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鼎固控股有限公司

Annual Report

2023 Annual Report
A Firm Foundation, A Strong Future



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The Company

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Tel: (86)21-64332999

Shanghai Ding Gu Properties Co., Ltd
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Shanghai Ding Tong Real Estate Development Co., Ltd.
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Shanghai Ming Long Construction And Development Co., Ltd.
Address: Room 2F-0206, 2F, No. 358 Chengbei Rd., Jiading Dist., Shanghai, China.

Shanghai Ding Lin Real Estate Development Co., Ltd.
Address: Block C, Room 601, No. 209, Luban Rd., Huangpu Dist., Shanghai, China.

Kunshan Ding Yao Real Estate Development Co., Ltd.
Address: No. 168, Qianjin West Rd., Yushan Town, Kunshan, Jiangsu, China.

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Address: Room 2F-0205, 2F, No. 358 Chengbei Rd., Jiading Dist., Shanghai, China.

Shanghai Ding Rong Real Estate Development Co., Ltd.
Address: No. 610, Xujiahui Rd., Huangpu Dist., Shanghai, China.

Shanghai Dingyi Real Estate Development Co., Ltd.
Address: Room 1007, No 888, Moyu South Rd., Jiading Dist., Shanghai, China.

Chongqing Dinggu Real Estate Development Co., Ltd.
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Listed Overseas Securities Trading

The Company does not issue overseas securities.

Company Website

www.sinohorizon.tw

List of Director

Title	Name	Nationality	Gender	Education and work experience
Chairman	Great Sino Development Ltd.	BVI	–	–
	Hung-Pen Chang (representative of Great Sino Development Ltd.)	Hong Kong, China	Male	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.
Director	True Elite Holdings Limited	BVI	–	–
	Chien Shen Chang (representative of True Elite Holdings Limited)	Singapore	Male	B.S. in Electrical Engineering, Taiwan University Master, Illinois Institute of Technology Chairman, ASE Technology Holding Co., Ltd.
Director	True Elite Holdings Limited	BVI	–	–
	Madeline D Chang (representative of True Elite Holdings Limited)	U.S.A	Female	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.
Director	Great Sino Development Ltd.	BVI	–	–
	Nen-Yao Chang (representative of Great Sino Development Ltd.)	Republic of China	Male	B.S. in Engineering, Duke University Chairman Assistant, Shanghai Ding Gu Real Estate Development Co., Ltd.
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	Freddie Liu	Republic of China	Male	Master of Business Administration, University of Michigan Legal Representative Director, CSO, Corporate Governance Officer, TPK Holding Co., Ltd. Independent Director, EDOM Technology Co.,Ltd. Vice President of Finance, ASE Group Vice President of corporate finance department, Taiwan Citibank
Independent Director	Huei-Chu Huang	Republic of China	Female	MBA, University of Missouri Director and President, UBS - Hong Kong Branch Director and President, Merrill Lynch- Hong Kong Branch Senior Vice President, China Development Financial Holding Corporation
Independent Director	Chi-Der Tsai	Republic of China	Male	Bachelor in Accounting, National Taipei University Partner, Whole Time CPA Firm Manager, KPMG Taiwan
Independent Director	Chun-Chi Kung	Republic of China	Male	E.M.B.A., National Sun Yat-sen University Independent Director, Infinite Finance Co., Ltd. Vice Chairman and Partner, Deloitte & Touche Expert Instructor, E.M.B.A., National Sun Yat-sen University Adjunct Expert Instructor, Department of Accountancy, National Cheng Kung University

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I. Letter to Shareholders

Dear Shareholders,

Looking back at the operating environment in Mainland China in 2023, there are many opportunities and challenges in the real estate market. As most of Sino Horizon's operating revenues mainly come from the Chinese market, in which we promoted residential construction projects and sales with inelastic demand in major cities such as Shanghai, we were able to retain stable revenues in 2023.

In terms of commercial real estate projects, in recent years, the Mainland Chinese consumer market and corporate expansion have become more prudent and conservative, thereby posing great challenges to the operation of major shopping malls and office buildings operated by the Company. Corporate management of the Shanghai SML Center and Jiading SML Center both faced many challenges. To resist economic slump, the Shanghai SML Center has adjusted its tenant categories to better meet consumer demand and maintain stable leasing rates. Meanwhile, thanks to the collective efforts of our employees, we are already seeing an increase in the leasing rate of the Jiading SML Center. Construction of the second phase of the Shanghai SML Center is underway and is set to be completed by 2025.

Below is a report on our 2023 business results and our business plans for 2024:

2023 Business Accomplishments

(I) Implementations of Business Plan

In 2023, Sino Horizon's operating revenue was NT$11.733 billion with a net profit before tax of NT$4.482 billion, net profit in this period was NT$565 million, and earnings per share of NT$0.32. In terms of sales of residential property, the recognition of property handover of projects including "Hui-Jing Hua-Ting" in Jiading District, Shanghai, contributed approximately NT$9.326 billion to the overall revenues in 2023. Whereas, revenues for commercial office lease and building management, accounted for approximately NT$2.407 billion in revenues.

(II)Budget Implementations

The Company did not disclose financial forecast for 2023; therefore, budget implementations is not applicable.

(III) Financial Status and Profitability Analysis

Item \ Year		2023	2022
Financial structure	Debt-to-asset ratio (%)	58.80	55.06
	Ratio of long-term capital to property, plant, and equipment (%)	11,707.19	12,373.56
Solvency	Current ratio (%)	272.99	335.22
	Quick ratio (%)	70.54	88.31
	Times interest earned (%)	237.65	186.07
Profitability	Return on assets (ROA) (%)	1.46	0.96
	Return on equity (ROE) (%)	1.31	1.15
	Pre-tax income to paid-in capital ratio (%)	25.76	15.73
	Net profit margin (%)	4.82	6.43
	Earnings per share (NTD)	0.32	0.34

(IV) Research and Development

1. In response to real estate market trends in both Taiwan and Mainland China, Sino Horizon has been continuously improving our financial management and organizational efficiency. Land investment and property evaluations both adhere to the principle of prudence. As the requirement for transparency in product information increases, our future research and development construction strategies will place more emphasis on customer needs in different areas. Meanwhile, we will also strengthen service quality to enhance the value-add of our products. In addition, construction costs have increased significantly in recent years, in particular in Taiwan. To address this issue, supported by financial management strategies, Sino Horizon will also take the supply and demand trend of bulk constructional materials into consideration in operations and project launch to reduce risks.

2. In terms of commercial real estate management and development, with the emergence of new retail forms, such as new consumer trends and introduction of new shopping malls, commercial real estate operations are facing multiple challenges. Sino Horizon's shopping malls will continue to introduce new merchants with differentiated products, and we will strive to cultivate the brand image of our malls, and develop diversified marketing strategies to enhance overall operational competitiveness. Moreover, we will also continue to develop plans to improve service quality and achieve sound reputation in the office leasing business.

3. Sino Horizon is deeply aware of the importance of green buildings and sustainable development, and works to promote the positive cycle of real estate development and social development. Green building system standard with high specifications has been deployed into the second phase of Shanghai SML Center, and we will continue to study and improve construction technology and project management to ensure engineering quality.

Summary of 2024 Business Plan

(I) Business Policy

Looking forward to 2024, Sino Horizon will take a pragmatic view of changes in the Chinese economy, and will adhere to our business goals of "property development, sound financial, and sustainable development" to optimize the commercial real estate environment and management quality, so as to maintain our commercial leasing rate. As for building construction and sales, we will continue to focus on projects in Shanghai.

For our business in Taiwan, Sino Horizon acquired the Jasper Villa Tianmu last year, whose handover has already been completed. The entire building has a high utilization rate, which includes a shopping mall, commercial properties, and residences. The building has approximately 16,075.18 pings in area, and its land accounts for approximately 1,641.67 pings. Sino Horizon's property planning adheres to the principle of co-prosperity and regional development, and we aspire to contribute toward Taiwan's urban development through our real estate operations in Taiwan.

(II) Expected Sales Volume and Its Basis

In 2024, the Company will continue to perform recognition for the handover of Hui-Jing Hua-Ting construction project in Jiading District, Shanghai. A total of 139 residential units have been handed over as of January. The number of units that can be handed over for the whole year will depend on the actual handover operations. Meanwhile, we will also strive to maintain steady operation for the commercial property leasing business.

(III) Important Production and Marketing Policies

In 2024, in the face of the global economy, the cross-strait real estate environment, and high raw material costs, the Company will respond to changes in market demand by improving our core business, and stabilizing the operating capabilities to control property sales and commercial real estate leasing rates. In addition, we will also implement rigorous budget management and effective operational management.

The Company's Future Development Strategies and Influence from External Competition, Regulations and Macro-Operating Environment

1. The Company will continue to orientate its future development strategy to focus on residential sales and commercial real estate operations, as well as performing rigorous control on financial risks in construction projects and keeping debt ratios under control. Adhering the principle of prudent management and profitability, in terms of product positioning, we will implement region-specific strategies and strive to provide high-quality products and services.

2. In the face of the overall business environment, the Chinese sluggish economy has affected transactions in the real estate market. However, the demand for residential housing in first-tier cities such as Shanghai remains inelastic. For the commercial real estate sector, shopping mall management is also facing many challenges. In terms of office leasing, currently, enterprises in general continue to be cautious toward rental decisions. Therefore, to maintain the profits from the

leasing business, the Company's residential sales and commercial property business strategies will remain flexible and adjustments in response to market trends.

3. To accelerate the stabilizing efforts of the housing market, the Chinese government has recently introduced a series of regulations and stimulating measures. Shanghai's optimized real estate policies include lowering down payment and lending rates, and optimizing general housing certification standards. In the meantime, the legal concern for the real estate industry in Taiwan is on the implementation of the amendment of "The Equalization of Land Rights Act" in 2023, as well as new policies and regulations such as capping the housing loan to 70% for the purchase of a second property in the seven major metropolitan areas. Although Sino Horizon has no plans to promote new housing project in Taiwan in the short-term, we will continue to pay close attention to the influence of relevant regulations on the housing market so as to adjust future project promotion strategies.

4. In terms of external competition, competent authorities in both Taiwan and Mainland China are increasingly requiring construction companies to make ESG efforts. Moreover, ESG-related performance thresholds are also expected to be implemented by financial institutions. To maintain competitive advantages in going green, the Company will prepare future ESG plans and strategies.

Dividend Policy

Considering the operating results in 2023, future business development needs and financial conditions, Sino Horizon has resolved on a cash dividend of NT$0.20 per share (note: to be disbursed only after approval is granted by the 2024 Annual Shareholders' Meeting).

On behalf of the Board of Directors, I would like to once again express my greatest gratitude to all shareholders for your encouragement and support, and I wish you all the best!

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 9 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	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	

Date	Highlights	Key Events
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
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	

Date	Highlights	Key Events
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	
August 2023	Completed and handed over Shanghai Ming Long Residential Building Huijing Huating Phase 4	
October 2023	Ding Gu Properties Co., Ltd. acciqured investment property- Tian Mu Jasper Villa	

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

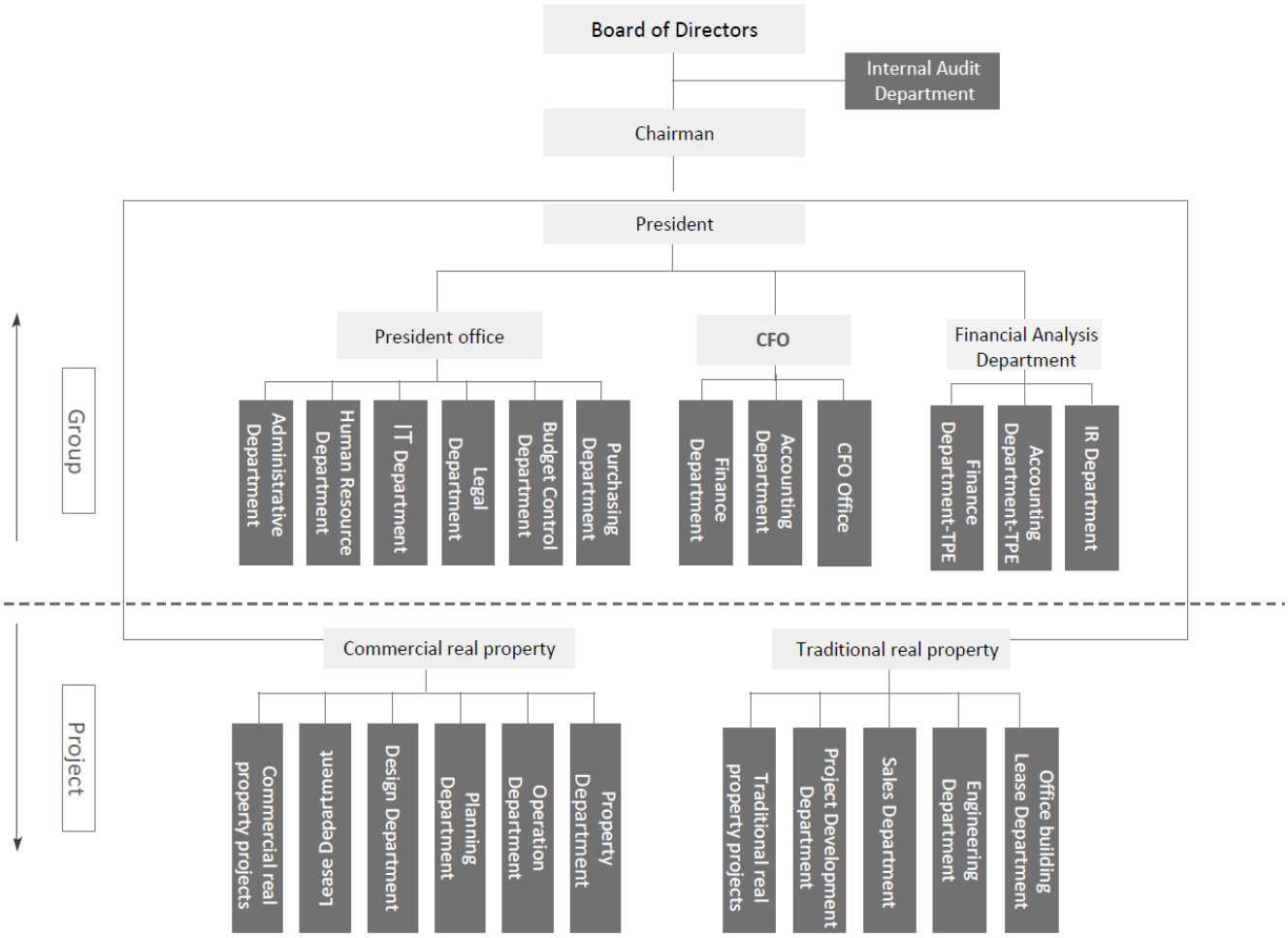
Please refer to 6. Risk management, analysis, and assessment on Page 117 for other major risks.

III. Corporate Governance Report

1. Organizational Chart

(1) Organizational Profile

As of March 31,2024



(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
Office Building Lease Department	1. Promotion and operational management for vacant office space. 2. Coordinating property projects for site delivery, renovation, and maintenance of equipment and facilities.
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

Department	Duties
	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
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
Purchasing 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
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

March 31, 2024

Title (Note 1)	Nationality	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.	-	-	2022.06.24	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	77	2022.06.24	3	2007.12.11	0	0.00%	0	0.00%	0	0%
Director	BVI	True Elite Holdings Limited	-	-	2022.06.24	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	80	2022.06.24	3	2007.12.11	0	0.00%	0	0.00%	0	0%
Director	BVI	True Elite Holdings Limited	-	-	2022.06.24	3	2016.8.26	677,880	38.95%	677,880	38.95%	0	0%
	U.S.A	Madeline D Chang (representative of True Elite Holdings Limited)	Female	49	2022.06.24	3	2016.8.26	0	0.00%	0	0.00%	0	0%

Title (Note 1)	Nationality	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
Director	BVI	Great Sino Development Ltd.	-	-	2022.06.24	3	2016.8.26	339,971	19.54%	339,971	19.54%	0	0%
	Republic of China	Nen-Yao Chang (representative of Great Sino Development Ltd.)	Male	43	2022.06.24	3	2010.08.26	566	0.03%	566	0.03%	0	0%
Director	Hong Kong, China	An Yee Jennifer Fung	Female	52	2022.06.24	3	2011.03.31	165	0.01%	165	0.01%	0	0%
Director	Republic of China	Fong-Cheng Lin	Male	84	2022.06.24	3	2010.08.26	0	0.00%	0	0.00%	0	0%
Director	Republic of China	Ching-Chong Chen	Male	84	2022.06.24	3	2010.08.26	0	0.00%	0	0.00%	0	0%
Director	Republic of China	Du-Tsuen Uang	Male	65	2022.06.24	3	2014.06.18	0	0.00%	0	0.00%	0	0%
Independent Director	Republic of China	Freddie Liu	Male	59	2022.06.24	3	2022.06.24	0	0.00%	0	0.00%	0	0%
Independent Director	Republic of China	Huei-Chu Huang	Female	68	2022.06.24	3	2022.06.24	0	0.00%	0	0.00%	0	0%

Title (Note 1)	Nationality	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
Independent Director	Republic of China	Chi-Der Tsai	Male	59	2022.06.24	3	2022.06.24	0	0.00%	0	0.00%	0	0%
Independent Director	Republic of China	Chun-Chi Kung	Male	63	2023.06.20	2	2023.06.20	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

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	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)	—	—	—
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 Director	Freddie Liu	0	0%	Master of Business Administration, University of Michigan Legal Representative Director, CSO, Corporate Governance Officer, TPK Holding Co., Ltd. Independent Director, EDOM Technology Co.,Ltd. Vice President of Finance, ASE Group Vice President of corporate finance department, Taiwan Citibank	(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
Independent Director	Huei-Chu Huang	0	0%	MBA, University of Missouri Independent Director, VisEra Technologies Company Ltd. Independent Director, Parade Technologies, Ltd. Director and President, UBS - Hong Kong Branch Director and President, Merrill Lynch- Hong Kong Branch Senior Vice President, China Development Financial Holding Corporation	(Note 1)	—	—	—
Independent Director	Chi-Der Tsai	0	0%	Bachelor in Accounting, National Taipei University Partner, Whole Time CPA Firm Manager, KPMG Taiwan	(Note 1)	—	—	—
Independent Director	Chun-Chi Kung	0	0%	E.M.B.A., National Sun Yat-sen University Independent Director, Infinite Finance Co., Ltd. Vice Chairman and Partner, Deloitte & Touche Expert Instructor, E.M.B.A., National Sun Yat-sen University Adjunct Expert Instructor, Department of Accountancy, National Cheng Kung 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, and an additional independent director position has been added in 2023.

Hung-Pen Chang

Sino Engine Group Limited - Director
Fairwheel Holdings Limited - Director
Imperial Corporation Ltd. - Director
Sino Horizon Holdings Limited - Chairman (representative)
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
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. - Director
Wan-Chang Investment Co., Ltd. - Director
Wan-Ya Investment Co., Ltd - Director
Ding-Ku Investment Co., Ltd. - Director
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 Test Limited - Director
A.S.E Holding Ltd. - Director
J&R Holding Ltd. - Director
GAPT Limited- 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. - Chairman
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 - 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
ASE Global Integrated Solutions Co., Ltd. - Director (representative)
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
ASE Technology Partners, Limited -Director

Nen-Yao Chang

Sino Horizon Holdings Limited – Director (representative) and 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 and President

Shanghai Ding Jia Real Estate Development Co., Ltd. – Director and President

Shanghai Ding Tong Real Estate Development Co., Ltd. – Director and President

Shanghai Hong Xiang Land Investment Co., Ltd. – Director and President

Shanghai Ming Long Construction And Development Co., Ltd. – Director and President

Shanghai Ding Lin Real Estate Development Co., Ltd. – Director and President

Shanghai Ding Xin Properties Co., Ltd. – Director and President

Kunshan Ding Yao Real Estate Development Co., Ltd. – Director and President

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

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

Ding Gu Properties Co., Ltd. - President

Shanghai Dingyi Real Estate Development Co., Ltd. – Director and President

Ding Gu Properties Co., Ltd. – Director (representative) and President

Madeline D Chang

Sino Horizon Holdings Limited - Director (representative)

Shanghai Ding Hui Real Estate Development Co., Ltd. – Director, and 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

An Yee Jennifer Fung

Sino Horizon Holdings Limited – Director, Executive Vice President, CFO and Corporate Governance Officer

Wealthy Joy Co. Ltd - CFO

Peak Vision International Limited - Director, and CFO

Peak Paramount International Limited - Director, and 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

Ding Gu Properties Co., Ltd. - CFO

Fong-Cheng Lin

Sino Horizon Holdings Limited - Director

Presidium, Central Advisory Committee of Kuomintang of China – Chairperson

Lien Chan Foundation for Peace and Development - Director

Ching-Chong Chen

Sino Horizon Holdings Limited - Director

Advanced Microelectronic Products, Inc. - Chairman

Rong Da Investment Co. Ltd. - Chairman

Chien Yang Enterprise Co., Ltd. - Chairman

Du-Tsuen Uang

Sino Horizon Holdings Limited - Director

ASE Technology Holding Co., Ltd - Chief Administration Officer, Corporate Governance Officer, Chief of Risk Committee, and Chief Information Security Officer

Advanced Semiconductor Engineering, Inc. - Director(representative), and Chief Administration Officer

ASE (China) Ltd. - Chairman, and President

ASE Advanced Semiconductor (Shanghai) Limited - Director, and President

Universal Scientific Industrial (Shanghai) Co., Ltd.- Director

Hung Ching Development & Construction Co., Ltd.- Director

Hung Ching Hsin Co., Ltd. - Director, and President

Environmental Sustainability Foundation - Director, and CEO

Chang Yao Hong-Ying Social Welfare and Charity Foundation - CEO

ASE Social Enterprise Co.,Ltd - Director, and CEO

Goodcare Holdings Inc. - Director

Bank Of Kaohsiung CO., Co., Ltd.- Managing Independent Director

Freddie Liu

Sino Horizon Holdings Limited - Independent Director

TPK Holding Co., Ltd. - Corporate Director (representative), CSO and Corporate Governance Officer

TPK Glass Solutions (Xiamen) Inc. - Supervisor

TPK Touch Systems (Xiamen) Inc. - Supervisor

TPK Touch Solutions (Pingtan) Inc. -Supervisor

TPK Film Solutions (Xiamen) Inc.-Supervisor

Ray-Star Universal Solutions Limited - Director

XiaMen Jan Jia Optoelectronics Co., Ltd. - Supervisor

TPK Trading (Xiamen) Inc. - Supervisor

EDOM Technology Co.,Ltd. - Independent Director

Casual Restaurants Inc. - Director

TPK Touch Solutions (Xiamen) Inc. - Supervisor

Trend Import-Export Limited Company (Xiamen) Inc. - Supervisor

TPK MasTouch Solutions(Xiamen) Inc. - Supervisor

TPK Advanced Solutions Inc. - Supervisor

TPK Asia Pacific Sdn. Bhd. - Director

Optera TPK Holding Pte Ltd. - Director

TPK Material Solutions (Xiamen) Inc. - Supervisor

TPK Multi-Asset (Xiamen) Inc.Supervisor

Just Kitchen Holdings Corp. - Director

Pou Sheng International (Holdings) Limited - Independent Non Executive Director

DS Energy Technology Co., Ltd. - Director Representative

Huei-Chu Huang

Sino Horizon Holdings Limited - Independent Director

Parade Technologies, Ltd.- Independent Director

VisEra Technologies Company Ltd. - Independent Director

Polytronics Technology Corporation - Independent Director

Chi-Der Tsai

Sino Horizon Holdings Limited - Independent Director

Whole Time CPA Firm - Partner

Yu Der Limited - Director

Chun-Chi Kung

Sino Horizon Holdings Limited - Independent Director

Infinite Finance CO., LTD. - Independent Director

Jin Zhen Nan Foods Co., Ltd. - Director

Weleader BIO Co., Ltd. - Independent Director

2. Major shareholders of corporate directors

Name of institutional shareholder	Major shareholders of institutional shareholders	Shareholding percentage
Great Sino Development Ltd.	Ever Light Ltd.	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
Ever Light Ltd.	The H.P. Chang Trust.	100%
JC Holdings Limited	JC International Holdings Limited	100%

(2) Professional knowledge and independence of directors

March 31, 2024

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 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.	-

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, 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
Freddie Liu	· Graduated from Michigan University with Master of Business Administration. He is currently the Representative of Corporate Director, CSO and Corporate Governance Officer of TPK Holding Co., Ltd., and an Independent Director of EDOM Technology Co., Ltd. He used to be Vice President of Finance, ASE Group and Vice President of corporate finance department of Taiwan Citibank. He has the necessary work experience in corporate governance, risk management, strategic planning and financial management. · 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
Huei-Chu Huang	· Graduated from Missouri with M.B.A. She is currently an independent director of VisEra Technologies Company Ltd., Parade Technologies, Ltd., and Polytronics Technology Corporation and previously served as the Managing Director of Hong Kong Branch of UBS and Hong Kong Branch of Merrill Lynch Securities, and the Senior Vice President of China Development Financial Holdings. She 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.	3

Qualification / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Chi-Der Tsai	· Graduated from National Taipei University with a bachelor's degree in accounting. He is qualified as an accountant of the Republic of China and is currently a partner of Whole Time accounting firm. He 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, whichen is conformed to independce condition.	-
Chun-Chi Kung	· Graduated from E.M.B.A., National Sun Yat-sen University. He is qualified as an accountant of the Republic of China and is currently an indenpant director of Infinite Finance Co., Ltd and Weleader BIO Co., Ltd. He used to be Vice Chairman and Partner, Deloitte & Touche. He 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, whichen is conformed to independce condition.	2

(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.

Items of diversity / Name	Basic component								Industry experience			Professional ability			
	Nationality	Gender	Age				Independent directors' term of office	Serve as employee	Real estate	Manufacturing	Financial	Accounting and finance	Law and legal affairs	Architectural design	Industrial management
			41-50	51-60	61-70	71 Above									
Hung-Pen Chang	Hong Kong, China	Male	-	-	-	V	-	-	V	V	-	-	-	-	V
Chien Shen Chang	Singapore	Male	-	-	-	V	-	-	V	V	-	-	-	-	V
Madeline D Chang	U.S.A	Female	V	-	-	-	-	-	V	-	-	-	-	V	-
Nen-Yao Chang	Republic of China	Male	V	-	-	-	-	V	V	-	-	-	-	-	V
An Yee Jennifer Fung	Hong Kong, China	Female	-	V	-	-	-	V	V	-	V	V	-	-	-
Fong-Cheng Lin	Republic of China	Male	-	-	-	V	-	-	-	V	-	-	V	-	-
Ching-Chong Chen	Republic of China	Male	-	-	-	V	-	-	-	V	-	-	-	-	V
Du-Tsuen Uang	Republic of China	Male	-	-	V	-	-	-	V	V	-	-	V	-	-
Freddie Liu	Republic of China	Male	-	V	-	-	under 3 years	-	-	V	V	V	-	-	V
Huei-Chu Huang	Republic of China	Female	-	-	V	-	under 3 years	-	-	-	V	V	-	-	-
Chi-Der Tsai	Republic of China	Male	-	V	-	-	under 3 years	-	-	-	V	V	V	-	-
Chun-Chi Kung	Republic of China	Male	-	-	V	-	under 3 years	-	-	-	V	V	V	-	-

The specific management objectives of the board diversity policy and their achievement status are as follows:

Diversity management objectives	Achievement status
Directors who also serve as company managers should not exceed one-third of the number of directors	Done
More than three seats of independent directors and not less than one-fifth of the seats of directors	Done
At least one of the board members is female	Done

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

- There are four independent directors (33%).
- There are three female directors, of which two are directors and one is an independent director (25%).
- There are two of the directors are employees of the Company (17%).
- The board of directors consists of two members aged between 41-50, three members aged between 51-60, three members aged between 61-70, and four members aged 71 and above.
- 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 twelve directors, including 4 independent directors, which accounts 33% 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)

March 31, 2024

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	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 IT	Republic of China	Chih-Chun Wang	Male	2020.12.01	0	0.00%	0	0	0	0
Vice President of Engineering	China	Wen-Yan Zheng	Male	2023.10.11	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 (Note)		
				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	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 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
Vice President of Engineering	Wen-Yan Zheng	Dutch Business School Doctor of Business Administration (DBA) Certified Senior Engineer in the Real Estate Specialization of the Engineering Series, Shanghai Municipal Engineering Department Qualification Assessment Committee Manager, Project Development Department, China Unicom Shanghai Branch	Sino Horizon Group subsidiaries	NA	NA	NA

Note: 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, and an additional independent director position has been added in 2023.

