 5)
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

(Continued)

New, Amended or Revised Standards and Interpretations (the "New lFRSs")	Effective Date Announced by IASB (Note 1)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 6)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 7)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 8)

(Concluded)

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

Note 2: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 "Agriculture" are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 "First-time Adoptions of IFRSs" are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 3: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 4: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 5: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

Note 6: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 7: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 8: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and investment properties which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on 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:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) 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:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

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

The Group commissions construction companies to build housing, shopping malls and office buildings for sale, which have an operating cycle of over 1 year. The normal operating cycle applies when considering the classification of the Group’s construction-related assets and liabilities.

d. Basis of consolidation

1) Principles for preparing the consolidated financial statements

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 acquisitions 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 Group.

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 interests of the Group 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.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

2) Subsidiaries included in the consolidated financial statements

The consolidated entities were as follows:

Investor	Investee	Principal Place of Business	Nature of Business Activities	% of Ownership December 31 2021	% of Ownership December 31 2020
Sino Horizon Holdings Ltd.	Wealthy Joy Co., Ltd. (with Taiwan Branch, Note 1)	BVI	Investment holding	100	100
Wealthy Joy Co., Ltd.	Realty Gain Ltd.	HK	Investment holding	100	100
	Long Tech Investments Ltd.	HK	Investment holding	100	100
	Time On Investment Ltd.	HK	Investment holding	100	100
	Follow International Ltd.	HK	Investment holding	100	100
	Noble World International Ltd.	HK	Investment holding	100	100
	Techwin Development Ltd.	HK	Investment holding	100	100
	Bond Capital Ltd.	HK	Investment holding	100	100
	Easy Rise Development Ltd.	HK	Investment holding	100	100
	Fullrich Investment Development Ltd.	HK	Investment holding	100	100
	Imperial Corporation Ltd.	HK	Investment holding	100	100
	Peak Vision International Ltd.	BVI	Investment holding	100	100
	Peak Paramount International Ltd.	BVI	Investment holding	100	100
	Ding Gu Properties Co., Ltd.	TW	Investment holding	100	100
Realty Gain Ltd.	Shanghai Ding Xin Properties Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
Long Tech Investments Ltd.	Kunshan Ding Yao Real Estate Development Co., Ltd.	Kunshan, CN	Real-estate development and sale and office leasing	100	100
Time On Investment Ltd.	Shanghai Ding Lin Real Estate Development Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	99	99
Follow International Ltd.	Shanghai Ding Jia Real Estate Development Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
	Shanghai Ding Tong Real Estate Development Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
	Shanghai Hong Xiang Land Investment Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
	Shanghai Ming Long Construction And Development Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
	Shanghai Ding Rong Real Estate Development Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
Noble World International Ltd.	Shanghai Ding Gu Properties Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
	Shanghai Ding Gu Property Management Co., Ltd.	Shanghai, CN	Real-estate management	100	100
Techwin Development Ltd.	Chongqing Dinggu Real Estate Development Co., Ltd.	Chongqing, CN	Real-estate development and sale and office leasing	100	100

(Continued)

Investor	Investee	Principal Place of Business	Nature of Business Activities	% of Ownership December 31 2021	% of Ownership December 31 2020
Fullrich Investment Development Ltd.	Shanghai Dingyi Real Estate Development Co., Ltd.	Shanghai, CN	Real-estate development and sale and office leasing	100	100
Easy Rise Development Ltd.	Wuxi Ding Gu Real Estate Development Co., Ltd.	Wuxi, CN	Real-estate development and sale and office leasing	100	100
Chongqing Dinggu Real Estate Development Co., Ltd.	Chongqing Dinggu Property Management Co., Ltd.	Chongqing, CN	Real-estate management	100	100
	Chongqing Dinghao Market Management Co., Ltd.	Chongqing, CN	Market management and leasing	100	100

(Concluded)

Note: The Taiwan Branch was founded in May 2021 and the Company already contributed operating capital of $2,000,000 thousand.

e. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the 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 except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowing.

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 period 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 that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and its foreign operations (including subsidiaries in other countries that use currencies which are different from the currency of the Company) are translated into the presentation currency - the New Taiwan dollar as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate). The exchange differences accumulated in equity, which resulted from the translation of the assets and liabilities of the group entities into the presentation currency, are not subsequently reclassified to profit or loss.

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 the 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 re-attributed to the non-controlling interests of the subsidiary and 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.

f. Inventories

Inventories consist of properties under development, properties to be developed, and properties held for sale, and 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. Inventories are recorded at the weighted-average cost on the balance sheet date.

The properties to be developed refer to the land use rights and land with ownership certificate for land held for construction. Once they have successfully obtained construction permission licenses and construction building permits, they will be transferred to properties under development.

The cost of properties under development includes the costs of land use rights, construction cost and borrowing costs that are eligible for capitalization. Properties under development for sales are transferred to properties held for sale upon completion of development activities.

g. Property, plant and equipment

Property, plant and equipment are measured at cost less 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 construction cost, 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. 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.

h. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property interests held under an operating lease if the definition of an investment property is met). Investment properties also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs, and are subsequently measured using the fair value model. Changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

For a transfer from the classification of investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its fair value at the commencement of owner-occupation.

For a transfer from the property, plant and equipment classification to investment properties at the end of owner-occupation, any difference between the previous carrying amount of the property and its fair value at the transfer date is recognized in other comprehensive income.

For a transfer from the classification of inventories to investment properties at inception of an operating lease, any difference between the previous carrying amount of the property and its fair value at the transfer date is recognized in profit or loss.

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.

i. Intangible assets

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 lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

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.

j. Assets related to contract costs

Sales commission paid to employees who have sold the real estate and selling service fees paid based on the exclusive sales contracts for real estate held for sale occurs only when the customer contracts are obtained; and are recognized as additional costs of obtaining a contract in the scope of the amount recoverable and recognized in profit or loss when construction of the real estate has been completed and transferred to the customers.

k. Impairment of property, plant and equipment, right-of-use asset, intangible assets 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 asset and intangible assets 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 smallest group of cash-generating units on a reasonable and consistent basis of allocation.

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 shall be recognized in accordance with the 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 related to contract costs 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 for the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when 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 issue 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 categories

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

i. Financial assets at FVTPL

Financial assets are classified as at fair value through profit or loss (FVTPL) when such a financial assets are mandatorily classified at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any 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 28.

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, 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.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits and repurchase agreements collateralized by bills with original maturities within three 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 debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and

ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), operating lease receivables, as well as contract assets.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables, lease receivables and contract assets. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a 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 ECLs.

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

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

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. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income 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) Equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situations, all financial liabilities are carried at amortized cost using the effective interest method:

Financial liabilities at FVTPL

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss. Fair value is determined in the manner described in Note 28.

b) Derecognition of financial liabilities

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

4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments including foreign exchange forward contracts, interest rate swap and stock options. Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

m. Revenue recognition

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

Regarding revenue of real-estate sales, the buyers and sellers sign sales contracts, and filed for record in the local real-estate trading centers, only when real-estate has reached the expected state of use, its acceptance has been qualified by relevant departments and the filing procedures are completed, then the Group issues a transfer notice according to the provisions of the contract, and recognizes sales revenue at the time of transfer date or the due date of transfer as the point of control transfer. Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under contract liabilities.

Property management provides lessees with services such as repair, maintenance and cleaning of the leased area and related ancillary equipment in accordance with the provisions of the real-estate service contract during the contract period. Property management income is recognized in the profit or loss on a straight-line basis over the term of the relevant contract period.

n. 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.

Lease incentives included in an operating lease are recognized as an asset. The aggregate cost of incentives is recognized as a reduction of rental income on a straight-line basis.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred. Lease modification that resulted from a negotiation with a lessee is accounted for as a new lease from the effective date of modification.

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. 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. 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.

o. Borrowing costs

Borrowing costs directly attributable to an 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 that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. 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 services.

2) Retirement benefits

The retirement benefits plan of the Group is defined contribution retirement benefit plans. They are recognized as expenses when employees have rendered services entitling them to the contributions.

q. Taxation

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

1) Current tax

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

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 generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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. If investment properties measured using the fair value model are non-depreciable assets, or are held under a business model whose objective is not to consume substantially all of the economic benefits embodied in the assets over time, the carrying amounts of such assets are presumed to be recovered entirely through sale.

3) Current and deferred taxes 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 taxes 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.

The Group considers the economic implications of the COVID-19 when making its critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Accounting Judgments

- Deferred taxation on investment properties

  For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, management has reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred taxation on investment properties, the carrying amounts of the investment properties are presumed to be recovered entirely through sale. As of December 31, 2021 and 2020, the carrying amounts of the deferred tax liabilities arising from investment properties that are measured using the fair value model were $6,894,831 thousand and $6,799,669 thousand, respectively.

Key Sources of Estimation Uncertainty

a. Net realizable value for inventory of properties, properties under development and properties for development.

   Inventory of properties, properties under development and properties for development are stated at the lower of cost or net realizable value. The net realizable value for properties for development and properties under development is determined by reference to management estimates of the selling price based on the current prevailing market conditions less estimated selling expenses and the anticipated costs to completion. In the process of assessment, the management will also make reference to property valuations conducted by independent qualified professional valuers. The management will revise these estimates if there is a change in market condition. As of December 31, 2021 and 2020 the total carrying amounts of inventory of properties, properties under development and properties for development were $46,355,005 thousand and $39,032,242 thousand, respectively.

b. The fair value of investment properties

   Investment properties of Group are measured at fair value model. The fair value was based on valuation conducted by the independent qualified professional valuers. Several estimation assumptions are involved in determining fair value, including contract rental revenue, current market rents, the disposal value of terminal, and discount rate. The management are required to revise these estimates if there is a change in estimation assumptions and market condition. As of December 31, 2021 and 2020 the carrying amounts of fair value of investment properties were $43,314,625 thousand and $43,823,194 thousand, respectively.

   For details on the assessment techniques and input values of fair value assessment, refer to Note 14.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2021	2020
Cash on hand	$ 359	$ 348
Demand deposits	5,271,595	5,761,464
Cash equivalents (investments with original maturities of three months or less)		
Time deposits	1,306,601	1,014,970
Repurchase agreements collateralized by bills	375,268	-
	$ 6,953,823	$ 6,776,782

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	December 31	
	2021	2020
Interest rate range - demand deposits	0.01%-2.35%	0.05%-0.35%
Interest rate range - time deposits	0.13%-2.20%	0.10%-2.40%
Repurchase agreements collateralized by bills	0.25%	-

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2021	2020
Financial assets - current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Foreign listed shares	$ 2,116,209	$ 3,057,462
Fund beneficiary certificates	665,653	710,974
Financial products	-	504,941
	$ 2,781,862	$ 4,273,377
Financial assets - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Foreign private funds	$ 318,357	$ 247,889
Financial liabilities - current		
Financial liabilities held for trading		
Derivative financial assets (not under hedge accounting)		
Interest rate swap contracts (a)	$ 47,539	$ -
Financial liabilities - non-current		
Financial liabilities held for trading		
Derivative financial assets (not under hedge accounting)		
Interest rate swap contracts (a)	$ 115,629	$ 454,614

a. At the end of the year, outstanding interest rate swap contracts not under hedge accounting were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
December 31, 2021			
USD Currency $100,000	March 4, 2022	0.89% fixed	0.180% floating
USD Currency $100,000	March 4, 2022	0.89% fixed	0.180% floating
USD Currency $60,000	March 3, 2023	1.118% fixed	0.175% floating
USD Currency $200,000	March 6, 2023	0.885% fixed	0.180% floating
USD Currency $100,000	March 6, 2023	0.89% fixed	0.180% floating
USD Currency $80,000	March 6, 2023	0.89% fixed	0.180% floating
USD Currency $20,000	March 3, 2025	1.128% fixed	0.175% floating
USD Currency $80,000	March 3, 2025	1.16% fixed	0.175% floating
December 31, 2020			
USD Currency $100,000	March 4, 2022	0.89% fixed	0.331% floating
USD Currency $100,000	March 4, 2022	0.89% fixed	0.331% floating
USD Currency $60,000	March 3, 2023	1.118% fixed	0.251% floating
USD Currency $200,000	March 6, 2023	0.885% fixed	0.331% floating
USD Currency $100,000	March 6, 2023	0.89% fixed	0.331% floating
USD Currency $80,000	March 6, 2023	0.89% fixed	0.251% floating
USD Currency $20,000	March 3, 2025	1.128% fixed	0.251% floating
USD Currency $80,000	March 3, 2025	1.16% fixed	0.337% floating

The economic substance of the pay-fixed receive-floating interest rate swap contracts listed in the table above is the managing of the exposures to the cash flow interest rate risk of bank borrowings. However, those contracts did not meet the criteria of hedge effectiveness and, therefore, were not accounted for using hedge accounting.

Refer to Note 30 for the carrying amounts of financial assets classified as at FVTPL pledged by the Group as security for bank borrowings.

8. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2021	2020
Investments in debt instruments at FVTOCI	$ 7,872,036	$ 18,966,974
Current	$ 5,082,766	$ 2,729,865
Non-current	2,789,270	16,237,109
	$ 7,872,036	$ 18,966,974

Refer to Note 30 for the carrying amounts of investments in debt instruments at FVTOCI pledged by the Group as security for bank borrowings.

Investments in debt instruments were classified as at FVTOCI:

	December 31	
	2021	2020
Gross carrying amount	$ 8,741,083	$ 19,386,489
Less: Allowance for impairment loss	(704,887)	(699,590)
Fair value adjustments	(164,160)	280,075
	$ 7,872,036	$ 18,966,974

In order to minimize credit risk, the Group's management has assigned dedicated personnel to collect credit rating information to assess the default risk of its debt instrument investments. The Group continuously tracks external credit ratings to monitor changes in the credit risk of its investments in debt instruments in order to assess whether there has been a significant increase in credit risk since initial recognition.

In determining the expected credit losses for debt instrument investments, the Group considers the historical default rates and default loss rates of each credit rating supplied by external credit rating agencies.

The Group's current credit risk grading mechanism is as follows:

Category	Description	Basis for Recognizing Expected Credit Losses (ECLs)
Performing	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12m ECLs
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECLs - not credit-impaired
In default	There is evidence indicating the asset is credit-impaired	Lifetime ECLs - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The gross carrying amounts of debt instrument investments classified by credit category and the corresponding expected loss rates were shown below:

	December 31			
	2021		2020	
Category	Expected Loss Rate	Gross Carrying Amount	Expected Loss Rate	Gross Carrying Amount
Performing	0.18%	$ 5,529,417	0.08%	$ 12,919,770
Doubtful	2.28%	2,243,378	3.74%	5,666,621
In default	66.51%	968,288	59.59%	800,098
Write-off	-	-	-	-

The movements of the allowance for impairment loss of investments in debt instruments at FVTOCI were as follows:

	Credit Rating			
	Performing (12-month ECLs)	**Doubtful (Lifetime ECLs - Not Credit Impaired)**	**In default (Lifetime ECLs - Credit Impaired)**	**Sum**
Balance at January 1, 2021	$ 10,956	$ 211,872	$ 476,762	$ 699,590
Transfers				
From performing to doubtful	17,875	(17,875)	-	-
From performing and doubtful to in default	(655)	(18,108)	18,763	-
Change in risk parameters	(1,976)	(3,052)	264,527	259,499
New financial assets purchased (b)	1,354	6,119	17,706	25,179
Derecognition (c)	(17,402)	(123,210)	(117,320)	(257,932)
Change in exchange rates	(322)	(4,666)	(16,461)	(21,449)
Balance at December 31, 2021	$ 9,830	$ 51,080	$ 643,977	$ 704,887

	Credit Rating			
	Performing (12-month ECLs)	**Doubtful (Lifetime ECLs - Not Credit Impaired)**	**In default (Lifetime ECLs - Credit Impaired)**	**Sum**
Balance at January 1, 2020	$ 74,936	$ -	$ -	$ 74,936
Transfers				
From performing to doubtful	(19,895)	19,895	-	-
From performing to in default	(10,988)	-	10,988	-
Change in risk parameters	6,197	140,390	491,836	638,423
New financial assets purchased (b)	15,784	58,813	8,082	82,679
Derecognition (c)	(51,503)	-	(17,886)	(69,389)
Change in exchange rates	(3,575)	(7,226)	(16,258)	(27,059)
Balance at December 31, 2020	$ 10,956	$ 211,872	$ 476,762	$ 699,590

a. As some companies that issued bonds have defaulted on interest payments and entered into bankruptcy takeover procedures, the Group transferred the credit rating of these bonds from normal to default. During 2021 and 2020, increased the in-default loss allowance at FVTOCI by $283,290 thousand and $502,824 thousand, respectively.

b. During 2021 and 2020, new investments in corporate bonds and government bonds at FVTOCI increased by $892,147 thousand and $7,728,161 thousand, respectively, and correspondingly the related loss allowance for investments rated as performing increased by $25,179 thousand and $82,679 thousand, respectively.

c. Investments in corporate bonds and government bonds at FVTOCI of $10,964,538 thousand and $6,533,387 thousand were sold during 2021 and 2020, respectively, with a consequential reduction in the related loss allowance for investments rated as performing of $257,932 thousand and $69,389 thousand, respectively.

9. OTHER FINANCIAL ASSETS

	December 31	
	2021	2020
Restricted bank deposits	$ 438,713	$ 808,035
Current	$ 438,713	$ 407
Non-current	-	807,628
	$ 438,713	$ 808,035

10. NET TRADE RECEIVABLES

	December 31	
	2021	2020
Amortized cost		
Real-estate receivables	$ 573	$ -
Lease receivables	385,239	354,759
Property management receivables	8,876	5,535
Others	6	60
	$ 394,694	$ 360,354

The accounts receivable generated by the Group's sales of real-estate are mainly based on debit card payments collected from the banks. The average collection period is between one and two days. Besides real-estate receivable, the Group adopted a policy of only making deals with entities that have good reputation. The Group uses other publicly available financial information or its own trading records to assess its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts, and guarantee deposits for lease receivables have been received in advance arising from the Group's lease receivables. In this regard, the management believes the Group's credit risk was significantly reduced.