3. Remuneration paid to Directors, the President and Vice Presidents for the Past 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 compensation(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.	-	-	-	-	19,747	19,747	-	-	19,747 (3.49%)	19,747 (3.49%)
Juridical Person Director	True Elite Holdings Limited	-	-	-	-	13,160	13,160	-	-	13,160 (2.33%)	13,160 (2.33%)
Representative of Juridical Person Director, Great Sino Development Ltd.	Hung-Pen Chang (Chairman)	13,513	13,513	-	-	12,600	12,600	-	-	26,113 (4.62%)	26,113 (4.62%)
	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	Freddie Liu	7,589	7,589	-	-	-	-	-	-	7,589 (1.34%)	7,589 (1.34%)
Independent Director	Huei-Chu Huang										
Independent Director	Chi-Der Tsai										
Independent Director	Chun-Chi Kung (Note 3)										

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	Amount in cash	Amount in stocks	Amount in cash	Amount in stocks	The Company	All companies in the financial statements	
Juridical Person Director	Great Sino Development Ltd.	-	-	-	-	-	-	-	-	19,747 (3.49%)	19,747 (3.49%)	-
Juridical Person Director	True Elite Holdings Limited	-	-	-	-	-	-	-	-	13,160 (2.33%)	13,160 (2.33%)	-
Representative of Juridical Person Director, Great Sino Development Ltd.	Hung-Pen Chang (Chairman)	10,885	17,537	1,119	1,119	4,900	-	4,900	-	43,017 (7.61%)	49,669 (8.79%)	-
	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	Freddie Liu	-	-	-	-	-	-	-	-	7,589 (1.34%)	7,589 (1.34%)	-
Independent Director	Huei-Chu Huang											
Independent Director	Chi-Der Tsai											
Independent Director	Chun-Chi Kung (Note 3)											

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 13 March 2024 that 45,507 thousand NTD would be distributed to directors as director remuneration and 22,753 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.
Note 3: Inaugurated on 2023.06.20

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)	Chun-Chi Kung	Chun-Chi Kung	Chun-Chi Kung	Chun-Chi Kung
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang, An Yee Jennifer Fung, Freddie Liu, Huei-Chu Huang, Chi-Der Tsai	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang, An Yee Jennifer Fung, Freddie Liu, Huei-Chu Huang, Chi-Der Tsai	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang, Freddie Liu, Huei-Chu Huang, Chi-Der Tsai	Fong-Cheng Lin, Ching-Chong Chen, Du-Tsuen Uang, Freddie Liu, Huei-Chu Huang, Chi-Der Tsai
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	-	-	Nen-Yao Chang	-
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	-	-	-	Nen-Yao Chang
NT$10,000,000 (inclusive) to NT$15,000,000 (exclusive)	Hung-Pen Chang	Hung-Pen Chang	Hung-Pen Chang, An Yee Jennifer Fung	Hung-Pen Chang,
NT$15,000,000 (inclusive) to NT$30,000,000 (exclusive)	Great Sino Development Ltd. True Elite Holdings Limited	Great Sino Development Ltd. True Elite Holdings Limited	Great Sino Development Ltd. True Elite Holdings Limited	Great Sino Development Ltd. True Elite Holdings Limited An Yee Jennifer Fung
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	14	14	14	14

(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)		Remuneration 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	Amount in cash	Amount in stocks	Amount in cash	Amount in stocks	The Company	All companies in the financial statements	
President	Nen-Yao Chang	15,681	48,497	1,119	1,516	-	-	11,000	-	11,000	-	27,800 (4.92%)	61,013 (10.79%)	-
CFO	An Yee Jennifer Fung													
Vice President of Finance (Note 3)	Hsien-Chih Tsai													
Vice President of Finance	Kuo-Lung Chu													
Vice President of Legal Affairs	Xiang-Lei Sun													
Vice President of Personnel (Note 3)	Ching-Te Ni													
Vice President of IT	Chih-Chun Wang													
Vice President of Engineering (Note 3)	Wen-Yan Zheng													

Note 1: It was resolved by the Board of Directors on 13 March 2024 that 45,507 thousand NTD would be distributed to directors as director remuneration and 22,753 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 past year.

Note 3: The Vice President of Finance, Hsien-Chih Tsai, retired on December 31, 2023; the Vice President of Human Resources, Ching-Te Ni, resigned on February 22, 2024; and the Vice President of Engineering, Wen-Yan Zheng, was inaugurated on October 11, 2023.

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, Hsien-Chih Tsai	-
NT$1,000,000 (inclusive) to NT$2,000,000 (exclusive)	-	-
NT$2,000,000 (inclusive) to NT$3,500,000 (exclusive)	Xiang-Lei Sun, Wen-Yan Zheng	-
NT$3,500,000 (inclusive) to NT$5,000,000 (exclusive)	Nen-Yao Chang, Kuo-Lung Chu	Chin-Te Ni, Wen-Yan Zheng
NT$5,000,000 (inclusive) to NT$10,000,000 (exclusive)	-	Nen-Yao Chang, Xiang-Lei Sun, Hsien-Chih Tsai, Kuo-Lung Chu 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	8	8

(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	-	11,000	11,000	1.95%
	CFO	An Yee Jennifer Fung				
	Vice President of Finance (Note 3)	Hsien-Chih Tsai				
	Vice President of Finance	Kuo-Lung Chu				
	Vice President of Legal Affairs	Xiang-Lei Sun				
	Vice President of Personnel (Note 3)	Ching-Te Ni				
	Vice President of IT	Chih-Chun Wang				
	Vice President of Engineering (Note 3)	Wen-Yan Zheng				

Note 1: It was resolved by the Board of Directors on 13 March 2024 that 45,507 thousand NTD would be distributed to directors as director remuneration and 22,753 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 past year.

Note 3: The Vice President of Finance, Hsien-Chih Tsai, retired on December 31, 2023; the Vice President of Human Resources, Ching-Te Ni, resigned on February 22, 2024; and the Vice President of Engineering, Wen-Yan Zheng, was inaugurated on October 11, 2023.

(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	2023				2022			
	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	66,609	66,609	11.78%	11.78%	76,244	76,244	12.86%	12.86%
President and vice presidents	27,800	61,013	4.92%	10.79%	38,318	64,664	6.46%	10.91%

Analysis of changes:

(1) Director's remuneration: The total amount of remuneration paid to directors for the year 2023 decreased compared to 2022, mainly due to a reduction in compensation to directors of the Company.

(2) The total remuneration paid to the General Manager and Deputy General Managers in 2023 was roughly equivalent to that of 2022; hence, a detailed analysis is not considered necessary.

Note: It was resolved by the Board of Directors on 13 March 2024 that 45,507 thousand NTD would be distributed to directors as director remuneration and 22,753 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. The Company will also refer to the overall operating performance, future business risks and development trends of the industry, and also refer to the individual's performance achievement rate and the degree of participation and contribution value to the company's operations to give directors and managers reasonable remuneration.

4. Implementation of corporate governance

(1) Board of Directors operating status

A total of 4 meetings of the Board of Directors were held in the past year (2023). 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)	4	-	100%	-
Representative of institutional director True Elite Holdings Limited	Chien Shen Chang	4	-	100%	
Representative of institutional director Great Sino Development Ltd.	Nen-Yao Chang	4	-	100%	-
Representative of institutional director True Elite Holdings Limited	Madeline D Chang	3	-	75%	-
Director	Fong-Cheng Lin	2	-	50%	-
Director	Ching-Chong Chen	4	-	100%	-
Director	An Yee Jennifer Fung	4	-	100%	-
Director	Du-Tsuen Uang	2	-	50%	-
Independent Director	Freddie Liu	4	-	100%	-
Independent Director	Huei-Chu Huang	4	-	100%	-
Independent Director	Chi-Der Tsai	4	-	100%	-
Independent Director	Chun-Chi Kung	2	-	100%	Inaugurated on 2023.06.20

Note: The attendance rate is calculated based on the times of Board of Directors' Meetings and the actual attendances within the director's term of office.

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
2023.03.10	Freddie Liu; Huei-Chu Huang; Chi-Der Tsai	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.
2023.05.12	All directors except independent directors	To propose the detailed distribution plan of remuneration for the Company's Directors and 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.

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, 2023 to December 31, 2023	(1) External independent agency evaluation: Performance evaluation of the overall board of directors. (2) Internal evaluation: Performance evaluation of the overall board of directors, individual board members, and functional committees.	(1) External independent agency evaluation: Evaluation entrusted to the Taiwan Corporate Governance Association. (2) Internal board self-assessment, individual board member self-assessment, functional committee member self-assessment.	(1) External independent agency evaluation: Composition of the Board of Directors, Guidance of the Board of Directors, Authorization of the Board of Directors, Oversight of the Board of Directors, Communication of the Board of Directors, Internal Control and Risk Management, Self-regulation of the Board of Directors, and Others such as Board Meetings, Support Systems, etc. (2) Internal evaluation: · 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 Audit Committee 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. · Performance evaluation of the Remuneration Committee includes the four 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; and the composition of the Committee and selection of Committee members.

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. Additionally, on November 14, 2022, the Sustainability and Risk Management Committee was established, aiming to further strengthen 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 2023, the total number of training hours of all Directors reached 117 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 13, 2024.

(2) Operating status of the Audit Committee

The Audit Committee convened a total of 4 meetings in the past year (2023) The attendance of independent directors was as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance in person rate (%) (Note)	Note
Independent Director	Freddie Liu	4	-	100%	-
Independent Director	Huei-Chu Huang	4	-	100%	-
Independent Director	Chi-Der Tsai	4	-	100%	-
Independent Director	Chun-Chi Kung	2	-	100%	Inaugurated on 2023.06.20

Note: The attendance rate is calculated based on the times of Audit Committee' Meetings and the actual attendances within the member's term of office.

The audit committee of the Company consists of 4 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 2023 were as follows:

- Adoption or amendment of an internal control system pursuant to Article 14-1.
- Assessment of the effectiveness of the internal control system.
- The hiring or dismissal of an attesting CPA, or the compensation given thereto.
- Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, and the first and third-quarter financial reports that reviewed by a CPA, which are signed or sealed by the chairperson, manager, and accounting officer.
- Any other material matter so required by the Company or the Competent Authority.

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
2023.03.10 5th session (4th meeting)	1. Proposal for Approval of the Declaration on Internal Control System of the Company for Year 2022.	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 2022.		
	3. Proposal for Adoption of Profit Distribution Plan for Year 2022.		
	4. Proposal for Approval of the Remuneration of Employees and Directors for Year 2022.		
	5. Proposal for Appointment of Certified Public Accountant ("CPA") and Evaluating the Independence and Suitability of the CPA.		
	6. Proposal for Adoption of Amended M&A.		
	7. Election and Nomination of the Independent Director.		
	8. Proposal for Release from Non-Competition Restrictions.		
	9. Proposal for Rules Governing Pre-approval of Non-Assurance Services Performed by the CPA.		

Date and Term	Contents of the motion	Audit Committee Resolution Results	The Company' treatment of feedback from the Audit Committee
2023.05.12 5th session (5th meeting)	Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 31 March 2023.	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.
2023.08.18 5th session (6th meeting)	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 June 2023. 2. Proposal for Amendments to Rules Governing Granting Loan and Advance.	All members present agreed to approve the proposal and submit it to the board of directors for resolution. The independent directors have no objection.objection.	The resolution of the board of directors was approved as proposed.
2023.11.10 5th session (7th meeting)	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 September 2023. 2. Proposal for Change of the Certified Public Accountant of the Company. 3. Proposal for Approval of the Annual Aduit Plan of the Company for Year 2024.	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) 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 2023. 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 2023, 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.
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 12 directors, which include four independent directors (33%) and three female directors, two of whom are a director and one an independent director (25%). Two of the directors are employees of the Company (17%). The board consisted of skilled professionals from different backgrounds:	(1) No material differences.

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			industrial engineering, electrical engineering, design, finance, accounting, law, and management, etc. Therefore, the Company has effectively implemented a board diversification policy. Please refer to the Company's website for specific management goals and implementation status.	
(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 refer to the Company's website for the duties and operating status of the committee. In addition, the company has set up a Sustainable Development and Risk Management Committee on November 14, 2022. The committee currently consists of four members, including three independent directors. Please refer to the Company's website for its responsibilities and operations.	(2) No material differences.
(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. After the end of each year, the internal performance of the overall board of directors will be evaluated, and the results will be used as a reference basis for the future nomination of directors and the remuneration of individual directors. In 2023, the Board of Directors' performance evaluation was conducted by a professional agency, simultaneously utilizing a self-assessment questionnaire approach. The evaluation results were submitted to the Company's Board of Directors on March 13, 2024. <u>External independent agency evaluation</u> ・Content of evaluation: Composition of the Board of Directors, Guidance of the Board of Directors, Authorization of the Board of Directors, Oversight of the Board of Directors, Communication of the Board of Directors, Internal Control and Risk Management, Self-regulation of the Board of Directors, and Others such as Board Meetings, Support Systems, etc. ・Overall evaluation: 1. The Company has an open-minded atmosphere during discussions, demonstrating a corporate culture that values collective wisdom. 2. The appointment of independent directors with extensive experience in finance, accounting, and financial matters enhances the effectiveness of the Board of Directors. 3. Emphasis is placed on corporate risk management issues, with the establishment of a Sustainability and Risk Management Committee tailored to actual needs, responsible for promoting the Company's sustainable development, risk management, and integrity operation. 4. The Company continuously strengthens corporate governance, resulting in a steady improvement in its ranking in recent years' evaluations of listed companies. The management also pays attention to the foundational work of corporate governance, with the Corporate	(3) No material differences.

Evaluation item	Operations			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			Governance Officer conducting an annual self-assessment of the Company's corporate governance evaluation scores. ・ Suggestions: 1. It is recommended to incorporate a training mechanism for newly appointed directors into the Company's governance framework to assist them in quickly understanding the Company's operations and effectively fulfilling their oversight duties. 2. It is suggested to further strengthen the whistleblower mechanism and enhancing its direct connection with independent directors. 3. It is advisable for the Company to establish clear reporting procedures for significant ad hoc information. 4. Regarding the content of the self-assessment questionnaires conducted annually for the Board of Directors, functional committees, and individual directors, it is recommended that the company consider referencing the functions and division of responsibilities of the Board and its committees, as well as the Company's developmental goals at different stages. Additionally, qualitative indicators and their weighting with a forward-looking and strategic perspective should be added, enhancing the discernibility of the Board's performance self-assessment results. <u>Internal evaluation</u> ・ 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 Audit Committee 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. ・ Performance evaluation of the Remuneration Committee includes the four 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; and the composition of the Committee and selection of Committee members. ・ The self-assessment questionnaire has achieved a 100% response rate. The average score for this year's Board of Directors' performance evaluation is 4.25 points. Individual board members' average performance evaluation scores are 4.7 points, the Audit Committee's average performance evaluation score is 4.9 points, and the Compensation Committee's average performance evaluation score is 4.8 points (out of a maximum of 5 points).	

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		(4) The Company's Audit Committee obtains annually the auditor's independence statement and the company's "AQI Report - Annual Audit Quality Indicators Report" prepared by the CPA firm. After completing the assessment of the signing auditor's independence, the Company reports the evaluation results to the Board of Directors. The evaluation items are formulated with reference to the R.O.C. Professional Ethics Guidelines No. 10, "Integrity, Impartiality, Objectivity and Independence", and Article 47 of the Certified Public Accountant Act. 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: The Company's assessment confirmed that the certifying accountants meet independence standards. The Audit Committee and Board of Directors approved the 2023 evaluation of their independence and competence on March 10, 2023.	(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 10 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: 1. 4 board meetings and 4 Audit Committee meetings were held in 2023. 2. 1 Annual Shareholders' Meeting was held in 2023. 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 2023, 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.	No material differences.

<table>
<tr><th>Evaluation item</th><th>Operations
Yes</th><th>No</th><th>Summary</th><th>Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><td></td><td></td><td></td><td>
<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>Taiwan Corporate Governance Association</td><td>A Brief Discussion on Corporate Governance and Public-Private Partnerships</td><td>2023/04/13</td><td>2023/04/13</td><td>3.0</td></tr>
<tr><td>2</td><td>Taiwan Corporate Governance Association</td><td>Tax Implications and Responses for Businesses and Individuals Amid the CFC Storm</td><td>2023/11/10</td><td>2023/11/10</td><td>3.0</td></tr>
<tr><td>3</td><td>Accounting Research and Development Foundation</td><td>Common Deficiencies in Financial Statement Auditing and Practical Analysis of Key Internal Control Regulations</td><td>2023/12/20</td><td>2023/12/20</td><td>6.0</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 ESG 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>
<tr><td>7. Information disclosure
(1) Has the Company established a corporate website to disclose information regarding the Company's financial, business and corporate governance status?</td><td>V</td><td></td><td>(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.</td><td>(1) 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	
(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.
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. 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. 5. In order to strengthen the implementation of corporate governance, the company actively encourages directors to participate in training, and discloses the status of training in the corporate governance section of the Public Information Observatory.	No material differences.
9. Please describe improvements in terms of the Corporate Governance Evaluation Results conducted by the Corporate Governance Center in the past 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 and the Sustainable Development and Risk Management Committee

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
Freddie Liu (convener)	Independent Director	· Graduated from Michigan University with Master of Business Administration. He is currently the Representative of Corporate Director, CSO and Corporate Governance Officer of TPK Holding Co., Ltd., and an Independent Director of EDOM Technology Co., Ltd. He used to be Vice President of Finance, ASE Group and Vice President of corporate finance department of Taiwan Citibank. He has the necessary work experience in corporate governance, risk management, strategic planning and financial management. · 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
Huei-Chu Huang	Independent Director	· Graduated from Missouri with M.B.A. She is currently an independent director of VisEra Technologies Company Ltd., Parade Technologies, Ltd., and Polytronics Technology Corporation and previously served as the Managing Director of UBS and Merrill Lynch Securities in Taiwan, and the Senior Vice President of China Development Financial Holdings. She 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.	2
Chi-Der Tsai	Independent Director	· Graduated from National Taipei University with a bachelor's degree in accounting. He is qualified as an accountant of the Republic of China and is currently a partner of Whole Time accounting firm. He 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.	-

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 24, 2022 to June 23, 2025 (same as the term for the current Board of Directors). The Remuneration Committee met two times in the past year (2023), and attendance records of the committee members were as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance in person rate (%) (Note)	Note
Convener	Freddie Liu	2	-	100%	-
Committee member	Huei-Chu Huang	2	-	100%	-
Committee member	Chi-Der Tsai	2	-	100%	-

Note: The attendance rate is calculated based on the times of Remuneration Committee' Meetings and the actual attendances within the member's term of office.

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 and managers.

・Regularly assess and establish remunerations for the directors and managers.

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

・Performance appraisal and remuneration of directors 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.

(4) Operations in the past year:

Date and Term	Contents of the motion	Remuneration Committee Resolution Results	The Company' treatment of feedback from the Remuneration Committee
2023.03.10 5th session (2th meeting)	1. Proposal for Approval of the Remuneration of Employees and Directors for Year 2022. 2. Remuneration of the Company's Independent Directors 3. Proposal for Approval of the Remuneration for Managers	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.
2023.05.12 5th session (3th meeting)	Distribution of Profits to Directors and Managers	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.

Sustainable Development and Risk Management Committee

1. Composition and Responsibilities of the Sustainable Development and Risk Management Committee

The Company set up the "Sustainable Development and Risk Management Committee" in November 2022, which consists of four directors (including three independent directors). In order to promote the Company's work related to sustainable development, risk management and ethical corporate management, three functional groups have been set up under this committee, namely the sustainable development working group, the risk management working group and the ethical management working group, to assist in the implementation and handling of this Committee resolution instructions. The operation of the committee is handled in accordance with the Company's "Sustainable Development and Risk Management Committee Organization Regulations". The main responsibilities are:

(1) Formulate the Company's sustainable development policy, risk management policy and ethical management code, as well as the formulation of related strategies and implementation plans.

(2) Review, track and revise the implementation and effectiveness of the Company's sustainable development, risk management and ethical management, and report to the board of directors on a regular basis.

(3) Other matters that have been resolved by the board of directors to instruct the committee to conduct.

2. Operating status of the Sustainable Development and Risk Management Committee

(1) Current term for the committee members: November 14, 2022 to June 23, 2025 (same as the term for the current Board of Directors). The Sustainable Development and Risk Management Committee met one time in the past year (2023), and attendance records of the committee members were as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance in person rate (%)	Note
Convener	Nen-Yao Chang	1	—	100%	Director and President
Committee member	Freddie Liu	1	—	100%	Indpendant director
Committee member	Huei-Chu Huang	1	—	100%	Indpendant director
Committee member	Chi-Der Tsai	1	—	100%	Indpendant director

(2) Operations in the past year:

Date and Term	Contents of the motion	Remuneration Committee Resolution Results	The Company' treatment of feedback from the Remuneration Committee
2023.11.10 1th session (2th meeting)	1. Submission of the 2022 Sustainability Report	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.Progress Update on the Execution of the Greenhouse Gas Inventory and Verification for the Third Quarter of 2023		
	3. Submission of the 2023 Integrity Management Report		
	4. Reporting on the Operational Status of Risk Management for 2023		

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

Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	
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?	V		The Company has set up a Sustainable Development and Risk Management Committee responsible for promoting ESG-related operations The Company has established a concurrent ESG unit responsible for promoting ESG-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 2022 has been presented to the Board of Directors on November 10, 2023. The key areas of focus for the Board of Directors' supervision of sustainability development work in 2023 are as follows: 1. Identifying key issues for the Company to address in response to sustainability trends across various business sectors, assessing both positive and negative impacts on the Company's operations in the economic, environmental, and social domains. 2. Continuously reviewing the outcomes of sustainability projects within the Company and exploring feasible strategies for improvement. 3. To embody the spirit of ESG (Environmental, Social, and Governance) and align with the United Nations Sustainable Development Goals (SDGs), tracking and evaluating the performance of the "I am a Social Observer" project for the years 2021 to 2023, aimed at promoting social welfare through educational initiatives. 4. The Sustainability Development Team consistently reports progress on carbon inventory activities to the Board of Directors at regular intervals throughout each quarter. Starting from the fourth quarter of 2023, in response to the Sustainable Development Roadmap set forth by the Financial Supervisory Commission, the Company has initiated relevant projects related to carbon inventory implementation.	No material differences.
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?	V		The disclosed information in the risk assessment encompasses the sustainability performance of the Company's major locations in 2023. The assessment boundary primarily focuses on our subsidiaries operating in mainland China, including projects in Shanghai, Chongqing, Kunshan, among others, whether established, under construction, or planned. The subsidiaries serve as the boundary for analysis and risk identification, conducted in accordance with the materiality management principles outlined in the sustainability report. Risks are categorized and differentiated based on operational, industry, environmental, and social risk factors. Regular reports on the execution, progress, and effectiveness of the work are provided to the Sustainability and Risk Management Committee. The ESG risk items and response strategies identified by the Company are as follows:	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	

Risk Category	Risk Category	Coping Strategies
Operation risk	The substantial capital requirements for investment give rise to liquidity risks, especially in the event of a downturn in the real estate market. This situation may lead to the immobilization of company funds, thereby causing difficulties in fund allocation.	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%.
	Policy adjustments by local regulatory authorities in the real estate market or the introduction of new laws or restrictions can potentially pose adverse risks to property developers.	1. Maintain appropriate cash reserves and strengthen the Company's financial structure to cope with policy adjustments and overall market changes. 2. Adjusting the Company's operational strategy to increase the proportion of investment property leasing revenue in the long term, balancing the ratio of development sales, to mitigate the impact of fluctuations in the residential market on the Company.
Industrial risk	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.	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.
Environmental 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. Development projects follow regulatory guidelines and prioritize sustainable materials and collaborative land use to create a sustainable environment. 2. Maintain friendly relations with local communities and adjust construction methods appropriately to reduce the impact on community residents during the construction period.

Evaluation item	Operating Status					Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary			
			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.	
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	V		The Company has established environmental management systems tailored to the characteristics of the real estate industry, such as "Construction Site Environmental Management" and "Mall Environmental Management," continuously optimizing them. For instance, we encourage contractors and tenants to sign construction commitments, advocating for agreements like the "Renovation Construction Commitment" and "Secondary Renovation Construction Using Green Environmental Materials Commitment" to ensure construction quality. Additionally, the Company commissions nationally qualified testing agencies to conduct indoor air quality testing.			(1) No material differences
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		(2) The Company ensures that its construction materials and processes fully comply with local environmental requirements and regulations. During construction and demolition activities, waste is segregated and clearly marked in designated areas. Recyclable waste is recycled to minimize resource consumption. Additionally, the Company hires government-certified waste removal contractors to regularly collect and sort waste materials. The Company has undertaken a comprehensive renovation of Floors 2 and 3 of the SML Center in the Xuhui District, incorporating the concepts of "sustainable and recyclable building materials." For commercial real estate operations and residential projects, we continue to reduce energy and resource consumption both during building use and construction processes. During construction, we reuse 75% of recyclable and non-hazardous construction and demolition waste, and internally promote energy-saving measures and smart metering renovation projects.			(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	
			Furthermore, key technical strategies in the SML Center Phase II project include green construction, green roofs, and energy-saving mechanical and electrical systems. We require the general contracting company to submit timely management plans and statistical reports on soil and water conservation, waste, and indoor air quality. The green roof design involves using light-colored paving materials complemented by rooftop greening to enhance structural insulation performance, improve natural ventilation, and maximize natural lighting indoors. The mechanical and electrical systems not only incorporate various energy-saving equipment to reduce consumption but also integrate comprehensive energy monitoring systems and outdoor water resource circulation systems to promote water reuse.	
(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?	V		(3) To effectively address climate change-related risks and opportunities impacting our company and to advance sustainable development and risk management initiatives related to climate change, the Sustainability Development Team has established a comprehensive process for identifying climate-related risks and opportunities following the framework proposed by the Task Force on Climate-related Financial Disclosures (TCFD). This process involves assessing the impacts and effects of risks and opportunities, screening significant climate-related risk and opportunity issues, and reporting the execution progress, status, and effectiveness review to the Committee. In 2023, the Company implemented the TCFD methodology. We interviewed departments to assess operational status, considering our development strategy, industry trends, local regulations, and geography. We analyzed significant climate risks and opportunities, identifying potential financial impacts and devising response measures. For detailed information, please refer to the attached explanation of "Climate-related Information Execution Status."	(3) No material differences
(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 and continues to construct and improve relevant energy resource management systems, remaining committed to reducing the impact its operations have on the environment. The Company consistently tracks and discloses Scope 1 and Scope 2 greenhouse gas emissions in our sustainability report. <u>Greenhouse gas emissions</u> Unit: tCO2e Year / Scope 1 / Scope 2 / Total / Intensity 2023 / 1,527 / 39,094 / 40,621 / 3.46 2022 / 1,720 / 33,910 / 35,630 / 3.86 2021 / 1,616 / 50,456 / 52,072 / 10.84 Note 1: Scope 1 and Scope 2 greenhouse gas emissions data cover Shanghai locations (Dapuqiao SML Center, Jiading SML Center, and Yuhuashan) and Chongqing region. In 2023, energy data for office buildings in Jiading SML were expanded, and data for 2021-2022 were retrospectively updated to maintain data comparability. Note 2: Intensity is calculated by dividing greenhouse gas emissions by the annual revenue (in million NTD). The total revenue for 2021 was 4,803.188 million NTD, for 2022 was 9,221.577 million NTD, and for 2023 was 11,732.608 million NTD. In response to the Group's development status and adjustments in the national grid emission coefficients, a carbon reduction target of 1% annually from the base year of 2021 has been set. It is planned to	(4) 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	

review this target every three years and make corresponding adjustments and improvements based on the review results.

In 2023, the Company achieved a 5.5% reduction in Scope 1 greenhouse gas emissions compared to the base year of 2021. Furthermore, compared to 2022, there was a significant reduction of 11.22%. Although Scope 2 emissions increased by 15.28% compared to 2022, primarily due to the gradual recovery of commercial activities following the COVID-19 pandemic and the consequent return of electricity usage to previous levels, they still decreased by 22.51% compared to the base year of 2021. The Company will continue to achieve the reduction target by promoting the following measures:

1. Real-time energy management: Introduce smart meters in malls to manage electricity consumption on an hourly basis and manage abnormal electricity consumption in real-time.
2. Improve operational efficiency: Adopt energy-saving technologies and continuously improve the energy efficiency of equipment such as air conditioning, lighting, and elevators in malls to reduce energy consumption and carbon emissions.
3. Sustainable building design: Use environmentally friendly and energy-efficient building design solutions during construction and adopt renewable energy sources and low-carbon building materials wherever possible to reduce carbon emissions from buildings.
4. Promote green transportation modes: Encourage employees to use public transportation, bicycles, or walk to work to reduce the environmental impact of transportation.
5. Green supply chain: Encourage suppliers to use green and low-carbon products and services to reduce the carbon emissions of the entire supply chain.

Water resources

Unit: metric ton

Year	Total water consumption (Note 1)	Intensity (Note 2)
2023	808,170	68.88
2022	684,481	74.23
2021	1,013,725	211.05

Note 1: Water consumption data cover Shanghai locations (Dapuqiao SML Center, Jiading SML Center, and Yuhuashan) and Chongqing region.

Note 2: Intensity is calculated by dividing water consumption by the annual revenue (in million NTD). The total revenue for 2021 was 4,803.188 million NTD, for 2022 was 9,221.577 million NTD, and for 2023 was 11,732.608 million NTD.

The water consumption during the operation of the Company is mainly for business water, air-conditioning system and fire-fighting system water. Our company set a water conservation goal of reducing water usage by 1% annually from the base year of 2021. We planned to review this goal every three years to assess the effectiveness and feasibility of our water conservation policies.

In 2023, our company's total water usage increased by 18.07% compared to 2022. This was primarily due to reduced water usage in 2022 as a result of pandemic lockdown measures in mainland China. Although water usage gradually rebounded after the lifting of restrictions, our company achieved a reduction of 20.28% compared to the base year of 2021 by continuously implementing the following measures:

Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	

1. Conducting water diagnostics and optimizing water-saving equipment: In accordance with the Chinese national standards "General Principles for Enterprise Water Balance Testing" and "Guidelines for Water-saving Enterprise Evaluation," as well as the requirements of the Shanghai Water Conservation Office, we conducted water balance testing for onsite domestic water, auxiliary domestic water, and ancillary domestic water.
2. Strengthening water management, establishing a water quantity control system, raising employee awareness of water conservation, and regularly monitoring water usage in shopping malls. Through water balance testing, we monitored the proportionate quantitative relationship between the current situation and the basic parameters of water usage in shopping malls, confirming the usage values of their water parameters and enhancing internal water management practices.

Waste

Unit: metric ton

Year	Construction waste	Household waste	Catering waste	Total (Note 1)	Intensity (Note 2)
2023	14,649	13,721	3,031	31,401	2.68
2022	11,064	11,313	1,972	24,348	2.64
2021	16,287	9,501	2,640	28,428	5.92

Note 1: Waste data cover Shanghai locations (Dapuqiao SML Center, Jiading SML Center, and Yuhuashan) and Chongqing region.

Note 2: Intensity is calculated by dividing total waste by the annual revenue (in million NTD). The total revenue for 2021 was 4,803.188 million NTD, for 2022 was 9,221.577 million NTD, and for 2023 was 11,732.608 million NTD.

In 2021, the Company established a waste reduction target of 1% annually, using 2021 as the baseline year. We plan to review this target every three years to ensure the effectiveness and feasibility of our waste reduction policy.

In 2023, our total waste increased by 28.96% compared to 2022 and by 10.46% compared to 2021 (the baseline year). This increase was primarily due to reduced waste during the pandemic lockdown period in mainland China from 2021 to 2022, In 2023, however, the lifting of pandemic lockdowns, the return of crowds to shopping malls, and the renovation of certain areas in the Shanghai Dapuqiao SML Center led to an increase in related waste. To ensure continuous achievement of our waste reduction targets, the Company will continue to implement the following measures:

1. Construction waste reduction: During the design phase of construction projects, we will increase the recyclability of building materials, promote the use of recycled materials, and minimize waste generation during construction processes.
2. Mall operation waste reduction: We will encourage vendors to optimize product packaging design, promote minimal and recyclable packaging, and communicate with consumers to reduce unnecessary packaging and bag usage within the malls.
3. Waste classification and resource utilization in malls: Waste generated during mall operations is primarily categorized into renovation waste, office and mall life waste, kitchen waste from mall

<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></td><td></td><td></td><td>restaurants, and used batteries. We implement different management measures for each category, maintaining high compliance rates for waste classification among tenants, and ensuring effective resource utilization through improved classification, storage, and recycling mechanisms.</td><td></td></tr>
<tr><td>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?</td><td>V</td><td></td><td>(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. The company has continuously conducted education and training on human rights issues, such as prevention of sexual harassment, labor rights, job training, and promotion of equal opportunities, in order to ensure the protection of human rights in the workplace. From 2021 to 2022, a total of 69 people have completed the education and training.

Summary of our company's Human Rights Policy Management Plan
<table><tr><th>Policy</th><th>Summary of specific plan implementation</th></tr><tr><td>Emphasis on diversity and fairness in the workplace</td><td>• Respect the value of diversity and inclusiveness, and and refrain from any behavior that discriminates or treats individuals differently based on nationality, race, age, gender, sexual orientation, social class, disability, pregnancy, religion, political beliefs, or group backgrounds, etc. Actively create a friendly and diverse workplace.
• The Company values gender equality, and do not differentiate salaries based on gender for employees in the same position. The gender ratio of our employees was almost 1:1, and the Company are continuously working to increase the proportion of women in managerial positions. In 2021, the percentage of female managers reached 40%, and we aim to maintain a similar level in 2022 and In 2023, the Company also maintained a similar level.</td></tr><tr><td>Provide a safe and healthy working environment</td><td>• Promote a zero-risk working environment, regularly inspect occupational safety and equipment in operational areas, and ensure that personnel and tenants have completed occupational safety training.
• To strengthen the management of safety and production in construction sites and property operations, the Company adheres to the requirements of the "Construction Safety Inspection Standards" and "Safety Production Assurance System for Construction Sites". Starting from the safety production on the construction site and the basic requirements of the environmental protection management system, the Company abides by the</td></tr></table></td><td>(1) No material differences</td></tr>
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Evaluation item	Operating Status			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx listed companies and reasons for deviation
	Yes	No	Summary	
			management policy of "safety first, prevention first". The Company's injury accident rate in the past three years was 0%, and no major accidents have occurred in the working environment. Implement working hours limits and wage protection • The Company clearly stipulates that employees' working hours must not exceed local legal regulations. In addition to providing employees with compensation that complies with regulations, the Company also have complete welfare measures, retirement systems, and insurance planning."	
(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 eward employees for their sustained contributions, allocated in accordance with the Company's bylaws, with a provision for employee compensation (up to 3%). In 2023, Sino Horizon's employee compensation totaled NT$22,753 thousand, and the cumulative total from 2021 to the end of 2022 was NT$120,704 thousand. 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. The Company values diversity and equality in the workplace, and do not differentiate salaries based on gender for employees in the same position. 2. Employee benefits In addition to providing statutory benefits (including the five 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; Annual bonuses (including marriage benefits, maternity benefits, and birthday vouchers).	(2) No material differences
(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 general contractor establishes a safety production leadership team in accordance with the Shanghai "Construction Site Safety Production Assurance System" regulations and the project's	(3) 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	
			"Safety Production Assurance Plan." The leadership team, led by the project manager, appoints the project manager as the primary person responsible for the on-site safety assurance system. Safety activities specified in the "Safety Production Assurance Plan" are managed by the project manager, with support from the project department's management and other personnel. 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. During the past year, our company has consistently implemented comprehensive occupational safety and health management, actively promoting measures to prevent occupational accidents and implementing related improvements. This is to ensure the safety and health of our employees' working environment. The occupational safety education and training provided by our company include: ・ Safety education and training: A total of 19 individuals underwent 19 hours of training to enhance awareness of safety production and management concepts. ・ Certification for on-site work: Specialized operators completed specific safety training and qualifications, including recertification for electricians (3 individuals, 29 hours), safety production management personnel (6 individuals, 144 hours), and other specialized equipment operators (7 individuals, 16 hours). ・ Professional training: The property department organized a 45.5-hour training session for 35 individuals, covering topics such as "Emergency Rescue Material Use in Confined Spaces." ・ Training for outsourced security personnel and non-employees: Conducted through WeChat public accounts and on-site training, involving 64 individuals for a total of 64.5 hours, with a focus on fire safety. In the past year, the Company had no occupational accidents. The Compnay willl keep enhancing safety measures, boosting employee safety awareness through training, and improving the work environment to ensure employee health and safety.	
(4) Has the Company established effective career development training programs for employees?	V		(4) The Company provides comprehensive skills training courses for employees, including orientation training for new hires, management skill education, professional development training, and other educational programs. These aim to facilitate continuous employee growth through diverse learning pathways. The courses encourage employees to acquire key competencies and integrate the principles of corporate ethics into their career development. In 2023, a total of 173 individuals participated in these training sessions, accumulating a total of 1,052.9 training hours. Through annual performance reviews, management and employees collaboratively set and review individual annual competency development plans to ensure targeted support for each employee's career advancement.	(4) 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	
(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) Through clear assessment criteria and division of responsibilities, the Company has established strict material control procedures internally to ensure that the materials used comply with national and local construction standards and regulations. The Company actively adhere to China's policies outlined in the "Thirteenth Five-Year Plan for Housing, Urban, and Rural Construction" and Shanghai's special plan for green building in the "Thirteenth Five-Year Plan." In the second phase of the SML project in Shanghai, we have adopted high-standard green building system standards, including WELL, LEED, and a two-star green building design certification for mainland China. The second phase of the SML project has obtained pre-certification for LEED Gold and WELL Gold, with detailed scrutiny and supervision of the use of building materials. We utilize environmentally friendly low-VOC adhesives, sealants, and paints, as well as energy-efficient LED lighting fixtures. Additionally, our company implements a green construction plan, aiming to recycle 75% of recyclable and non-hazardous construction and demolition waste during the construction process. Additionally, the Company provides protection for existing processes, safety controls, and information security equipment, and continues to manage them. The Company only share customer's personal data with third parties upon obtaining the customer's lawful consent or upon lawful formal requests from other competent authorities. We diligently fulfill our responsibilities in managing and protecting such data. Our company adheres to regulations such as the "Real Estate Sales Management Measures" and the "Advertising Law of the People's Republic of China." We establish management processes and contract templates for project sales, covering leasing and joint marketing projects, to ensure accurate transmission of product information to consumers. During the sales process, the Company provide consumers with a homebuyers' manual to understand equipment suppliers and community management regulations. The Company also conduct training for sales personnel and management teams to ensure their understanding of legal knowledge and risks, thereby safeguarding consumers' right to information.	(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 has established mechanisms for checking supplier construction licenses, self-assessment mechanisms for suppliers, and on-site inspection mechanisms for large-scale property projects. For procurement related to maintenance and construction projects, the Company sign "Maintenance Safety Agreements" with suppliers, who must comply with government and Shanghai municipal labor protection and safety production regulatory guidelines. Additionally, the Company conduct periodic audits of supplier or contractor evaluation mechanisms and record them in monthly evaluation records. A comprehensive annual review is conducted each year, followed by supplier meetings and weekly construction meetings conducted via phone, email, or in person. Moreover, the Company provide contractor training periodically.	(6) 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	
5. Does the Company refer to 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?	V		The Company has been issuing ESG reports on an annual basis since 2014. These reports are prepared in accordance with the Global Reporting Initiatives (GRI) guidelines and the Company engaged PwC to perform an independent limited assurance in accordance with ISAE 3000 Revised for this report. Please refer to the Company's sustainability report for the limited assurance objectives for the current year.	No material 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: In November 2019, our company's board of directors approved the establishment of the "Corporate Social Responsibility Practice Principles," which were revised and approved by the board of directors in May 2022 as the "Sustainable Development Practice Principles," applicable to our company and its subsidiaries. These Principles are designed to implement practices across all aspects of corporate governance, the environment, and society, to promote sustainable development as a competitive advantage. The Company is always attentive to the development of domestic and international sustainability-related standards and changes in the business environment, and uses them to review and improve the sustainability development policies established by the Company.				
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.				

The execution status of climate-related information

Item	implementation status
1. Describing the supervision and governance by the board of directors and management on climate-related risks and opportunities.	The board of directors of the Company serves as the highest decision-making and supervisory authority for climate-related issues. In November 2022, the board authorized the establishment of the "Sustainable Development and Risk Management Committee." This Committee is responsible for formulating goals, strategies, and implementation plans related to climate issues, provided by the sustainability team. Additionally, it conducts risk assessments and controls concerning climate change issues, and regularly reports on the execution, progress, and effectiveness of its work to the Committee. The Sustainable Development and Risk Management Committee reports to the board of directors at least once a year, receiving supervision and advice from the board.

Item	implementation status
2. Describing how the identified climate risks and opportunities affect business, strategy, and finances of enterprises (short-term, medium-term, long-term).	In accordance with climate change risk and opportunity assessment methodology, the Company evaluates the likelihood and impact severity of various risk and opportunity issues, and identifies the projected impacts at short-term (0-3 years), medium-term (3-10 years), and long-term (>10 years) timeframes. The identified results are as follows:

The types of risks and opportunities			The impact scenario	The term of impact
Transition Risk	Regulation	Strengthened Carbon Emission Reporting Responsibility	In China, specific formats and requirements for disclosure under the dual carbon policy have been proposed. In Taiwan, listed companies are required to complete a greenhouse gas inventory for both parent and subsidiary companies as part of the "Sustainable Development Pathway" initiative, which applies to enterprises with a capital of over 10 billion NT dollars, thereby increasing operational costs.	short-term (0-3 years)
		Total/carbon tax/carbon fee regulation	In China, the current operation includes the "pilot carbon market" and the upcoming "national carbon market." Taiwan is expected to implement a carbon tax starting from 2025, which may lead to increased operational costs in areas such as electricity usage and construction materials in the coming years. Furthermore, companies that fail to effectively reduce emissions may face fines, additional carbon taxes, or the need to purchase carbon credits, resulting in additional operational cost increases.	short-term (0-3 years)
		Existing product and service authorization and regulation	Addressing the ongoing increase in regulatory requirements for the real estate and shopping mall operations, enterprises will allocate more resources into compliance costs.	medium-term (3-10 years)
	Technology	Transition to low-emission technologies	The transformation of enterprises towards low-emission technologies results in increased costs in research and development, design, and operations.	medium-term (3-10 years)
	Market	Customer behavior change	If enterprises fail to meet consumer preferences, consumers may opt to purchase products from other builders, leading to the risk of revenue loss	medium-term (3-10 years)
		Increase in raw material costs	During the low-carbon transition period, electricity prices and prices of traditional building materials may rise, leading to increased operational and construction costs.	short-term (0-3 years)
	Reputation	Stakeholder attention and negative feedback	If enterprises fail to timely align with relevant energy-saving and carbon reduction regulations or trends to meet investor expectations, it will affect stock prices and financing.	medium-term (3-10 years)
Physical Risk	Chronic	Average temperature rise	Rising average temperatures may result in increased electricity usage, reduced foot traffic in malls, leading to increased operating costs and decreased revenue. The construction industry may face prolonged project timelines or additional expenses for heat allowances due to outdoor high temperatures, resulting in increased construction costs	short-term (0-3 years)
		Rising sea levels	Rising sea levels may lead to depreciation of existing construction and property assets, and the investment costs for hydrogeological surveys when purchasing land in the future may increase.	long-term (>10 years)

Item	implementation status

The types of risks and opportunities			The impact scenario	The term of impact
Opportunities	Policy and regulation	Response to low-carbon energy strategies, government incentive mechanisms	In response to government energy-saving and carbon reduction policies, obtaining rewards or subsidies, increasing non-core income, and providing subsidies for projects that comply with green building demonstration.	short-term (0-3 years)
	Market	Developing new markets	Developing new markets and responding to sustainable trends, such as constructing green charging stations in malls or offering green office rental options, to increase revenue and enhance corporate reputation	short-term (0-3 years)
	Product and services	Research and innovation in new products and services	Within existing market scopes, malls can develop new green products and services to enhance business revenue	medium-term (3-10 years)
	Resource efficiency	Towards more efficient operations	Installing high-efficiency or energy-saving equipment in existing buildings promotes energy conservation, provides more efficient operations, and reduces energy resource usage.	medium-term (3-10 years)

3. Describing the impact of extreme weather events and transition actions on finances.	Climate change induces extreme weather events, constituting acute occurrences within the realm of physical risks. Once the severity and frequency of extreme weather events increase, malls are affected by typhoons and floods, leading to a decrease in foot traffic and consequently, a reduction in revenue. Construction sites are susceptible to the impacts of extreme weather, which can result in supply chain disruptions or asset damages, leading to increased operational and maintenance costs, as well as asset impairment. The increased frequency of extreme weather events may also affect the valuation of collateral for company borrowings, leading to a reduction in assessed value. Consequently, this could impact financing ratios or result in higher borrowing costs.
4. Detailing how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	Under the purview of the board, a Sustainable Development and Risk Management Committee is established. This committee, overseen by a sustainability task force, regularly administers climate risk assessment surveys to relevant departments within the company. These surveys aim to identify risks that may arise during their respective business operations or processes. The findings serve as a basis for further evaluation, monitoring, and risk management. Regular reports are submitted to the board for oversight, allowing them to supervise and review the execution of risk management practices by the management team.
5. If using scenario analysis to assess resilience to climate change risks, it's essential to delineate the context, parameters, assumptions, analysis factors, and primary financial impacts involved.	Based on the identification of significant climate risks and opportunities, our company prioritizes the analysis of the top three significant risks and opportunities. This analysis is based on historical data and available information, assessing the potential financial impacts through simulation and formulating adaptation measures accordingly. The related analysis results do not represent actual occurrences but serve solely as an assessment reference for the company's climate issue management.

Transition risk	
Market risk	Rising raw material costs
Scenario	1.5°C net-zero transition pathway
Parameters, assumptions, and analysis factors	In 2020, at the United Nations General Assembly, China announced its goal of peaking carbon emissions before 2030 and achieving carbon neutrality by 2060. To effectively reduce carbon emissions, the mainland initiated pilot carbon emissions trading schemes in provinces and cities as early as 2011. In 2017, it declared the launch of a nationwide carbon emissions trading system (ETS), which officially commenced online trading in 2021. During the low-carbon transition period, electricity prices and prices of traditional building materials are susceptible to increases, leading to higher operational and construction costs.

Item	implementation status	
	Financial impacts	In 2021, China tightened its energy consumption control policies, leading to a surge in steel prices since the implementation of production restrictions. Moreover, several cement-producing regions faced production limitations due to power rationing policies, resulting in a rapid increase in cement prices. The prices of steel and cement raw materials increased by 29% and 9%, respectively, compared to the previous year. Additionally, due to the construction of the main structures of our projects, the input volume increased by approximately three times compared to the previous year. Considering climate change response policies, there may be a potential increase in steel and cement raw material costs, estimated at around NT$82,600,000. In 2022, facing the impacts of the pandemic, high inflation, interest rate hikes, and slowing economic growth in China, the prices of steel and cement raw materials decreased by 12% and 6% compared to the previous year.
		For mall operations: The power generation industry has been included in China's nationwide carbon emissions trading system (ETS). The annual electricity unit price for our two shopping malls in Shanghai has been increasing by approximately 9-10% each year. Based on the period from 2020 to 2022, it is estimated that the total electricity consumption will increase by 1.1-1.3 times by 2025, resulting in a corresponding increase in total electricity expenditure by approximately 1.5-1.7 times.

Transition risk	
Market risk	Rising raw material costs
Scenario	Weather temperature data
Parameters, assumptions, and analysis factors	The China Climate Change Blue Book (2022) shows that the rate of warming in mainland China exceeds the global average for the same period, making it a sensitive area to global climate change. According to data from the World Bank (2021), if current climate trends persist, the median probability of heatwaves occurring annually by the end of the 21st century will increase from the current 2% to 5-22%. In the summer of 2022, the average temperature in China reached the highest level for the same period since 1961, with relentless heatwaves occurring across various regions. In Shanghai, the number of days with a maximum daily temperature exceeding 35°C reached 50, which is 29 days more than usual. However, the Company has not experienced cases of heatstroke among personnel. The increase in average temperature has led to higher electricity consumption for air conditioning, resulting in increased operational expenses. According to the 'Measures for Heatstroke Prevention and Cooling,' when the maximum daily temperature exceeds 35°C, outdoor workers should be provided with heat subsidies. If the temperature exceeds 40°C, outdoor activities should be suspended for the day, which may lead to project delays and increased operational costs.
Financial impacts	For real estate construction: The Company's projects are primarily concentrated in Shanghai and Kunshan, Jiangsu Province. The local governments in both areas have regulations stipulating that when the maximum daily temperature reaches 35°C or higher from June to September, a heat subsidy of 300 RMB per person per month should be provided to outdoor workers. The labor force for our projects is employed by outsourcing companies. Over the past three years, the Company has not incurred additional expenses from outsourcing companies due to heat subsidies or work stoppages caused by high temperatures. Moving forward, the Company will continue to monitor the operational and financial impacts that may arise from heat-related risks
	For retail operations: In August 2020, the average monthly temperature in Shanghai exceeded 30°C. The electricity consumption of the Company’s shopping malls accounted for 29-31% of the total electricity consumption during the summer months (June to September) of the same year, resulting in electricity expenses being 1.21-1.36 times higher. In July and August 2022, the average monthly temperature reached 35°C, with 7 days exceeding 40°C. Electricity consumption increased by approximately 10% compared to the same period in the previous year, and there was a slight increase in electricity prices. As a result, electricity expenses were about 1.14 times higher. If temperatures continue to rise steadily, electricity expenses may increase by approximately 40% by 2025.

Item	implementation status

Phisycal risk	
Acute risk	Average temperature rising
Scenario	1.5°C net-zero transition pathway
Parameters, assumptions, and analysis factors	To meet the demand for electric vehicle charging and respond to the sustainability trend, Shanghai SML Center has installed charging piles in its parking lot. Payment and fee settlement are conducted through the Industrial and Commercial Bank of China platform. In addition to attracting customer flow, the convenient facilities also generate additional revenue, thereby increasing operational income.
Financial impacts	For retail operations: Shanghai SML Center has a total of 90 charging piles installed. In 2021, the additional revenue generated from charging pile fees was approximately NT$690,000. Due to the impact of the pandemic and equipment renovation in 2022, the operation was suspended for about 5 months, resulting in revenue of approximately NT$320,000. It is estimated that with normal usage throughout the year, an annual revenue of NT$2,210,000 can be expected. The ongoing construction of Shanghai Sun Moon Light Center Phase II is expected to install 96 charging piles and be operational by 2025, with an additional estimated annual revenue of NT$2,340,000. Under government incentives, the market share of new energy vehicle sales in mainland China has been growing rapidly, reaching 25.6% in 2022, and is expected to approach 60% by 2025. As of June 2023, the utilization rate of charging piles at Shanghai Sun Moon Light Center in Dapuqiao was 57.64%. With the increasing adoption of new energy vehicles in the overall environment, the utilization rate of charging piles is expected to further increase. It is estimated that if the utilization rate of charging piles reaches 70%, an annual revenue of approximately NT$3,170,000 can be generated.

6. If there is a transformation plan to address and manage climate-related risks, the plan should outlines its content and specifies indicators and objectives for identifying and managing physical and transformational risks.

Our company utilizes electricity consumption, water usage, waste generation, greenhouse gas emissions, and the proportion of green and recycled building materials as key performance indicators for climate change. We review the achievements annually and set targets for 2025 and 2030.

Material issues	Assessment item	2023 Target	2023 Achievement	2025 Target	2030 Target
Sustainable products and services	Green Building/ Smart Building Certification	To Meet regulation	Shanghai SML Phase II has obtained pre-certification for LEED Gold and pre-certification for WELL (Gold).	1 item	Maintain
	Green Construction: Green interior design/ Percentage of green or recycled building materials used	20%	The proportion of green and recycled building materials is 75%.	The proportion reaches 20%.	The proportion reaches 20%~25%.
Energy management *Using 2021 as the baseline year.	Reduction in electricity consumption	Reduce by 2%	Electricity consumption decreased by 17.21% compared to the baseline year.	Reduce by 4%	Reduce by 5%
	Reduction in water usage	Reduce by 2%	Water usage decreased by 20.28% compared to the baseline year.	Reduce by 4%	Reduce by 5%
	Reduction in waste generation	Reduce by 2%	Waste generation increased by 10.46% compared to the baseline year. (note)	Reduce by 4%	Reduce by 5%

Item	implementation status					
	Greenhouse gas management * Using 2021 as the baseline year.	Reduction in greenhouse gas emissions	Reduce by 2%	Greenhouse gas emissions decreased by 21.99% compared to the baseline year.	Reduce by 4%	Reduce by 5%

Note: The total amount of waste in 2023 increased compared to the baseline year, mainly due to the lifting of pandemic lockdowns, the return of crowds to shopping malls, and renovations in certain areas of Dapuqiao SML Center, which led to an increase in related waste.