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 by reference to guarantee deposits and 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. 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, when the debtor has been placed under liquidation, or when the trade receivables are over 24 months past due, whichever occurs earlier. 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 based on the Group's provision matrix:

December 31, 2021

	1 to 180 Days	181 to 360 Days	361 to 720 Days	Total
Expected credit loss rate	-	-	-	-
Gross carrying amount (Note)	$ 60,727	$ 1,223	$ 5,366	$ 67,316
Loss allowance (Lifetime ECL)	-	-	-	-
Amortized cost	$ 60,727	$ 1,223	$ 5,366	$ 67,316

December 31, 2020

	1 to 180 Days	181 to 360 Days	361 to 720 Days	Total
Expected credit loss rate	-	-	-	-
Gross carrying amount (Note)	$ 41,633	$ 5,296	$ -	$ 46,929
Loss allowance (Lifetime ECL)	-	-	-	-
Amortized cost	$ 41,633	$ 5,296	$ -	$ 46,929

Note: The difference between the gross carrying amounts listed in the above table of aging of trade receivables and the amount of trade receivables recognized was due to the rent-free period adjustments. As of December 31, 2021 and 2020, the amounts were $327,378 thousand and $313,425 thousand, respectively.

11. INVENTORIES

	December 31	
	2021	2020
Properties under development	$ 37,593,426	$ 32,874,005
Properties to be developed	1,674,570	-
Inventory-merchandise	7,087,009	6,158,237
	$ 46,355,005	$ 39,032,242

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2021 and 2020 was $999,069 thousand and $6,893,464 thousand, respectively. The reversal of inventory write-downs was $7,369 thousand and $48 thousand, respectively, and was recognized in the year 2021 and 2020 by the Company's subsidiary, Shanghai Hong Xiang Land Investment Co., Ltd.

As of December 31, 2021 and 2020, inventories of $43,050,743 thousand and $36,691,184 thousand, respectively, are expected to be recovered after more than 12 months.

Refer to Note 30 for the carrying amounts of inventories pledged as security for bank borrowings by the Group.

Properties under development

Project Location	Project Name	December 31 2021	December 31 2020
Shanghai Huangpu	Shanghai Sun Moon Light Phase II	$ 15,315,376	$ 12,097,556
Chongqing Yuzhong	Chongqing Sun Moon Light Centre	2,858,635	2,880,351
Jiangsu Kunshan	Earl Land	2,072,285	1,398,811
Shanghai Jiading	Jiading Line 11 - North Jiading Station A Block of the Metro	7,677,910	8,773,047
Shanghai Jiading	Earl Mansion	641,395	554,044
Shanghai Jiading	Dinggu Junting	961,405	920,335
Shanghai Jiading	Huijing Huating	8,066,420	6,249,861
		$ 37,593,426	$ 32,874,005

Properties to be developed

Project Name	December 31 2021	December 31 2020
Jhouji Sec., Beitun Dist., Taichung City	$ 1,674,570	$ -

Inventory-merchandise

Project Name	December 31 2021	December 31 2020
Shanghai Earl Mansion	$ 1,712,593	$ 1,725,604
Chongqing Jiefangbei No. 1	390,227	651,806
Shanghai Yuhuashan	785,928	1,052,426
Shanghai Dinggu Junting	1,156,645	1,165,701
Wuxi Wanxiyaju	-	217,370
Shanghai Dinggu Huating	196,957	385,290
Shanghai Earl World	521,977	545,126
Kunshan Earl Land	314,770	323,933
Shanghai Huijing Huating	102,573	90,981
Dinggu Besiness Center	1,905,339	-
	$ 7,087,009	$ 6,158,237

12. PROPERTY, PLANT AND EQUIPMENT

	December 31 2021	December 31 2020
Carrying amounts in each category		
Buildings	$ 300,409	$ 311,862
Office equipment	7,985	10,778
Transportation equipment	1,310	1,435
Other equipment	156,912	205,041
Construction in progress	67,377	51,002
	$ 533,993	$ 580,118

Changes in property, plant and equipment of the Group for the years ended December 31, 2021 and 2020 were as follows:

	For the Year Ended December 31, 2021					
	Buildings	Office Equipment	Transportation Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2021	$ 389,850	$ 30,734	$ 13,203	$ 594,464	$ 51,002	$ 1,079,253
Additions	-	2,505	-	4,975	18,353	25,833
Disposals	-	(6,248)	-	(45,130)	-	(51,378)
Reclassified	-	-	-	-	(1,603)	(1,603)
Effects of foreign currency exchange differences	(2,940)	(235)	(100)	(4,505)	(375)	(8,155)
Balance at December 31, 2021	386,910	26,756	13,103	549,804	67,377	1,043,950
Accumulated depreciation and impairment						
Balance at January 1, 2021	(77,988)	(19,956)	(11,768)	(389,423)	-	(499,135)
Depreciation expense	(9,095)	(4,611)	(114)	(48,894)	-	(62,714)
Disposals	-	5,645	-	42,493	-	48,138
Effects of foreign currency exchange differences	582	151	89	2,932	-	3,754
Balance at December 31, 2021	(86,501)	(18,771)	(11,793)	(392,892)	-	(509,957)
Net book value						
Balance at January 1, 2021	$ 311,862	$ 10,778	$ 1,435	$ 205,041	$ 51,002	$ 580,118
Balance at December 31, 2021	$ 300,409	$ 7,985	$ 1,310	$ 156,912	$ 67,377	$ 533,993

	For the Year Ended December 31, 2020					
	Buildings	Office Equipment	Transportation Equipment	Other Equipment	Construction in Progress	Total
Balance at January 1, 2020	$ 383,437	$ 29,236	$ 12,985	$ 633,855	$ 45,648	$ 1,105,161
Additions	-	3,399	-	948	8,286	12,633
Disposals	-	(2,412)	-	(49,851)	-	(52,263)
Reclassified	-	-	-	-	(3,795)	(3,795)
Effects of foreign currency exchange differences	6,413	511	218	9,512	863	17,517
Balance at December 31, 2020	389,850	30,734	13,203	594,464	51,002	1,079,253
Accumulated depreciation and impairment						
Balance at January 1, 2020	(67,686)	(17,575)	(11,155)	(373,440)	-	(469,856)
Depreciation expense	(8,970)	(4,181)	(417)	(53,168)	-	(66,736)
Disposals	-	2,140	-	43,642	-	45,782
Effects of foreign currency exchange differences	(1,332)	(340)	(196)	(6,457)	-	(8,325)
Balance at December 31, 2020	(77,988)	(19,956)	(11,768)	(389,423)	-	(499,135)
Net book value						
Balance at January 1, 2020	$ 315,751	$ 11,661	$ 1,830	$ 260,415	$ 45,648	$ 635,305
Balance at December 31, 2020	$ 311,862	$ 10,778	$ 1,435	$ 205,041	$ 51,002	$ 580,118

No impairment assessment was performed for the years ended December 31, 2021 and 2020 as there was no indication of impairment.

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

Buildings - main buildings	29-40 years
Transportation equipment	3-5 years
Office equipment	3-5 years
Other equipment	2-20 years

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2021	**2020**
Carrying amounts		
Land	$ 200,665	$ 208,868
Transportation equipment	951	2,511
	$ 201,616	$ 211,379

	For the Year Ended December 31	
	2021	**2020**
Depreciation charge for right-of-use assets		
Land	$ 6,624	$ 6,533
Transportation equipment	1,540	1,519
	$ 8,164	$ 8,052

b. Lease liabilities

	December 31	
	2021	**2020**
Carrying amounts		
Current	$ 1,004	$ 1,582
Non-current	-	1,012
	$ 1,004	$ 2,594

Range of discount rate for lease liabilities was as follows:

	December 31	
	2021	**2020**
Transportation equipment	5.06%	5.06%

Land in Right-of-use assets refers to the prepayments for leases to obtain land use rights in China, and has been amortized within a fixed period. The lessor is the government of the People's Republic of China.

c. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Notes 14.

	For the Year Ended December 31	
	2021	**2020**
Expenses relating to short-term leases	$ 1,798	$ 1,545

Total cash outflow for leases	$ (3,454)	$ (3,298)

The Group leases certain staff dormitory which qualify as short-term 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.

14. INVESTMENT PROPERTIES

	For the Year Ended December 31	
	2021	2020
Measured at fair value		
Balance at January 1	$ 43,823,194	$ 43,722,207
Additions (Note)	8,937	843,693
Loss on change in fair value of investment properties from continuing operations	(186,995)	(1,460,226)
Effects of foreign currency exchange differences	(330,511)	717,520
Balance at December 31	$ 43,314,625	$ 43,823,194

Note: According to the Provisions of the Shanghai Municipality on the Assignment of the Right to Use Underground Construction Land, the Group's subsidiary, Shanghai Ding Rong Real Estate Development Co., Ltd., estimated that it will be required to make an additional payment for the transfer fees for underground land use rights on its investment property held, Shanghai Sun Moon Light Center, for the years ended December 31, 2020 in the amount of RMB195,956 thousand (equivalent to $839,026 thousand). The transfer fees were paid in November 2020.

The investment properties were leased out by the Group for 1 to 14 years. All lease contracts contain market review clauses applicable to contract renewals. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

Due to the impact of the COVID-19 pandemic on the market economy in 2020, the Group agreed to provide an unconditional rent reduction ranging from 1 to 4 months to individual lessees, including shopping malls located in various regions.

As of December 31, 2021 and 2020, guarantee deposits received by the Group for the leasing of contracts amounted to $809,604 thousand and $814,018 thousand, respectively.

The maturity analysis of lease payments receivable under operating leases of investment properties at December 31, 2021 and 2020 was as follows:

	December 31	
	2021	2020
Year 1	$ 1,815,366	$ 1,791,887
Year 2	1,193,531	1,279,892
Year 3	769,518	802,724
Year 4	519,564	549,143
Year 5	322,824	427,213
Year 6 onwards	500,407	702,819
	$ 5,121,210	$ 5,553,678

In addition to fixed lease payments, some of the lease contracts also indicate that the lessees should make variable payments which shall be determined at a specific percentage of the respective lessee's monthly sales revenue less the rental guarantee deposits.

The Group's property interests held under operating leases for earning rentals or for capital appreciation were classified as investment properties and accounted for using the fair value mode

The fair values of investment properties as of December 31, 2021 and 2020 were based on the valuations carried out by independent qualified professional valuers of real-estate appraisal firms in the ROC.

Item	Location	Valuation Date	Appraisal Firm	Professional Valuer
Sun Moon Light Center Plaza	Chongqing, CN	December 31, 2021 and 2020	Colliers International	Roy Ku
Shanghai Yuhuashan	Shanghai, CN	December 31, 2021 and 2020	Colliers International	Roy Ku
Shanghai Sun Moon Light Center	Shanghai, CN	December 31, 2021 and 2020	Colliers International	Carrie Chan, Roy Ku
Dingxing Chunshsen Liyuan	Shanghai, CN	December 31, 2021 and 2020	Colliers International	Roy Ku
Jiading Sun Moon Light Center	Shanghai, CN	December 31, 2021 and 2020	Colliers International	Roy Ku

The fair values of investment properties measured on a recurring basis.

The fair value of investment properties was measured by using Level 3 inputs.

The fair value of investment properties was measured using the income approach. The significant assumptions used are stated below. The increase in estimated future net cash inflows, or the decrease in discount rates would result in an increase in the fair value.

	December 31	
	2021	2020
Expected future cash inflows	$ 47,119,786	$ 46,453,838
Expected future cash outflows	(3,702,604)	(2,532,434)
Expected future cash inflows, net	$ 43,417,182	$ 43,921,404
Discount rates	6.00%-7.00%	7.00%-7.75%

The market rentals in the area where the investment properties are located were between $2 thousand and $43 thousand per year per square meters. The average occupancy rate of the Group's investment properties at December 31, 2021 and 2020 were 84% and 79%, respectively. The rental revenues for the years ended December 31, 2021 and 2020 were $1,926,725 thousand and $1,695,238 thousand, respectively.

The expected future cash inflows generated by investment properties included rental income and disposal value. The rental income was extrapolated using the Group's current rental rate, market rental, and the annual rental growth rate; the income analysis covers a 5 to 10-year period. The expected future cash outflows incurred by investment properties included expenditures such as value-added tax, land utilization taxes, building taxes, insurance premiums, maintenance costs and management fee. These expenditures were extrapolated on the basis of the current level of expenditures and taking into account the relevant tax rates.

In accordance with the subparagraph 4, paragraph 2, article 9 of Regulations Governing the Preparation of Financial Reports by Securities Issuers, the discount rate should be determined using the risk premium approach only, with the calculation based on a certain interest rate, plus the estimate for the individual characteristics of the investment property. The terminology "certain interest rate" means the interest rate may not be lower than the floating interest rate on a 2-year time deposit of a small amount, as posted by the Chunghwa Post Co., Ltd., plus 0.75 percentage points. Considering that the investment properties are located in China, the Group replaces it with the two-year deposit rate posted by the People's Bank of China and plus the risk premium of the investment properties.

Refer to Note 30 for the details of investment properties pledged as collaterals.

Lease commitments (the Group as a lessor) with lease terms commencing after the balance sheet dates are as follows:

	December 31	
	2021	**2020**
Lease commitments of investment properties - rental revenue	$ 104,798	$ 291,541

The lease periods of lease commitments are 1-6 years.

15. OTHER ASSETS

	December 31	
	2021	**2020**
Current		
Overpaid VAT	$ 368,433	$ 229,711
Tax prepayments	327,830	107,410
Prepayments	70,618	58,588
Prepayment for land purchases	212,866	-
Others	3,405	9,623
	$ 983,152	$ 405,332
Non-current		
Refundable deposits	$ 23,692	$ 32,592
Long-term prepaid expenses	82,831	62,599
	$ 106,523	$ 95,191

16. BORROWINGS

a. Short-term borrowings

	December 31	
	2021	2020
Secured borrowings (Note 30)		
Bank loans	$ 1,320,073	$ 1,891,285

The interest rate ranges of the bank loans as of December 31, 2021 and 2020 were 0.45%-0.71% and 0.44%-0.77%, respectively.

b. Long-term borrowings

	December 31	
	2021	2020
Secured borrowings (Note 30)		
Bank loans	$ 37,837,579	$ 46,817,619
Long-term commercial paper	808,000	-
Less: Unamortized discounts on long-term commercial paper	(2,262)	-
	38,643,317	46,817,619
Less: Current portion	(20,644,140)	(1,685,145)
Long-term borrowings	$ 17,999,177	$ 45,132,474

The above bank loans were repaid at various amounts, and the loan repayments are due on the contract specified dates by no later than June 2033. At December 31, 2021 and 2020, the annual interest rate were 0.42%-4.95% and 0.42%-5.39%, respectively.

The Group has entered into construction mortgage loans, margin purchase contracts and syndicated loans with banks. The agreement of syndicated loan prescribes that the Group's current ratio should not be less than 150%; the leverage ratio should not exceed 200%; the ratio of total borrowings over market cap should not be over 50%; the tangible net worth should not be less than $20,000,000 thousand. The construction mortgage loan also requires certain financial ratios of the subsidiaries of the Group to fall within a certain threshold.

17. TRADE PAYABLES

	December 31	
	2021	2020
Construction payables	$ 744,560	$ 770,438
Others	103,754	83,078
	$ 848,314	$ 853,516

Retentions payable on construction contracts which are included in trade payables were $152,752 thousand and $590,770 thousand as of December 31, 2021 and 2020, respectively. Retentions payable do not bear interest and are expected to be paid at the end of the retention periods. The retention periods are within the normal operating cycle of the Group, usually more than 12 months after the reporting period.

18. UNEARNED REVENUE

	December 31	
	2021	**2020**
Advance receipts from leases	$ 126,661	$ 136,305
Others	23,010	23,632
	$ 149,671	$ 159,937

19. OTHER LIABILITIES

	December 31	
	2021	**2020**
Other payables		
Other payables	$ 299,124	$ 391,754
Payables for salaries	150,831	196,522
Interest payables	22,782	128,991
Others	13,330	28,863
	$ 486,067	$ 746,130
Other current liabilities		
Withholding tax and social security fee	$ 1,252	$ 2,370
Taxes payable	482,503	117,267
Temporary receipts	20,738	30,435
Others	4,037	9,213
	$ 508,530	$ 159,285

20. OTHER FINANCIAL LIABILITIES

	December 31	
	2021	**2020**
Current		
Guarantee deposits	$ 414,191	$ 385,291
Non-current		
Guarantee deposits	$ 442,571	$ 475,782

The above carrying amounts were mainly the deposit received due to the lease of shopping malls.

21. RETIREMENT BENEFIT PLANS

As of December 31, 2021, the Group's employee retirement pension policy was handled in accordance with local laws and regulations.

Pursuant to the pension insurance system of mainland China, the Group is required to contribute a specified percentage of the payroll costs of their mainland Chinese employees to a specified organization as stipulated by the local government. After the contribution is made, it is managed by the Labor Department of the local government. Since January 1, 2010, the Group has also recognized pension benefits and related liabilities in accordance with the aforementioned calculation method for non-Chinese employees.

The Group's subsidiaries, Wealthy Joy Co., Ltd (Taiwan branch) and Ding Gu Properties Co., Ltd., adopted a defined contribution pension plan administered by the government of Republic of China under the Labor Pension Act (LPA), in accordance with 6% employee's monthly salary has allocated to the personal account of the labor pension.

For the years ended December 31, 2021 and 2020, the Group recognized employee retirement benefits of $32,697 thousand and $4,229 thousand, respectively, of which the amount of properties under development were $7,331 thousand and $571 thousand, respectively (reported as inventories).

22. EQUITY

a. Share capital

	December 31	
	2021	**2020**
Number of shares authorized (in thousands)	2,180,000	2,180,000
Share capital authorized	$ 21,800,000	$ 21,800,000
Number of shares issued and fully paid (in thousands)	1,740,297	1,740,297
Share issued	$ 17,402,970	$ 17,402,970

A holder of issued common shares with par value of NT$10 per share is entitled to vote and to receive dividends.

b. Capital surplus

Such capital surplus may be used to offset a deficit, distributed as cash dividends and transferred to share capital.

c. Retained earnings and dividend policy

Under the policy for the distribution of retained earnings in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, it should be distributed in the following principle:

1) The current year's profit shall be used first to offset the Company's losses of the prior years;

2) 10% of the remaining profits will then be set aside as a legal reserve until such time as the legal reserve is equal to the paid-in capital pursuant to the applicable laws and regulations of the jurisdiction or jurisdictions where the Company's securities are listed for trading;

3) a) Setting aside or reversing a special reserve in accordance with the laws and regulations.

   b) The unrealized portion of the gain on investment property appreciation in the current year should be set aside as special reserve pursuant to the International Financial Reporting Standards, provided that such special reserve may be reduced by an amount equal to the portion of any unrealized cumulative recognized losses on investment property for previous years which are reversed into appreciation in the current year. If the unrealized appreciation becomes realized in the following year, such realized amount shall be reversed from the special reserve into undistributed retained earnings.