7. If using internal carbon pricing as a planning tool, the basis for price setting should be explained.	The Company has not yet planned internal carbon pricing.
8. If climate-related goals are set, information should be provided on the activities covered, scope of greenhouse gas emissions, planning timeline, progress achieved annually, etc. If carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve these goals, details should be provided on the source and quantity of carbon offset credits or RECs exchanged.	The Company has implemented greenhouse gas inventory and management, supports the use of renewable energy, and takes practical actions such as planning green building projects and replacing energy-consuming equipment in malls to gradually achieve our carbon reduction goals. Please refer to question six for details on the related indicators and objectives. Since 2022, quarterly reports on the progress of carbon inventory affairs have been regularly presented to the Board of Directors. In 2022, an initial inventory of the Company's carbon inventory scope was conducted, and a plan for the implementation timeline and related projects was drafted. The Company has not yet adopted carbon offsetting or Renewable Energy Certificates (RECs).
9. The greenhouse gas inventory and assurance status, along with reduction targets, strategies, and specific action plans	Greenhouse gas emissions

Unit: tCO2e

Year	Scope 1	Scope 2	Total	Intensity
2023	1,527	39,094	40,621	3.46
2022	1,720	33,910	35,630	3.86
2021	1,616	50,456	52,072	10.84

Note 1: Scope 1 and Scope 2 greenhouse gas emissions data cover Shanghai locations (Dapuqiao SML Center, Jiading SML Center, and Yuhuashan) and Chongqing region. In 2023, energy data for office buildings in Jiading SML were expanded, and data for 2021-2022 were retrospectively updated to maintain data comparability.

Note 2: Intensity is calculated by dividing greenhouse gas emissions by the annual revenue (in million NTD). The total revenue for 2021 was 4,803.188 million NTD, for 2022 was 9,221.577 million NTD, and for 2023 was 11,732.608 million NTD.

Greenhouse Gas Assurance Information - Describe the most recent two years' assurance status as of the date of the annual report, including the scope of assurance, assurance provider, assurance standards, and assurance opinion:

The Company is registered in the Cayman Islands and does not have substantive operational activities there, hence thegreenhouse gas emissions data is zero. Assurance activities for each subsidiary of the group's main operational activities will be conducted in accordance with regulatory schedules by the respective regulatory authorities.

(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 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 principles for preventing unethical conduct 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	(1) 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	
			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.	
(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 set up a Sustainable Development and Risk Management Committee subordinate to the board of directors. The Committee includes an ethical management working group which is responsible for the formulation and supervision of the integrity management policy and prevention plan, and reports 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 2023 has been reported to the board of directors on Nov 10, 2023.	(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 rules. In 2023, 43 new employees have been trained for 1 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.	(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	
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?	V		(1) The Company has established a "Whistleblowing Processing Guidelines" that specifies investigation standards, operating procedures for handling investigation results, disciplinary and reward measures. We also have dedicated units to deal with related matters and follow the procedures as required by regulations. For details on the "Whistleblowing Processing Guidelines," please refer to the Company website.	(1) No material differences.
(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?	V		(2) The Company has established the "Whistleblowing Processing Guidelines," which clearly specifies the standard processing procedures after receiving a report, measures and punishments after investigation, and related confidentiality manner.	(2) No material differences.
(3) Does the Company adopt measures for protecting whistle-blowers against improper treatment or retaliation?	V		(3) Article 4 of the Company's "Whistleblowing Processing Guidelines" stipulates that personnel handling the reported matters should keep the whistleblower's identity and the content of the report confidential. The Company also pledges to protect whistleblowers from improper treatment as a result of reporting matters.	(3) No material differences.
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: March 13, 2024

Based on the findings of a self-assessment, Sino Horizon Holdings Limited states the following with regard to its internal control system during the year 2023:

1. The Company'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. The Company 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. The Company 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, the Company believes that, on December 31, 2023, 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 the Company's annual report for the year 2023 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 13, 2024, 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 past year and up to the date of report.

None.

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

1. Important resolutions adopted in the Company's 2023 shareholders' meeting

Meeting date	Important resolutions	Implementation status
June 20, 2023	1. The Company's 2022 Business Report and consolidated financial statements.	1. The Company's 2022 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. The Company's 2022 earnings distribution proposal.	2. The Company has distributed NT$1,044,178,189 in cash dividends (i.e., NT$0.6 per share) on September 27, 2023.
	3. Amendment of Articles of Incorporation	The amendment has been completed and implemented in accordance with the resolution of the Shareholders Meeting.
	4. Election of the independent directors of the Company	Publically announced on the Market Observation Post System on June 20, 2023.
	5. Adoption of the release of newly elected directors from non-competition restrictions	Publically announced on the Market Observation Post System on June 20, 2023.

2. Important resolutions adopted in Board of Directors meetings

Date and Term	Important resolutions
2023.03.10 5th session (4th meeting)	1. Proposal for Approval of the Declaration on Internal Control System of the Company for Year 2022 2. Proposal for Approval of the Consolidated Financial Statements of the Company for Year 2022 3. Proposal for Approval of the Remuneration of Employees and Directors for Year 2022 4. Proposal for Adoption of Profit Distribution Plan for Year 2022 5. Proposal for Approval of the Business Plan of the Company for Year 2023 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. Election and Nomination of Independent Directors 11. Proposal for Release from Non-Competition Restrictions 12. Proposal for Acceptance of Nomination by Shareholders for Directors to be Appointed at the AGM 13. Proposal for Acceptance of Shareholder's Proposal regarding the AGM Agenda 14. Proposal for Convention of the AGM

Date and Term	Important resolutions
2023.05.12 5th session (5th meeting)	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 31 March 2023 2. Distribution of Profits to Directors and Managers
2023.08.18 5th session (6th meeting)	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 June 2023 2. Proposal for Approval of the Record Date for Ex Dividend ("XD") and the Related Timetable 3. Proposal for Amendments to Rules Governing Granting Loan and Advance 4. Proposal and Ratification for Approval of Acquisition of Shin Kong Jasper Villa Tian Mu in Shilin District by the Subsidiary of Wealthy Joy Co., Ltd., Ding Gu Properties Co., Ltd. (“Ding Gu Properties”)
2023.11.10 5th session (7th meeting)	1. Proposal for Approval of the Consolidated Financial Statements of the Company for the Three Months Ended 30 September 2023 2. Proposal for Change of the Certified Public Accountant of the Company 3. Proposal for Approval of the Annual Audit Plan of the Company for Year 2024
2024.03.13 5th session (8th meeting)	1. Proposal for Approval of the Declaration on Internal Control System of the Company for Year 2023 2. Proposal for Approval of the Consolidated Financial Statements of the Company for Year 2023 3. Proposal for Approval of the Remuneration of Employees and Directors for Year 2023 4. Proposal for Adoption of Profit Distribution Plan for Year 2023 5. Proposal for Approval of the Business Plan of the Company for Year 2024 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 Approval of Rules Governing Financial and Business Matters Between this Corporation and its Related Parties 10. Proposal for Amendment to Rules Governing Procedures for Board of Directors Meetings 11. Election and Nomination of the Director 12. Proposal for Release from Non-Competition Restrictions 13. Proposal for Acceptance of Nomination by Shareholders for the Director to be Appointed at the AGM 14. Proposal for Acceptance of Shareholder's Proposal regarding the AGM Agenda 15. 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

The Internal Audit Director, Chun-Chun Tseng, joined in December 2018 but resigned on March 15, 2024, due to personal career planning.

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	Total	Note
Deloitte & Touche	Shiuh-Ran Cheng,Chun-Hung Chen Shiuh-Ran Cheng, Wei-Chun Ma	2023.1.1~ 2023.12.31	13,153	2,133	15,286	Tax compliance audit: 220; Business registration service fee: 413; Risk management project: 1,500

(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:

Due to internal reorganization within the accounting firm, the Company changed its accountant on November 10, 2023.

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 past 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	2023		The current year (2024) up to March 31	
		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
Director/ 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	Freddie Liu	0	0	0	0
Independent Director	Huei-Chu Huang	0	0	0	0
Independent Director	Chi-Der Tsai	0	0	0	0
Independent Director	Chun-Chi Kung (Note 3)	0	0	0	0
Vice President	Hsien-Chih Tsai (Note 4)	0	0	NA	NA
Vice President	Kuo-Lung Chu	0	0	0	0
Vice President	Xiang-Lei Sun	0	0	0	0
Vice President	Ching-Te Ni (Note 4)	0	0	NA	NA
Vice President	Chih-Chun Wang	0	0	0	0
Vice President	Wen-Yan Zheng (Note 4)	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: Inaugurated on 2023.06.20.
Note 4: The Vice President of Finance, Hsien-Chih Tsai, retired on December 31, 2023; the Vice President of Human Resources, Ching-Te Ni, resigned on February 22, 2024; and the Vice President of Engineering, Wen-Yan Zheng, was inaugurated on October 11, 2023.

(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)

March 31, 2024; 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	—
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.	2,320	0.13%	0	0%	0	0%	—	—	—
Zhou-Zheng Chen	906	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

The Company's investment in subsidiaries is handled by the cost method in accordance with International Accounting Standard No. 27, so it is not applicable.

IV. Information on capital raising activities

1. Capital and shareholding

(1) Share capital source

1. Type of shares

March 31, 2024; 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

March 31, 2024; 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

March 31, 2024; shares

Shareholder Structure / Quantity	Government Agencies	Financial Institutions	Other corporations	Individuals	Foreign Institutions and Individuals	Total
people	-	1	15	4,170	24	4,210
No. of shares held	-	42,649	617,611	10,878,893	1,728,757,829	1,740,296,982
Shareholding percentage	0.00%	0.00%	0.04%	0.62%	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

March 31, 2024; Unit: Shares/Par value of NT$10 per share

Shareholding range	Number of shareholders	No. of shares held	Shareholding percentage
1 to 999	2,944	435,095	0.03%
1,000 to 5,000	993	1,761,503	0.10%
5,001 to 10,000	111	871,708	0.05%
10,001 to 15,000	39	510,272	0.03%
15,001 to 20,000	19	343,365	0.02%
20,001 to 30,000	23	594,270	0.03%
30,001 to 50,000	29	1,169,466	0.07%
50,001 to 100,000	22	1,531,486	0.09%
100,001 to 200,000	11	1,579,380	0.09%
200,001 to 400,000	6	1,626,000	0.09%
400,001 to 600,000	2	1,039,160	0.06%
600,001 to 800,000	1	723,000	0.04%
800,001 to 1,000,000	1	906,000	0.05%
Over 1,000,001	9	1,727,206,277	99.25%
Total	4,210	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 or shareholders with more than 5% of equity:

March 31, 2024; shares

Shares / Name of major shareholders	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	2,320,242	0.13%
Zhou-Zheng Chen	906,000	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			2022	2023	As of March 31, 2024
Market price per share (Note 1)	Highest		29.45	28.90	28.80
	Lowest		19.50	20.60	22.65
	Average		24.27	23.91	24.59
Net worth per share (Note 2)	Before distribution		28.91	28.08	(Note 8)
	After distribution		28.91	(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	0.34	0.32	(Note 8)
		After retroactive adjustment	0.34	(Note 9)	-
Dividends per share	Cash dividend		0.60	0.20(Note 9)	NA
	Stock dividends	From retained earnings	-	(Note 9)	-
		From capital surplus	-	(Note 9)	-
	Accumulated dividend (Note 4)		-	-	-
Analysis of return on Investment	Price-earnings ratio (Note 5)		71.38	74.72	-
	Price-dividend ratio (Note 6)		40.45	119.55	-
	Cash dividend yield (Note 7)		2.47%	0.84%	-

* 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: As of the printing date of the annual report, financial information for the first quarter of 2024 has not yet been reviewed by accountants.
Note 9: The Company's 2023 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 13, 2024 to distribute NT$348,059,396 in shareholder dividend in cash at NT$0.2 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 2023 are respectively calculated at 0.50% and 1.00% 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 2023 employee and director remuneration proposal approved by the Board of Directors on March 13, 2024 is as follows:
The Company plans to distribute NT$22,753,000 in employee remuneration and NT$45,507,000 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 2022 on March 10, 2023 and the actual distribution status: The actual distribution of employee compensation was NT$ 57,023,000 and the amount of director remuneration was NT$ 57,023,000.
(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	2022		2023	
	Operating revenue	Ratio	Operating revenue	Ratio
Real estate sales	7,288,505	79%	9,325,794	80%
Shopping mall/Office leasing	1,402,105	15%	1,770,647	15%
Property management	332,560	4%	369,052	3%
Others	198,407	2%	267,115	2%
Total	9,221,577	100%	11,732,608	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, the Company will deliver our promises to clients, foster customer loyalty, and create greater brand value.

(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 the main operational locations are concentrated in cities such as Shanghai, Chongqing, and Taipei.

(1) Real estate market

Over the long term, the sales market for real estate developments in mainland China has shown a steady growth trend, with both sales area and average unit price increasing year by year. However, such growth is accompanied by certain fluctuations due to factors such as the implementation of government policies like housing regulations and purchase restrictions, as well as adjustments in interest rates. Particularly in Shanghai, which boasts abundant employment opportunities and robust economic vitality, it attracts a continuous influx of talent. This population mobility has further increased the demand for self-occupied housing and improved housing, making the demand for improved housing still the main driving force in the new housing market.

(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.

With the lifting of pandemic prevention and control measures in 2023, foot traffic in shopping malls gradually recovered, leading to improvements in the rental rates and vacancy situations of most retail spaces compared to the previous year. However, in the office sector, the slow recovery of corporate sentiment resulted in continued pressure on office rental rates. Overall, policy adjustments did not significantly impact commercial properties. Looking ahead, commercial properties in key business districts of core cities are expected to maintain stable development.

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

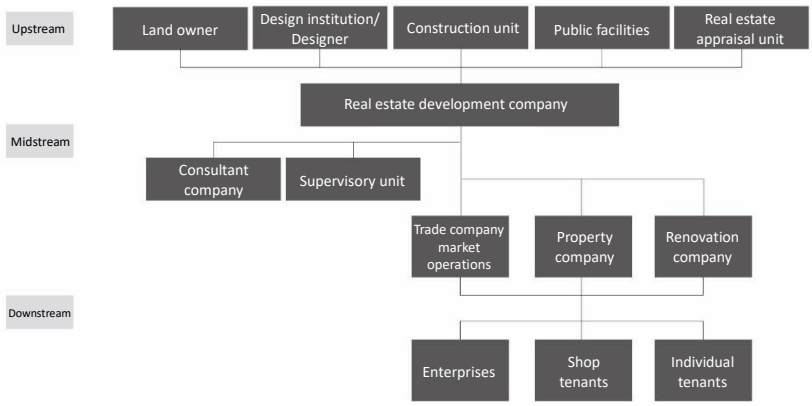
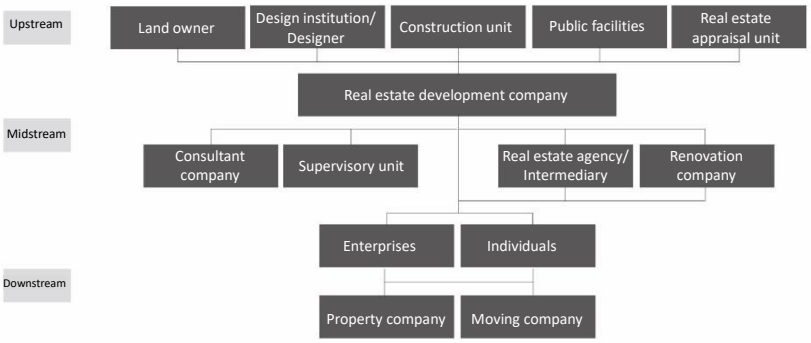


Figure 2: Value chain for sale of real estate



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. In China's "14th Five-Year Plan", the development of rail transportation continues to be emphasized as a key project. 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, Chongqing and Taipei. A summary of these projects for the periods 2008 to 2023 is presented below:

Year	Company	Description	Project name	Purpose	Sales region
2008 - Present	Shanghai Ding Gu	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 Ding Gu	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 and shopping centers	City Huating Jiading SML Center	Sale of residential properties and lease of shopping centers	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 – September, 2023	Wuxi Ding Gu (note)	Residential properties	Wanxiyaju	Sale of residential properties	Wuxi
2023 - Present	Taiwan Ding Gu Properties	Residential properties	Tianmu Jasper Villa	Residential leasing	Taipei

Note：The company was dissolved in September 2023.

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. The overall area of housing construction shows an increasing trend

The housing construction area is increasing year by year, but due to the impact of the economic in 2023, the housing construction area was 8,383.64 million square meters, a decreased of 7.36% from the previous year. However, statistical data shows that since 2011, the construction area of residential properties has been consistently increasing, indicating the sufficient supply of commodity housing over the long term.

Table 3 Total built-up area in Mainland China

Item \ Year	2019	2020	2021	2022	2023
Built-up area (10,000 m^2)	893,821	926,759	975,387	904,999	838,364
YoY	8.70%	3.70%	5.20%	(7.20%)	(7.36%)
Residential construction (10,000 m^2)	627,673	655,558	690,319	639,696	589,884
YoY	10.10%	4.40%	5.30%	(7.30%)	(7.70%)
Percentage of residential construction	70.22%	70.74%	70.77%	70.68%	70.36%

Source: National Bureau of Statistics of China (2019-2023)

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 maintaining a stable proportion. 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.

(2) 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 60.60% in 2019 to 66.16% in 2023; the disposable income of urban population also rose from RMB 42,359 in 2019 to RMB 51,821 in 2023. Urbanization in China was only around 66.16% in 2023. 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 2019 to 2023

Item \ Year	2019	2020	2021	2022	2023
Total population (million)	1,400.05	1,411.78	1,412.60	1,411.75	1,409.67
Urban population (million)	848.43	901.99	914.00	920.71	932.67
Urbanization rate (%)	60.60	63.89	64.72	65.22	66.16
Per capita disposable income of urban households (RMB/year)	42,359	43,834	47,412	49,283	51,821

Source: Statistics Publication (2019-2023), 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 2023, 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. Huangpu District in Central Shanghai 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 Cultural Art Center Station, 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	Dinggu Commercial Center	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
Wealthy Joy Co., Ltd., Taiwan Branch	To be determined (in Taichung City)	Located in Taichung City Xitun District and Beitun District
Ding Gu Properties Co., Ltd.	Tianmu Jasper Villa	Located in Taipei City Shilin 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 66.16% in 2023 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 5% 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 2019 and 2023, 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.

E. Difficulty in acquiring land has increased, and land prices and construction costs continue to rise.

Response measures:

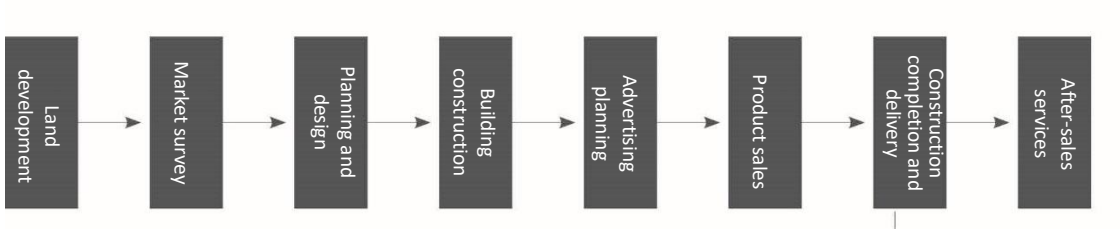
- Actively collect information on land releases in major cities.
- Adopt more diverse development models, including joint development and participation in urban renewal, renovation of old and dangerous buildings, etc.
- Incorporate products into innovative services and use green building materials to increase product value, thereby increasing sales and profits.

(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	2022				2023			
	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	9,221,577	100	None	Others	11,732,608	100	None
	Net sales	9,221,577	100		Net sales	11,732,608	100	

Reasons for changes:
The Company's income in 2022 to 2023 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 2022 to 2023.

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	2022				2023			
	Name	Amount	Percentage of net purchase (%)	Relationship with issuer	Name	Amount	Percentage of net purchase (%)	Relationship with issuer
1	Fujian Zhongma Construction Engineering Co., Ltd.	756,218	24	None	Hongrun Construction Co., Ltd.	929,769	30	None
2	Hongrun Construction Co., Ltd.	592,188	19	None	Fujian Zhongma Construction Engineering Co., Ltd.	728,810	24	None
3	Shanghai Zhu'an Construction Development Co., Ltd.	297,619	10	None	Changye Construction Co., Ltd.	366,588	12	None
	Others	1,473,996	47	None	Others	1,049,752	34	None
	Net purchase	3,120,021	100		Net purchase	3,074,919	100	

Reasons for changes:
In 2022, 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 Kunshan Ding Yao and the third-phase construction project of Shanghai Minglong . Hongrun Construcion Co., Ltd. is the general contractor of Shangai Ding Lin. Shanghai Zhu'an Construction Development Co., Ltd is the general contractor of the fourth-phase construction project of Shanghai Minglong. In summary, the aforementioned companies became the Company's top three suppliers in 2022. In 2023, Hongrun Construcion Co., Ltd., Fujian Zhongma Construction Engineering Co., and Changye Construction Co., Ltd. were the suppliers who accounted for more than 10% of the purchases of the Company. Hongrun Construcion Co., Ltd. is the general contractor of Shangai Ding Lin. Fujian Zhongma Construction Engineering Co., is the general contractor of Kunshan Ding Yao and the third-phase construction project of Shanghai Minglong. Changye Construction Co., Ltd., is the general contractor of Shangai Ding Jia and the fifth-phase construction project of Shanghai Hong Xiang. In summary, the aforementioned companies became the Company's top three suppliers in 2023.

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

Unit:NT$ in thousands; Number of corporate customers

Item \ Year	2022		2023	
	Output volume (Note 1)	Output value (Note 1)	Output volume (Note 1)	Output value (Note 1)
Shanghai Ming Long/ Huijing Huating	552	4,005,594	668	5,240,332
Shanghai Ding Jia/ Dinggu Commercial Center	-	-	274	2,142,570
Total	552	4,005,594	942	7,382,902

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 two years

Unit: Lots; NT$ in thousand

Sales volume and value Key products \ Year	2022		2023	
	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	1,402,105	N/A	1,770,647
Real estate development (Note 2)	407	7,288,505	484	9,325,794
Property management	N/A	332,560	N/A	369,052
Others	N/A	198,407	N/A	267,115
Total		9,221,577		11,732,608

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		2022	2023	Current year up to March 31, 2024
Number of employees	Manager	104	93	91
	General staff	161	149	147
	Engineering Department employees	35	26	26
	Total	300	268	264
Average age (year)		42.40	40.97	40.99
Average years of service		6.29	6.89	6.92
Education background percentage(%)	Ph.D.	0.67	0.37	0.38
	Master's	4.33	5.23	4.55
	University/College	83.00	82.46	82.95
	Senior high school	6.00	5.97	5.30
	Below Senior high school	6.00	5.97	6.82

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:

(1) The Company provides endowment policy, health insurance, unemployment insurance, occupational accident insurance, child birth insurance, and housing provident fund for employees.
(2) 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.
(3) Compensated absences parental leave and annual leave are provided in accordance with applicable laws and regulations.
(4) 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.
(5) Birthday vouchers are issued regularly.
(6) Employees are encouraged to celebrate their hobbies by establish social clubs such as badminton clubs, and funding for event organization is provided.
(7) 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 2023, employees of the Company have completed 1,052.9 hours of training in total, averaging 6.08 hours (excluding public online courses and external visits).

(1) 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.
(2) Management Capability Training. In order to strengthen corporate governance, implement risk management in business operations, ensure the integrity of the Company's risk system, and comply with regulatory requirements of supervisory authorities, the Company organizes related courses such as "Optimization of Enterprise Risk Management System" and "Execution Methods of Risk Management Processes."
(3) Professional skill training. To meet the qualifications requirements for employees, the Company provided corresponding professional skill training for finance and accounting, property, auditing, and information-related positions. A total of 43 employees participated in this training in 2023. Additionally, to improve employees' work abilities and overall performance levels, the company collaborated with training institutions to provide online training courses such as "Environmental and Sanitation Management Skill Training" and "Security Personnel Knowledge and Skill Training" for property management employees.
(4) General Skills Training. In order to assist employees in developing and enhancing basic skills, as well as raising awareness of occupational safety, the Company organizes courses such as "Business Management System Operation Training" and "Safety Education Training."
(5) Internal Sharing. In order to enrich the cultural and intellectual lives of employees and collectively appreciate the beauty of literature, fostering mutual growth, the Company has established the "Sun and Moon Reading" book club.

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

Title	Name	Date	Organizer	Course name	Hours
Chairman	Hung-Pen Chang	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/10/12	Taiwan Corporate Governance Association	Development Trends of the Semiconductor Industry Amid Global Changes	3

Title	Name	Date	Organizer	Course name	Hours
Director	Chien Shen Chang	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/10/12	Taiwan Corporate Governance Association	Development Trends of the Semiconductor Industry Amid Global Changes	3
Director	Nen-Yao Chang	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
Director	Madeline D Chang	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
Director	Fong-Cheng Lin	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
Director	Ching-Chong Chen	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
Director /CFO	An Yee Jennifer Fung	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/05/25-05/26	Accounting Research and Development Foundation	Continuing training course for accounting officer of issuers, securities firms and stock exchanges	12
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
		2023/12/20	Accounting Research and Development Foundation	Common Deficiencies in Financial Statement Review" and Practical Analysis of Key Internal Control Regulations	6
Director	Du-Tsuen Uang	2023/04/13	Taiwan Corporate Governance Association	A Brief Discussion on Corporate Governance and Public-Private Collaboration	3
		2023/07/10	Securities and Futures Institute	Principle of Fair Treatment of Customers in the Financial Services Industry (Including Financially Friendly Services)	3
		2023/08/18	Taiwan Corporate Governance Association	Big Data Analysis and Fraud Prevention	3
		2023/09/26	Corporate Operating and Sustainable Development Association	Digital Transformation, Anticipating the Future, New Perspectives on Risk Management	3
		2023/10/04	Taiwan Corporate Governance Association	How to Establish ESG Sustainable Governance Strategy by the Board of Directors	3
		2023/10/12	Taiwan Corporate Governance Association	Development Trends of the Semiconductor Industry Amid Global Changes	3

Title	Name	Date	Organizer	Course name	Hours
Independent Director	Freddie Liu	2023/04/27	TWSE and Taipei Exchange	Promotion Conference on Sustainable Development Action Plans for Listed Companies	3
		2023/06/02	The Chinese National Association of Industry and Commerce	Directors and Supervisors Seminar - 2023 Taishin Net Zero Electricity Summit	3
		2023/08/11	Taiwan Corporate Governance Association	The Ultimate Tool for Remote Auditing in the Post-Pandemic Era - Big Data Audit and Risk Intelligence Dashboard	3
		2023/10/20	Securities and Futures Institute	2023 annual insider trading	3
Independent Director	Huei-Chu Huang	2023/05/24	Taiwan Corporate Governance Association	Information Security Risk Management and Trends	3
		2023/10/18	Taiwan Corporate Governance Association	Directors' Duty of Care, Financial Misrepresentation, and Insider Trading Responsibility	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
Independent Director	Chi-Der Tsai	2023/11/08	The National Federation of CPA Associations of the R.O.C.	Practical Analysis of Independent Directors and Audit Committee Operations"	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	3
Independent Director	Chun-Chi Kung	2023/05/15	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3
		2023/10/12	Securities and Futures Institute	How Corporations Should Approach International Tax Planning and Investments	3
		2023/10/17	Taiwan Corporate Governance Association	Balancing Business Judgment and Fiduciary Duty: The Role of Independent Directors	3
		2023/11/10	Taiwan Corporate Governance Association	Tax Implications and Responses for Corporations and Individuals Amidst the CFC Storm	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 attaches great importance to communication with employees, and provides various formal and informal communication channels and channels, such as: employees can often have face-to-face interviews with department heads at all levels, so that employees can have the opportunity to express their opinions and ideas across ranks. 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.

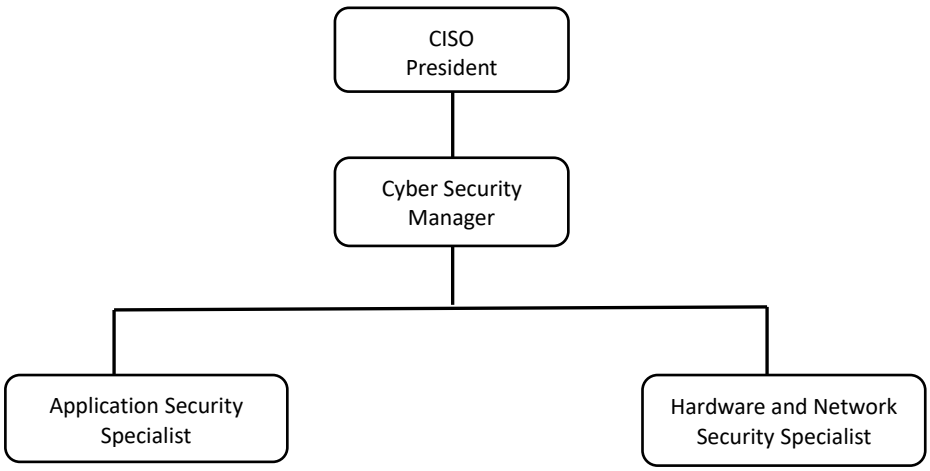
In general, the Company adopts humane management practices and offers a harmonious workplace and enticing benefits to employees. The Company has enjoyed harmonious relations between employers and employees and there have been no employer-employee disputes or losses.

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

The Company has established a cyber security team, which is convened by the general manager. The cyber security team is responsible for formulating the company's information security policy, coordinating security management affairs, and promoting the implementation of the information security policy across other departments. They achieve the stakeholders' requirements and expectations regarding the company's information security by regularly identifying internal and external security management risks. The cyber security team presents a security work report to the board of directors at least once a year, with the most recent report dated November 10, 2023.



(B) Cyber security management policies:

(1) Allocate appropriate resources to establish an information security management mechanism, strengthen employees' awareness of information security, and ensure that all employees have the responsibility and obligation to protect the security of the information assets they are responsible for or use.

(2) Authorize appropriately and only grant employees necessary permissions and information to complete their work, to prevent intentional or unlawful acts, and ensure the confidentiality, integrity, and availability of the company's important information assets.

(3) The Company's information security measures shall comply with the Company's information security policy and related information security management methods, and shall comply with legal and regulatory requirements.

(4) When an information security incident occurs, it shall be handled in a timely and appropriate manner with an appropriate response.

(C) Detailed implementation measures:

The Company places great emphasis on information security management, continuously optimizing and establishing various management measures. In 2023, a total of 12 meetings related to information security management were held, and 2 reports on information security-related work were submitted to the management. The main resources invested in information security management are as follows:

(1) Information security personnel skills training, with a total of 24 hours of education and training, at a cost of 47,000.
(2) Continuously updating the information security management methods, with a total investment of 30 working hours.
(3) To promote the awareness of information security among all employees of the company, a two-week company-wide phishing email drill was conducted, with an average participation of 1 hour per person, at a cost of 156,000.
(4) Strengthening file server management, reviewing and revising folder file permissions, with a total investment of 12 working days, at a cost of 106,000.
(5) Enhancing email security, replacing email firewalls, filtering incoming and outgoing emails, with a total investment of 20 working days, at a cost of 228,000.
(6) Automatic synchronization and deletion of AD, business system, and access control permissions for personnel system operation upon resignation, with a total investment of 10 working days.
(7) Comprehensive review and re-evaluation of system account permissions, totaling about 60 working days over 2 instances.
(8) Vulnerability scanning and assessment for all network servers and web services, discovering and repairing vulnerabilities, with a total investment of 7 working days, at a cost of 43,000.
(9) Detailed inventory, assessment, and initial protection of personal information involved in information systems, with a subsequent plan to further enhance personal information security education and compliance processing, with a total investment of 15 working days.

(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	Shanghai Ding Jia and Shanghai Branch, China Construction Bank	2014.01.30~ 2027.01.30	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	2014.06.18~ 2033.06.17	Shanghai Ding Lin borrowed not more than RMB 1.8 billion 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	2018.02.14~ 2023.02.20	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~ 2026.10.12	Time On borrowed not more than US$220 million 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
Loan contract	Wealthy Joy Co., Ltd. Taiwan Branch and DBS Bank	2021.06.29~ 2024.07.08	Wealthy Joy Co., Ltd. Taiwan Branch borrowed at most NTD 955 million from the DBS Bank.	General commercial loan/pledge/ Guarantee clause
Loan contract	Shanghai Hong Xiang and pilot Free Trade Zone Branch of the Agricultural Bank of China	2021.09.13~ 2046.09.12	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 million 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

Nature of contract	Contracting parties	Commencement date/expiration date	Content	Restriction clauses
Syndicated loan agreement	Noble World and DBS Bank	2021.12.30~ 2024.12.29	Follow International borrowed not more than US$80 million 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
Loan contract	Shanghai Ding Rong and Shanghai Pudong Development Zone Sub-branch, Industrial and Commercial Bank of China	2022.09.06~ 2032.09.15	Shanghai Ding Rong borrowed at most RMB 600 million from Shanghai Pudong Development Zone Sub-branch, Industrial and Commercial Bank of China.	General commercial loan/pledge/ Guarantee clause
Loan contract	Wealthy Joy Co., Ltd. Taiwan Branch and Mega Bank	2023.09.01~ 2024.08.31	Wealthy Joy Co., Ltd. Taiwan Branch borrowed at most NTD 4,300 million from the Mega Bank.	General commercial loan/pledge/ Guarantee clause
Loan contract	Wealthy Joy Co., Ltd. Taiwan Branch and DBS Bank	2023.09.15~ 2024.09.14	Wealthy Joy Co., Ltd. Taiwan Branch borrowed at most NTD 2,021 million from the DBS Bank.	General commercial loan/pledge/ Guarantee clause
Loan contract	Wealthy Joy Co., Ltd. Taiwan Branch and Yuanta Bank	2023.10.17~ 2024.10.16	Wealthy Joy Co., Ltd. Taiwan Branch borrowed at most NTD 4,100 million from the Yuanta Bank.	General commercial loan/pledge/ Guarantee clause
Loan contract	Ding Gu Properties Co., Ltd. and Yuanta Bank	2023.11.01~ 2030.10.31	Ding Gu Properties Co., Ltd. borrowed at most NTD 2,600 million from the Yuanta Bank.	General commercial loan/pledge/ Guarantee clause
Loan contract	Wealthy Joy Co., Ltd. Taiwan Branch and DBS Bank	2024.02.06~ 2029.04.30	Wealthy Joy Co., Ltd. Taiwan Branch borrowed at most NTD 2,000 million from the DBS Bank.	General commercial loan/pledge/ Guarantee clause

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, 2024
		2019	2020	2021	2022	2023	
Current assets		59,079,536	53,860,296	63,163,245	66,190,102	64,863,102	Note 3
Property, plant and equipment		635,305	580,118	533,993	548,425	659,209	
Investment properties		43,722,207	43,823,194	43,314,625	42,655,632	53,221,181	
Other assets and others		20,110,352	18,239,814	4,061,833	2,732,772	2,349,659	
Total assets		123,547,400	116,503,422	111,073,696	112,126,931	121,093,151	
Current liabilities	Before distribution	15,014,025	7,992,274	31,372,226	19,745,302	23,760,134	
	After distribution	18,894,888	10,080,630	33,460,582	20,789,480	23,760,134 (Note 2)	
Non-current liabilities		53,724,801	54,359,459	27,006,059	41,990,670	47,441,070	
Total liabilities	Before distribution	68,738,826	62,351,733	58,378,285	61,735,972	71,201,204	
	After distribution	72,619,689	64,440,089	60,466,641	62,780,150	71,201,204 (Note 2)	
Equity attributable to owners of parent		54,731,787	54,073,659	52,617,989	50,312,389	48,863,173	
Share capital		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	
Retained earnings	Before distribution	41,718,964	39,015,496	38,098,172	36,602,619	36,123,792	
	After distribution	37,838,101	36,927,140	36,009,816	35,558,441	36,123,792 (Note 2)	
Other equity		(4,592,008)	(2,546,668)	(3,085,014)	(3,895,061)	(4,865,450)	
Non-controlling interests		76,787	78,030	77,422	78,570	1,028,774	
Total equity	Before distribution	54,808,574	54,151,689	52,695,411	50,390,959	49,891,947	
	After distribution	50,927,711	52,063,333	50,607,055	49,346,781	49,891,947 (Note 2)	

Note 1: The CPA has audited the consolidated financial information for 2019 to 2023 by following the International Financial Reporting Standards.

Note 2: As of the printing date of the annual report, the Company has not yet convened the 2024 Shareholders' Meeting; therefore, “before distribution” amount is temporarily used as “after distribution” amount.

Note 3: As of the printing date of the annual report, financial data for the first quarter of 2024 has not been reviewed by the accountant.

(2) Condensed statement of comprehensive income

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, 2024
	2019	2020	2021	2022	2023	
Operating revenue	5,737,206	13,419,916	4,803,188	9,221,577	11,732,608	Note 2
Gross profit	2,851,740	5,522,503	2,667,298	5,470,638	6,513,712	
Operating income/loss	(649,231)	3,298,885	1,825,122	3,435,439	5,748,493	
Non-operating income and expenses	291,142	(603,290)	139,428	(698,327)	(1,266,072)	
Pre-tax profit from continuing operations	(358,089)	2,695,595	1,964,550	2,737,112	4,482,421	
Net income (loss) for the current period from continuing operations	422,629	1,177,355	1,171,014	592,809	564,999	
Net income (loss) for the year from discontinued operations	7,791,012	-	-	-	-	
Net profit (loss) of the term	8,213,641	1,177,355	1,171,014	592,809	564,999	
Other comprehensive income of the term (Net income after tax)	(1,997,280)	2,046,623	(538,936)	(808,905)	(971,833)	
Total comprehensive income of the term	6,216,361	3,223,978	632,078	(216,096)	(406,834)	
Net income attributable to owners of the parent	8,209,089	1,177,395	1,171,032	592,803	565,351	
Net income attributable to non-controlling interests	4,552	(40)	(18)	6	(352)	
Comprehensive income attributable to parent company shareholders	6,154,391	3,222,735	632,686	(217,244)	(405,038)	
Comprehensive income attributable to non-controlling interests	61,970	1,243	(608)	1,148	(1,796)	
Earnings per share (NT$)	4.72	0.68	0.67	0.34	0.32	

Note 1: The CPA has audited the consolidated financial information for 2019 to 2023 by following the International Financial Reporting Standards.

Note 2: As of the printing date of the annual report, financial data for the first quarter of 2024 has not been reviewed by the accountant.

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

Year	CPA	CPA Firm	Audit 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
2022	Shiuh-Ran Cheng, Chun-Hung Chen	Deloitte & Touche	Unqualified opinion
2023	Shiuh-Ran Cheng, Wei-Chun Ma	Deloitte & Touche	Unqualified opinion

2. Financial analysis for the last five years

Analytical item \ Year		Financial information for the past 5 years (Note 1 and 3)					As of March 31, 2024
		2019	2020	2021	2022	2023	
Capital Structure Analysis (%)	Debt-to-asset ratio	55.64	53.52	52.56	55.06	58.80	Note 2
	Long-term fund to property, plant and equipment	12,749.09	13,709.61	10,834.76	12,373.56	11,707.19	
Solvency (%)	Current ratio	393.50	673.90	201.33	335.22	272.99	
	Quick ratio	113.93	180.46	50.44	88.31	70.54	
	Times interest earned (times)	0.32	2.40	1.85	1.86	2.38	
Operating ability	Receivables turnover (times)	20.56	41.37	12.72	21.43	26.65	
	Average collection period (days)	17.75	8.82	28.69	17.03	13.69	
	Inventory turnover (times)	0.07	0.20	0.05	0.08	0.11	
	Payables turnover (times)	4.66	11.69	2.51	5.19	6.92	
	Average days sales outstanding (days)	5,214.29	1,825.00	7,300.00	4,562.50	3,318.18	
	Property, plant and equipment turnover (times)	5.53	16.34	6.29	12.44	14.97	
	Total assets turnover (times)	0.05	0.11	0.04	0.08	0.10	
Profitability	Return on assets %	7.37	1.46	1.33	0.96	1.46	
	Return on equity %	15.31	2.16	2.19	1.15	1.13	
	Pre-tax income to paid-in capital (%)	-2.06	15.49	11.29	15.73	25.76	
	Net profit margin %	143.16	8.77	24.38	6.43	4.82	
	Basic earnings per share (NT$)	4.72	0.68	0.67	0.34	0.32	
Cash flows (%)	Cash flow ratio	-14.19	20.97	-5.99	9.81	1.36	
	Cash flow adequacy ratio	-34.83	-45.79	-31.16	5.57	-0.50	
	Cash reinvestment ratio	-7.47	-4.69	-12.04	-0.32	-1.70	
Leverage	Operating leverage	-4.39	1.67	1.46	1.59	1.13	
	Financial leverage	0.40	1.30	1.33	1.23	1.36	

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

Note 2: As of the printing date of the annual report, financial data for the first quarter of 2024 has not been reviewed by the accountant.

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) Quick ratio decreased by 20.12%

The significant increase in short-term borrowings in 2023 led to a decrease of 20.12% in the current ratio.

(2) Interest coverage ratio increased by 27.72%

The main reason is that the profit before tax and interest in 2023 increased compared to 2022, resulting in a 27.72% increase in interest coverage ratio.

2. Operating ability

(1) Receivables turnover ratio increased by 24.38%

In 2023, the increase in net sales compared to the previous year, coupled with minimal changes in accounts receivable balance, resulted in a 24.38% rise in the accounts receivable turnover ratio.

(2) Inventory turnover ratio increased by 37.83%

The increase in net sales in 2023 compared to the same period last year led to a corresponding rise in the cost of goods sold. Consequently, this resulted in a 37.83% increase in inventory turnover ratio.

(3) Payables turnover increased by 33.41%

The increase in net sales in 2023 compared to the same period last year led to a corresponding rise in the cost of goods sold. Consequently, this resulted in a 37.83% increase in payables turnover.

(4) Average days sales outstanding decreased by 27.27%

The increase in the inventory turnover ratio compared to the same period last year resulted in a 27.27% reduction in the average days sales outstanding.

(5) Property, plant and equipment turnover increased by 20.35%

The increase in net sales in 2023 compared to the same period last year resulted in a 20.35% increase in property, plant and equipment turnover.

(6) Total asset turnover ratio increased by 24.73%

The increase in net sales in 2023 compared to the same period last year resulted in a 24.73% increase in the total asset turnover ratio .

3. Profitability

(1) Return on assets increased by 51.36%
The increase in pre-tax and pre-interest profit in 2023 compared to the same period last year, resulting in a 51.36% increase in return on assets.

(2) Pre-tax income to paid-in capital ratio increased by 63.76%
The increase in pre-tax income in 2023 compared to the same period last year, resulting in a 63.76% increase in pre-tax income to paid-in capital ratio.

(3) Net profit margin decreased by 25.09%

The increase in net sales in 2023 compared to the same period last year, coupled with minimal changes in net profit over the two years, resulted in a 25.09% decrease in the net profit margin.

4. Cash flows

(1) Cash flow ratio decreased by 86.15%

The main reason is that in 2023, the net cash flow from operating activities was positive, coupled with an increase in current liabilities, resulting in an 86.15% decrease in the cash flow ratio.

(2) Cash flow adequacy ratio decreased by 109.01%

The main factor is the increase in net cash outflow from operating activities over the past five years, leading to a 109.01% decrease in the cash adequacy ratio.

(3) Cash reinvestment ratio decreased by 435.69%

The primary reason is the significant decrease in working capital in 2023 compared to the previous year, resulting in a 435.69% decrease in the cash reinvestment ratio.

5. Operating leverage

(1) Operating leverage decreased by28.84%

The main reason is the increase in operating profit in 2023 compared to the same period last year, resulting in a 28.84% decrease in operating leverage.

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 2023 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 Chi-Der Tsai

Independent Director Huei-Chu Huang

Independent Director Freddie Liu

Independent Director Chun-Chi Kung

March 13, 2024

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.

Please refer to pages 133 to 209 (Appendix - Consolidated Financial Statements and Auditor's Report)

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	2022	2023	Difference	
			Amount	%
Current assets	66,190,102	64,863,102	(1,327,000)	(2.00%)
Property, plant and equipment	548,425	659,209	110,784	20.20%
Investment properties	42,655,632	53,221,181	10,565,549	24.77%
Other assets	2,732,772	2,349,659	(383,113)	(14.02%)
Total assets	112,126,931	121,093,151	8,966,220	8.00%
Current liabilities	19,745,302	23,760,134	4,014,832	20.33%
Long-term loans	33,451,063	38,710,865	5,259,802	15.72%
Other non-current liabilities	8,539,607	8,730,205	190,598	2.23%
Total liabilities	61,735,972	71,201,204	9,465,232	15.33%
Share capital	17,402,970	17,402,970	-	-
Capital surplus	201,861	201,861	-	-
Retained earnings	36,602,619	36,123,792	(478,827)	(1.31%)
Exchange differences arising from translation of financial statements	(3,800,892)	(4,865,563)	(1,064,671)	28.01%
Non-controlling interests	78,570	1,028,774	950,204	1,209.37%
Equity	50,390,959	49,891,947	(499,012)	(0.99%)

Explanation for changes that exceed 20% and reached NT $500 million or above in the past two years:

1. The increase in investment properties was primarily due to the Taiwan subsidiary's purchase of investment property this fiscal year.
2. The increase in current liabilities was due to new short-term loans.
3. Exchange differences arising from translation of financial statements were mainly due to the depreciation of RMB against NTD.
4. The increase in non-controlling interests was due to the cash injection by the Taiwan subsidiary. The Company did not subscribe according to the original shareholding ratio, resulting in a decrease in its ownership percentage from 100% to 60%.

2. Financial performance

(1) Financial performance

Unit:NT$ in thousands;%

Item \ Year	2022	2023	Difference	
			Amount	%
Operating revenue	9,221,577	11,732,608	2,511,031	27.23%
Operating costs	(3,750,939)	(5,218,896)	(1,467,957)	39.14%
Gross profit	5,470,638	6,513,712	1,043,074	19.07%
Operating expenses	(600,622)	(604,476)	(3,854)	0.64%
Other income and loss	(1,434,577)	(160,743)	1,273,834	(88.80%)
Operating income/loss	3,435,439	5,748,493	2,313,054	67.33%
Other income	416,225	465,866	49,641	11.93%
Other profit and loss	(473,872)	(221,919)	251,953	(53.17%)
Finance cost	(640,680)	(1,510,019)	(869,339)	135.69%
Pre-tax profit for the year	2,737,112	4,482,421	1,745,309	63.76%
Profit for the year	592,809	564,999	(27,810)	(4.69%)

Explanation for changes that exceed 20% and reached NT $500 million or above in the past two years:

1. Increase in operating revenue, operating costs, and gross profit was mainly due to increase in completed properties that have been handed over this year.
2. Change in other income and loss was mainly due to a significant reduction in fair value losses on investment properties for the fiscal year 2023.
3. Increase in finance cost was due to the rise in US dollar borrowing rates in 2023 and a decrease in the amount of interest capitalized.
4. The increase in operating income and pre-tax net profit was due to an increase in gross profit and a significant reduction in fair value losses on investment properties.

(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 2024, so it does not disclose the expected sales volume.

3. Cash flows

(1) Analysis of cash flow changes for the past 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
10,806,386	322,989	(2,427,732)	8,701,643	–	–

Analysis of cash flow changes for the current year:

1. Operating activities: Net cash inflow from operating activities for the current period was approximately NT$0.3 billion mainly due to an increase of NT$ 2.276 billion in other financial assets , a decrease of NT$ 1.125 billion in inventories and an increase of NT$ 1.459 billion in contract liabilities.
2. Investing activities: Net cash outflow from investing activities was due to payments for investment properties.
3. Financing activities: Net cash inflow from financing activities was due to an increase of loans.

(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)	Annual net cash inflow from other activities (3)	Expected cash surplus (deficit) (1)+ (2)+(3)	Remedial measures for cash deficit	
				Investment plans	Financing plans
8,701,643	(1,407,828)	2,716,487	10,010,302	–	–

1. Operating activities: The net cash outflow from the Company's operating activities is expected to be NT$1.41 billion in 2024 mainly due to the large amount of investments in building construction to facilitate continuous launching of construction projects in the future.
2. Investment activities: The company expects that the investment activities in 2024 will mainly be the continuous disposal of bonds in order to achieve a stable use of funds.
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
The subsidiary, Dinggu Properties Co., Ltd., acquired a residential building - Tianmu Jasper Villa, located in Taipei City, Taiwan, on October 27, 2023, for a total price of NT$11,681,169 thousand. The funding for this acquisition was from bank loans and internal funds.

(2) Possible benefits anticipated
Increased rental income for the Group.

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 past 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 2022 and 2023 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 HKD. If HKD 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, legal department staff and 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.

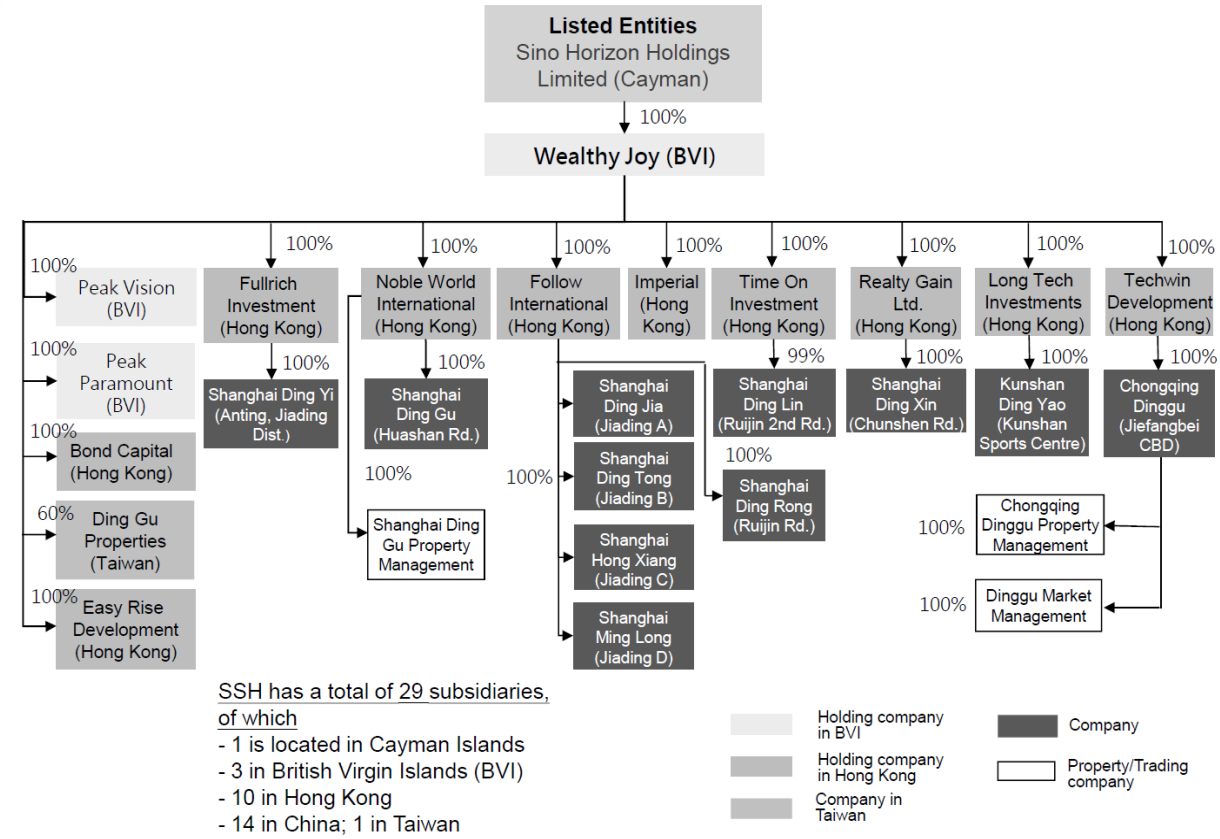
VIII. Special disclosures

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 December 31, 2023



(2) Basic information of the various affiliated enterprises:

Basic information of the various affiliated enterprises

As of December 31, 2023

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
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	140,401	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
Ding Gu Properties Co., Ltd.	2010/9/15	Taiwan	NTD	2,380,000,000	Property leasing
Shanghai Ding Xin Properties Co., Ltd.	2004/12/7	Shanghai, China	USD	10,000,000	Real estate development/ sale, and shopping mall/office leasing
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 leasing
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 leasing
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 leasing
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 leasing

Enterprise name	Date of establishment (Note)	Company location	Paid-in capital (NT$)		Main businesses or products
Shanghai Hong Xiang Land Investment Co., Ltd.	2008/1/3	Shanghai, China	RMB	307,000,000	Real estate development/ sale, and shopping mall/office leasing
Shanghai Ming Long Construction And Development Co., Ltd.	2008/1/3	Shanghai, China	RMB	21,000,000	Real estate development/ sale, and shopping mall/office leasing
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 leasing
Shanghai Ding Gu Properties Co., Ltd.	2003/1/15	Shanghai, China	USD	33,610,000	Real estate development/ sale, and shopping mall/office leasing
Chongqing Dinggu Real Estate Development Co., Ltd.	2005/4/25	Chongqing, China	USD	59,640,000	Real estate development/ sale, and shopping mall/office leasing
Chongqing Dinggu Market Management Co., Ltd.	2008/6/24	Chongqing, China	RMB	100,000	Market operations and management, and booth leasing
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	18,000,000	Real estate development/ sale, and shopping mall/office leasing

Note: This is the date on which the Company acquired equity in the aforementioned company.

(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

The overall business operations of the Company are mainly focused on general investments, real estate development and sales, commercial office leasing, and property management.