4) After deductions have been made in accordance with (a) to (c) above, the remaining profits (the "Remaining Profits of Current Year") plus undistributed retained earnings of the previous years, in part or in whole, may be distributed as dividends in such amounts as the board of directors determine to be appropriate having considered the financial, business and operational factors; Nonetheless, the total dividends to be distributed shall be no less than 30% of the remaining profits of the current year and further provided that dividends to be paid in cash shall be no less than 20% of the total dividends to be distributed, however, if the cash dividends per share is less than NT$0.1, it may be paid in the form of share dividends instead.

For the policies on the distribution of remuneration of employees and remuneration of directors after the amendments, refer to remuneration of employees and remuneration of directors in Note 24-(d).

The appropriations of earnings for 2020 and 2019, which were approved in the shareholders' meeting held on July 30, 2021 and June 30, 2020, respectively, were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	For the Year Ended December 31		**For the Year Ended December 31**	
	2020	**2019**	**2020**	**2019**
Legal reserve	$ 193,997	$ 934,522		
Special reserve reversed	(2,527,841)	(5,646,872)		
Cash dividends	2,088,356	3,880,863	$ 1.20	$ 2.23

The appropriations of earnings for 2021, which were proposed by the Company's board of directors on March 11, 2022, were as follows:

	Appropriation of Earnings
Legal reserve	$ 129,357
Special reserve	135,735
Cash dividends	2,088,356
Cash dividends per share (NT$)	1.20

The appropriation of earnings for 2021 will be resolved by the shareholders in their meeting to be held on June 24, 2022.

d. Special reserve

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 15,480,882	$ 21,127,754
Other equity - exchange differences on translating the financial statements	(1,731,346)	2,078,031
Appropriation in respect of/(reversal):		
Investment properties subsequently measured using the fair value model	(762,576)	(7,758,822)
Unrealized gains or losses on investments at fair value through comprehensive income	(33,919)	33,919
Balance at December 31	$ 12,953,041	$ 15,480,882

When the Company distributes distributable surplus, with respect to the book net amount of other deductions from equity (including exchange differences resulting from translating the financial statements of foreign operations, and unrealized gains or losses in the fair value of financial assets through other comprehensive income,) for the period in which it arises, an equivalent amount of special reserve shall be allocated from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period. If there remains any insufficiency, it shall be allocated from the undistributed earnings of the previous period. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and is thereafter distributed.

In the application of the fair value model to investment properties, the Company appropriated a special reserve at the amount that was the same as the net increase arising from the fair value measurement. Additional special reserve should be appropriated for subsequent net increases in fair value. The amount appropriated may be reversed to the extent that the cumulative net increases in fair value decrease or on disposal of investment properties. If investment properties are transferred to property, plant and equipment, the relevant special reserve will be reversed while recognizing depreciation subsequently.

e. Others equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ (2,918,038)	$ (4,649,384)
Exchange differences on translating the financial statements of foreign operations	332,978	619,751
Exchange differences arising on translation to the presentation currency	(427,089)	1,111,595
Balance at December 31	$ (3,012,149)	$ (2,918,038)

In 2021, the exchange rate of the RMB to NTD decreased from 4.3770 to 4.3440. In 2020, the exchange rate of the RMB to NTD increased from 4.3050 to 4.3770. Therefore, the changes in exchange differences arising on translation to the presentation currency were decreased $427,089 thousand and increased $1,111,595 thousand for the years ended December 31, 2021 and 2020, respectively.

2) Unrealized gains or losses on investments at fair value through other comprehensive income

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 280,075	$ (33,919)
Recognized for the year		
Unrealized gain/(loss) - debt instruments	(589,915)	(390,242)
Net remeasurement of loss allowance	284,678	721,102
Reclassification adjustments		
Disposal of investments in debt instruments	(135,438)	(7,878)
Effects of foreign currency exchange differences	(3,560)	(8,988)
Balance at December 31	$ (164,160)	$ 280,075

f. Non-controlling interests

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 78,030	$ 76,787
Attributable to non-controlling interests:		
Net income	(18)	(40)
Exchange differences on translating	(590)	1,283
Balance at December 31	$ 77,422	$ 78,030

23. OPERATING REVENUE AND OPERATING COSTS

	For the Year Ended December 31	
	2021	2020
Revenue from contracts with customers		
Revenue from the sale of real-estate	$ 2,223,754	$ 11,157,891
Rental income from commercial leasing	1,947,017	1,711,236
Revenue from the property management	384,508	312,217
Others	247,909	238,572
	$ 4,803,188	$ 13,419,916
Operating cost		
Cost from the sale of real-estate	$ 1,016,682	$ 6,957,382
Rental cost from commercial leasing	634,705	489,281
Cost from the property management	441,301	426,058
Others	43,202	24,692
	$ 2,135,890	$ 7,897,413

a. Contract balances

	December 31	
	2021	2020
Trade receivables (Note 10)	$ 573	$ -
Contract liabilities - current		
Proceeds received from the sale of real-estate	$ 5,433,900	$ 430,940

b. Assets related to contract costs

	December 31	
	2021	2020
Current		
Incremental costs of obtaining a contract	$ 53,672	$ 5,069

The Group has considered its past experience, and it believes that the commission paid for obtaining the contract is wholly recoverable. Commission expenses recognized in 2021 and 2020 were $118,371 thousand and $209,287 thousand, respectively.

24. CONSOLIDATED NET INCOME TO CONTINUING OPERATIONS

In addition to other notes, the consolidated net profit included the following items:

a. Depreciation and amortization

	For the Year Ended December 31	
	2021	2020
Property, plant and equipment	$ 62,714	$ 66,736
Right-of-use assets	8,164	8,052
Long-term prepaid expenses	2,465	1,703
	$ 73,343	$ 76,491
An analysis of depreciation by function		
Operating costs	$ 48,845	$ 41,728
Operating expenses	22,033	33,060
	$ 70,878	$ 74,788
An analysis of amortization by function		
Operating costs	$ 24	$ 36
Operating expenses	2,441	1,667
	$ 2,465	$ 1,703

b. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2021	2020
Direct operating expenses from investment properties generating rental income that generated rental income	$ 499,008	$ 419,297
Direct operating expenses from investment properties generating rental income that ungenerated rental income	118,973	58,864
	$ 617,981	$ 478,161

c. Employee benefits expense

	For the Year Ended December 31	
	2021	2020
Short-term benefits	$ 312,123	$ 361,213
Post-employment benefits	25,366	3,658
	$ 337,489	$ 364,871
An analysis of employee benefits expense by function		
Operating costs	$ 96,568	$ 89,851
Operating expenses	240,921	275,020
	$ 337,489	$ 364,871

d. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrued the compensation of employees and remuneration of directors at rates no higher than 3% of net profit before the current year's income tax, compensation of employees, and remuneration of directors.

The compensation of employees and the remuneration of directors and supervisors for the years ended December 31, 2021 and 2020, which had been resolved by the Company's board of directors on March 11, 2021 and March 12, 2020, were as follows:

Accrual rate

	For the Year Ended December 31	
	2021	2020
Compensation of employees	2.00%	1.88%
Remuneration of directors	2.00%	2.81%

Amount

	For the Year Ended December 31	
	2021	2020
Compensation of employees	$ 40,928	$ 53,133
Remuneration of directors	40,928	79,600

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

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

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

e. Interest income

	For the Year Ended December 31	
	2021	2020
Bank deposits	$ 155,226	$ 146,698
Investments in debt instruments at FVTOCI	501,592	948,542
Repurchase agreements collateralized by bills	277	-
	$ 657,095	$ 1,095,240

f. Other income

	For the Year Ended December 31	
	2021	2020
Dividend income	$ 84,274	$ 81,869

g. Other gains and losses

	For the Year Ended December 31	
	2021	2020
Gain (loss) on disposal of property, plant and equipment	$ (3,240)	$ (6,401)
Net foreign exchange gains (losses)	(26,637)	(345,982)
Fair value changes of financial assets mandatorily classified as at FVTPL	(50,421)	62,022
Expected credit loss arising from investments in debt instruments at FVTOCI	(284,678)	(721,102)
Net gain on disposal of investments in debt instruments at FVTOCI	135,438	7,878
Other gains	146,229	35,191
Other losses	(61,852)	(49,832)
	$ (145,161)	$ (1,018,226)

h. Finance costs

	For the Year Ended December 31	
	2021	2020
Interest on bank loans	$ 1,307,760	$ 1,440,876
Interest on lease liabilities	87	161
Less: Capitalized interest	(851,067)	(678,864)
	$ 456,780	$ 762,173

For the years ended December 31, 2021 and 2020, the capitalization rates were 2.37% and 2.21%, respectively.

25. 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	
	2021	2020
Current tax		
In respect of the current year		
Income tax	$ 307,855	$ 832,992
Land appreciation tax	325,379	887,498
	633,234	1,720,490
Adjustments for prior years	(51,967)	(13,757)
Others	7,027	6,692
	588,294	1,713,425
Deferred tax		
Deferred tax related to fair value changes of investment properties	146,337	(474,053)
Deferred tax related to other temporary differences	58,905	278,868
Income tax expense recognized in profit or loss	$ 793,536	$ 1,518,240

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

	For the Year Ended December 31	
	2021	2020
Profit before tax from continuing operations	$ 1,964,550	$ 2,695,595
Income tax expense calculated at the statutory rate	$ 420,117	$ 742,982
Tax effect of non-taxable revenue	(90,465)	(200,298)
Nondeductible expenses in determining taxable income	118,771	214,136
The origination and reversal of temporary differences	(1,303)	(236,105)
Land appreciation tax	325,379	887,498
Adjustments for prior years' tax	(51,967)	(13,757)
Withholding tax	65,977	117,092
Others	7,027	6,692
Income tax expense recognized in profit or loss	$ 793,536	$ 1,518,240

The tax rate applicable to subsidiaries in China is 25%. The tax rate applicable to subsidiaries in Hong Kong is 16.5%. For other jurisdictions, taxes are calculated using the applicable tax rate for each individual jurisdiction.

In accordance with the Enterprise Income Tax Law of the People's Republic of China which was promulgated in 2008, and arrangement between mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, when a foreign enterprise distributes dividends to a Hong Kong company and meets certain conditions, it will be subject to a withholding tax rate of 5%.

b. Current tax assets and liabilities

	December 31	
	2021	2020
Current tax assets (included in other current assets)		
Income tax	$ 2,578	$ 6,140
Land appreciation tax	291,739	92,123
	$ 294,317	$ 98,263
Current tax liabilities		
Income tax	$ 100,233	$ 226,138
Land appreciation tax	1,418,564	1,453,025
	$ 1,518,797	$ 1,679,163

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2021

	Opening Balance	Changes	Closing Balance
Deferred tax assets			
Loss carryforwards	$ 143,271	$ (24,256)	$ 119,015
Land appreciation taxes	301,358	7,664	309,022
Advance receipts of real-estate sale	44,994	143,368	188,362
Interest expenses	61,399	(52,479)	8,920
Construction payables	60,403	(58,964)	1,439
Allowance for loss on decline in value of inventory	1,857	(1,857)	-
Depreciation and amortization	2,367	310	2,677
Others	24,969	(8,337)	16,632
	$ 640,618	$ 5,449	$ 646,067
Deferred tax liabilities			
Investment properties	$ 6,799,669	$ 95,162	$ 6,894,831
Costs of development	43,442	(2,472)	40,970
Unrealized exchange gains	1,154	(9)	1,145
Rent-free periods	71,334	4,414	75,748
Withholding tax	1,378,938	55,622	1,434,560
Others	1,040	388	1,428
	$ 8,295,577	$ 153,105	$ 8,448,682

For the year ended December 31, 2020

	Opening Balance	Changes	Closing Balance
Deferred tax assets			
Loss carryforwards	$ 213,398	$ (70,127)	$ 143,271
Land appreciation taxes	255,169	46,189	301,358
Advance receipts of real-estate sale	165,484	(120,490)	44,994
Interest expenses	42,541	18,858	61,399
Construction payables	11,075	49,328	60,403
Allowance for loss on decline in value of inventory	1,839	18	1,857
Depreciation and amortization	7,004	(4,637)	2,367
Others	72,256	(47,287)	24,969
	$ 768,766	$ (128,148)	$ 640,618
Deferred tax liabilities			
Investment properties	$ 7,164,447	$ (364,778)	$ 6,799,669
Costs of development	26,807	16,635	43,442
Unrealized exchange gains	1,205	(51)	1,154
Rent-free periods	61,780	9,554	71,334
Withholding tax	1,238,527	140,411	1,378,938
Others	1,285	(245)	1,040
	$ 8,494,051	$ (198,474)	$ 8,295,577

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

	December 31	
	2021	2020
Loss carryforwards	$ 123,610	$ 80,628

e. PRC Land Appreciation Tax

According to the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on Land Appreciation Tax effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

In accordance with the requirements of the local tax bureau, the Group was required to pay for part of the Land Appreciation Tax in advance for the pre-sale and sale of real-estate in China (included in other current assets).

26. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Year Ended December 31	
	2021	**2020**
Basic earnings per share	$ 0.67	$ 0.68
Diluted earnings per share	$ 0.67	$ 0.67

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 period

	For the Year Ended December 31	
	2021	**2020**
Earnings used in the computation of basic earnings per share from continuing operations	$ 1,171,032	$ 1,177,395
Earnings used in the computation of diluted earnings per share from continuing operations	$ 1,171,032	$ 1,177,395

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

	For the Year Ended December 31	
	2021	**2020**
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,740,297	1,740,297
Effect of dilutive potentially ordinary shares		
Remuneration of employees	3,437	6,071
Weighted average number of ordinary shares used in the computation of diluted earnings per share	1,743,734	1,746,368

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.

27. 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. The Group maintains a consistent strategy.

The Group reviews the adequacy of its capital structure on semi-annual basis. The board of directors determines the reasonable proportion of the capital structure based on the cost of capital and the risks associated with each class of capital. 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 and the amount of new debt issued.

The leverage ratios at the end of the financial reporting period were as follows:

	December 31	
	2021	**2020**
Liabilities (borrowings)	$ 39,963,390	$ 48,708,904
Cash and cash equivalents	6,953,823	6,776,782
Net liabilities	$ 33,009,567	$ 41,932,122
Equity to attributable owners of the Company	$ 52,617,989	$ 54,073,659
Net liabilities to equity ratio	63%	78%

28. FINANCIAL INSTRUMENTS

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

The management of the Group considered that the carrying amounts of financial assets at amortized cost and financial liabilities at amortized cost not measured at fair value approximate to their fair values.

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

1) Fair value hierarchy

December 31, 2021

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at FVTPL				
Non-derivative financial assets				
Foreign listed shares	$ 2,116,209	$ -	$ -	$ 2,116,209
Foreign private funds	-	-	318,357	318,357
Traded fund beneficiary certificates	665,653	-	-	665,653
	$ 2,781,862	$ -	$ 318,357	$ 3,100,219
Financial liabilities at FVTPL				
Derivative financial liabilities				
Interest rate swap contracts	$ -	$ 163,168	$ -	$ 163,168
Financial assets at FVTOCI				
Investments in debt instruments				
Bonds	$ -	$ 7,872,036	$ -	$ 7,872,036

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets				
Foreign listed shares	$ 3,057,462	$ -	$ -	$ 3,057,462
Financial products	-	504,941	-	504,941
Foreign private funds	-	-	247,889	247,889
Traded fund beneficiary certificates	710,974	-	-	710,974
	$ 3,768,436	$ 504,941	$ 247,889	$ 4,521,266
Financial liabilities at FVTPL				
Derivative financial liabilities				
Interest rate swap contracts	$ -	$ 454,614	$ -	$ 454,614
Financial assets at FVTOCI				
Investments in debt instruments				
Bonds	$ -	$ 18,966,974	$ -	$ 18,966,974

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

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

Financial assets at FVTPL - private funds

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 247,889	$ 245,237
Purchases	3,309	3,527
Recognized in profit or loss (included in other gains and losses) - unrealized	75,511	11,653
Effects of foreign currency exchange differences	(8,352)	(12,528)
Balance at December 31	$ 318,357	$ 247,889
Unrealized gain (loss) for the current year included in profit or loss relating to assets held at the end of the year	$ 75,511	$ 11,653

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

Financial Instruments	Valuation Techniques and Inputs
Derivatives - interest rate swap contracts	Measured by the interest rate provided by the quotation system from financial institutions.
Investments in debt instruments	Measured by the prices of bond market provided by the quotation system from financial institutions.
Financial products	Discounted cash flow: Future cash flows are estimated based on observable forward interest rates at the end of the reporting period and discounted at a market rate.

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

The fair values of foreign private funds are based on the net asset value report that was provided by the fund management company. The significant unobservable input is the discount for lack of marketability of 15% adopted by the Group on December 31, 2021 and 2020. If the discount for lack of marketability increased (decreased) by 1% while all the other variables were held constant, the fair value of the bond would have decreased (increased) approximately by $3,788 thousand and $3,016 thousand, respectively.

c. Categories of financial instruments

	December 31	
	2021	**2020**
Financial assets		
Financial assets at amortized cost (Note 1)	$ 7,906,788	$ 8,222,039
Financial assets at FVTPL - mandatorily at FVTPL	3,100,219	4,521,266
Financial assets at FVTOCI - investment in debt instruments	7,872,036	18,966,974
Financial liabilities		
FVTPL		
Held for trading	163,168	454,614
Financial liabilities at amortized cost (Note 2)	42,154,533	51,169,623

Note 1: The balance included financial assets measured at amortized cost, which comprise cash and cash equivalents, net trade receivables, other receivables, and other current financial assets.

Note 2: The balance included financial liabilities measured at amortized cost, which comprise short-term borrowings, trade payables, other payables, other financial liabilities, current portion of long-term borrowings and long-term borrowings.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, traded fund beneficiary certificates, foreign private funds, trade receivables, interest rate swap contracts, trade payables and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors 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 are market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The management monitors risks and policies implemented in accordance with their responsibilities to mitigate risk exposures.

1) Market risk

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

There was no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group conducts foreign currency transactions, which exposed the Group to foreign currency risk. For the management of foreign currency risk, the responsible department of the Group regularly reviews the position of assets and liabilities affected by exchange rate and makes appropriate adjustments to control the risks arising from foreign exchange fluctuations.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 32.

Foreign currency sensitivity analysis

The Group was mainly exposed to the impact of exchange rate fluctuations in the USD against the CNY, the EUR against the USD and the HKD against the USD. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The number below indicates an increase (a decrease) in pre-tax profit as a result of a 1% change in the USD against the CNY, EUR against the USD and HKD against the USD.

	For the Year Ended December 31	
	2021	**2020**
Profit or loss (before tax)	$ (36,726)	$ (71,321)

b) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate time deposits, repurchase agreements collateralized by bills, financial assets at FVTPL - financial products and financial assets at FVOCI - investments in debt instruments. The Group is exposed to cash flow interest rate risk in relation to floating-rate demand deposits (including restricted bank deposits) and bank loans.

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:

	December 31	
	2021	**2020**
Fair value interest rate risk		
Financial assets	$ 9,553,905	$ 20,486,885
Cash flow interest rate risk		
Financial assets	5,710,308	7,584,469
Financial liabilities	39,963,390	48,708,904

Interest rate sensitivity analysis

For financial assets and financial liabilities with floating interest rates, the Group uses a 0.5% increase or decrease as a reasonable risk assessment for reporting interest rate changes to management. If interest rates had been 0.5% higher and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2021 and 2020 would decrease by $171,265 thousand and $205,622 thousand, respectively.

For financial assets and financial liabilities with fixed interest rates, the Group uses a 0.5% increase or decrease as a reasonable risk assessment for reporting fair value changes to management. If interest rates had been 0.5% higher and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2021 and 2020 would decrease by

$2,072 thousand and $1,871 thousand, respectively, and the Group's other comprehensive income for the years ended December 31, 2021 and 2020 would decrease by $50,799 thousand and $247,769 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities.

If equity prices had been 0.5% higher/lower, pre-tax profit for the years ended December 31, 2021 and 2020 would have increased/decreased by $10,581 thousand and $15,287 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Group, could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group's trade receivables were mainly in China. The Group transacts with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

3) Liquidity risk

The Group has built an appropriate liquidity risk management framework for short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, and continuously monitoring forecasted and actual cash flows as well as matching the maturity profiles of financial assets and liabilities.

a) Liquidity risk tables

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Company can be required to pay.

Bank loans with a repayment on demand clause were included in the earliest time frame 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 repayment dates.

December 31, 2021

	On Demand or Less than 3 Months	3 Months to 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Interest bearing						
Borrowings	$ 18,609,405	$ 3,354,808	$ 10,239,340	$ 5,516,404	$ 2,243,433	$ 39,963,390
Other accounts payable - interest (Note 1)	203,145	457,193	571,020	743,355	182,970	2,157,683
Lease liabilities	414	608	-	-	-	1,022
Non-interest bearing						
Accounts payable and other accounts payable	1,062,286	130,246	3,754	138,095	-	1,334,381
Guarantee deposits received (Note 2)	307,826	106,365	148,547	213,140	80,884	856,762

December 31, 2020

	On Demand or Less than 3 Months	3 Months to 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Interest bearing						
Borrowings	$ 569,816	$ 3,006,614	$ 29,420,004	$ 13,856,049	$ 1,856,421	$ 48,708,904
Other accounts payable - interest (Note 1)	399,922	1,199,766	733,907	747,521	120,123	3,201,239
Lease liabilities	417	1,252	1,030	-	-	2,699
Non-interest bearing						
Accounts payable and other accounts payable	1,135,887	226,634	96,262	140,863	-	1,599,646
Guarantee deposits received (Note 2)	263,836	121,455	173,598	239,898	62,286	861,073

Note 1: It is estimated on the basis of interest-bearing loan balance and interest rate at the end of the reporting period.

Note 2: The amounts presented in other financial liabilities.

The amounts included above for variable interest rate instruments of non-derivative financial liabilities is subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

	December 31	
	2021	2020
Secured bank loan facility:		
Amount used	$ 45,842,770	$ 56,186,745
Amount unused	11,458,669	17,520,529
	$ 57,301,439	$ 73,707,274

29. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below:

a. Related parties and relationships

Related Party	Relationship with the Group
Jason C.S. Chang	Related party in substance
An Yee Jennifer Fung	Key management personnel
Hung Ching Development & Construction Co., Ltd.	Related party in substance

b. Contract liabilities

Related Party Category/Name	December 31 2021	December 31 2020
Key management personnel - An Yee Jennifer Fung	$ 331	$ -

c. Lease arrangements - the Group is lessee

Related Party Category/Name	For the Year Ended December 31 2021	For the Year Ended December 31 2020
Lease expense		
Related party in substance - Hung Ching Development & Construction Co., Ltd.	$ 200	$ -

The Group leased office space from its related party in substance in April 2021. The lease term of the contract was 1 year, the rental is based on the market rental rates of similar assets and fixed lease payments are paid monthly.

Lease expenses are for short-term leases. Future lease payables related to short-term leases are as follows:

	December 31 2021	December 31 2020
Future lease payables	$ 1,020	$ -

d. Endorsements and guarantees

Endorsements and guarantees given by related parties

Related Party Category/Name	December 31 2021	December 31 2020
Related party in substance - Jason C.S. Chang		
Amount endorsed	$ 18,279,360	$ 18,849,270
Amount utilized	18,279,360	18,849,270

e. Remuneration of directors and key management personnel

	For the Year Ended December 31 2021	For the Year Ended December 31 2020
Short-term benefits	$ 94,403	$ 115,032
Post-employment benefits	$ 1,506	$ 1,026

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals, in reference to peer salary level and market trends.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The Group's assets mortgaged or pledged as collateral for bank loans or deposits for real-estate sales were as follows:

	December 31	
	2021	2020
Restricted bank deposits - current (Note)	$ 438,713	$ 407
Restricted bank deposits - non-current (Note)	-	807,628
Financial assets at fair value through profit or loss - current	2,116,209	3,057,462
Financial assets at fair value through other comprehensive income - current	4,333,076	1,831,682
Financial assets at fair value through other comprehensive income - non-current	2,789,266	15,311,350
Inventories	30,250,160	22,994,361
Investment properties	5,629,824	17,265,939

Note: Included in other financial assets.

31. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group at the end of reporting period were as follows:

a. As of December 31, 2021 and 2020, the Group had signed construction contracts but not yet paid for $5,679,371 thousand and $6,893,604 thousand, respectively.

b. The Group's subsidiary, Chongqing Dinggu Real Estate Development Co., Ltd., made an agreement with another company to renovate its investment property - Chongqing Sun Moon Light Centre. According to the agreement signed on June 21, 2021, Chongqing Dinggu Real Estate Development Co., Ltd. will pay the consulting fee, and the maximum fee is RMB20,530 thousand (equivalent to NT$89,182 thousand). Chongqing Dinggu Real Estate Development Co., Ltd. will lease the whole investment property to the lessee and the lessee will operate the shopping mall and manage the property after the renovation.

c. The subsidiaries of the Group are real-estate developers in China. They provide guarantees for bank loans made by house buyers (including natural or juridical persons). If a buyer breached a mortgage contract, the subsidiaries of the Group will only return the received amount of mortgage to the banks. Accordingly, the Group is not exposed to the risk of significant contingent loss from the guarantee. The guarantee is only an industry characteristic of the real-estate industry in China, and from the perspective of economic substance, the guarantee does not have a 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 guarantees for its buyers provided by the subsidiaries are more similar to an escrow, instead of endorsement as defined in the Regulations.

32. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's carrying amounts of major financial assets and liabilities denominated in foreign currencies at the end of the reporting period were as follows:

December 31, 2021

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
EUR	$ 7,361	1.1315 (EUR:USD)	$ 230,679
HKD	788	0.1281 (HKD:USD)	2,797
RMB	17	0.1568 (RMB:USD)	74
Financial liabilities			
Monetary items			
USD	965	6.3757 (USD:RMB)	26,727
EUR	7,387	1.1315 (EUR:USD)	231,494
HKD	1,027,505	0.1281 (HKD:USD)	3,646,615
RMB	312	0.1568 (RMB:USD)	1,355

December 31, 2020

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 11	6.5249 (USD:RMB)	$ 314
EUR	19,859	1.2296 (EUR:USD)	697,384
HKD	208	0.1286 (HKD:USD)	764
RMB	17	0.1533 (RMB:USD)	74
Financial liabilities			
Monetary items			
USD	100	28.5595 (USD:NTD)	2,856
EUR	19,562	1.2296 (EUR:USD)	686,954
HKD	1,941,483	0.1286 (HKD:USD)	7,131,067
NTD	2,902	0.0350 (NTD:USD)	2,902
RMB	1,558	0.1533 (RMB:USD)	6,819

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2021		2020	
Functional Currency	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange (Loss) Gain
USD	6.4714 (USD:RMB)	$ (7,103)	6.8976 (USD:RMB)	$ 1,827
EUR	1.1839 (EUR:USD)	$ (1,004)	1.2169 (EUR:USD)	$ (218,607)
HKD	7.7738 (USD:HKD)	$ 16,445	7.7528 (USD:HKD)	$ (42,521)
NTD	0.0357 (NTD:USD)	$ (34,975)	0.0339 (NTD:USD)	$ (86,681)

33. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and investees, and

b. Information on investees:

1) Financing provided to others: Table 1

2) Endorsements/guarantees provided to others: Table 2

3) Marketable securities held: Table 3

4) 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

5) Acquisition of individual real-estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 5

6. Disposal of individual real-estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: None

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None

9) Information on investees: Table 6

10) Trading in derivative instruments: Note 7

11) Intercompany relationships and significant intercompany transactions: Table 7

c. Information on investments in mainland China:

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the mainland China area: Table 8

2) Regarding the amount and percentage of purchases and sales; the balance and percentage of the related payables and receivables; the amount of property transactions and the amount of the resultant gains or losses with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None

3) The balance of negotiable instrument endorsements or guarantees or pledges of collateral with investee companies in mainland China, either directly or indirectly through a third region: Table 2

4) The highest balance, the end of period balance, the interest rate range, and the total current period interest with respect to financing of funds with investee companies in mainland China, either directly or indirectly through a third area: Table 1

5) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

d. Information of major shareholders: list all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 9

34. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments under IFRS 8 "Operating Segments" were real-estate sales, commercial leasing, property management and others.

a. Segment revenues and results

	Real-estate Sales	Commercial Leasing (Note)	Property Management	Others	Total
For the year ended December 31, 2021					
Revenues from external customers	$ 2,223,754	$ 1,947,017	$ 384,508	$ 247,909	$ 4,803,188
Inter-segment revenues	-	-	35,815	30,837	66,652
Segment revenues	$ 2,223,754	$ 1,947,017	$ 420,323	$ 278,746	4,869,840
Eliminations					(66,652)
Consolidated revenue					4,803,188
Operating profit (loss)	$ 1,207,072	$ 1,125,317	$ (56,793)	$ 204,707	2,480,303
Operating expenses					(655,181)
Non-operating income and expenses					139,428
Profit before tax (continuing operations)					$ 1,964,550
For the year ended December 31, 2020					
Revenues from external customers	$ 11,157,891	$ 1,711,236	$ 312,217	$ 238,572	$ 13,419,916
Inter-segment revenues	-	-	22,199	11,482	33,681
Segment revenues	$ 11,157,891	$ 1,711,236	$ 334,416	$ 250,054	13,453,597
Eliminations					(33,681)
Consolidated revenue					13,419,916
Operating profit (loss)	$ 4,200,509	$ (238,271)	$ (113,841)	$ 213,880	4,062,277
Operating expenses					(763,392)
Non-operating income and expenses					(603,290)
Profit before tax (continuing operations)					$ 2,695,595

Note: The operating profit and loss amount of the department includes the gain (loss) on change in fair value of investment properties (the losses for the years ended December 31, 2021 and 2020 were $186,995 thousand and $1,460,226 thousand, respectively.)

The terms of inter-segment transactions are determined based on negotiations.

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, investment income, finance costs, impairment of assets or reversal income, non-operating income and expenses and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Other segment information

Other information reviewed by the chief operating decision maker or regularly provided to the chief operating decision maker was as follows:

	Real-estate Sales	Commercial Leasing	Property Management	Others	Total
For the year ended December 31, 2021					
Amounts of additions to non-current assets (Note)	$ 705	$ 32,340	$ 1,514	$ 1,406	$ 35,965
Depreciation and amortization	(19,461)	(49,492)	(2,397)	(1,993)	(73,343)
For the year ended December 31, 2020					
Amounts of additions to non-current assets (Note)	6,765	848,454	15,811	302	871,332
Depreciation and amortization	(19,078)	(53,989)	(1,493)	(1,931)	(76,491)

Note: Non-current assets exclude assets related to financial instruments and deferred tax assets.

c. Revenue from major products and services

	For the Year Ended December 31	
	2021	2020
Proceeds received from the sale of real-estate	$ 2,223,754	$ 11,157,891
Rental income from commercial leasing	1,947,017	1,711,236
Revenue from the property management	384,508	312,217
Others	247,909	238,572
	$ 4,803,188	$ 13,419,916

d. Geographical financial information

The Group's principal geographical area is mainland China. It mainly engaged in the investment and development of real-estate, the sale of property and the leasing of property. Non-current assets excluding deferred income tax assets are also located in China.

e. Information about major customers

Out of the total revenue of $4,803,188 thousand and $13,419,916 thousand for the years ended December 31, 2021 and 2020, respectively, approximately $265,544 thousand and $236,223 thousand arose from sales to the Group's largest customer. No other single customers contributed 10% or more to the Group's revenue for both years.

35. SUMMARY OF SIGNIFICANT DIFFERENCES IN ACCOUNTING TREATMENTS BETWEEN TIFRS AND IFRS

The Group's consolidated balance sheets as of December 31, 2021 and 2020, consolidated income statements, consolidated statements of changes in equity and consolidated statements of cash flow for the years ended December 31, 2021 and 2020 were prepared in accordance with IFRS, and there is no material difference with the main accounting treatment of International Financial Reporting Standards as endorsed in the Republic of China (TIFRS).

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Related Parties	Maximum Balance for the Period	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 (Note 1)	Financing Company's Financing Amount Limits (Note 1)
													Item	Value		
1	Wealthy Joy Co., Ltd.	Easy Rise Development Ltd.	Other receivables	Yes	$ 2,436,846	$ 110,640	$ 98,193	-	Short-term financing	$ -	Needs for operation	$ -	-	$ -	$ 25,984,717	$ 51,969,434
		Long Tech Investments Ltd.	Other receivables	Yes	1,493,640	746,820	728,011	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Noble World International Ltd.	Other receivables	Yes	1,853,220	1,853,220	1,839,528	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Peak Paramount International Ltd.	Other receivables	Yes	5,532	2,766	360	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Peak Vision International Ltd.	Other receivables	Yes	4,428,366	2,600,040	2,002,446	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Realty Gain Ltd.	Other receivables	Yes	580,860	276,600	273,281	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Bond Capital Ltd.	Other receivables	Yes	912,780	-	-	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Fullrich Investment Development Ltd.	Other receivables	Yes	5,421,360	2,655,360	2,650,658	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Imperial Corporation Ltd.	Other receivables	Yes	843,630	13,830	277	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
		Time On Investment Ltd.	Other receivables	Yes	4,968,224	553,200	456,390	-	Short-term financing	-	Needs for operation	-	-	-	25,984,717	51,969,434
2	Follow International Ltd.	Wealthy Joy Co., Ltd.	Other receivables	Yes	4,149,000	4,149,000	3,402,626	-	Short-term financing	-	Needs for operation	-	-	-	7,674,174	7,674,174
3	Time On Investment Ltd.	Wealthy Joy Co., Ltd.	Other receivables	Yes	27,660	27,660	-	-	Short-term financing	-	Needs for operation	-	-	-	8,626,695	8,626,695
4	Shanghai Ming Long Construction and Development Co., Ltd.	Shanghai Ding Gu Properties Co., Ltd.	Other receivables	Yes	217,200	-	-	-	Short-term financing	-	Needs for operation	-	-	-	12,816,033	12,816,033
		Shanghai Ding Xin Properties Co., Ltd.	Other receivables	Yes	260,640	130,320	130,320	4.2750%	Short-term financing	-	Needs for operation	-	-	-	12,816,033	12,816,033
		Chongqing Dinggu Real Estate Development Co., Ltd.	Other receivables	Yes	2,845,320	1,542,120	1,542,120	4.2750%	Short-term financing	-	Needs for operation	-	-	-	12,816,033	12,816,033
		Shanghai Ding Jia Real Estate Development Co., Ltd.	Other receivables	Yes	412,680	412,680	406,164	4.2750%	Short-term financing	-	Needs for operation	-	-	-	12,816,033	12,816,033
		Shanghai Hong Xiang Land Investment Co., Ltd.	Other receivables	Yes	390,960	390,960	347,520	4.2750%	Short-term financing	-	Needs for operation	-	-	-	12,816,033	12,816,033
		Shanghai Ding Rong Real Estate Development Co., Ltd.	Other receivables	Yes	1,520,400	1,303,200	1,303,200	4.2750%	Short-term financing	-	Needs for operation	-	-	-	12,816,033	12,816,033

(Continued)

No.	Financing Company	Borrower	Financial Statement Account	Related Parties	Maximum Balance for the Period	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 (Note 1)	Financing Company's Financing Amount Limits (Note 1)
													Item	Value		
5	Wuxi Ding Gu Real Estate Development Co., Ltd.	Kunshan Ding Yao Real Estate Development Co., Ltd.	Other receivables	Yes	$ 347,520	$ -	$ -	-	Short-term financing	$ -	Needs for operation	$ -	-	$ -	$ 2,632,116	$ 2,632,116
		Chongqing Dinggu Real Estate Development Co., Ltd.	Other receivables	Yes	217,200	217,200	217,200	4.2750%	Short-term financing	-	Needs for operation	-	-	-	2,632,116	2,632,116
		Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	434,400	304,080	304,080	4.2750%	Short-term financing	-	Needs for operation	-	-	-	350,949	350,949
6	Shanghai Ding Tong Real Estate Development Co., Ltd.	Shanghai Ding Jia Real Estate Development Co., Ltd.	Other receivables	Yes	477,840	477,840	434,400	4.2750%	Short-term financing	-	Needs for operation	-	-	-	5,870,526	5,870,526
7	Shanghai Dingyi Real Estate Development Co., Ltd.	Shanghai Ding Rong Real Estate Development Co., Ltd.	Other receivables	Yes	4,257,120	2,302,320	2,172,000	4.2750%	Short-term financing	-	Needs for operation	-	-	-	14,105,829	14,105,829
		Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	1,520,400	1,520,400	1,520,400	4.2750%	Short-term financing	-	Needs for operation	-	-	-	1,880,777	1,880,777
8	Shanghai Ding Gu Properties Co., Ltd.	Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	130,320	130,320	130,320	4.2750%	Short-term financing	-	Needs for operation	-	-	-	1,293,088	1,293,088

Note 1: Financing between subsidiaries directly or indirectly holding 100% of voting shares, the financing limits for each borrowing company and the aggregate financing limit of the Company should not exceed 300% of the net value of the subsidiaries on September 30, 2021, the financing limit for each borrowing company and the aggregate financing limit of the Company should not exceed 50% and 100% of the net value of the Company, respectively.