(5) Basic information of Directors, Supervisors, and Presidents of affiliates

As of December 31, 2023

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	19.53%
		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	19.53%
		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	-	-
	Independent Director	Freddie Liu	-	-
	Independent Director	Huei-Chu Huang	-	-
	Independent Director	Chi-Der Tsai	-	-
	Independent Director	Chun-Chi Kung	-	-
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%
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	10,000	100%

Company name	Title	Name/Representative	Shares held	
			No. of shares	Shareholding percentage (Contribution ratio)
		Representative: Hung-Pen Chang		
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., Ltd Representative: Hung-Pen Chang	10,000	100%
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	-	-
Ding Gu Properties Co., Ltd.	Chairman	Wealthy Joy Co., Ltd Representative: Mei-Jean Feng	142,800,000	60%
	Director	Wealthy Joy Co., Ltd Representative: Nen-Yao Chang		
	Director	Hung Ching Development & Construction Co., Ltd.	57,120,000	24%
	Supervisor	Bestget Investment Ltd	14,280,000	6%
	Supervisor	Universal Investment Ltd	14,280,000	6%
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	-	-
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	Chairman	Hung-Pen Chang	-	-
	Director	Mei-Jean Feng	-	-

Company name	Title	Name/Representative	Shares held	
			No. of shares	Shareholding percentage (Contribution ratio)
Development Co., Ltd.	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	-	-
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	-	-

(6) Business Overview of Affiliates

As of December 31, 2023

Company name	Capital (in dollar)	Total assets (in thousands)	Total liabilities (in thousands)
Sino Horizon Holdings Limited	NTD 17,402,969,820	NTD 121,093,151	NTD 71,201,204
Wealthy Joy Co.,Ltd (including Taiwan Branch)	USD 500,000,000	USD 1,218,575	USD 301,157
Time On Investment Ltd.	HKD 1,330,000,000	USD 269,475	USD 184,691
Follow International Ltd.	HKD 2,543,580,000	USD 586,274	USD 570,343
Realty Gain Ltd.	HKD 10,000	USD 10,012	USD 9,880
Noble World International Ltd.	HKD 10,000	USD 34,309	USD 44,962
Long Tech Investments Ltd.	HKD 10,000	USD 26,099	USD 26,320
Techwin Development Ltd.	HKD 450,850,000	USD 60,610	USD 2,843
Bond Capital Ltd.	HKD 10,000	USD 2	-
Easy Rise Development Ltd.	HKD 10,000	USD 17	-
Fullrich Investment Development Ltd.	HKD 10,000	USD 9,968	-
Imperial Corporation Ltd.	HKD 140,401	USD 4	-
Peak Vision International Limited	USD 1	USD 72,801	USD 83,238
Peak Paramount International Limited	USD 1	USD 4	USD 19
Ding Gu Properties Co., Ltd.	NTD 2,380,000,000	NTD 11,807,236	NTD 9,428,088
Shanghai Ding Xin Properties Co., Ltd.	USD 10,000,000	RMB 141,190	RMB 37,068
Kunshan Ding Yao Real Estate Development Co., Ltd.	USD 25,000,000	RMB 1,725,881	RMB 1,294,228
Shanghai Ding Lin Real Estate Development Co., Ltd.	USD 271,000,000	RMB 3,848,014	RMB 2,060,408
Shanghai Ding Jia Real Estate Development Co., Ltd.	RMB 900,000,000	RMB 1,813,786	RMB 1,030,661
Shanghai Ding Tong Real Estate Development Co., Ltd.	RMB 232,000,000	RMB 545,364	RMB 73,796
Shanghai Hong Xiang Land Investment Co., Ltd.	RMB 307,000,000	RMB 980,774	RMB 235,195
Shanghai Ming Long Construction And Development Co., Ltd.	RMB 21,000,000	RMB 3,750,546	RMB 1,980,701
Shanghai Ding Rong Real Estate Development Co., Ltd.	USD 313,680,000	RMB 7,790,341	RMB 2,088,810
Shanghai Ding Gu Properties Co., Ltd.	USD 33,610,000	RMB 816,834	RMB 154,332
Chongqing Dinggu Real Estate Development Co., Ltd.	USD 59,640,000	RMB 2,038,403	RMB 1,041,594
Shanghai Dingyi Real Estate Development Co., Ltd.	RMB 18,000,000	RMB 130,551	RMB 672
Wuxi Ding Gu Real Estate Development Co., Ltd. (Note)	-	-	-
Chongqing Dinggu Market Management Co., Ltd.	RMB 100,000	RMB 84	-
Chongqing Dinggu Property Management Co., Ltd.	RMB 3,000,000	RMB 2,665	RMB 683
Shanghai Ding Gu Property Management Co., Ltd.	USD 140,000	RMB 63,349	RMB 36,920

As of December 31, 2023

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 49,891,947	NTD 11,732,608	NTD 5,748,493	NTD 564,999	NTD 0.32
Wealthy Joy Co.,Ltd (including Taiwan Branch)	USD 917,418	-	(USD 1,448)	USD 64,112	USD 0.13
Time On Investment Ltd.	USD 84,784	-	(USD 9)	(USD 11,085)	(USD 0.01)
Follow International Ltd.	USD 15,931	-	(USD 15)	(USD 41,900)	(USD 0.02)
Realty Gain Ltd.	USD 132	-	(USD 5)	(USD 5)	(USD 0.54)
Noble World International Ltd.	(USD 10,653)	-	(USD 8)	USD 15	USD 1.51
Long Tech Investments Ltd.	(USD 221)	-	(USD 6)	(USD 6)	(USD 0.59)
Techwin Development Ltd.	USD 57,767	-	(USD 5)	(USD 5)	(USD 0.00)
Bond Capital Ltd.	USD 2	-	(USD 3)	(USD 3)	(USD 0.27)
Easy Rise Development Ltd.	USD 17	-	(USD 5)	USD 21,153	USD 2,115
Fullrich Investment Development Ltd.	USD 9,968	-	(USD 7)	USD 63,883	USD 6,388
Imperial Corporation Ltd.	USD 4	-	(USD 3)	(USD 3)	(USD 2,935)
Peak Vision International Limited	(USD 10,437)	-	(USD 2)	(USD 5,552)	(USD 5,552,227)
Peak Paramount International Limited	(USD 15)	-	(USD 2)	(USD 2)	(USD 1,564)
Ding Gu Properties Co., Ltd.	NTD 2,379,148	NTD 61,097	NTD 37,883	NTD 306	NTD 0.00
Shanghai Ding Xin Properties Co., Ltd.	RMB 104,122	RMB 4,419	RMB 2,375	RMB 1,457	Not applicable
Kunshan Ding Yao Real Estate Development Co., Ltd.	RMB 431,653	RMB 12,840	RMB 4,990	RMB 5,556	Not applicable
Shanghai Ding Lin Real Estate Development Co., Ltd.	RMB 1,787,606	-	(RMB 572)	(RMB 231)	Not applicable
Shanghai Ding Jia Real Estate Development Co., Ltd.	RMB 783,125	RMB 14,891	(RMB 75,367)	(RMB 109,290)	Not applicable
Shanghai Ding Tong Real Estate Development Co., Ltd.	RMB 471,568	RMB 7,805	RMB 5,422	RMB 7,395	Not applicable
Shanghai Hong Xiang Land Investment Co., Ltd.	RMB 745,579	RMB 16,329	(RMB 1,876)	(RMB 22,629)	Not applicable
Shanghai Ming Long Construction And Development Co., Ltd.	RMB 1,769,845	RMB 2,098,186	RMB 1,380,787	RMB 739,193	Not applicable
Shanghai Ding Rong Real Estate Development Co., Ltd.	RMB 5,701,531	RMB 360,589	RMB 164,317	RMB 88,914	Not applicable
Shanghai Ding Gu Properties Co., Ltd.	RMB 662,502	RMB 32,838	RMB 12,915	RMB 17,229	Not applicable
Chongqing Dinggu Real Estate Development Co., Ltd.	RMB 996,809	RMB 13,206	(RMB 33,197)	(RMB 52,483)	Not applicable

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)
Shanghai Dingyi Real Estate Development Co., Ltd.	RMB 129,879	RMB 4,244	(RMB 81)	RMB 11,474	Not applicable
Wuxi Ding Gu Real Estate Development Co., Ltd. (Note)	-	-	(RMB 2,981)	(RMB 9,103)	Not applicable
Chongqing Dinggu Market Management Co., Ltd.	RMB 84	-	(RMB 1)	(RMB 1)	Not applicable
Chongqing Dinggu Property Management Co., Ltd.	RMB 1,982	RMB 1,524	(RMB 15)	(RMB 6)	Not applicable
Shanghai Ding Gu Property Management Co., Ltd.	RMB 26,429	RMB 112,638	RMB 9,285	RMB 7,236	Not applicable

Note: The Company was dissolved in September 2023.

2. Private placement of securities in the past year and up to the date of annual report publication

None.

3. Holding or disposal of stocks of the Company by subsidiaries in the past 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.

Appendix - Consolidated Financial Statements and Auditor's Report

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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, 2022 and 2021, 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, 2022 and 2021, 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. 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, 2022 are described as follows:

Fair Value of Investment Properties

Description of key audit matter:

As of December 31, 2022, the carrying amount of the Group's investment properties was NT$42,655,632 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, 2022 was a loss of NT$1,434,577 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. We understood the internal controls related to the fair value evaluation of investment properties.

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

3. 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.

4. We 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.

Recognition of Real Estate Sales Revenue

Description of key audit matter:

For the year ended December 31, 2022, revenue from the sale of real estate was NT$7,288,505 thousand. Based on the accounting policies of the Group (refer to Note 4), when real estate 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 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 in the current year are as follows:

1. We reviewed the sales contracts signed by the Group and the customers from the government official website to confirm the contractual arrangements and the authenticity of the contracts.

2. We checked the related transfer records or transfer notices to confirm the date of transfer or the due date of transfer in order to ensure that the revenue was properly recorded in the correct accounting period.

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

4. We confirmed that the revenues from the sales of real estate were recognized only after the completion of the transfer procedures.

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 Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2022 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 14, 2023

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to 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, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023		2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 8,701,643	7	$ 10,806,386	10
Financial assets at fair value through profit or loss - current (Notes 7 and 30)	2,719,563	2	2,733,169	2
Financial assets at fair value through other comprehensive income - current (Notes 8 and 30)	610,928	1	1,160,540	1
Trade receivables, net (Notes 10 and 29)	414,429	-	466,096	-
Other receivables	106,874	-	98,368	-
Inventories (Notes 11, 21 and 30)	47,254,348	39	48,252,779	43
Other financial assets - current (Notes 9 and 30)	4,170,432	4	2,159,692	2
Other current assets (Notes 15 and 25)	848,730	1	500,507	1
Incremental costs of obtaining a contract - current (Note 23)	36,155	-	12,565	-
Total current assets	64,863,102	54	66,190,102	59
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	341,075	-	419,702	-
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 30)	255,258	-	874,530	1
Property, plant and equipment (Note 12)	659,209	1	548,425	1
Right-of-use assets (Note 13)	172,186	-	198,180	-
Investment properties (Notes 14 and 30)	53,221,181	44	42,655,632	38
Deferred tax assets (Note 25)	1,474,328	1	1,139,133	1
Other non-current assets (Note 15)	106,812	-	101,227	-
Total non-current assets	56,230,049	46	45,936,829	41
TOTAL	$ 121,093,151	100	$ 112,126,931	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ 6,746,744	6	$ 1,310,341	1
Contract liabilities - current (Note 23)	6,960,256	6	5,627,525	5
Trade payables (Note 17)	910,300	1	597,081	1
Other payables (Note 19)	350,669	-	595,848	1
Current tax liabilities (Note 25)	4,464,955	4	3,450,163	3
Lease liabilities - current (Note 13)	524	-	790	-
Other financial liabilities - current (Notes 14 and 20)	436,400	-	489,560	1
Unearned revenue (Note 18)	148,767	-	78,216	-
Current portion of long-term borrowings (Note 16)	2,840,050	2	6,063,573	5
Other current liabilities (Note 19)	901,469	1	1,532,205	1
Total current liabilities	23,760,134	20	19,745,302	18
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 16)	38,710,865	32	33,451,063	30
Deferred tax liabilities (Note 25)	8,289,518	7	8,185,461	7
Lease liabilities - non-current (Note 13)	-	-	534	-
Other financial liabilities - non-current (Notes 14 and 20)	440,687	-	353,612	-
Total non-current liabilities	47,441,070	39	41,990,670	37
Total liabilities	71,201,204	59	61,735,972	55
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)				
Share capital	17,402,970	14	17,402,970	15
Capital surplus	201,861	-	201,861	-
Retained earnings	36,123,792	30	36,602,619	33
Exchange differences on translating the financial statements of foreign operations	(4,865,563)	(4)	(3,800,892)	(3)
Unrealized gains or losses on investments at fair value through other comprehensive income	(91,182)	-	(185,464)	-
Revaluation increment	91,295	-	91,295	-
Total equity attributable to owners of the Company	48,863,173	40	50,312,389	45
NON-CONTROLLING INTERESTS (Note 22)	1,028,774	1	78,570	-
Total equity	49,891,947	41	50,390,959	45
TOTAL	$ 121,093,151	100	$ 112,126,931	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, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2023		2022	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 29)	$ 11,732,608	100	$ 9,221,577	100
OPERATING COSTS (Notes 11, 23 and 24)	(5,218,896)	(45)	(3,750,939)	(41)
GROSS PROFIT	6,513,712	55	5,470,638	59
OPERATING EXPENSES (Notes 24 and 29)				
Selling expenses	(214,156)	(2)	(189,553)	(2)
General and administrative expenses	(390,320)	(3)	(411,069)	(4)
Total operating expenses	(604,476)	(5)	(600,622)	(6)
LOSS ON CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES (Note 14)	(160,743)	(1)	(1,434,577)	(16)
PROFIT FROM OPERATIONS	5,748,493	49	3,435,439	37
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 29)				
Interest income	344,061	3	310,286	4
Other income	121,805	1	105,939	1
Other gains and losses, net	(221,919)	(2)	(473,872)	(5)
Finance costs	(1,510,019)	(13)	(640,680)	(7)
Total non-operating income and expenses	(1,266,072)	(11)	(698,327)	(7)
PROFIT BEFORE INCOME TAX	4,482,421	38	2,737,112	30
INCOME TAX EXPENSE (Note 25)	(3,917,422)	(33)	(2,144,303)	(23)
NET PROFIT FOR THE YEAR	564,999	5	592,809	7
Other comprehensive loss for the year, net of income tax				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(973,676)	(8)	753,562	8

(Continued)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

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

	2023		2022	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	$ (92,439)	(1)	$ (1,541,163)	(17)
Unrealized gains (losses) on investments in debt instruments at fair value through other comprehensive income	94,282	1	(21,304)	-
Other comprehensive loss for the year, net of income tax	(971,833)	(8)	(808,905)	(9)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	$ (406,834)	(3)	$ (216,096)	(2)
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 565,351	5	$ 592,803	6
Non-controlling interests	(352)	-	6	-
	$ 564,999	5	$ 592,809	6
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:				
Owners of the Company	$ (405,038)	(3)	$ (217,244)	(2)
Non-controlling interests	(1,796)	-	1,148	-
	$ (406,834)	(3)	$ (216,096)	(2)
EARNINGS PER SHARE (Note 26)				
Basic	$ 0.32		$ 0.34	
Diluted	$ 0.32		$ 0.34	

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, 2023 AND 2022
(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 the Financial Statements of Foreign Operations	Revaluation Increment	Unrealized Gains or Losses on Investments at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests (Note 22)	Total Equity
BALANCE AT JANUARY 1, 2022	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
Appropriation of 2021 earnings												
Legal reserve	-	-	-	129,357	-	(129,357)	-	-	-	-	-	-
Special reserve	-	-	-	-	135,735	(135,735)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(2,088,356)	-	-	-	(2,088,356)	-	(2,088,356)
	-	-	-	129,357	135,735	(2,353,448)	-	-	-	(2,088,356)	-	(2,088,356)
Net profit for the year ended December 31, 2022	-	-	-	-	-	592,803	-	-	-	592,803	6	592,809
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	-	(788,743)	-	(21,304)	(810,047)	1,142	(808,905)
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	592,803	(788,743)	-	(21,304)	(217,244)	1,148	(216,096)
BALANCE AT DECEMBER 31, 2022	1,740,297	17,402,970	201,861	2,803,635	13,088,776	20,710,208	(3,800,892)	91,295	(185,464)	50,312,389	78,570	50,390,959
Appropriation of 2022 earnings												
Special reserve	-	-	-	-	103,208	(103,208)	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,044,178)	-	-	-	(1,044,178)	-	(1,044,178)
	-	-	-	-	103,208	(1,147,386)	-	-	-	(1,044,178)	-	(1,044,178)
Net profit for the year ended December 31, 2023	-	-	-	-	-	565,351	-	-	-	565,351	(352)	564,999
Other comprehensive income (loss) for the year ended December 31, 2023, net of income tax	-	-	-	-	-	-	(1,064,671)	-	94,282	(970,389)	(1,444)	(971,833)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	-	565,351	(1,064,671)	-	94,282	(405,038)	(1,796)	(406,834)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	952,000	952,000
BALANCE AT DECEMBER 31, 2023	1,740,297	$ 17,402,970	$ 201,861	$ 2,803,635	$ 13,191,984	$ 20,128,173	$ (4,865,563)	$ 91,295	$ (91,182)	$ 48,863,173	$ 1,028,774	$ 49,891,947

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, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 4,482,421	$ 2,737,112
Adjustments for:		
Depreciation expenses	67,288	62,854
Amortization expenses	3,066	3,085
Expected credit loss	128,894	287,664
Net loss on financial assets at fair value through profit or loss	89,906	85,090
Interest expenses	1,510,019	640,680
Interest income	(344,061)	(310,286)
Dividend income	(121,805)	(105,939)
Gain on disposal of property, plant and equipment	(205)	(40)
Net (gain) loss on disposal of financial assets	(3,550)	228,700
Net loss on unrealized foreign currency exchange	28,829	10,987
Loss on changes in fair value of investment properties	160,743	1,434,577
Changes in operating assets and liabilities		
Trade receivables	43,102	(65,587)
Other receivables	(17,650)	9,470
Inventories	1,125,025	87,545
Other current assets	(179,138)	303,905
Other financial assets	(2,275,799)	(1,525,868)
Incremental cost of obtaining a contract	(23,821)	41,898
Contract liabilities	1,458,909	113,923
Trade payables	448,238	(264,557)
Other payables	(271,980)	77,926
Unearned revenue	73,129	(73,891)
Deposits received	49,409	(26,212)
Other current liabilities	(602,581)	1,016,183
Cash generated from operations	5,828,388	4,769,219
Interest paid	(2,487,439)	(1,708,939)
Income taxes paid	(3,017,960)	(1,122,962)
Net cash generated from operating activities	322,989	1,937,318
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at fair value through other comprehensive income	1,074,217	5,688,954
Purchase of financial assets at amortized cost	-	(194,015)
Proceeds from sale of financial assets at amortized cost	192,866	-
Purchases of financial assets at fair value through profit or loss	(28,962,616)	(4,723,566)
Proceeds from sale of financial assets at fair value through profit or loss	28,816,194	4,726,241
Payments for property, plant and equipment	(182,580)	(64,751)
Proceeds from disposal of property, plant and equipment	434	160
Increase in refundable deposits	(114)	-
Decrease in refundable deposits	-	4,272

(Continued)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

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

	2023	2022
Payments for investment properties	$ (11,627,766)	$ (133,372)
(Increase) decrease in other non-current assets	(10,397)	2,676
Interest received	426,001	365,208
Dividends received	120,426	105,939
Net cash (used in) generated from investing activities	(10,153,335)	5,777,746
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	6,892,571	-
Repayments of short-term borrowings	(1,456,311)	(148,133)
Proceeds from long-term borrowings	8,209,560	31,421,066
Repayments of long-term borrowings	(5,658,866)	(33,136,532)
Repayment of the principal portion of lease liabilities	(820)	(1,256)
Dividends paid to owners of the Company	(1,044,178)	(2,088,356)
Changes in non-controlling interests	952,000	-
Net cash generated from (used in) financing activities	7,893,956	(3,953,211)
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(168,353)	90,710
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(2,104,743)	3,852,563
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,806,386	6,953,823
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 8,701,643	$ 10,806,386

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 13, 2024.

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

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

The application of the IFRS Accounting Standards in 2023 did not have any material impact on the Group's accounting policies.

b. The IFRS Accounting Standards in issue but not yet issued into effect by the IASB:

New, Amended or Revised Standards and Interpretations (the "New IFRSs")	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 4)

Note 1: Unless stated otherwise, the above IFRS Accounting Standards will be effective for annual balance sheet dates beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

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

Note 4: An entity shall apply those amendments for annual balance sheet dates beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings. When the entity uses a presentation currency other than its functional currency, it shall, at the date of initial application, recognize any effect as an adjustment to the cumulative amount of translation differences in equity.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of 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 MATERIAL ACCOUNTING POLICY INFORMATION

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 balance sheet date; 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 balance sheet date.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the balance sheet date; and

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

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 2023	% of Ownership December 31 2022
Sino Horizon Holdings Ltd.	Wealthy Joy Co., Ltd. (with Taiwan Branch)	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

(Continued)

Investor	Investee	Principal Place of Business	Nature of Business Activities	% of Ownership December 31 2023	% of Ownership December 31 2022
	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	60 (Note 1)	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
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	- (Note 2)	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 1: The company completed a cash capital increase in August 2023. Due to strategic investment considerations, the Group did not subscribe according to the original shareholding ratio, resulting in a decrease in its ownership percentage from 100% to 60%, refer to Note 22.

Note 2: The company was deregistered in September 2023.

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 balance sheet date, 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 balance sheet date; 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 balance sheet date, 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 is in the process of construction 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 and accumulated in gain on property revaluation under other equity that will be transferred directly to retained earnings when the asset is derecognized.

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 balance sheet date, 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 balance sheet date, 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, other receivables, other financial assets, 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 balance sheet dates.

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), investments in debt instruments that are measured at FVTOCI, 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, and its carrying amounts are calculated based on weighted average by share types. 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:

<u>Financial liabilities at FVTPL</u>

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, and interest rate swap. 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 balance sheet date. 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-current.

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 balance sheet date 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 balance sheet date 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 balance sheet date. 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 balance sheet date, 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. MATERIAL 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 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, 2023 and 2022, the carrying amounts of the deferred tax liabilities arising from investment properties that are measured using the fair value model were $6,605,910 thousand and $6,507,480 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, 2023 and 2022 the total carrying amounts of inventory of properties, properties under development and properties for development were $47,254,348 thousand and $48,252,779 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, 2023 and 2022 the carrying amounts of fair value of investment properties were $53,221,181 thousand and $42,655,632 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	
	2023	**2022**
Cash on hand	$ 3,725	$ 966
Demand deposits	7,144,154	2,675,733
Cash equivalents (investments with original maturities of three months or less)		
Time deposits	1,243,956	7,763,971
Repurchase agreements collateralized by bills	309,808	365,716
	$ 8,701,643	$ 10,806,386

The market rate intervals of cash in bank at the balance sheet date were as follows:

	December 31	
	2023	2022
Interest rate range - demand deposits	0.01%-1.90%	0.01%-1.65%
Interest rate range - time deposits	1.80%-5.45%	1.75%-4.00%
Repurchase agreements collateralized by bills	1.13%-1.15%	0.80%-0.82%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2023	2022
Financial assets - current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Foreign listed shares	$ 1,787,977	$ 2,068,607
Fund beneficiary certificates	931,586	596,956
Derivative financial assets (not under hedge accounting)		
Interest rate swap contracts (a)	-	67,606
	$ 2,719,563	$ 2,733,169
Financial assets - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Foreign private funds	$ 207,673	$ 202,823
Derivative instruments (not under hedge accounting)		
Interest rate swap contracts (a)	133,402	216,879
	$ 341,075	$ 419,702

a. At the balance sheet date, 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, 2023			
USD Currency $20,000	March 3, 2025	1.128% fixed	5.608% floating
USD Currency $80,000	March 3, 2025	1.16% fixed	5.609% floating
December 31, 2022			
USD Currency $60,000	March 3, 2023	1.118% fixed	4.765% floating
USD Currency $200,000	March 6, 2023	0.885% fixed	4.765% floating
USD Currency $100,000	March 6, 2023	0.89% fixed	4.765% floating
USD Currency $80,000	March 6, 2023	0.89% fixed	4.765% floating
USD Currency $20,000	March 3, 2025	1.128% fixed	4.765% floating
USD Currency $80,000	March 3, 2025	1.16% fixed	4.765% 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	
	2023	2022
Investments in debt instruments at FVTOCI	$ 866,186	$ 2,035,070
Current	$ 610,928	$ 1,160,540
Non-current	255,258	874,530
	$ 866,186	$ 2,035,070

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	
	2023	2022
Gross carrying amount	$ 2,089,662	$ 3,230,587
Less: Allowance for impairment loss	(1,132,294)	(1,010,053)
Fair value adjustments	(91,182)	(185,464)
	$ 866,186	$ 2,035,070

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			
	2023		2022	
Category	Expected Loss Rate	Gross Carrying Amount	Expected Loss Rate	Gross Carrying Amount
Performing	0.18%	$ 658,515	0.21%	$ 1,675,337
Doubtful	1.69%	208,709	5.07%	400,123
In default	92.24%	1,222,438	85.38%	1,155,127
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, 2023	$ 3,529	$ 20,300	$ 986,224	$ 1,010,053
Transfers				
From performing to doubtful	(120)	120	-	-
From performing to in default	(27)	-	27	-
From doubtful to in default	-	(14,663)	14,663	-
Change in risk parameters (a)	130	(1,132)	129,896	128,894
Derecognition (b)	(2,343)	(1,238)	-	(3,581)
Change in exchange rates	20	146	(3,238)	(3,072)
Balance at December 31, 2023	$ 1,189	$ 3,533	$ 1,127,572	$ 1,132,294

	Credit Rating			
	Performing (12-month ECLs)	Doubtful (Lifetime ECLs - Not Credit Impaired)	In Default (Lifetime ECLs - Credit Impaired)	Sum
Balance at January 1, 2022	$ 9,830	$ 51,080	$ 643,977	$ 704,887
Transfers				
From doubtful to performing	1,873	(1,873)	-	-
From performing to in default	(2,347)	-	2,347	-
From doubtful to in default	-	(18,198)	18,198	-
Change in risk parameters (a)	(259)	11,700	276,223	287,664
Derecognition (b)	(6,404)	(26,814)	(32,873)	(66,091)
Change in exchange rates	836	4,405	78,352	83,593
Balance at December 31, 2022	$ 3,529	$ 20,300	$ 986,224	$ 1,010,053

a. Due to the default on interest payments and bankruptcy proceedings of some issuers, as well as the military conflict between Russia and Ukraine that resulted in related international sanctions, the Group transferred the credit rating of these bonds from normal to default. For the years ended December 31, 2023 and 2022, the in-default loss allowance at FVTOCI increased by $144,586 thousand and $296,768 thousand, respectively.

b. Investments in corporate bonds and government bonds at FVTOCI of $1,074,217 thousand and $5,688,954 thousand were sold during 2023 and 2022, respectively, with a consequential reduction in the related loss allowance for investments rated as performing of $3,581 thousand and $66,091 thousand, respectively.

9. OTHER FINANCIAL ASSETS - CURRENT

	December 31	
	2023	2022
Restricted bank deposits (Note 30)	$ 4,170,432	$ 1,966,282
Time deposits with original maturity of more than three months	-	193,410
	$ 4,170,432	$ 2,159,692

10. NET TRADE RECEIVABLES

	December 31	
	2023	2022
Amortized cost		
Lease receivables	$ 393,331	$ 433,553
Property management receivables	21,091	32,536
Others	7	7
	$ 414,429	$ 466,096

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 balance sheet date 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, 2023

	1 to 180 Days	181 to 360 Days	361 to 720 Days	Over 720 Days	Total
Expected credit loss rate	-	-	-	-	-
Gross carrying amount (Note)	$ 54,405	$ 6,278	$ 6,590	$ 84	$ 67,357
Loss allowance (Lifetime ECL)	-	-	-	-	-
Amortized cost	$ 54,405	$ 6,278	$ 6,590	$ 84	$ 67,357

December 31, 2022

	1 to 180 Days	181 to 360 Days	361 to 720 Days	Total
Expected credit loss rate	-	-	-	-
Gross carrying amount (Note)	$ 168,964	$ 10,395	$ 3,588	$ 182,947
Loss allowance (Lifetime ECL)	-	-	-	-
Amortized cost	$ 168,964	$ 10,395	$ 3,588	$ 182,947

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, 2023 and 2022, the amounts were $347,072 thousand and $283,149 thousand, respectively.