Note 2: Amount was eliminated based on the audited financial statements.

(Concluded)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party	Maximum Balance for the Period	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
		Name	Nature of Relationship										
0	Sino Horizon Holdings Limited	Follow International Ltd.	100% voting shares indirect owned by the company	$ 103,938,868 (Note)	$ 36,511,200 (US$ 1,320,000 thousand)	$ 36,511,200 (US$ 1,320,000 thousand)	$ 18,255,600 (US$ 660,000 thousand)	$ 36,511,200 (US$ 1,320,000 thousand)	70.26	$ 103,938,868 (Note)	Yes	No	No
		Wealthy Joy Co., Ltd.	100% voting shares direct owned by the company	103,938,868 (Note)	1,086,000 (RMB 250,000 thousand)	1,086,000 (RMB 250,000 thousand)	- (RMB - thousand)	1,086,000 (RMB 250,000 thousand)	2.09	103,938,868 (Note)	Yes	No	No
		Time On Investment Ltd.	100% voting shares indirect owned by the company	103,938,868 (Note)	6,085,200 (US$ 220,000 thousand)	6,085,200 (US$ 220,000 thousand)	4,176,660 (US$ 151,000 thousand	6,085,200 (US$ 220,000 thousand)	11.71	103,938,868 (Note)	Yes	No	No
		Noble World International Ltd.	100% voting shares indirect owned by the company	103,938,868 (Note)	2,212,800 (US$ 80,000 thousand)	2,212,800 (US$ 80,000 thousand)	- (US$ - thousand)	2,212,800 (US$ 80,000 thousand)	4.26	103,938,868 (Note)	Yes	No	No

Note: When the Company endorsed or guaranteed for 100% owned subsidiaries, the limit amount for each guaranteed party and the maximum total endorsement/guarantee both should not exceed 200% of the Company's net worth on September 30, 2020.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Bonds							
Wealthy Joy Co., Ltd.	ABN AMRO BANK NV	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,033 thousand	Not applicable	US$ 2,033 thousand	
	ADANI ABBOT POINT TERMINAL PTY LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 3,842 thousand	Not applicable	US$ 3,842 thousand	
	AGILE GROUP HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,198 thousand	Not applicable	US$ 1,198 thousand	
	BANCO SANTANDER MEXICO SA	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,048 thousand	Not applicable	US$ 2,048 thousand	
	BANGKOK BANK PUBLIC CO. LIMIT	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,041 thousand	Not applicable	US$ 2,041 thousand	
	BANK OF BARODA LONDON BRANCH	-	Financial assets at fair value through other comprehensive income - current	-	US$ 503 thousand	Not applicable	US$ 503 thousand	
	BNP PARIBAS S.A FRANCE	-	Financial assets at fair value through other comprehensive income - current	-	US$ 505 thousand	Not applicable	US$ 505 thousand	
	BOC AVIATION LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 504 thousand	Not applicable	US$ 504 thousand	
	CDBL FUNDING 2	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,019 thousand	Not applicable	US$ 2,019 thousand	
	CFLD (CAYMAN) INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 539 thousand	Not applicable	US$ 539 thousand	
	CGNPC INTERNATIONAL LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,033 thousand	Not applicable	US$ 2,033 thousand	
	CHINA EVERGRANDE GROUP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,648 thousand	Not applicable	US$ 1,648 thousand	
	CHINA GREAT WALL INTL HLDS III LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,018 thousand	Not applicable	US$ 2,018 thousand	
	CHINA OVERSEAS FIN(CAYMAN) V LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,630 thousand	Not applicable	US$ 1,630 thousand	
	CHINA SCE GROUP HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,916 thousand	Not applicable	US$ 1,916 thousand	
	CHINA SCE GROUP HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,497 thousand	Not applicable	US$ 2,497 thousand	
	CHOUZHOU INTERNATIONAL INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 505 thousand	Not applicable	US$ 505 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	CHOUZHOU INTTL INV LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 3,029 thousand	Not applicable	US$ 3,029 thousand	
	CICC HONG KONG FINANCE	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,800 thousand	Not applicable	US$ 1,800 thousand	
	CIFI HOLDINGS GROUP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 8,997 thousand	Not applicable	US$ 8,997 thousand	
	CIFI HOLDINGS GROUP CO LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 992 thousand	Not applicable	US$ 992 thousand	
	CIMIC FINANCE USA PTY LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 3,815 thousand	Not applicable	US$ 3,815 thousand	
	CNAC HK FINBRIDGE COMPANY LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,015 thousand	Not applicable	US$ 2,015 thousand	
	COSCO FINANCE COMPANY LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,048 thousand	Not applicable	US$ 2,048 thousand	
	COSL FINANCE BVI LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,026 thousand	Not applicable	US$ 2,026 thousand	
	COUNTRY GARDEN HLDG CO	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,000 thousand	Not applicable	US$ 1,000 thousand	
	EASY TACTIC LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 531 thousand	Not applicable	US$ 531 thousand	
	ENN ENERGY HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,021 thousand	Not applicable	US$ 2,021 thousand	
	EURASIAN DEVELOPMENT BANK	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,103 thousand	Not applicable	US$ 2,103 thousand	
	FORD MOTOR CREDIT CO LLC	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,500 thousand	Not applicable	US$ 1,500 thousand	
	FUJIAN ZHANGLONG GROUP LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 822 thousand	Not applicable	US$ 822 thousand	
	GAZPROM OAO VIA GAZ CAPITAL SA	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,019 thousand	Not applicable	US$ 1,019 thousand	
	GEMDALE EVER PROSPERITY INV LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,995 thousand	Not applicable	US$ 1,995 thousand	
	GEMDALE EVER PROSPERITY INVESTMENT LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,394 thousand	Not applicable	US$ 1,394 thousand	
	GOVERNMENT OF MONGOLIA GOVERNMENT BOND	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,043 thousand	Not applicable	US$ 2,043 thousand	
	HBIS GROUP HONG KONG CO., LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 552 thousand	Not applicable	US$ 552 thousand	
	HONGKONG INTERNATIONAL (QINGDAO) COMPANY LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 807 thousand	Not applicable	US$ 807 thousand	
	HPHT FINANCE	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,021 thousand	Not applicable	US$ 2,021 thousand	
	HUARONG UNIVERSE INVESTMENT HOLDING	-	Financial assets at fair value through other comprehensive income - current	-	US$ 8,323 thousand	Not applicable	US$ 8,323 thousand	
	HYUNDAI CAPITAL AMERICA	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,037 thousand	Not applicable	US$ 2,037 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	HYUNDAI CAPITAL SERVICES INC	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,518 thousand	Not applicable	US$ 1,518 thousand	
	ICBCIL FINANCE CO LTD CHINA	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,030 thousand	Not applicable	US$ 2,030 thousand	
	KASIKORNBANK PCL HONG KONG	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,007 thousand	Not applicable	US$ 2,007 thousand	
	KWG GROUP HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 492 thousand	Not applicable	US$ 492 thousand	
	KWG GROUP HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 603 thousand	Not applicable	US$ 603 thousand	
	KWG PROPERTY HOLDING LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,581 thousand	Not applicable	US$ 1,581 thousand	
	LLOYDS BANKING GROUP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,019 thousand	Not applicable	US$ 2,019 thousand	
	LOGAN PROPERTY HOLDINGS CO LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 199 thousand	Not applicable	US$ 199 thousand	
	LOGAN PROPERTY HOLDINGS COMPANY	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,983 thousand	Not applicable	US$ 1,983 thousand	
	LONGFOR PROPERTIES	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,017 thousand	Not applicable	US$ 2,017 thousand	
	MIZUHO FINANCIAL GRP (CAYMAN)2 LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,040 thousand	Not applicable	US$ 2,040 thousand	
	MORGAN STANLEY	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,068 thousand	Not applicable	US$ 2,068 thousand	
	NANJING YANGZI STATE OWNED INVESTMENT GROUP CO LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 407 thousand	Not applicable	US$ 407 thousand	
	NEW METRO GLOBAL LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 709 thousand	Not applicable	US$ 709 thousand	
	NISSAN MOTOR ACCEPTANCE CORP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,314 thousand	Not applicable	US$ 1,314 thousand	
	NORDEA BANK ABP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,025 thousand	Not applicable	US$ 1,025 thousand	
	NUOXI CAPITAL LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,700 thousand	Not applicable	US$ 1,700 thousand	
	OMAN GOV INTERNATIONAL BOND	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,005 thousand	Not applicable	US$ 1,005 thousand	
	PERTAMINA PERSERO	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,918 thousand	Not applicable	US$ 1,918 thousand	
	PERTAMINA PT	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,028 thousand	Not applicable	US$ 2,028 thousand	
	PERUSAHAAN PENERBIT	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,048 thousand	Not applicable	US$ 2,048 thousand	
	PETROLEOS MEXICANOS	-	Financial assets at fair value through other comprehensive income - current	-	US$ 5,011 thousand	Not applicable	US$ 5,011 thousand	
	REPUBLIC OF INDONESIA GOVERNMENT	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,017 thousand	Not applicable	US$ 2,017 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	REPUBLIC OF SOUTH AFRICA	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,044 thousand	Not applicable	US$ 2,044 thousand	
	RONGSHI INTERNATIONAL FINANCE LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 201 thousand	Not applicable	US$ 201 thousand	
	RONSHINE CHINA HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 863 thousand	Not applicable	US$ 863 thousand	
	ROSNEFT OIL CO VIA ROSNEFT	-	Financial assets at fair value through other comprehensive income - current	-	US$ 3,618 thousand	Not applicable	US$ 3,618 thousand	
	ROYAL BK SCOTLAND	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,301 thousand	Not applicable	US$ 2,301 thousand	
	SIAM COMMERCIAL BANK PUBLIC CO LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,923 thousand	Not applicable	US$ 1,923 thousand	
	SINOCHEM OFFSHORE CAPITAL	-	Financial assets at fair value through other comprehensive income - current	-	US$ 655 thousand	Not applicable	US$ 655 thousand	
	SINO-OCEAN LAND TREASURE IV LIMITED	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,996 thousand	Not applicable	US$ 1,996 thousand	
	SINO-OCEAN LAND TREASURE IV LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 500 thousand	Not applicable	US$ 500 thousand	
	SINO-OCEAN LAND TREASURE IV LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,427 thousand	Not applicable	US$ 1,427 thousand	
	SMBC AVIATION CAPITAL FINANCE DAC	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,020 thousand	Not applicable	US$ 2,020 thousand	
	STANDARD CHARTERED GROUP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,002 thousand	Not applicable	US$ 1,002 thousand	
	SUNAC CHINA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 528 thousand	Not applicable	US$ 528 thousand	
	TSINGHUA UNIC LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,651 thousand	Not applicable	US$ 2,651 thousand	
	UNION BANK OF THE PHILIPPINES	-	Financial assets at fair value through other comprehensive income - current	-	US$ 2,043 thousand	Not applicable	US$ 2,043 thousand	
	VIRGIN AUSTRALIA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 300 thousand	Not applicable	US$ 300 thousand	
	XIAN MUNICIPAL INFRASTRUCTURE CONSTRUCTION INVESTMENT GROUP CORP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 505 thousand	Not applicable	US$ 505 thousand	
	XIANGYU INVESTMENT BVI	-	Financial assets at fair value through other comprehensive income - current	-	US$ 325 thousand	Not applicable	US$ 325 thousand	
	XIHUI HAIWAI I INVESTMENT HOLDINGS CO LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 506 thousand	Not applicable	US$ 506 thousand	
	XIHUI HAIWAI INVST	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,012 thousand	Not applicable	US$ 1,012 thousand	
	YANKUANG GROUP (CAYMAN) LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 721 thousand	Not applicable	US$ 721 thousand	
	ZHUZHOU CITY CONSTRUCTION DEVELOPMENT GROUP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 712 thousand	Not applicable	US$ 712 thousand	
	AFRICAN EXPORT-IMPORT BANK	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,991 thousand	Not applicable	US$ 1,991 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	AGILE GROUP HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 397 thousand	Not applicable	US$ 397 thousand	
	AVOLON HOLDINGS FUNDING LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,941 thousand	Not applicable	US$ 1,941 thousand	
	BARCLAYS PLC FRN ECLEAR	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 4,006 thousand	Not applicable	US$ 4,006 thousand	
	BOC AVIATION LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,096 thousand	Not applicable	US$ 2,096 thousand	
	BOS FUNDING LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,476 thousand	Not applicable	US$ 1,476 thousand	
	CENTRAL CHINA REAL ESTATE LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,800 thousand	Not applicable	US$ 2,800 thousand	
	CENTRAL PLAZA DEV LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 335 thousand	Not applicable	US$ 335 thousand	
	CENTRAL PLAZA DEVELOPMENT LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 344 thousand	Not applicable	US$ 344 thousand	
	CHINA OIL AND GAS GROUP	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 202 thousand	Not applicable	US$ 202 thousand	
	CHINA SCE GROUP HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 897 thousand	Not applicable	US$ 897 thousand	
	CHONGQING NAN'AN URBAN CONSTRUCTION & DEVELOPMENT (GROUP) CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 745 thousand	Not applicable	US$ 745 thousand	
	CHOUZHOU INTERNATIONAL INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 499 thousand	Not applicable	US$ 499 thousand	
	DIB SUKUK LTD 2	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,282 thousand	Not applicable	US$ 1,282 thousand	
	FORTUNE STAR BVI	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 500 thousand	Not applicable	US$ 500 thousand	
	FOSUN INTERNATIONAL LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 653 thousand	Not applicable	US$ 653 thousand	
	FTL CAPITAL LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 4,427 thousand	Not applicable	US$ 4,427 thousand	
	FWD LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 3,683 thousand	Not applicable	US$ 3,683 thousand	
	GARUDA INDONESIA GLOBAL SUKUK LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 236 thousand	Not applicable	US$ 236 thousand	
	GLP CHINA HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 582 thousand	Not applicable	US$ 582 thousand	
	GLP PTE. LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 622 thousand	Not applicable	US$ 622 thousand	
	GREENKO MAURITIUS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,146 thousand	Not applicable	US$ 2,146 thousand	
	GREENTOWN CHINA HLDGS	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 760 thousand	Not applicable	US$ 760 thousand	
	HENAN WATER INVESTMENT	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 653 thousand	Not applicable	US$ 653 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	HUASING INTERNATIONAL HOLDINGS CO., LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 811 thousand	Not applicable	US$ 811 thousand	
	HUATONG INTERNATIONAL INVESTMENT HOLDINGS CO., LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 733 thousand	Not applicable	US$ 733 thousand	
	HUBEI SCI TECH INV	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 794 thousand	Not applicable	US$ 794 thousand	
	IMPERIAL BRANDS FINANCE PLC	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,965 thousand	Not applicable	US$ 1,965 thousand	
	INDIA GREEN ENERGY HLDNG	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 517 thousand	Not applicable	US$ 517 thousand	
	JABABEKA INTERNATIONAL BV	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 375 thousand	Not applicable	US$ 375 thousand	
	JAGUAR LAND ROVER AUTOMOTIVE PLC	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,410 thousand	Not applicable	US$ 2,410 thousand	
	KWG GROUP HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 383 thousand	Not applicable	US$ 383 thousand	
	LEADING AFFLUENCE LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 3,565 thousand	Not applicable	US$ 3,565 thousand	
	LI & FUNG LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,369 thousand	Not applicable	US$ 2,369 thousand	
	LOGAN PROPERTY HOLDINGS CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 242 thousand	Not applicable	US$ 242 thousand	
	MACQUARIE GROUP LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,144 thousand	Not applicable	US$ 2,144 thousand	
	NAN FUNG TREASURY LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,946 thousand	Not applicable	US$ 1,946 thousand	
	NEW METRO GLOBAL LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 768 thousand	Not applicable	US$ 768 thousand	
	OCEAN LAUREL COMPANY LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,370 thousand	Not applicable	US$ 1,370 thousand	
	POLY DEVELOPMENTS AND HOLDINGS GROUP CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 570 thousand	Not applicable	US$ 570 thousand	
	RAKUTEN INC	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,876 thousand	Not applicable	US$ 1,876 thousand	
	ROYAL BANK OF SCOTLAND GROUP	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 3,010 thousand	Not applicable	US$ 3,010 thousand	
	SEAGATE HDD CAYMAN	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,518 thousand	Not applicable	US$ 1,518 thousand	
	SHANGRAO CITY CONSTRUCTION DEVELOPMENT GROUP	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,015 thousand	Not applicable	US$ 1,015 thousand	
	SHANGRAO INV HLDG INTL	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,066 thousand	Not applicable	US$ 1,066 thousand	
	SOFTBANK GROUP CORP.	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 257 thousand	Not applicable	US$ 257 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	STANDARD CHARTERED PLC	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 3,710 thousand	Not applicable	US$ 3,710 thousand	
	SUNAC CHINA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 323 thousand	Not applicable	US$ 323 thousand	
	SUNNY OPTICAL TECHNOLOGY GROUP CO	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,532 thousand	Not applicable	US$ 1,532 thousand	
	SUNRISE CAYMAN LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,948 thousand	Not applicable	US$ 1,948 thousand	
	TEVA PHARMACEUTICAL FINANCE NETHERLANDS	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 5,287 thousand	Not applicable	US$ 5,287 thousand	
	TIMES PROPERTY HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 709 thousand	Not applicable	US$ 709 thousand	
	TML HOLDINGS PTE LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 948 thousand	Not applicable	US$ 948 thousand	
	VANKE REAL ESTATE HONG KONG CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 496 thousand	Not applicable	US$ 496 thousand	
	VERTEX CAPITAL INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 2,425 thousand	Not applicable	US$ 2,425 thousand	
	XIANJIN INDUSTRY INVEST	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 583 thousand	Not applicable	US$ 583 thousand	
	YANLORD LAND HK CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 328 thousand	Not applicable	US$ 328 thousand	
	ZHONGAN ONLINE P&C INSURANCE CO., LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 778 thousand	Not applicable	US$ 778 thousand	
Peak Vision International Ltd.	ADANI ABBOT POINT TERMINAL PTY LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 960 thousand	Not applicable	US$ 960 thousand	
	BANISTMO SA	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,724 thousand	Not applicable	US$ 1,724 thousand	
	BBVA BANCOMER SA TEXAS	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,079 thousand	Not applicable	US$ 2,079 thousand	
	BOS FUNDING LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,016 thousand	Not applicable	US$ 2,016 thousand	
	CHANG DEVELOPMENT INTERNATIONAL LIMITED	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,503 thousand	Not applicable	US$ 1,503 thousand	
	CICC HONG KONG FINANCE	-	Financial assets at fair value through other comprehensive income -current	-	US$ 800 thousand	Not applicable	US$ 800 thousand	
	CIMIC FINANCE USA PTY LT	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,042 thousand	Not applicable	US$ 2,042 thousand	
	CIMIC FINANCE USA PTY LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 458 Thousand	Not applicable	US$ 458 Thousand	
	COASTAL EMERALD LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,353 Thousand	Not applicable	US$ 2,353 Thousand	
	COUNTRY GARDEN HOLDINGS CO LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 600 thousand	Not applicable	US$ 600 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	DAR AL-ARKAN SUKUK CO LT	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,014 thousand	Not applicable	US$ 1,014 thousand	
	EASTERN AND SOUTHERN AFRICAN TRADE AND DEVELOPMENT BANK	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,208 thousand	Not applicable	US$ 1,208 thousand	
	FS KKR CAPITAL CORP	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,516 thousand	Not applicable	US$ 1,516 thousand	
	GANSU HIGHWAY AVIATION	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,509 thousand	Not applicable	US$ 1,509 thousand	
	GET INTL INVEST HLDS LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,516 thousand	Not applicable	US$ 1,516 thousand	
	HUARONG FINANCE CO LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 294 thousand	Not applicable	US$ 294 thousand	
	INDUSIND BANK	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,004 thousand	Not applicable	US$ 2,004 thousand	
	MULTIBANK INC.	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,532 thousand	Not applicable	US$ 1,532 thousand	
	RENEW POWER LIMITED	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,013 thousand	Not applicable	US$ 1,013 thousand	
	ROSNEFT OIL CO VIA ROSNEFT	-	Financial assets at fair value through other comprehensive income -current	-	US$ 603 thousand	Not applicable	US$ 603 thousand	
	ROYAL BK SCOTLND GRP PLC	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,097 thousand	Not applicable	US$ 2,097 thousand	
	SASOL FINANCING INTERNATIONAL	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,521 Thousand	Not applicable	US$ 1,521 Thousand	
	SBERBANK	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,021 thousand	Not applicable	US$ 1,021 thousand	
	SHRIRAM TRANSPORT FIN	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,005 thousand	Not applicable	US$ 1,005 thousand	
	SINO OCEAN LAND IV	-	Financial assets at fair value through other comprehensive income -current	-	US$ 2,001 thousand	Not applicable	US$ 2,001 thousand	
	SUNAC CHINA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income -current	-	US$ 635 thousand	Not applicable	US$ 635 thousand	
	VIETNAM PROSPERITY JSC	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,008 thousand	Not applicable	US$ 1,008 thousand	
	VNESHECONOMBANK (VEB)	-	Financial assets at fair value through other comprehensive income -current	-	US$ 1,531 thousand	Not applicable	US$ 1,531 thousand	
	CFLD CAYMAN INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 83 thousand	Not applicable	US$ 83 thousand	
	CHINA TAIPING NEW HORIZON LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 321 thousand	Not applicable	US$ 321 thousand	
	EASY TACTIC LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 113 thousand	Not applicable	US$ 113 thousand	
	FORTUNE STAR BVI LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 394 thousand	Not applicable	US$ 394 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	FTL CAPITAL LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 512 thousand	Not applicable	US$ 512 thousand	
	FWD GROUP LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,894 thousand	Not applicable	US$ 1,894 thousand	
	GREENKO MAURITIUS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 562 thousand	Not applicable	US$ 562 thousand	
	HAITONG INTERNATIONAL	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,968 Thousand	Not applicable	US$ 1,968 Thousand	
	HUARONG FINANCE CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 586 thousand	Not applicable	US$ 586 thousand	
	KWG GROUP HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 425 thousand	Not applicable	US$ 425 thousand	
	LI & FUNG LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,888 thousand	Not applicable	US$ 1,888 thousand	
	LOGAN PROPERTY HOLDINGS CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 589 thousand	Not applicable	US$ 589 thousand	
	MACQUARIE GROUP LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 596 thousand	Not applicable	US$ 596 thousand	
	PCCW-HKT CAPITAL NO 5 LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 752 thousand	Not applicable	US$ 752 thousand	
	RAKUTEN INC	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 894 thousand	Not applicable	US$ 894 thousand	
	SHIMAO PROPERTY HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 627 thousand	Not applicable	US$ 627 thousand	
	STANDARD CHARTERED PLC	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,414 thousand	Not applicable	US$ 1,414 thousand	
	SUNRISE CAYMAN LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,230 thousand	Not applicable	US$ 1,230 thousand	
	TEVA PHARMACEUTICAL FINANCE NETHERLANDS	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,511 thousand	Not applicable	US$ 1,511 thousand	
	TIMES CHINA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 757 thousand	Not applicable	US$ 757 thousand	
	VERTEX CAPITAL INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 612 thousand	Not applicable	US$ 612 thousand	
	VIRGIN AUSTRALIA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ (11) thousand	Not applicable	US$ (11) thousand	
	WEIBO CORP	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 946 thousand	Not applicable	US$ 946 thousand	
Wealthy Joy Co., Ltd	Fund							
	CS INVESTMENT FUNDS 13 FCP - CREDIT SUISSE (LUX) ASIA CORPORATE BOND FUND CAPITALISATION	-	Financial assets at fair value through profit or loss - current	-	US$ 24,034 thousand	Not applicable	US$ 24,034 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Peak Vision International Ltd.	Shares							
	HSBC Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	500	HK$ 23,450 thousand	-	HK$ 23,450 thousand	
	Tencent Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	186	HK$ 84,965 thousand	-	HK$ 84,965 thousand	
	China Construction Bank Corporation	-	Financial assets at fair value through profit or loss - current	10,000	HK$ 54,000 thousand	-	HK$ 54,000 thousand	
	AIA Group Limited	-	Financial assets at fair value through profit or loss - current	700	HK$ 55,020 thousand	-	HK$ 55,020 thousand	
	Industrial and Commercial Bank of China Limited.	-	Financial assets at fair value through profit or loss - current	11,000	HK$ 48,400 thousand	-	HK$ 48,400 thousand	
	Ping An Insurance (Group) Company of China, Ltd.	-	Financial assets at fair value through profit or loss - current	960	HK$ 53,904 thousand	-	HK$ 53,904 thousand	
	Bank of China Limited.	-	Financial assets at fair value through profit or loss - current	1,366	HK$ 34,901 thousand	-	HK$ 34,901 thousand	
	China Merchants Bank Co., Ltd.	-	Financial assets at fair value through profit or loss - current	2,000	HK$121,100 thousand	-	HK$121,100 thousand	
	China Mobile Limited.	-	Financial assets at fair value through profit or loss - current	150	HK$ 7,020 thousand	-	HK$ 7,020 thousand	
	CK Hutchison Holdings Limited.	-	Financial assets at fair value through profit or loss - current	100	HK$ 5,030 thousand	-	HK$ 5,030 thousand	
	Agricultural Bank of China Limited.	-	Financial assets at fair value through profit or loss - current	12,000	HK$ 32,160 thousand	-	HK$ 32,160 thousand	
	Bank of China Limited.	-	Financial assets at fair value through profit or loss - current	12,000	HK$ 33,720 thousand	-	HK$ 33,720 thousand	
	Alibaba Group Holding Ltd.	-	Financial assets at fair value through profit or loss - current	360	HK$ 42,804 thousand	-	HK$ 42,804 thousand	
Peak Vision International Ltd.	Fund							
	ALL-STARS INVESTMENT PRIVATE PARTNERS FUND L.P.	-	Financial assets at fair value through profit or loss - non-current	Note	US$ 11,495 thousand	Not applicable	US$ 11,495 thousand	