11. INVENTORIES

	December 31	
	2023	**2022**
Properties under development	$ 32,617,349	$ 37,336,301
Properties to be developed	2,425,029	2,406,636
Inventory-merchandise	12,211,970	8,509,842
	$ 47,254,348	$ 48,252,779

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2023 and 2022 was $3,919,650 thousand and $2,705,429 thousand, respectively.

As of December 31, 2023 and 2022, inventories of $45,578,037 thousand and $43,004,368 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

		December 31	
Project Location	**Project Name**	**2023**	**2022**
Shanghai Huangpu	Shanghai Sun Moon Light Phase II	$ 18,173,037	$ 16,728,632
Chongqing Yuzhong	Chongqing Sun Moon Light Centre	2,865,317	2,912,357
Jiangsu Kunshan	Earl Land	3,267,028	2,662,249
Shanghai Jiading	Jiading Line 11 - North Jiading Station A Block of the Metro	6,092,402	8,363,584
Shanghai Jiading	Earl Mansion	1,139,022	857,001
Shanghai Jiading	Dinggu Junting	1,080,543	1,052,778
Shanghai Jiading	Huijing Huating	-	4,759,700
		$ 32,617,349	$ 37,336,301

Properties to be developed

	December 31	
Project Name	**2023**	**2022**
Jhouji Sec., Beitun Dist., Taichung City	$ 1,708,705	$ 1,690,323
Huiguo Sec., Xitun Dist., Taichung City	716,324	716,313
	$ 2,425,029	$ 2,406,636

Inventory-merchandise

Project Name	December 31 2023	December 31 2022
Shanghai Earl Mansion	$ 1,705,891	$ 1,737,824
Chongqing Jiefangbei No. 1	308,268	323,457
Shanghai Yuhuashan	746,123	759,814
Shanghai Dinggu Junting	1,153,382	1,174,758
Shanghai Dinggu Huating	159,585	178,376
Shanghai Earl World	482,366	491,878
Kunshan Earl Land	297,190	319,408
Shanghai Huijing Huating	3,448,725	1,590,916
Dinggu Business Center	3,910,440	1,933,411
	$ 12,211,970	$ 8,509,842

12. PROPERTY, PLANT AND EQUIPMENT

	December 31 2023	December 31 2022
Carrying amounts in each category		
Buildings	$ 281,103	$ 295,601
Office equipment	7,016	6,429
Transportation equipment	1,027	1,210
Other equipment	190,642	117,041
Construction in progress	179,421	128,144
	$ 659,209	$ 548,425

Changes in property, plant and equipment of the Group for the years ended December 31, 2023 and 2022 were as follows:

	For the Year Ended December 31, 2023					
	Buildings	Office Equipment	Transportation Equipment	Other Equipment	Construction in Progress	Total
Cost						
Balance at January 1, 2023	$ 392,611	$ 28,591	$ 12,104	$ 558,080	$ 128,144	$ 1,119,530
Additions	-	1,685	-	-	180,895	182,580
Disposals	-	(641)	(1,652)	-	-	(2,293)
Reclassified	-	1,122	-	125,529	(126,651)	-
Effects of foreign currency exchange differences	(7,215)	(558)	(195)	(12,215)	(2,967)	(23,150)
Balance at December 31, 2023	385,396	30,199	10,257	671,394	179,421	1,276,667
Accumulated depreciation and impairment						
Balance at January 1, 2023	(97,010))	(22,162)	(10,894)	(441,039)	-	(571,105)
Depreciation expense	(9,209)	(2,025)	-	(48,578)	-	(59,812)
Disposals	-	577	1,487	-	-	2,064
Effects of foreign currency exchange differences	1,926	427	177	8,865	-	11,395
Balance at December 31, 2023	(104,293)	(23,183)	(9,230)	(480,752)	-	(617,458)

Net book value						
Balance at January 1, 2023	$ 295,601	$ 6,429	$ 1,210	$ 117,041	$ 128,144	$ 548,425
Balance at December 31, 2023	$ 281,103	$ 7,016	$ 1,027	$ 190,642	$ 179,421	$ 659,209

	For the Year Ended December 31, 2022					
	Buildings	**Office Equipment**	**Transportation Equipment**	**Other Equipment**	**Construction in Progress**	**Total**
Cost						
Balance at January 1, 2022	$ 386,910	$ 26,756	$ 13,103	$ 549,804	$ 67,377	$ 1,043,950
Additions	-	1,445	-	177	63,129	64,751
Disposals	-	-	(1,195)	-	-	(1,195)
Reclassified	-	-	-	-	(3,168)	(3,168)
Effects of foreign currency exchange differences	5,701	390	196	8,099	806	15,192
Balance at December 31, 2022	392,611	28,591	12,104	558,080	128,144	1,119,530
Accumulated depreciation and impairment						
Balance at January 1, 2022	(86,501)	(18,771)	(11,793)	(392,892)	-	(509,957)
Depreciation expense	(9,264)	(3,124)	-	(42,491)	-	(54,879)
Disposals	-	-	1,076	-	-	1,076
Effects of foreign currency exchange differences	(1,245)	(267)	(177)	(5,656)	-	(7,345)
Balance at December 31, 2022	(97,010)	(22,162)	(10,894)	(441,039)	-	(571,105)
Net book value						
Balance at January 1, 2022	$ 300,409	$ 7,985	$ 1,310	$ 156,912	$ 67,377	$ 533,993
Balance at December 31, 2022	$ 295,601	$ 6,429	$ 1,210	$ 117,041	$ 128,144	$ 548,425

No impairment assessment was performed for the years ended December 31, 2023 and 2022 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	
	2023	**2022**
Carrying amounts		
Land	$ 171,683	$ 196,897
Transportation equipment	503	1,283
	$ 172,186	$ 198,180

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	$ -	$ 1,543
Depreciation charge for right-of-use assets		
Land	$ 6,707	$ 6,747
Transportation equipment	769	1,228
	$ 7,476	$ 7,975

b. Lease liabilities

	December 31	
	2023	2022
Carrying amounts		
Current	$ 524	$ 790
Non-current	-	534
	$ 524	$ 1,324

Range of discount rates for lease liabilities was as follows:

	December 31	
	2023	2022
Transportation equipment	5.01%-5.08%	5.01%-5.08%

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	
	2023	2022
Expenses relating to short-term leases and low-value asset leases	$ 4,288	$ 2,324
Total cash outflow for leases	$ (5,153)	$ (3,616)

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	
	2023	2022
Measured at fair value		
Balance at January 1	$ 42,655,632	$ 43,314,625
Additions	11,627,766	133,372
Loss on change in fair value of investment properties from continuing operations	(160,743)	(1,434,577)
Others (Note)	(118,907)	-
Effects of foreign currency exchange differences	(782,567)	642,212
Balance at December 31	$ 53,221,181	$ 42,655,632

Note: The Group's subsidiaries, Shanghai Ding Rong Real Estate Development Co., Ltd. has reduced the cost of investment properties.

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.

As of December 31, 2023 and 2022, guarantee deposits received by the Group for the leasing of contracts amounted to $777,066 thousand and $784,125 thousand, respectively.

The maturity analysis of lease payments receivable under operating leases of investment properties at December 31, 2023 and 2022 was as follows:

	December 31	
	2023	2022
Year 1	$ 1,814,569	$ 1,565,990
Year 2	1,357,558	1,109,948
Year 3	916,012	795,208
Year 4	635,871	558,480
Year 5	300,393	445,358
Year 6 onwards	464,992	421,621
	$ 5,489,395	$ 4,896,605

The above total lease payments will be received in the future is comprised of the lease commitments with lease terms commencing after the balance sheet dates.

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, 2023 and 2022 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, 2023 and 2022	Colliers International	Roy Ku
Shanghai Yuhuashan	Shanghai, CN	December 31, 2023 and 2022	Colliers International	Roy Ku
Shanghai Sun Moon Light Center	Shanghai, CN	December 31, 2023 and 2022	Colliers International	Roy Ku, Ariel Ke
Dingxing Chunshsen Liyuan	Shanghai, CN	December 31, 2023 and 2022	Colliers International	Roy Ku
Jiading Sun Moon Light Center	Shanghai, CN	December 31, 2023 and 2022	Colliers International	Roy Ku
Jasper Villa Tian Mu	Taipei, TW	December 31, 2023	Colliers International	Ariel Ke, Sherry Tsai

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	
	2023	2022
Expected future cash inflows	$ 57,821,335	$ 46,518,064
Expected future cash outflows	(4,506,061)	(3,758,802)
Expected future cash inflows, net	$ 53,315,274	$ 42,759,262
Discount rates	3.15%-7.00%	6.00%-7.00%

The market rentals in the area where the investment properties are located were between $2 thousand and $45 thousand per year per square meters. The average occupancy rate of the Group's investment properties at December 31, 2023 and 2022 were 82% and 78%, respectively. The rental revenues for the years ended December 31, 2023 and 2022 were $1,746,302 thousand and $1,385,843 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, business tax, land utilization taxes, land value tax, building taxes, house tax, 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 3 basis 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.

15. OTHER ASSETS

	December 31	
	2023	2022
Current		
Overpaid VAT	$ 257,164	$ 80,390
Tax prepayments	525,670	356,207
Prepayments	57,050	47,794
Others	8,846	16,116
	$ 848,730	$ 500,507
Non-current		
Refundable deposits	$ 19,520	$ 19,769
Long-term prepaid expenses	87,292	81,458
	$ 106,812	$ 101,227

16. BORROWINGS

a. Short-term borrowings

	December 31	
	2023	2022
Secured borrowings (Note 30)		
Bank loans	$ 3,129,670	$ 1,310,341
Short-term commercial paper	2,000,000	-
Less: Unamortized discounts on short-term commercial paper	(1,726)	-
	5,127,944	1,310,341
Unsecured borrowings		
Loans from related parties (Note 29)	1,618,800	-
	$ 6,746,744	$ 1,310,341

The interest rate ranges of the bank loans as of December 31, 2023 and 2022 were 1.59%-6.34% and 0.45%-4.75%, respectively.

Loans from related parties of the Group were the amounts repayable to related party in substance. Finance costs for the years ended December 31, 2023 on outstanding loan balances were calculated at 2.44% of the annual interest rate.

b. Long-term borrowings

	December 31	
	2023	2022
Secured borrowings (Note 30)		
Bank loans	$ 37,924,182	$ 39,514,636
Long-term commercial paper	808,000	-
Less: Unamortized discounts on long-term commercial paper	(1,208)	-
	38,730,974	39,514,636
Unsecured borrowings		
Loans from related parties (Note 29)	2,550,141	-
Other loans	269,800	-
	2,819,941	-
Less: Current portion	(2,840,050)	(6,063,573)
Long-term borrowings	$ 38,710,865	$ 33,451,063

The above bank loans were repaid at various amounts, and the loan repayments are due on the contract specified dates by no later than September 2046. As of December 31, 2023 and 2022, the annual interest rates were 1.59%-7.23% and 0.42%-6.26%, respectively.

Loans from related parties of the Group were the amounts repayable to key management personnel and related party in substance, with a maturity date of October 2028. Finance costs for the years ended December 31, 2023 on outstanding loan balances were calculated at 1.8%-5.4% interest rate per annum.

Other loans of the Group were the amounts repayable to the shareholders of plural with less than 10% ownership at a fixed interest rate of 1.8% with a maturity date of October 2028.

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	
	2023	2022
Construction payables	$ 761,712	$ 473,692
Others	148,588	123,389
	$ 910,300	$ 597,081

Retentions payable on construction contracts which are included in trade payables were $225,243 thousand and $126,838 thousand as of December 31, 2023 and 2022, 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 balance sheet date.

18. UNEARNED REVENUE

	December 31	
	2023	2022
Advance receipts from leases	$ 126,411	$ 62,136
Others	22,356	16,080
	$ 148,767	$ 78,216

19. OTHER LIABILITIES

	December 31	
	2023	2022
Other payables		
Other payables	$ 65,695	$ 292,472
Payables for salaries	188,294	231,808
Interest payables	81,833	47,797
Others	14,847	23,771
	$ 350,669	$ 595,848
Other current liabilities		
Withholding tax and social security fee	$ 1,289	$ 1,724
Taxes payable	870,554	530,945
Temporary receipts	27,652	997,117
Others	1,974	2,419
	$ 901,469	$ 1,532,205

20. OTHER FINANCIAL LIABILITIES

	December 31	
	2023	2022
Current		
Guarantee deposits	$ 436,400	$ 489,560
Non-current		
Guarantee deposits	$ 440,687	$ 353,612

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

21. RETIREMENT BENEFIT PLANS

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, 2023 and 2022, the Group recognized employee retirement benefits of $39,289 thousand and $36,591 thousand, respectively, of which the amount of properties under development were $8,280 thousand and $8,764 thousand, respectively (reported as inventories).

22. EQUITY

a. Share capital

	December 31	
	2023	2022
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

The shareholders of the Company held their regular meeting on June 24, 2022 and in that meeting, resolved the amendments to the policy for the distribution of retained earnings to the Company's Articles of Incorporation (the "Articles"). Under the policy for the distribution of retained earnings in the Company's Articles of Incorporation after the amendments, where the Company made a profit in a fiscal year, it should be distributed in the following order:

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

2) 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.

3) After deductions have been made in accordance with (a) to (b) 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. 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 order:

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

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 (1) to (3) 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 compensation of employees and remuneration of directors after the amendments, refer to compensation of employees and remuneration of directors in Note 24-(d).

The appropriations of earnings for 2022 and 2021, which were approved in the shareholders' meeting held on June 20, 2023 and June 24, 2022, respectively, were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2022	2021
Legal reserve	$ -	$ 129,357
Special reserve	103,208	135,735
Cash dividends	1,044,178	2,088,356
Cash dividends per share (NT$)	0.60	1.20

The appropriations of earnings for 2023, which were proposed by the Company's board of directors on March 13, 2024, were as follows:

	For the Year Ended December 31, 2023
Special reserve	$ 797,581
Cash dividends	348,059
Cash dividends per share (NT$)	0.20

The appropriation of earnings for 2023 will be resolved by the shareholders in their meeting to be held on June 27, 2024.

d. Special reserve

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 13,088,776	$ 12,953,041
Other equity - exchange differences on translating the financial statements	788,743	94,111
Reversal in respect of:		
Investment properties subsequently measured using the fair value model	(706,839)	(122,536)
Unrealized gains or losses on investments at fair value through other comprehensive income	21,304	164,160
Balance at December 31	$ 13,191,984	$ 13,088,776

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. Other equity items

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ (3,800,892)	$ (3,012,149)
Exchange differences on translating the financial statements of foreign operations	(92,439)	(1,541,163)
Exchange differences arising on translation to the presentation currency	(972,232)	752,420
Balance at December 31	$ (4,865,563)	$ (3,800,892)

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ (185,464)	$ (164,160)
Recognized for the year		
Unrealized gain/(loss) - debt instruments	(30,379)	(519,756)
Net remeasurement of loss allowance	128,894	287,664
Reclassification adjustments		
Disposal of investments in debt instruments	(3,550)	228,700
Effects of foreign currency exchange differences	(683)	(17,912)
Balance at December 31	$ (91,182)	$ (185,464)

f. Non-controlling interests

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 78,570	$ 77,422
Increase in share capital by subsidiaries (Note)	952,000	-
Attributable to non-controlling interests:		
Net income/(loss)	(352)	6
Exchange differences on translating	(1,444)	1,142
Balance at December 31	$ 1,028,774	$ 78,570

Note: Ding Gu Properties Co., Ltd. increased its capital by $2,370,000 thousand in August 2023. The Group did not subscribe according to the original shareholding ratio, resulting in a decrease in its ownership percentage from 100% to 60%. Since the Group did not cease to have control over the subsidiary, the transaction was accounted for as an equity transaction.

23. OPERATING REVENUE AND OPERATING COSTS

	For the Year Ended December 31	
	2023	2022
Revenue from contracts with customers		
Revenue from the sale of real-estate	$ 9,325,794	$ 7,288,505
Rental income from commercial leasing	1,770,647	1,402,105
Revenue from the property management	369,052	332,560
Others	267,115	198,407
	$ 11,732,608	$ 9,221,577
Operating cost		
Cost from the sale of real-estate	$ 3,999,962	$ 2,739,490
Rental cost from commercial leasing	687,254	467,222
Cost from the property management	455,313	440,262
Others	76,367	103,965
	$ 5,218,896	$ 3,750,939

a. Contract balances

	December 31	
	2023	2022
Contract liabilities - current		
Proceeds received from the sale of real-estate	$ 6,960,256	$ 5,627,525

b. Assets related to contract costs

	December 31	
	2023	2022
Current		
Incremental costs of obtaining a contract	$ 36,155	$ 12,565

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 2023 and 2022 were $105,522 thousand and $103,437 thousand, respectively.

24. CONSOLIDATED NET INCOME FROM 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	
	2023	2022
Property, plant and equipment	$ 59,812	$ 54,879
Right-of-use assets	7,476	7,975
Long-term prepaid expenses	3,066	3,085
	$ 70,354	$ 65,939
An analysis of depreciation by function		
Operating costs	$ 45,127	$ 42,530
Operating expenses	22,161	20,324
	$ 67,288	$ 62,854
An analysis of amortization by function		
Operating costs	$ 24	$ 25
Operating expenses	3,042	3,060
	$ 3,066	$ 3,085

b. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2023	2022
Direct operating expenses from investment properties generating rental income that generated rental income	$ 565,597	$ 337,120
Direct operating expenses from investment properties generating rental income that ungenerated rental income	95,427	110,546
	$ 661,024	$ 447,666

c. Employee benefits expense

	For the Year Ended December 31	
	2023	2022
Short-term benefits	$ 356,292	$ 413,215
Post-employment benefits	31,009	27,827
Retirement benefits	20,503	8,290
	$ 407,804	$ 449,332
An analysis of employee benefits expense by function		
Operating costs	$ 102,232	$ 123,325
Operating expenses	305,572	326,007
	$ 407,804	$ 449,332

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 for the years ended December 31, 2023 and 2022, which had been resolved by the Company's board of directors on March 13, 2024 and March 10, 2023, were as follows:

Accrual rate

	For the Year Ended December 31	
	2023	**2022**
Compensation of employees	0.50%	2.00%
Remuneration of directors	1.00%	2.00%

Amount

	For the Year Ended December 31	
	2023	**2022**
Compensation of employees	$ 22,753	$ 57,023
Remuneration of directors	45,507	57,023

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, 2022 and 2021.

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	
	2023	**2022**
Bank deposits	$ 290,388	$ 113,737
Investments in debt instruments at FVTOCI	50,793	194,576
Repurchase agreements collateralized by bills	2,877	1,972
Others	3	1
	$ 344,061	$ 310,286

f. Other income

	For the Year Ended December 31	
	2023	**2022**
Dividend income	$ 121,805	$ 105,939

g. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Gain (loss) on disposal of property, plant and equipment	$ 205	$ 40
Net foreign exchange gains (losses)	(67,014)	132,574
Fair value changes of financial assets classified as at FVTPL	(89,906)	(85,090)
Expected credit loss arising from investments in debt instruments at FVTOCI	(128,894)	(287,664)
Net gain (loss) on disposal of investments in debt instruments at FVTOCI	3,550	(228,700)
Other gains	63,468	23,077
Other losses	(3,328)	(28,109)
	$ (221,919)	$ (473,872)

h. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	$ 2,521,475	$ 1,815,292
Interest on lease liabilities	45	36
Less: Capitalized interest	(1,011,501)	(1,174,648)
	$ 1,510,019	$ 640,680

For the years ended December 31, 2023 and 2022, the capitalization rates were 2.79% and 3.07%, 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	
	2023	2022
Current tax		
In respect of the current year		
Income tax	$ 1,760,845	$ 1,249,591
Land appreciation tax	2,211,944	1,755,793
	3,972,789	3,005,384
Adjustments for prior years	(46,132)	4,934
Others	8,305	7,967
	3,934,962	3,018,285

(Continued)

	For the Year Ended December 31	
	2023	2022
Deferred tax		
Deferred tax related to fair value changes of investment properties	$ 221,466	$ (490,463)
Deferred tax related to other temporary differences	(239,006)	(383,519)
Income tax expense recognized in profit or loss	$ 3,917,422	$ 2,144,303

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

	For the Year Ended December 31	
	2023	2022
Profit before tax from continuing operations	$ 4,482,421	$ 2,737,112
Income tax expense calculated at the statutory rate	$ 1,847,463	$ 865,027
Tax effect of non-taxable revenue	(1,055,810)	(439,904)
Nondeductible expenses in determining taxable income	439,029	180,013
The origination and reversal of temporary differences	163,679	(336,502)
Land appreciation tax	2,211,944	1,755,793
Adjustments for prior years' tax	(46,132)	4,934
Withholding tax	348,944	106,975
Others	8,305	7,967
Income tax expense recognized in profit or loss	$ 3,917,422	$ 2,144,303

The tax rate applicable to subsidiaries in China is 25%. The tax rate applicable to subsidiary and branch in Taiwan is 20%. 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	
	2023	2022
Current tax assets (included in other current assets)		
Income tax	$ 7,145	$ 30,850
Land appreciation tax	487,786	294,562
	$ 494,931	$ 325,412
Current tax liabilities		
Income tax	$ 946,339	$ 743,292
Land appreciation tax	3,518,616	2,706,871
	$ 4,464,955	$ 3,450,163

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, 2023

	Opening Balance	Changes	Closing Balance
Deferred tax assets			
Loss carryforwards	$ 192,432	$ (79,535)	$ 112,897
Land appreciation taxes	652,053	210,789	862,842
Advance receipts of real-estate sale	177,051	60,822	237,873
Interest expenses	45,124	32,748	77,872
Construction payables	40,290	114,078	154,368
Depreciation and amortization	2,271	(478)	1,793
Others	29,912	(3,229)	26,683
	$ 1,139,133	$ 335,195	$ 1,474,328
Deferred tax liabilities			
Investment properties	$ 6,507,480	$ 98,430	$ 6,605,910
Costs of development	17,530	(17,530)	-
Unrealized exchange gains	22,940	(2,974)	19,966
Rent-free periods	66,428	15,720	82,148
Withholding tax	1,562,337	18,544	1,580,881
Others	8,746	(8,133)	613
	$ 8,185,461	$ 104,057	$ 8,289,518

For the year ended December 31, 2022

	Opening Balance	Changes	Closing Balance
Deferred tax assets			
Loss carryforwards	$ 119,015	$ 73,417	$ 192,432
Land appreciation taxes	309,022	343,031	652,053
Advance receipts of real-estate sale	188,362	(11,311)	177,051
Interest expenses	8,920	36,204	45,124
Construction payables	1,439	38,851	40,290
Depreciation and amortization	2,677	(406)	2,271
Others	16,632	13,280	29,912
	$ 646,067	$ 493,066	$ 1,139,133

(Continued)

	Opening Balance	Changes	Closing Balance
Deferred tax liabilities			
Investment properties	$ 6,894,831	$ (387,351)	$ 6,507,480
Costs of development	40,970	(23,440)	17,530
Unrealized exchange gains	1,145	21,795	22,940
Rent-free periods	75,748	(9,320)	66,428
Withholding tax	1,434,560	127,777	1,562,337
Others	1,428	7,318	8,746
	$ 8,448,682	$ (263,221)	$ 8,185,461

(Concluded)

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

	December 31	
	2023	2022
Loss carryforwards	$ 280,697	$ 188,506

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	
	2023	2022
Basic earnings per share	$ 0.32	$ 0.34
Diluted earnings per share	$ 0.32	$ 0.34

The net profit 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	
	2023	**2022**
Earnings used in the computation of basic earnings per share from continuing operations	$ 565,351	$ 592,803
Earnings used in the computation of diluted earnings per share from continuing operations	$ 565,351	$ 592,803

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

	For the Year Ended December 31	
	2023	**2022**
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,740,297	1,740,297
Effect of dilutive potentially ordinary shares		
Remuneration of employees	3,219	5,792
Weighted average number of ordinary shares used in the computation of diluted earnings per share	1,743,516	1,746,089

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes 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 shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved 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 balance sheet date were as follows:

	December 31	
	2023	**2022**
Liabilities (borrowings)	$ 48,297,659	$ 40,824,977
Cash and cash equivalents	8,701,643	10,806,386
Net liabilities	$ 39,596,016	$ 30,018,591
Equity to attributable owners of the Company	$ 48,863,173	$ 50,312,389
Net liabilities to equity ratio	81%	60%

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, 2023

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at FVTPL				
Non-derivative financial assets				
Foreign listed shares	$ 1,787,977	$ -	$ -	$ 1,787,977
Foreign private funds	-	-	207,673	207,673
Traded fund beneficiary certificates	931,586	-	-	931,586
Derivative financial liabilities				
Interest rate swap contracts	-	133,402	-	133,402
	$ 2,719,563	$ 133,402	$ 207,673	$ 3,060,638
Financial assets at FVTOCI				
Investments in debt instruments				
Bonds	$ -	$ 866,186	$ -	$ 866,186

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets				
Foreign listed shares	$ 2,068,607	$ -	$ -	$ 2,068,607
Foreign private funds	-	-	202,823	202,823
Traded fund beneficiary certificates	596,956	-	-	596,956
Derivative financial assets				
Interest rate swap contracts	-	284,485	-	284,485
	$ 2,665,563	$ 284,485	$ 202,823	$ 3,152,871
Financial assets at FVTOCI				
Investments in debt instruments				
Bonds	$ -	$ 2,035,070	$ -	$ 2,035,070

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	
	2023	2022
Balance at January 1	$ 202,823	$ 318,357
Purchases	1,243	1,450
Recognized in profit or loss (included in other gains and losses) - unrealized	4,012	(146,782)
Effects of foreign currency exchange differences	(405)	29,798
Balance at December 31	$ 207,673	$ 202,823
Unrealized gain (loss) for the current year included in profit or loss relating to assets held at the end of the year	$ 4,012	$ (146,782)

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.

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, 2023 and 2022. 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 $2,469 thousand and $2,312 thousand, respectively.

c. Categories of financial instruments

	December 31	
	2023	**2022**
Financial assets		
Financial assets at amortized cost (Note 1)	$ 13,393,378	$ 13,530,542
Financial assets at FVTPL	3,060,638	3,152,871
Financial assets at FVTOCI - investment in debt instruments	866,186	2,035,070
Financial liabilities		
Financial liabilities at amortized cost (Note 2)	50,435,715	42,861,078

Note 1: The balance included financial assets measured at amortized cost, which comprise cash and cash equivalents, net trade receivables, other receivables, and other 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 balance sheet date 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, the HKD against the USD and the NTD 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, the EUR against the USD, the HKD against the USD, and the NTD against the USD under the same conditions.