Note: It is partnerships.

(Concluded)

SINO HORIZON HOLDINGS LIMITED 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, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Peak Vision International Ltd.	Shares Alphabet Inc.	Financial assets at fair value through profit or loss - current	-	-	6,000	US$ 10,516 thousand	-	$ -	6,000	US$ 15,063 thousand	US$ 8,702 thousand	US$ 6,361 thousand	-	$ -

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Seller	Property	Event Date	Transaction Amount	Payment Term	Counterparty	Relationship	Prior Transaction of Related Counterparty				Price Reference	Purpose of Disposal	Other Terms
							Owner	Relationships	Transfer Date	Amount			
Wealthy Joy Co., Ltd. Taiwan Branch	Half of No. 247 and 248 Zhouji Beitun Dist., Taichung City	2021.04.23	$ 1,658,800	Based on the terms in the contract (Note 1)	Natural person	-	Not applicable	Not applicable	Not applicable	Not applicable	Bargain and appraisal	Real estate development	None
	Half of No. 63 Huiguo Situn Dist., Taichung City (including buildings)	2021.12.10	708,818	Based on the terms in the contract (Note 2)	Natural person	-	Not applicable	Not applicable	Not applicable	Not applicable	Bargain and appraisal	Real estate development	None

Note 1: As of December 31, 2021, the real estate has been transferred and is listed under “inventory - properties to be developed.”

Note 2: As of December 31, 2021, the transfer of the real estate has not been completed, the first installment payment is $212,645 thousand, which is listed under “other current assets - advance payment for land”.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2021			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Number of Shares	Percentage of Ownership (%)	Carrying Amount (Note 3)			
Sino Horizon Holdings Limited	Wealthy Joy Co., Ltd.	British Virgin Islands	Investment	US$ 500,000,000	US$ 500,000,000	500,000,000	100	US$ 500,000,000	$ -	$ -	Note 2
Wealthy Joy Co., Ltd.	Realty Gain Ltd.	Hong Kong	Investment	HK$ 10,000	HK$ 10,000	10,000	100	US$ 1,282	-	-	Note 2
	Long Tech Investments Ltd.	Hong Kong	Investment	HK$ 10,000	HK$ 10,000	10,000	100	US$ 1,282	-	-	Note 2
	Time On Investment Ltd.	Hong Kong	Investment	HK$ 1,330,000,000	HK$ 1,330,000,000	1,330,000,000	100	US$ 170,512,821	-	-	Note 2
	Follow International Ltd.	Hong Kong	Investment	HK$ 2,543,580,000	HK$ 2,543,580,000	2,543,580,000	100	US$ 326,100,000	-	-	Note 2
	Noble World International Ltd.	Hong Kong	Investment	HK$ 10,000	HK$ 10,000	10,000	100	US$ 1,282	-	-	Note 2
	Techwin Development Ltd.	Hong Kong	Investment	HK$ 450,850,000	HK$ 450,850,000	450,850,000	100	US$ 57,801,282	-	-	Note 2
	Bond Capital Ltd.	Hong Kong	Investment	HK$ 10,000	HK$ 10,000	10,000	100	US$ 1,282	-	-	Note 2
	Easy Rise Development Ltd.	Hong Kong	Investment	HK$ 10,000	HK$ 10,000	10,000	100	US$ 1,282	-	-	Note 2
	Fullrich Investment Development Ltd.	Hong Kong	Investment	HK$ 10,000	HK$ 10,000	10,000	100	US$ 1,282	-	-	Note 2
	Peak Vision International Ltd.	British Virgin Islands	Investment	US$ 1	US$ 1	1	100	US$ 1	-	-	Note 2
	Peak Paramount International Ltd.	British Virgin Islands	Investment	US$ 1	US$ 1	1	100	US$ 1	-	-	Note 2
	Imperial Corporation Ltd.	Hong Kong	Investment	HK$ 1	HK$ 1	1	100	HK$ 1	-	-	Note 2
	Ding Gu Properties Co., Ltd.	Taiwan	Management consultant	NT$ 10,000,000	NT$ 10,000,000	(Note 1)	100	US$ 312,305	-	-	Note 2
Realty Gain Ltd.	Shanghai Ding Xin Properties Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	US$ 10,000,000	US$ 10,000,000	(Note 1)	100	US$ 10,000,000	-	-	Note 2
Long Tech Investments Ltd.	Kunshan Ding Yao Real Estate Development Co., Ltd.	Kunshan City, China	Real-estate development and sale and office leasing	US$ 26,086,000	US$ 26,086,000	(Note 1)	100	US$ 26,086,000	-	-	Note 2
Time On Investment Ltd.	Shanghai Ding Lin Real Estate Development Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	US$ 268,290,000	US$ 268,290,000	(Note 1)	99	US$ 268,290,000	-	-	Note 2
Follow International Ltd.	Shanghai Ding Jia Real Estate Development Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	RMB 905,738,387	RMB 905,738,387	(Note 1)	100	US$ 139,537,243	-	-	Note 2
	Shanghai Ding Tong Real Estate Development Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	RMB 237,158,421	RMB 237,158,421	(Note 1)	100	US$ 34,581,393	-	-	Note 2
	Shanghai Hong Xiang Land Investment Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	RMB 313,366,450	RMB 313,366,450	(Note 1)	100	US$ 45,963,516	-	-	Note 2
	Shanghai Ming Long Construction And Development Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	RMB 534,116,631	RMB 534,116,631	(Note 1)	100	US$ 78,256,163	-	-	Note 2
	Shanghai Ding Rong Real Estate Development Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	US$ 322,068,333	US$ 322,068,333	(Note 1)	100	US$ 322,068,333	-	-	Note 2
Noble World International Ltd.	Shanghai Ding Gu Properties Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	US$ 52,141,303	US$ 52,141,303	(Note 1)	100	US$ 52,141,303	-	-	Note 2
	Shanghai Ding Gu Property Management Co., Ltd.	Shanghai City, China	Real-estate management	US$ 140,000	US$ 140,000	(Note 1)	100	US$ 140,000	-	-	Note 2
Techwin Development Ltd.	Chongqing Dinggu Real Estate Development Co., Ltd.	Chongqing City, China	Real-estate development and sale and office leasing	US$ 59,640,000	US$ 59,640,000	(Note 1)	100	US$ 59,640,000	-	-	Note 2
Fullrich Investment Development Ltd.	Shanghai Dingyi Real Estate Development Co., Ltd.	Shanghai City, China	Real-estate development and sale and office leasing	US$ 83,895,755	US$ 83,895,755	(Note 1)	100	US$ 83,895,755	-	-	Note 2
Easy Rise Development Ltd.	Wuxi Ding Gu Real Estate Development Co., Ltd.	Wuxi City, China	Real-estate development and sale and office leasing	US$ 3,500,000	US$ 80,000,000	(Note 1)	100	US$ 3,500,000	-	-	Note 2
Chongqing Dinggu Real Estate Development Co., Ltd.	Chongqing Dinggu Property Management Co., Ltd.	Chongqing City, China	Real-estate management	RMB 3,000,000	RMB 3,000,000	(Note 1)	100	RMB 3,000,000	-	-	Note 2
	Chongqing Dinggu Market Management Co., Ltd.	Chongqing City, China	Market management and leasing	RMB 100,000	RMB 100,000	(Note 1)	100	RMB 100,000	-	-	Note 2

Note 1: It is a limited company, so the shares are not issued.

Note 2: Amount was eliminated based on the audited financial statements.

Note 3: According to IAS 27, the accounting treatment of an investment subsidiary is based on the cost method.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Company Name	Counterparty	Flow of Transactions (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Payment Terms (Note 5)	Percentage to Consolidated Total Assets/Revenue (%) (Note 3)
1	Wealthy Joy Co., Ltd.	Fullrich Investment Development Ltd.	3	Other receivables - related parties	$ 2,654,658	-	2.39
		Peak Vision International Ltd.	3	Other receivables - related parties	2,002,446	-	1.80
		Noble World International Ltd.	3	Other receivables - related parties	1,839,528	-	1.66
2	Follow International Ltd.	Wealthy Joy Co., Ltd.	3	Other receivables - related parties	3,402,626	-	3.06
3	Shanghai Ming Long Construction and Development Co., Ltd.	Chongqing Dinggu Real Estate Development Co., Ltd.	3	Other receivables - related parties	1,542,120	-	1.39
		Shanghai Ding Rong Real Estate Development Co., Ltd.	3	Other receivables - related parties	1,303,200	-	1.17
		Chongqing Dinggu Real Estate Development Co., Ltd.	3	Interest revenue	57,944	-	1.21
4	Shanghai Dingyi Real Estate Development Co., Ltd.	Shanghai Ding Rong Real Estate Development Co., Ltd.	3	Other receivables - related parties	2,172,000	-	1.96
		Shanghai Ding Lin Real Estate Development Co., Ltd.	3	Other receivables - related parties	1,520,400	-	1.37
		Shanghai Ding Rong Real Estate Development Co., Ltd.	3	Interest revenue	136,542	-	2.84
5	Sino Horizon Holdings Ltd.	Wealthy Joy Co., Ltd.	1	Dividend income	2,268,640	-	47.23

Note 1: Intercompany relationships and significant intercompany transactions information are noted within the number column as follows:

a. Number 0 represents the parent company.
b. Subsidiaries are numbered from “1”.

Note 2: Parties involved in the transaction have a directional relationship noted by the following:

a. “1” represents transactions from parent company to subsidiary.
b. “2” represents transactions from subsidiary to parent company.
c. “3” represents transactions between subsidiaries.

Note 3: The above table only discloses the transactions each amounting to at least 1% of total revenue or total asset.

Note 4: Amount was eliminated based on the audited financial statements.

Note 5: The transaction price and the collection terms of the inter-company sales and the third party’s terms are of no significant difference. The remaining transactions are decided by negotiation between the two parties as there is no similar transaction for reference.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Amount as of December 31, 2021 (Notes 2 and 3)	Accumulated Inward Remittance of Earnings as of December 31, 2021
					Outflow	Inflow						
Shanghai Ding Xin Properties Co., Ltd.	Real-estate development and sale and office leasing	RMB 82,738,945	Note 1	$ -	$ -	$ -	$ -	$ -	100	$ -	US$ 10,000,000	$ -
Kunshan Ding Yao Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 192,397,660	Note 1	-	-	-	-	-	100	-	US$ 26,086,000	-
Shanghai Ding Lin Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 1,811,529,450	Note 1	-	-	-	-	-	99	-	US$ 268,290,000	-
Shanghai Ding Jia Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 900,000,000	Note 1	-	-	-	-	-	100	-	US$ 139,537,243	-
Shanghai Ding Tong Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 232,000,000	Note 1	-	-	-	-	-	100	-	US$ 34,781,393	-
Shanghai Hong Xiang Land Investment Co., Ltd.	Real-estate development and sale and office leasing	RMB 307,000,000	Note 1	-	-	-	-	-	100	-	US$ 45,963,516	-
Shanghai Ming Long Construction And Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 521,000,000	Note 1	-	-	-	-	-	100	-	US$ 78,256,163	-
Shanghai Ding Rong Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 2,290,729,699	Note 1	-	-	-	-	-	100	-	US$ 322,068,333	-
Shanghai Ding Gu Properties Co., Ltd.	Real-estate development and sale and office leasing	RMB 359,652,853	Note 1	-	-	-	-	-	100	-	US$ 52,141,303	-
Shanghai Ding Gu Property Management Co., Ltd.	Real-estate management	RMB 1,106,476	Note 1	-	-	-	-	-	100	-	US$ 140,000	-
Chongqing Dinggu Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 455,074,232	Note 1	-	-	-	-	-	100	-	US$ 59,640,000	-
Shanghai Dingyi Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 518,000,000	Note 1	-	-	-	-	-	100	-	US$ 83,895,755	-
Wuxi Ding Gu Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 16,162,750	Note 1	-	-	-	-	-	100	-	US$ 3,500,000	-
Chongqing Dinggu Property Management Co., Ltd.	Real-estate management	RMB 3,000,000	Note 1	-	-	-	-	-	100	-	RMB 3,000,000	-
Chongqing Dinggu Market Management Co., Ltd.	Market management and leasing	RMB 100,000	Note 1	-	-	-	-	-	100	-	RMB 100,000	-

Accumulated Outflow for Investment in Mainland China as of December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 6)
Not applicable	Not applicable	Not applicable

Note 1: The Company has not exported the investment amount through Taiwan.

Note 2: Amount was eliminated based on the audited financial statements.

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

TABLE 9

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
True Elite Holdings Limited	677,880,352	38.95
Great Sino Development Ltd.	339,971,396	19.54
Sino Engine Group Ltd.	333,321,053	19.15
Fairwheel Holdings Ltd.	174,057,991	10.00

5. The Impact of Cash Flow Difficulties of the Company and Its Affiliates

None

VII. Financial position, financial performance and risk analysis

1. Financial status

Unit:NT$ in thousands;%

Item \ Year	2020	2021	Difference	
			Amount	%
Current assets	53,860,296	63,163,245	9,302,949	17.27%
Property, plant and equipment	580,118	533,993	(46,125)	(7.95%)
Investment properties	43,823,194	43,314,625	(508,569)	(1.16%)
Other assets	18,239,814	4,061,833	(14,177,981)	(77.73%)
Total assets	116,503,422	111,073,696	(5,429,726)	(4.66%)
Current liabilities	7,992,274	31,372,226	23,379,952	292.53%
Long-term loans	45,132,474	17,999,177	(27,133,297)	(60.12%)
Other non-current liabilities	9,226,985	9,006,882	(220,103)	(2.39%)
Total liabilities	62,351,733	58,378,285	(3,973,448)	(6.37%)
Share capital	17,402,970	17,402,970	-	-
Capital surplus	201,861	201,861	-	-
Retained earnings	39,015,496	38,098,172	(917,324)	(2.35%)
Exchange differences arising from translation of financial statements	(2,918,038)	(3,012,149)	(94,111)	(3.23%)
Non-controlling interests	78,030	77,422	(608)	(0.78%)
Equity	54,151,689	52,695,411	(656,885)	(1.21%)

Explanation for changes that exceed 20% and reached NT $500 million or above in the past two years:

1. The decrease in other assets was due to the disposal of some of the bonds held.
2. The decrease in current liabilities was due to the increase of advance receipts from real-estate in current liabilities, and long-term loans due to the period of contract,which reclassify to long-term loans due within one year.
3. The decrease in long-term loans decreased was due to the period of contract, which reclassify to long-term loans due within one year.

2. Financial performance

(1) Financial performance

Unit:NT$ in thousands;%

Item \ Year	2020	2021	Difference	
			Amount	%
Operating revenue	13,419,916	4,803,188	(8,616,728)	(64.21%)
Operating costs	(7,897,413)	(2,135,890)	5,761,523	72.95%
Gross profit	5,522,503	2,667,298	(2,855,205)	(51.70%)
Operating expenses	(763,392)	(655,181)	108,211	14.18%
Other income and loss	(1,460,226)	(186,995)	1,273,231	87.19%
Operating income/loss	3,298,885	1,825,122	(1,473,763)	(44.67%)
Other income	1,177,109	741,369	(435,740)	(37.02%)
Other profit and loss	(1,018,226)	(145,161)	873,065	85.74%
Finance cost	(762,173)	(456,780)	305,393	40.07%
Pre-tax profit for the year	2,695,595	1,964,550	(731,045)	(27.12%)
Profit for the year	1,177,355	1,171,014	(6,341)	(0.54%)

Explanation for changes that exceed 20% and reached NT $500 million or above in the past two years:

1. Decrease in operating revenue, operating costs, and gross profit was mainly due to decrease in completed properties that have been handed over this year.

2. Change in other profit and loss was mainly due to subsidiary's payment of land transfer fee for the basement areas of the shopping center, which caused loss on changes in the fair value of the investment property in 2020.

3. Other income and other profit and loss decreased mainly due to the increase in impairment loss on the financial assets held by the Company at fair value through other comprehensive income in 2020.

(2) Expected sales, basis for expected sales, and the possible impact on the Company's future operations and response plans

The Company has not disclosed the financial forecast for 2022, so it does not disclose the expected sales volume.

3. Cash flows

(1) Analysis of cash flow changes for the most recent year

Unit:NT$ in thousands

Opening cash balance (1)	Annual net cash flow from operating activities (2)	Annual net cash inflow from other activities (3)	Cash surplus (deficit)(1)+ (2)+ (3)	Remedial measures for cash deficit	
				Investment plans	Financing plans
6,776,782	（1,877,832）	2,054,873	6,953,823	–	–

Analysis of cash flow changes for the current year:

1. Operating activities: Net cash outflow from operating activities for the current period was approximately NT$1.9 billion mainly due to an increase of NT$ 6.75 billion in inventory balance and an increase of NT$ 5 billion in contract liabilities.

2. Investing activities: Net cash inflow from investing activities for dispose the bonds .

3. Financing activities: Net cash outflow from financing activities was mainly due to payment of loans and cash dividend.

(2) Improvement plans for insufficient liquidity

N/A.

(3) Liquidity analysis for the coming year

Unit:NT$ in thousands

Opening cash balance (1)	Annual net cash flow from operating activities (2)	Expected annual cash inflow (3)	Expected cash surplus (deficit) (1)+ (2)+(3)	Remedial measures for cash deficit	
				Investment plans	Financing plans
6,953,823	（5,576,649）	6,117,469	7,494,643	-	-

1. Operating activities: The net cash outflow from the Company's operating activities is expected to be NT$55.8 billion in 2022 mainly due to the large amount of investments in building construction to facilitate continuous launching of construction projects in the future.

2. The Company's investment activities expected in 2022 are mainly to invest in securities to boost the efficiency of capital use, in order to increase the Company's income.

3. Financing activities: The source of capital is mainly bank loans, and the use of capital is mainly for development investment in projects under construction.

4. Effects that significant capital expenditures had on financial operations in the recent year

(1) Major capital expenditures and source of funding

None.

(2) Possible benefits anticipated

None.

5. Reinvestment policy in the past year, main reasons for profit/loss resulting therefrom, plans for improvement, and investment plans for the coming year

(1) The Company's reinvestment policy

The Company's existing reinvestment policy is in line with the business requirements of the Group and based primarily on investment targets related to the Company's main business activities. The policy is enforced by relevant departments in accordance with internal control system regulations such as Investing Cycle and Procedures for Acquisition or Disposal of Assets, which are discussed and approved at meetings of Board of Directors and shareholders.

(2) Main reasons for profit/loss resulting from reinvestments in the most recent year and plans for improvement

The Company's existing investment policy is in line with the business requirements of the Group and based primarily on investment targets related to the Company's main business activities. Given the business requirements of real estate companies, different functional companies have been established, including project development, property, electronic markets, and advertising, so as to further complement the overall business framework of the Company and provide a full range of services to customers. All of the investee companies indicated in the above table have been incorporated into the Company's consolidated reports on the exchange market. The profit or loss in 2020 and 2021 was primarily affected by whether developed properties had been completed, handed over, and their income recognized, and by the progress of sales or the leasing situation of shopping centers. Therefore, the Company's loss on investee companies will improve as more shopping centers are leased out and more income is recognized from the handing over of completed properties.

(3) Investment plans for the coming year

The Company does not have material investment plans for the coming year.

6. Risk management, analysis, and assessment

(1) Impact of interest rate, exchange rate changes and inflation on the Company's profit and future response measures

1. In Mainland China, the Company is considered a domestic sales industry, in which currency risks stem from loans in USD and EUR. If USD or EUR appreciates in the future, the Company may sustain loss on currency exchange. The Company's Finance Department maintains close contact with the major banks it deals with in order to monitor changes in foreign exchange market at all times and keep supervisors informed of exchange rate trends so that they can respond to unexpected situations in the market.

2. The Company's finance department closely monitors the impact that interest rate changes have on the Company's profit or loss. If the interest rate of USD increases in the future, it will increase our interest expenses. Relevant departments immediately propose response measures, such as reducing USD loan percentage, in order to save capital cost.

3. Inflation response measures:

   (1) Bargaining with suppliers: The Company monitors price fluctuations in the market at all times, maintains positive interactions with suppliers and customers, and reduces purchase costs to minimize the impact of inflation. There has been no material impact resulting from inflation in recent years.

   (2) Adjusting product selling price: The Company has increased selling price within the range acceptable to customers and reflected costs in a timely manner.

(2) Policies, main causes of gain or loss and future response measures with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions

1. The Company adopts a robust and conservative financial policy and is not involved in other high-risk industries. The Company makes investments following prudent evaluation. Therefore, risk is limited.
2. The Company and subordinate companies featured in consolidated statements engage in derivative transactions in accordance with the Procedures for the Acquisition or Disposal of Assets. As of the printing date of the annual report, there were no major losses due to derivative transactions.
3. Lending between companies featured in consolidated statements of the Company occurred primarily because of the subordinate companies' need for working capital, which is used to regulate their financial position and support regular operating activities. No lending to other third parties has taken place as of the printing date of the report.
4. Endorsement for subordinate companies featured in consolidated statements of the Company mainly serves to provide affiliates with joint guarantees to obtain credit lines from banks for construction development projects or property management. Such endorsement is derived from a regular business requirement and are implemented following the resolution and approval of the Board of Directors. Excluding endorsement of subordinate companies featured in consolidated statements, the Company did not endorse companies outside of the Group.

(3) Future R&D plans, expected investments, and expected R&D expenses

The company has invested considerable human resources and costs over the years, and has continuously introduced new services and systems to meet the needs of house buyers for real estate transactions, and to enhance lessees' satisfaction with shopping malls or office buildings However, the company mainly provides real estate development and leasing business, so R&D investment is not applicable.

(4) Major changes in domestic and foreign policies and laws, impact on the Company's finance and business, and response measures

As mandated by relevant government orders and laws, the Company has sought the opinions of professionals such as lawyers or accountants regarding major changes in domestic and foreign policies and laws. Appropriate measures have been taken to comply with regulatory requirements. Therefore, policy amendments did not generate material impact on the Company's finance and business.

(5) Effect on the Company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response

The Company is mainly engaged in real estate development , real estate sales and leasing business. Although the industrial environment will be affected by local government housing and tax policies, the Company focuses on the development of its own industry and maintains stable financial operations. Therefore, the industry The impact of the changes on the financial business of the Company is not material.

In addition, regarding the cyber security risk, due to the occasional occurrence of cyber attacks and ransomware information security incidents in recent years, the Company has also continued to invest manpower and resources in protecting customer data security and preventing improper human attempts and illegal acts.

(6) Impact of corporate image changes on risk management and response measures

The Company has maintained a positive image in the industry since its listing on December 7, 2012.

(7) The expected benefits and possible risks of mergers as well as the response measures

The Company currently has no merger plans.

(8) Expected benefits and possible risks of plant expansions as well as the response measures

The Company currently does not have any plans to expand its plant.

(9) Risks associated with concentration of purchase or sale and response measures

1. The Company purchases mainly by obtaining lands and bidding price for several well-known construction companies, so there is no risk of concentration of purchase.
2. For the sales part, the real estate sales and leasing businesses engaged in by the Company are all sold to general consumers, so there is no risk of concentration of sales.

(10) Impact of mass transfer of equity by or change of directors, supervisors, or shareholders holding more than 10 percent of equity on the Company, associated risks and response measures

The Company's directors, supervisors, and shareholders holding more than 10 percent of equity on the Company have been supportive of the Company in recent years. Therefore, there has been no mass transfer of equity.

(11) The effects that change in management has had on the Company as well as risks and response measures

None.

(12) Litigation or non-litigation events

1. Litigations between the Company and its clients: There were no major litigious or non-litigious events, or administrative litigations as of the date of report.

2. Litigation or non-litigation events involving the Company's directors, independent directors, president, shareholders holding more than 10 percent of equity on the Company, and subordinate companies: None.

(13) Other significant risks and response measures

Description of Information Security Risk Assessment

The Company has established the Information Security Policy to strengthen information security management and reduce operational risks. The Company has also established Regulations on Information Security Management and other management regulations in accordance with the policy to build an internal control system for information security.

Every year, the unit in charge of information operation regularly reviews internal control items by using applicable information and assesses information security risks. The unit provides improvement suggestions for risky items: The unit recommends conducting departmental self-assessment before the end of a year, and submit the result to the Audit Office for review and reporting to confirm the continuous effective implementation of risk assessments and operational inspection.

Every year, an independent audit unit uses each department's internal control self-assessment result and risks to devise the Company's annual information security audit plan for submission and onsite inspection. The unit reports on the inspection results and includes any deficiencies discovered or improvement suggestions in the list of improvement to be made and tracked by a specific deadline.

The Company adopts the aforementioned operating procedures to reduce risks; however, these procedures cannot guarantee that the Company's operations will not be affected by new risks and attacks from the rapidly changing information technology threats. The Company will still continue to invest in information security protection as needed in the changing environment, and work with a third-party service provider to strengthen its emergency response capability.

7. Other important matters

None.

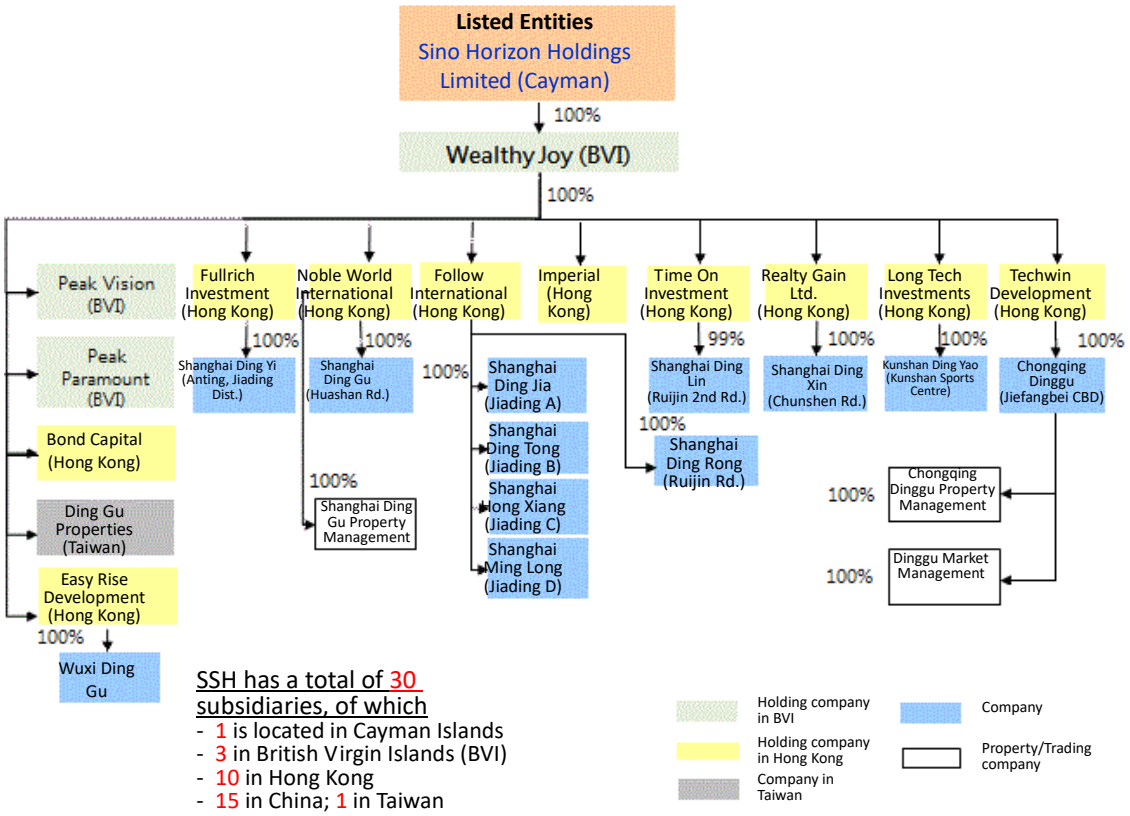
VIII. Special disclosures

1. Profiles of affiliates and subsidiaries

(1) Affiliate organization chart

A company specializing in the development and management of the land in question must be established by foreign companies intending to develop real estate properties in Mainland China in accordance with local laws. Hence, such company is established for every piece of land. In addition to the aforementioned companies in China, Sino Horizon has also established respective overseas holding companies, while taking into consideration key factors such as tax conditions, laws, and practical operations at home and abroad. The organization chart of the respective overseas holding companies is illustrated below:

As of April 30, 2022



(2) Basic information of the various affiliated enterprises:

Basic information of the various affiliated enterprises

As of December 31, 2021

Enterprise name	Date of establishment (Note)	Company location	Paid-in capital (NT$)		Main businesses or products
Wealthy Joy Co.,Ltd (including Taiwan Branch)	2007/12/24	British Virgin Islands	USD	500,000,000	Investment
Time On Investment Ltd.	2002/10/17	Hong Kong, China	HKD	1,330,000,000	Investment
Follow International Ltd.	2000/11/6	Hong Kong, China	HKD	2,543,580,000	Investment
Ding Gu Properties Co., Ltd.	2010/9/15	Taiwan, China	NTD	10,000,000	Investment
Shanghai Ding Xin Properties Co., Ltd.	2004/12/7	Shanghai, China	USD	10,000,000	Real estate development/ sale, and shopping mall/office lease
Kunshan Ding Yao Real Estate Development Co., Ltd.	2004/7/21	Kunshan, China	USD	25,000,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Ding Lin Real Estate Development Co., Ltd.	2007/8/20	Shanghai, China	USD	271,000,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Ding Jia Real Estate Development Co., Ltd.	2008/1/3	Shanghai, China	RMB	900,000,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Ding Tong Real Estate Development Co., Ltd.	2008/1/3	Shanghai, China	RMB	232,000,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Hong Xiang Land Investment Co., Ltd.	2008/1/3	Shanghai, China	RMB	307,000,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Ming Long Construction And Development Co., Ltd.	2008/1/3	Shanghai, China	RMB	521,000,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Ding Rong Real Estate Development Co., Ltd.	2003/5/23	Shanghai, China	USD	313,680,000	Real estate development/ sale, and shopping mall/office lease
Shanghai Ding Gu Properties Co., Ltd.	2003/1/15	Shanghai, China	USD	51,610,000	Real estate development/ sale, and shopping mall/office lease
Chongqing Dinggu Real Estate Development Co., Ltd.	2005/4/25	Chongqing, China	USD	59,640,000	Real estate development/ sale, and shopping mall/office lease
Realty Gain Ltd.	2003/2/13	Hong Kong, China	HKD	10,000	Investment
Noble World International Ltd.	2001/4/11	Hong Kong, China	HKD	10,000	Investment
Long Tech Investments Ltd.	2003/2/13	Hong Kong, China	HKD	10,000	Investment
Techwin Development Ltd.	2005/3/14	Hong Kong, China	HKD	450,850,000	Investment
Bond Capital Ltd.	2002/10/17	Hong Kong, China	HKD	10,000	Investment
Easy Rise Development Ltd.	2005/3/14	Hong Kong, China	HKD	10,000	Investment
Fullrich Investment Development Ltd.	2007/1/4	Hong Kong, China	HKD	10,000	Investment
Imperial Corporation Ltd.	2016/7/5	Hong Kong, China	HKD	1	Investment
Peak Vision International Limited	2009/8/18	British Virgin Islands	USD	1	Investment
Peak Paramount International Limited	2009/8/18	British Virgin Islands	USD	1	Investment
Chongqing Dinggu Market Management Co., Ltd.	2008/6/24	Chongqing, China	RMB	100,000	Market operations and management, and booth lease

Enterprise name	Date of establishment (Note)	Company location	Paid-in capital (NT$)		Main businesses or products
Chongqing Dinggu Property Management Co., Ltd.	2007/5/22	Chongqing, China	RMB	3,000,000	Real estate management
Shanghai Ding Gu Property Management Co., Ltd.	2006/8/16	Shanghai, China	USD	140,000	Real estate management
Shanghai Dingyi Real Estate Development Co., Ltd.	2013/5/14	Shanghai, China	RMB	518,000,000	Real estate development/ sale, and shopping mall/office lease
Wuxi Ding Gu Real Estate Development Co., Ltd.	2014/5/16	Wuxi, China	USD	3,500,000	Real estate development/ sale, and shopping mall/office lease

Note: The date on which the Company acquired the Company's equity.

(3) Information of common shareholders who are presumed to have a relationship of control and subordination

None.

(4) Businesses covered by the affiliated enterprises' overall operations and division of labor

Company name	Company location	Nature of business
Sino Horizon Holdings Limited	Cayman Islands	Investment holding company
Wealthy Joy Co., Ltd. (including Taiwan Branch)	British Virgin Islands	Investment holding company
Realty Gain Ltd.	Hong Kong	Investment holding company
Long Tech Investments Ltd.	Hong Kong	Investment holding company
Time On Investment Ltd.	Hong Kong	Investment holding company
Follow International Ltd.	Hong Kong	Investment holding company
Noble World International Ltd.	Hong Kong	Investment holding company
Techwin Development Ltd.	Hong Kong	Investment holding company
Bond Capital Ltd.	Hong Kong	Investment holding company
Easy Rise Development Ltd.	Hong Kong	Investment holding company
Fullrich Investment Development Ltd.	Hong Kong	Investment holding company
Imperial Corporation Ltd.	Hong Kong	Investment holding company
Peak Vision International Ltd.	British Virgin Islands	Investment holding company
Peak Paramount International Ltd.	British Virgin Islands	Investment holding company
Ding Gu Properties Co., Ltd.	Taiwan	Investment holding company
Shanghai Ding Xin Properties Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Kunshan Ding Yao Real Estate Development Co., Ltd.	Kunshan, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ding Lin Real Estate Development Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ding Jia Real Estate Development Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ding Tong Real Estate Development Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Hong Xiang Land Investment Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ming Long Construction And Development Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ding Rong Real Estate Development Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ding Gu Properties Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Shanghai Ding Gu Property Management Co., Ltd.	Shanghai, China	Real estate management

Company name	Company location	Nature of business
Chongqing Dinggu Real Estate Development Co., Ltd.	Chongqing, China	Real estate development/sale, and shopping mall/office lease
Chongqing Dinggu Property Management Co., Ltd.	Chongqing, China	Real estate management
Chongqing Dinggu Market Management Co., Ltd.	Chongqing, China	Market operations and management, and booth lease
Shanghai Dingyi Real Estate Development Co., Ltd.	Shanghai, China	Real estate development/sale, and shopping mall/office lease
Wuxi Ding Gu Real Estate Development Co., Ltd.	Wuxi, China	Real estate development/sale, and shopping mall/office lease

(5) Basic information of Directors, Supervisors, and Presidents of affiliates

As of December 31, 2021

Company name	Title	Name/Representative	Shares held	
			No. of shares	Shareholding percentage (Contribution ratio)
Sino Horizon Holdings Limited	Chairman	Great Sino Development Ltd.	339,971,396	19.54%
		Hung-Pen Chang (representative of Great Sino Development Ltd.)	-	-
	Director	True Elite Holdings Limited	677,880,352	38.95%
		Chien Shen Chang (representative of True Elite Holdings Limited)	-	-
	Director	True Elite Holdings Limited	677,880,352	38.95%
		Madeline D. Chang (representative of True Elite Holdings Limited)	-	-
	Director	Great Sino Development Ltd.	339,971,396	19.54%
		Nen-Yao Chang (representative of Great Sino Development Ltd.)	566,160	0.03%
	Director	An Yee Jennifer Fung	165,080	0.01%
	Director	Fong-Cheng Lin	–	–
	Director	Ching-Chong Chen	–	–
	Director	Du-Tsuen Uang	–	–
	Director	Li-Teh Hsu	–	–
	Director	Su-Chun Kuo	–	–
	Director	Charles Chen	–	–
Wealthy Joy Co.,Ltd	Director	Hung-Pen Chang	–	–
	Director	Chien Shen Chang	–	–
Time On Investment Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	1,330,000,000	100%
Follow International Ltd.	Director	Mei-Jean Feng		
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	2,543,580,000	100%
Ding Gu Properties Co., Ltd.	Director	Wealthy Joy Co., Ltd Representative: Mei-Jean Feng	–	–
Shanghai Ding Xin Properties Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Nen-Yao Chang	–	–
	Director	Chien Shen Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Kunshan Ding Yao Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
	Director/ President	Nen-Yao Chang	–	–
	Supervisor	Chien Shen Chang	–	–

Company name	Title	Name/Representative	Shares held	
			No. of shares	Shareholding percentage (Contribution ratio)
Shanghai Ding Lin Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Nen-Yao Chang	–	–
	Director	Yi Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Shanghai Ding Jia Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
	Director	Nen-Yao Chang	–	–
	Supervisor	Chien Shen Chang	–	–
Shanghai Ding Tong Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
	Director	Nen-Yao Chang	–	–
	Supervisor	Chien Shen Chang	–	–
Shanghai Hong Xiang Land Investment Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
	Director	Nen-Yao Chang	–	–
	Supervisor	Chien Shen Chang	–	–
Shanghai Ming Long Construction And Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
	Director	Nen-Yao Chang	–	–
	Supervisor	Chien Shen Chang	–	–
Shanghai Ding Rong Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Chien Shen Chang	–	–
	Director	Nen-Yao Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Shanghai Ding Gu Properties Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
	Director	Nen-Yao Chang	–	–
Chongqing Dinggu Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Chien Shen Chang	–	–
	Director/ President	Nen-Yao Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Realty Gain Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	10,000	100%
Noble World International Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	10,000	100%
Long Tech Investments Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	10,000	100%
Techwin Development Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	450,850,000	100%
Bond Capital Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Lt	10,000	100%

Company name	Title	Name/Representative	Shares held	
			No. of shares	Shareholding percentage (Contribution ratio)
		Representative: Hung-Pen Chang		
Easy Rise Development Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	10,000	100%
Fullrich Investment Development Ltd.	Director	Mei-Jean Feng	–	–
	Director	Wealthy Joy Co., Ltd Representative: Hung-Pen Chang	10,000	100%
Peak Vision International Limited	Director	Mei-Jean Feng	–	–
	Director	Hung-Pen Chang	–	–
	Director	An Yee Jennifer Fung	–	–
Peak Paramount International Limited	Director	Mei-Jean Feng	–	–
	Director	Hung-Pen Chang	–	–
	Director	An Yee Jennifer Fung	–	–
Imperial Corporation Ltd.	Director	Hung-Pen Chang	–	–
	Director	Mei-Jean Feng	–	–
Chongqing Dinggu Market Management Co., Ltd.	Executive Director	Hung-Pen Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
	President	Nen-Yao Chang	–	–
Chongqing Dinggu Property Management Co., Ltd.	Executive Director /President	Hung-Pen Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Shanghai Ding Gu Property Management Co., Ltd.	Executive Director	Hung-Pen Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Shanghai Dingyi Real Estate Development Co., Ltd.	Chairman	Hung-Pen Chang	–	–
	Director	Chien Shen Chang	–	–
	Director/ President	Nen-Yao Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
Wuxi Ding Gu Real Estate Development Co., Ltd.	Executive Director	Hung-Pen Chang	–	–
	Supervisor	Mei-Jean Feng	–	–
	President	Nen-Yao Chang	–	–

(6) Business Overview of Affiliates

Company name	Capital (in thousands)	Total assets (in thousands)	Total liabilities (in thousands)
Sino Horizon Holdings Limited	NTD17,402,969,820	NTD 111,073,696	NTD 58,378,285
Wealthy Joy Co.,Ltd (including Taiwan Branch)	USD500,000,000	USD 1,248,308	USD 287,770
Time On Investment Ltd.	HK$1,330,000,000	USD 269,693	USD 167,633
Follow International Ltd.	HK$2,543,580,000	USD 746,941	USD 660,083
Ding Gu Properties Co., Ltd.	NTD10,000,000	NTD 16,968	NTD 7,833
Shanghai Ding Xin Properties Co., Ltd.	USD10,000,000	RMB 145,946	RMB 34,373
Kunshan Ding Yao Real Estate Development Co., Ltd.	USD25,000,000	RMB 678,737	RMB 252,557
Shanghai Ding Lin Real Estate Development Co., Ltd.	USD271,000,000	RMB 3,207,605	RMB 1,419,907
Shanghai Ding Jia Real Estate Development Co., Ltd.	RMB900,000,000	RMB 1,742,084	RMB 847,057
Shanghai Ding Tong Real Estate Development Co., Ltd.	RMB232,000,000	RMB 529,204	RMB 72,728
Shanghai Hong Xiang Land Investment Co., Ltd.	RMB307,000,000	RMB 920,141	RMB 154,202
Shanghai Ming Long Construction And Development Co., Ltd.	RMB521,000,000	RMB 2,821,460	RMB 1,823,478
Shanghai Ding Rong Real Estate Development Co., Ltd.	USD313,680,000	RMB 8,000,798	RMB 2,327,219
Shanghai Ding Gu Properties Co., Ltd.	USD51,610,000	RMB 960,263	RMB 201,297
Chongqing Dinggu Real Estate Development Co., Ltd.	USD59,640,000	RMB 2,135,467	RMB 1,064,887
Shanghai Dingyi Real Estate Development Co., Ltd.	RMB518,000,000	RMB 1,321,632	RMB 221,224
Wuxi Ding Gu Real Estate Development Co., Ltd.	USD3,500,000	RMB 234,422	RMB 29,448
Realty Gain Ltd.	HK$10,000	USD 10,018	USD 9,880
Noble World International Ltd.	HK$10,000	USD 55,891	USD 66,505
Long Tech Investments Ltd.	HK$10,000	USD 26,105	USD 26,302
Techwin Development Ltd.	HK$450,850,000	USD 60,611	USD 2,838
Bond Capital Ltd.	HK$10,000	USD5	-
Easy Rise Development Ltd.	HK$10,000	USD 3,514	USD 3,550
Fullrich Investment Development Ltd.	HK$10,000	USD 83,916	USD 95,830
Imperial Corporation Ltd.	HK$1	-	USD10
Peak Vision International Limited	USD1	USD 145,578	USD 141,105
Peak Paramount International Limited	USD1	USD2	USD13
Chongqing Dinggu Market Management Co., Ltd.	RMB100,000	RM B86	-
Chongqing Dinggu Property Management Co., Ltd.	RMB3,000,000	RMB 4,248	RMB 1,134
Shanghai Ding Gu Property Management Co., Ltd.	USD140,000	RMB 48,464	RMB 26,138

As of December 31, 2021

Company name	Net worth (in thousands)	Operating revenue (in thousands)	Operating net profit (in thousands)	Current profit and loss (after-tax) (in thousands)	Earnings per share (after-tax) (in dollar)
Sino Horizon Holdings Limited	NTD 52,695,411	NTD4,803,188	NTD1,825,122	NTD1,171,014	NTD 0.67
Wealthy Joy Co.,Ltd (including Taiwan Branch)	USD 960,538	-	USD9,715	USD9,775	USD 0.02
Time On Investment Ltd.	USD 102,060	-	(USD1)	(USD 2,892)	(USD 0.01)
Follow International Ltd.	USD 86,858	-	(USD1)	(USD 16,198)	(USD 0.00)
Ding Gu Properties Co., Ltd.	NTD 9,135	NTD 31,086	NTD 6,090	NTD 6,098	Not applicable.
Shanghai Ding Xin Properties Co., Ltd.	RMB 111,573	RMB 4,475	RMB 3,580	RMB 1,427	Not applicable.
Kunshan Ding Yao Real Estate Development Co., Ltd.	RMB 426,180	RMB 3,928	RMB 1,419	RMB 1,375	Not applicable.
Shanghai Ding Lin Real Estate Development Co., Ltd.	RMB 1,787,698	-	(RMB 760)	(RMB 430)	Not applicable.
Shanghai Ding Jia Real Estate Development Co., Ltd.	RMB 895,027	RMB 9,554	RMB 4,845	(RMB 1,268)	Not applicable.
Shanghai Ding Tong Real Estate Development Co., Ltd.	RMB 456,476	RMB 7,667	RMB 5,672	RMB 8,321	Not applicable.
Shanghai Hong Xiang Land Investment Co., Ltd.	RMB 765,939	RMB 15,909	RMB 999	(RMB 5,525)	Not applicable.
Shanghai Ming Long Construction And Development Co., Ltd.	RMB 997,982	(RMB 238)	(RMB 12,714)	RMB 16,405	Not applicable.
Shanghai Ding Rong Real Estate Development Co., Ltd.	RMB 5,673,579	RMB 412,320	RMB 237,278	RMB 150,270	Not applicable.
Shanghai Ding Gu Properties Co., Ltd.	RMB 758,966	RMB 238,806	RMB 160,479	RMB 86,602	Not applicable.
Chongqing Dinggu Real Estate Development Co., Ltd.	RMB 1,070,580	RMB 207,075	RMB 34,808	(RMB 4,626)	Not applicable.
Shanghai Dingyi Real Estate Development Co., Ltd.	RMB 1,100,408	RMB 46,596	RMB 651	RMB 31,388	Not applicable.
Wuxi Ding Gu Real Estate Development Co., Ltd.	RMB 204,974	RMB 63,011	RMB 9,325	RMB 16,466	Not applicable.
Realty Gain Ltd.	USD 138	-	(USD1)	(USD1)	(USD 0.06)
Noble World International Ltd.	(USD 10,614)	-	(USD7)	(USD3)	(USD 0.31)
Long Tech Investments Ltd.	(USD 215)	-	(USD1)	(USD1)	(USD 0.06)
Techwin Development Ltd.	USD 57,773	-	(USD1)	(USD1)	(USD 0.00)
Bond Capital Ltd.	USD5	-	(USD1)	(USD2)	(USD 0.17)
Easy Rise Development Ltd.	(USD36)	-	(USD1)	(USD1)	(USD 0.05)
Fullrich Investment Development Ltd.	(USD 11,914)	-	(USD1)	(USD1)	(USD 0.05)
Imperial Corporation Ltd.	(USD 10)	-	(USD1)	(USD1)	(USD 876)
Peak Vision International Limited	USD 4,473	-	(USD8)	USD164	USD 164,494
Peak Paramount International Limited	(USD11)	-	(USD1)	(USD1)	(USD 359)
Chongqing Dinggu Market Management Co., Ltd.	RMB 86	-	(RMB 1)	(RMB 1)	Not applicable.
Chongqing Dinggu Property Management Co., Ltd.	RMB 3,114	RMB 8,056	(RMB 159)	(RMB 415)	Not applicable.
Shanghai Ding Gu Property Management Co., Ltd.	RMB 22,326	RMB 97,427	RMB 980	RMB 2,380	Not applicable.

2. Private placement of securities in the most recent year and up to the date of annual report publication

None.

3. Holding or disposal of stocks of the Company by subsidiaries in the most recent year and up to the date of annual report publication

None.

4. Other supplemental information

None.

5. Explanation of any material deviations from R.O.C. regulations regarding protection of shareholders' equity

None.

IX. Corporate events with material impact on shareholders' equity or stock prices set forth in Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the past year and up to the date of annual report publication shall be individually listed.

None.

鼎固控股有限公司

董事長 張洪本





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