	For the Year Ended December 31	
	2023	2022
Profit or loss (before tax)	$ (26,294)	$ (34,806)

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 amortized cost, financial assets at FVTPL - financial products and financial assets at FVOCI. 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 balance sheet date were as follows:

	December 31	
	2023	2022
Fair value interest rate risk		
Financial assets	$ 2,419,950	$ 10,358,167
Financial liabilities	1,079,200	-
Cash flow interest rate risk		
Financial assets	11,314,586	4,642,015
Financial liabilities	47,218,459	40,824,977

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, 2023 and 2022 would decrease by $179,519 thousand and $179,948 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, 2023 and 2022 would increase by $23,236 thousand and decrease by $10,050 thousand, respectively, and the Group's other comprehensive income for the years ended December 31, 2023 and 2022 would decrease by $5,357 thousand and $13,868 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, 2023 and 2022 would have increased/decreased by $8,940 thousand and $10,343 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 balance sheet date, 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, 2023

	On Demand or Less than 3 Months	3 Months to 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Interest bearing						
Borrowings	$ 3,088,589	$ 6,498,205	$ 3,158,648	$ 29,725,868	$ 5,826,349	$ 48,297,659
Other accounts payable - interest (Note 1)	636,461	1,873,914	2,297,289	2,952,298	449,216	8,209,178
Lease liabilities	205	329	-	-	-	534
Non-interest bearing						
Accounts payable and other accounts payable	367,047	276,254	611,164	6,504	-	1,260,969
Guarantee deposits received (Note 2)	324,662	111,738	119,567	280,228	40,892	877,087

December 31, 2022

	On Demand or Less than 3 Months	3 Months to 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Interest bearing						
Borrowings	$ 459,825	$ 6,914,089	$ 4,712,365	$ 25,539,835	$ 3,198,863	$ 40,824,977
Other accounts payable - interest (Note 1)	546,218	1,638,654	1,810,313	3,400,958	295,105	7,691,248
Lease liabilities	209	626	544	-	-	1,379
Non-interest bearing						
Accounts payable and other accounts payable	753,811	198,454	162,361	78,303	-	1,192,929
Guarantee deposits received (Note 2)	385,625	103,935	114,684	166,720	72,208	843,172

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

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 balance sheet date.

b) Financing facilities

	December 31	
	2023	2022
Secured bank loan facility:		
Amount used	$ 49,742,825	$ 40,824,977
Amount unused	17,002,314	11,386,359
	$ 66,745,139	$ 52,211,336

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
Hung-Pen Chang	Key management personnel
An Yee Jennifer Fung	Key management personnel
Hung Ching Development & Construction Co., Ltd.	Related party in substance
ASE Technology Holding Co., Ltd	Related party in substance
Bestget Investment Ltd.	Related party in substance
Universal Investment Ltd.	Related party in substance

b. Operating revenue

Related Party Category/Name	December 31 2023	2022
Revenue from the sale of real-estate		
Key management personnel - An Yee Jennifer Fung	$ -	$ 331
Rental income from commercial leasing		
Related party in substance - ASE Technology Holding Co., Ltd	$ 81	$ -
Revenue from the property management		
Related party in substance - ASE Technology Holding Co., Ltd	$ 7	$ -

c. Receivables from related parties

Related Party Category/Name	December 31 2023	2022
Trade receivables		
Related party in substance - ASE Technology Holding Co., Ltd	$ 88	$ -

d. Lease arrangements - the Group is lessee

Related Party Category/Name	For the Year Ended December 31 2023	2022
Lease expense		
Related party in substance - Hung Ching Development & Construction Co., Ltd.	$ 1,395	$ 972

The Group leased office space from its related party in substance in January 2023 and 2022. 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 2023	2022
Future lease payables	$ 1,406	$ 1,372

e. Loans from related parties

Short-term borrowings - unsecured borrowings

Related Party Category/Name	December 31 2023	2022
Related party in substance		
Hung Ching Development & Construction Co., Ltd.	$ 1,618,800	$ -

Long-term borrowings - unsecured borrowings

Related Party Category/Name	December 31 2023	2022
Key management personnel		
Hung-Pen Chang	$ 1,740,741	$ -
Related party in substance		
Bestget Investment Ltd.	404,700	-
Universal Investment Ltd.	404,700	-
	$ 2,550,141	$ -

Finance costs

Related Party Category/Name	December 31 2023	2022
Key management personnel		
Hung-Pen Chang	$ 19,793	$ -
Related party in substance		
Hung Ching Development & Construction Co., Ltd.	8,016	-
Bestget Investment Ltd.	1,377	-
Universal Investment Ltd.	1,377	-
	$ 30,563	$ -

f. Endorsements and guarantees

Endorsements and guarantees given by related parties

Related Party Category/Name	December 31 2023	2022
Related party in substance - Jason C.S. Chang		
Amount endorsed	$ 29,420,928	$ 29,472,000
Amount utilized	22,218,930	24,959,100

g. Other

The Group's subsidiaries, Ding Gu Properties Co., Ltd., applied to a bank for a secured borrowing in June 2023. The collateral for this loan is a time deposit provided by Mr. Hung-Pen Chang. The loan has been repaid on August 15, 2023.

h. Remuneration of directors and key management personnel

	For the Year Ended December 31	
	2023	2022
Short-term benefits	$ 100,202	$ 109,375
Post-employment benefits	$ 1,815	$ 1,711

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	
	2023	2022
Restricted bank deposits - current (Note)	$ 4,170,432	$ 1,966,282
Financial assets at fair value through profit or loss - current	1,787,977	2,068,607
Financial assets at fair value through other comprehensive income - current	487,840	1,146,132
Financial assets at fair value through other comprehensive income - non-current	255,086	874,530
Inventories	27,490,420	25,838,802
Investment properties	12,993,880	10,978,618

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 balance sheet date were as follows:

a. As of December 31, 2023 and 2022, the Group had signed construction contracts but not yet paid for $3,130,132 thousand and $5,032,763 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$88,833 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 balance sheet date were as follows:

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
EUR	$ 1	1.1067 (EUR:USD)	$ 34
HKD	1	0.1282 (HKD:USD)	4
RMB	17	0.1412 (RMB:USD)	74
Financial liabilities			
Monetary items			
USD	965	7.0827 (USD:RMB)	29,574
HKD	658,760	0.1282 (HKD:USD)	2,588,268
RMB	2,593	0.1412 (RMB:USD)	11,220
NTD	482	0.0326 (NTD:USD)	482

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
EUR	$ 1	1.0655 (EUR:USD)	$ 33
HKD	1	0.1283 (HKD:USD)	4
RMB	17	0.1436 (RMB:USD)	75

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 965	6.9646 (USD:RMB)	$ 29,626
HKD	873,465	0.1283 (HKD:USD)	3,439,705
RMB	2,219	0.1436 (RMB:USD)	9,781
NTD	1,554	0.0326 (NTD:USD)	1,554
			(Concluded)

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

	For the Year Ended December 31			
	2023		2022	
Functional Currency	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange (Loss) Gain
USD	7.0467 (USD:RMB)	$ (104,204)	6.7261 (USD:RMB)	$ (2,528)
EUR	1.0817 (EUR:USD)	$ 11	1.0522 (EUR:USD)	$ (1,616)
HKD	0.1277 (HKD:USD)	$ 3,694	0.1280 (HKD:USD)	$ (3,484)
RMB	0.1419 (RMB:USD)	$ (1,626)	0.1487 (RMB:USD)	$ 1,298
NTD	0.0321 (NTD:USD)	$ 35,111	0.0366 (NTD:USD)	$ 138,904

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: None

5) Acquisition of individual real-estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 4

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 5

10) Trading in derivative instruments: Note 7

11) Intercompany relationships and significant intercompany transactions: Table 6

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 7

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 8

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, 2023					
Revenues from external customers	$ 9,325,794	$ 1,770,647	$ 369,052	$ 267,115	$ 11,732,608
Inter-segment revenues	-	-	88,369	18,171	106,540
Segment revenues	$ 9,325,794	$ 1,770,647	$ 457,421	$ 285,286	11,839,148
Eliminations					(106,540)
Consolidated revenue					11,732,608
Operating profit (loss)	$ 5,325,832	$ 922,650	$ (86,261)	$ 190,748	6,352,969
Operating expenses					(604,476)
Non-operating income and expenses					(1,266,072)
Profit before tax (continuing operations)					$ 4,482,421

(Continued)

	Real-estate Sales	Commercial Leasing (Note)	Property Management	Others	Total
For the year ended December 31, 2022					
Revenues from external customers	$ 7,288,505	$ 1,402,105	$ 332,560	$ 198,407	$ 9,221,577
Inter-segment revenues	-	-	66,552	22,252	88,804
Segment revenues	$ 7,288,505	$ 1,402,105	$ 399,112	$ 220,659	9,310,381
Eliminations					(88,804)
Consolidated revenue					9,221,577
Operating profit (loss)	$ 4,549,015	$ (499,694)	$ (107,702)	$ 94,442	4,036,061
Operating expenses					(600,622)
Non-operating income and expenses					(698,327)
Profit before tax (continuing operations)					$ 2,737,112

(Concluded)

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, 2023 and 2022 were $160,743 thousand and $1,434,577 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, 2023					
Amounts of additions to non-current assets (Note)	$ 163,993	$ 11,628,320	$ -	$ 19,107	$ 11,811,420
Depreciation and amortization	(9,184)	(57,194)	(3,020)	(956)	(65,939)
For the year ended December 31, 2022					
Amounts of additions to non-current assets (Note)	60,208	133,425	21	4,469	198,123
Depreciation and amortization	(14,943)	(46,512)	(3,066)	(1,418)	(65,939)

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	
	2023	2022
Proceeds received from the sale of real-estate	$ 9,325,794	$ 7,288,505
Rental income from commercial leasing	1,770,647	1,402,105
Revenue from the property management	369,052	332,560
Others	267,115	198,407
	$ 11,732,608	$ 9,221,577

d. Geographical financial information

The Group's principal geographical area is mainland China and Taiwan. It mainly engaged in the investment and development of real-estate, the sale of property and the leasing of property in China and Taiwan. Non-current assets excluding deferred income tax assets are also located in China and Taiwan.

e. Information about major customers

Out of the total revenue of $11,732,608 thousand and $9,221,577 thousand for the years ended December 31, 2023 and 2022, respectively, approximately $94,793 thousand and $173,511 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, 2023 and 2022, consolidated income statements, consolidated statements of changes in equity and consolidated statements of cash flow for the years ended December 31, 2023 and 2022 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, 2023
(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	$ 122,587	$ -	$ -	-	Short-term financing	$ -	Needs for operation	$ -	-	$ -	$ 24,511,634	$ 49,023,268
		Long Tech Investments Ltd.	Other receivables	Yes	827,464	827,464	806,624	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Noble World International Ltd.	Other receivables	Yes	2,053,336	2,053,336	1,377,941	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Peak Paramount International Ltd.	Other receivables	Yes	3,065	3,065	570	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Peak Vision International Ltd.	Other receivables	Yes	2,880,799	1,532,340	1,464,203	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Realty Gain Ltd.	Other receivables	Yes	306,468	306,468	302,790	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Fullrich Investment Development Ltd.	Other receivables	Yes	2,942,093	-	-	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Imperial Corporation Ltd.	Other receivables	Yes	15,323	15,323	-	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Follow Investment Ltd.	Other receivables	Yes	919,404	919,404	-	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Time On Investment Ltd.	Other receivables	Yes	1,532,340	1,532,340	893,048	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
		Techwin Investment Ltd.	Other receivables	Yes	6,129	6,129	153	-	Short-term financing	-	Needs for operation	-	-	-	24,511,634	49,023,268
	Wealthy Joy Co., Ltd. (Taiwan branch)	Ding Gu Properties Co., Ltd.	Other receivables	Yes	4,047,000	4,047,000	4,047,000	1.800%	Short-term financing	-	Needs for operation	-	-	-	11,608,912	11,608,912
2	Follow International Ltd.	Wealthy Joy Co., Ltd.	Other receivables	Yes	3,371,148	1,409,753	1,090,628	-	Short-term financing	-	Needs for operation	-	-	-	2,538,789	2,538,789
3	Time On Investment Ltd.	Wealthy Joy Co., Ltd.	Other receivables	Yes	30,647	-	-	-	Short-term financing	-	Needs for operation	-	-	-	8,378,754	8,378,754
4	Shanghai Ming Long Construction and Development Co., Ltd.	Chongqing Dinggu Real Estate Development Co., Ltd.	Other receivables	Yes	3,271,212	3,271,212	3,271,212	4.275%	Short-term financing	-	Needs for operation	-	-	-	19,581,672	19,581,672
		Shanghai Ding Xin Properties Co., Ltd.	Other receivables	Yes	129,810	129,810	129,810	4.275%	Short-term financing	-	Needs for operation	-	-	-	19,581,672	19,581,672
		Shanghai Ding Jia Real Estate Development Co., Ltd.	Other receivables	Yes	1,856,283	1,856,283	1,856,283	4.275%	Short-term financing	-	Needs for operation	-	-	-	19,581,672	19,581,672
		Shanghai Hong Xiang Land Investment Co., Ltd.	Other receivables	Yes	259,620	237,985	237,985	4.275%	Short-term financing	-	Needs for operation	-	-	-	19,581,672	19,581,672
		Shanghai Ding Rong Real Estate Development Co., Ltd.	Other receivables	Yes	995,210	995,210	995,210	4.275%	Short-term financing	-	Needs for operation	-	-	-	19,581,672	19,581,672
		Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	2,319,272	2,319,272	2,319,272	4.275%	Short-term financing	-	Needs for operation	-	-	-	2,610,890	2,610,890
		Kunshan Ding Yao Real Estate Development Co., Ltd	Other receivables	Yes	432,700	432,700	2,319,272	4.275%	Short-term financing	-	Needs for operation	-	-	-	19,581,672	19,581,672

(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	Shanghai Ding Tong Real Estate Development Co., Ltd.	Shanghai Ding Jia Real Estate Development Co., Ltd.	Other receivables	Yes	$ 475,970	$ 259,620	$ 216,350	4.275%	Short-term financing	$ -	Needs for operation	$ -	-	$ -	$ 6,224,037	$ 6,224,037
6	Shanghai Dingyi Real Estate Development Co., Ltd.	Shanghai Ding Jia Real Estate Development Co., Ltd.	Other receivables	Yes	129,810	-	-	4.275%	Short-term financing	-	Needs for operation	-	-	-	1,722,789	1,722,789
		Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	649,050	216,350	216,350	4.275%	Short-term financing	-	Needs for operation	-	-	-	229,705	229,705
		Chongqing Dinggu Real Estate Development Co., Ltd.	Other receivables	Yes	1,081,750	-	-	4.275%	Short-term financing	-	Needs for operation	-	-	-	1,722,789	1,722,789
		Kunshan Ding Yao Real Estate Development Co., Ltd.	Other receivables	Yes	112,502	112,502	112,502	4.275%	Short-term financing	-	Needs for operation	-	-	-	2,297,052	2,297,052
7	Wuxi Ding Gu Real Estate Development Co., Ltd.	Chongqing Dinggu Real Estate Development Co., Ltd.	Other receivables	Yes	216,350	-	-	4.275%	Short-term financing	-	Needs for operation	-	-	-	-	-
		Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	302,890	-	-	4.275%	Short-term financing	-	Needs for operation	-	-	-	-	-
8	Shanghai Ding Gu Properties Co., Ltd.	Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	129,810	56,251	56,251	4.275%	Short-term financing	-	Needs for operation	-	-	-	1,163,593	1,163,593
		Chongqing Dinggu Real Estate Development Co., Ltd.	Other receivables	Yes	346,160	-	-	4.275%	Short-term financing	-	Needs for operation	-	-	-	8,726,946	8,726,946
9	Kunshan Ding Yao Real Estate Development Co., Ltd.	Shanghai Ding Lin Real Estate Development Co., Ltd.	Other receivables	Yes	376,449	376,449	376,449	4.275%	Short-term financing	-	Needs for operation	-	-	-	757,814	757,814

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, 2023, 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, 2023
(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	$ 98,046,536 (Note 1)	$ 20,226,888 (US$ 660,000 thousand)	$ 20,226,888 (US$ 660,000 thousand)	$ 17,468,676 (US$ 570,000 thousand)	$ 20,226,888 (US$ 660,000 thousand)	41.26	$ 98,046,536 (Note 1)	Yes	No	No
		Wealthy Joy Co., Ltd.	100% voting shares direct owned by the company	98,046,536 (Note 1)	1,081,750 (RMB 250,000 thousand)	1,081,750 (RMB 250,000 thousand)	- (RMB - thousand)	1,081,750 (RMB 250,000 thousand)	2.21	98,046,536 (Note 1)	Yes	No	No
		Time On Investment Ltd.	100% voting shares indirect owned by the company	98,046,536 (Note 1)	6,742,296 (US$ 220,000 thousand)	6,742,296 (US$ 220,000 thousand)	4,750,254 (US$ 155,000 thousand)	6,742,296 (US$ 220,000 thousand)	13.75	98,046,536 (Note 1)	Yes	No	No
		Noble World International Ltd.	100% voting shares indirect owned by the company	98,046,536 (Note 1)	2,451,744 (US$ 80,000 thousand)	2,451,744 (US$ 80,000 thousand)	- (US$ - thousand)	2,451,744 (US$ 80,000 thousand)	5.00	98,046,536 (Note 1)	Yes	No	No
1	Shanghai Ming Long Construction And Development Co., Ltd.	Kunshan Ding Yao Real Estate Development Co., Ltd.	100% voting shares indirect owned by the company	13,054,448 (Note 2)	1,947,150 (RMB 450,000 thousand)	1,947,150 (RMB 450,000 thousand)	1,293,773 (RMB 299,000 thousand)	1,947,150 (RMB 450,000 thousand)	3.97	13,054,448 (Note 2)	No	No	Yes

Note 1: 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, 2023.

Note 2: When the Company endorsed or guaranteed for 100% owned subsidiaries or voting shares of the subsidiaries endorsed or guaranteed, 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, 2023.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(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, 2023				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Bonds							
Wealthy Joy Co., Ltd.	BOC AVIATION LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,969 thousand	Not applicable	US$ 1,969 thousand	
	BOS FUNDING LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,413 thousand	Not applicable	US$ 1,413 thousand	
	CENTRAL CHINA REAL ESTATE LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 178 thousand	Not applicable	US$ 178 thousand	
	CFLD (CAYMAN) INVESTMENT LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 102 thousand	Not applicable	US$ 102 thousand	
	CHINA EVERGRANDE GROUP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 152 thousand	Not applicable	US$ 152 thousand	
	CHONGQING NAN'AN URBAN CONSTRUCTION & DEVELOPMENT (GROUP) CO LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 227 thousand	Not applicable	US$ 227 thousand	
	FWD LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 3,476 thousand	Not applicable	US$ 3,476 thousand	
	GARUDA INDONESIA GLOBAL SUKUK LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 57 thousand	Not applicable	US$ 57 thousand	
	IMPERIAL BRANDS FINANCE PLC	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,870 thousand	Not applicable	US$ 1,870 thousand	
	INDIA GREEN ENERGY HLDNG	-	Financial assets at fair value through other comprehensive income - current	-	US$ 496 thousand	Not applicable	US$ 496 thousand	
	NAN FUNG TREASURY LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,840 thousand	Not applicable	US$ 1,840 thousand	
	NEW METRO GLOBAL LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 335 thousand	Not applicable	US$ 335 thousand	
	NUOXI CAPITAL LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 318 thousand	Not applicable	US$ 318 thousand	
	RAKUTEN INC	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,751 thousand	Not applicable	US$ 1,751 thousand	
	TML HOLDINGS PTE LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 904 thousand	Not applicable	US$ 904 thousand	
	TSINGHUA UNIC LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 946 thousand	Not applicable	US$ 946 thousand	
	VIRGIN AUSTRALIA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ (117) thousand	Not applicable	US$ (117) thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				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$ 90 thousand	Not applicable	US$ 90 thousand	
	CENTRAL PLAZA DEV LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 307 thousand	Not applicable	US$ 307 thousand	
	CENTRAL PLAZA DEVELOPMENT LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 315 thousand	Not applicable	US$ 315 thousand	
	CHOUZHOU INTERNATIONAL INVESTMETN LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 479 thousand	Not applicable	US$ 479 thousand	
	DIB SUKUK LTD 2	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,204 thousand	Not applicable	US$ 1,204 thousand	
	FORTUNE STAR BVI	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 416 thousand	Not applicable	US$ 416 thousand	
	FOSUN INTERNATIONAL LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 492 thousand	Not applicable	US$ 492 thousand	
	GLP CHINA HOLDINGS LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 340 thousand	Not applicable	US$ 340 thousand	
	GLP PTE. LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 395 thousand	Not applicable	US$ 395 thousand	
	GREENTOWN CHINA HLDGS	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 671 thousand	Not applicable	US$ 671 thousand	
	HENAN WATER INVESTMENT	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 613 thousand	Not applicable	US$ 613 thousand	
	HUBEI SCI TECH INV	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 753 thousand	Not applicable	US$ 753 thousand	
	OCEAN LAUREL COMPANY LIMITED	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 1,320 thousand	Not applicable	US$ 1,320 thousand	
	YANLORD LAND HK CO LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 206 thousand	Not applicable	US$ 206 thousand	
	ZHONGAN ONLINE P&C INSURANCE CO., LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 721 thousand	Not applicable	US$ 721 thousand	
Peak Vision International Ltd.	EASY TACTIC LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 16 thousand	Not applicable	US$ 16 thousand	
	FWD GROUP LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 1,788 thousand	Not applicable	US$ 1,788 thousand	
	KWG GROUP HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 37 thousand	Not applicable	US$ 37 thousand	
	RAKUTEN INC	-	Financial assets at fair value through other comprehensive income - current	-	US$ 835 thousand	Not applicable	US$ 835 thousand	
	SBERBANK	-	Financial assets at fair value through other comprehensive income - current	-	US$ 311 thousand	Not applicable	US$ 311 thousand	
	SUNAC CHINA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 63 thousand	Not applicable	US$ 63 thousand	
	TIMES CHINA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ 8 thousand	Not applicable	US$ 8 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	VIRGIN AUSTRALIA HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - current	-	US$ (35) thousand	Not applicable	US$ (35) thousand	
	VNESHECONOMBANK (VEB)	-	Financial assets at fair value through other comprehensive income - current	-	US$ 84 thousand	Not applicable	US$ 84 thousand	
	WEIBO CORP	-	Financial assets at fair value through other comprehensive income - current	-	US$ 910 thousand	Not applicable	US$ 910 thousand	
	SHIMAO PROPERTY HOLDINGS LTD	-	Financial assets at fair value through other comprehensive income - non-current	-	US$ 6 thousand	Not applicable	US$ 6 thousand	
	Shares							
Peak Vision International Ltd.	HSBC Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	500	HK$ 31,500 thousand	-	HK$ 31,500 thousand	
	Tencent Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	186	HK$ 54,610 thousand	-	HK$ 54,610 thousand	
	China Construction Bank Corporation	-	Financial assets at fair value through profit or loss - current	10,000	HK$ 46,500 thousand	-	HK$ 46,500 thousand	
	AIA Group Limited	-	Financial assets at fair value through profit or loss - current	700	HK$ 47,635 thousand	-	HK$ 47,635 thousand	
	Industrial and Commercial Bank of China Limited	-	Financial assets at fair value through profit or loss - current	11,000	HK$ 42,020 thousand	-	HK$ 42,020 thousand	
	Ping An Insurance (Group) Company of China, Ltd.	-	Financial assets at fair value through profit or loss - current	960	HK$ 33,936 thousand	-	HK$ 33,936 thousand	
	Bank of China Limited	-	Financial assets at fair value through profit or loss - current	1,366	HK$ 28,959 thousand	-	HK$ 28,959 thousand	
	China Merchants Bank Co., Ltd.	-	Financial assets at fair value through profit or loss - current	2,000	HK$ 54,400 thousand	-	HK$ 54,400 thousand	
	China Mobile Limited	-	Financial assets at fair value through profit or loss - current	150	HK$ 9,720 thousand	-	HK$ 9,720 thousand	
	CK Hutchison Holdings Limited	-	Financial assets at fair value through profit or loss - current	100	HK$ 4,185 thousand	-	HK$ 4,185 thousand	
	Agricultural Bank of China Limited	-	Financial assets at fair value through profit or loss - current	12,000	HK$ 36,120 thousand	-	HK$ 36,120 thousand	
	Bank of China Limited	-	Financial assets at fair value through profit or loss - current	12,000	HK$ 35,760 thousand	-	HK$ 35,760 thousand	
	JD.com, Inc	-	Financial assets at fair value through profit or loss - current	9	HK$ 996 thousand	-	HK$ 996 thousand	
	Alibaba Group Holding Ltd.	-	Financial assets at fair value through profit or loss - current	360	HK$ 27,216 thousand	-	HK$ 27,216 thousand	
	Meituan	-	Financial assets at fair value through profit or loss - current	19	HK$ 1,523 thousand	-	HK$ 1,523 thousand	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Shares/Units (Thousand Shares)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
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$ 20,507 thousand	-	US$ 20,507 thousand	
	MORGAN STANLEY LIQUIDITY FUNDS US DOLLAR LIQUIDITY FUND QUALIFIED ACCUMULATION	-	Financial assets at fair value through profit or loss - current	-	US$ 9,890 thousand	-	US$ 9,890 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$ 6,776 thousand	-	US$ 6,776 thousand	

Note: It is partnerships.

(Concluded)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Ding Gu Properties Co., Ltd.	Shin Kong Jasper Villa Tian Mu in Shilin District, Taipei City	2023.6.26	$ 11,681,169	Paid in all (Note)	MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD. (the trustee institution of Shin Kong No.1 Real Estate)	-	Not applicable	Not applicable	Not applicable	Not applicable	Bargain and appraisal.	Real estate leasing	None

Note: The real estate was transferred on October 27, 2023, which is listed under “investment properties”.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(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, 2023			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. with Taiwan Branch	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$ 140,401	HK$ 1	140,401	100	HK$ 140,401	-	-	Note 2
	Ding Gu Properties Co., Ltd.	Taiwan	Real-estate leasing	NT$ 1,428,000	NT$ 10,000	142,800,000	60	US$ 44,896,317	-	-	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$ 34,781,393	-	-	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 34,116,631	RMB 534,116,631	(Note 1)	100	US$ 8,280,095	-	-	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$ 34,141,303	US$ 52,141,303	(Note 1)	100	US$ 34,141,303	-	-	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$ 9,933,446	US$ 83,895,755	(Note 1)	100	US$ 9,933,446	-	-	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$ -	US$ 3,500,000	(Note 4)	100	US$ -	-	-	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.

Note 4: The Company was deregistered in September 2023.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No. (Note 1)	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)
0	Sino Horizon Holdings Limited	Wealthy Joy Co., Ltd.	1	Dividend income	$ 805,336	-	6.86
1	Wealthy Joy Co., Ltd.	Peak Vision International Ltd.	3	Other receivables - related parties	1,464,203	-	1.21
		Noble World International Ltd.	3	Other receivables - related parties	1,377,941	-	1.14
		Fullrich Investment Development Ltd.	3	Dividend income	1,300,928	-	11.09
		Easy Rise Development Ltd.	3	Dividend income	653,561	-	5.57
2	Wealthy Joy Co., Ltd. (Taiwan branch)	Ding Gu Properties Co., Ltd.	3	Other receivables - related parties	4,047,000	-	3.34
3	Wuxi Ding Gu Real Estate Development Co., Ltd.	Easy Rise Development Ltd.	3	Dividend income	800,516	-	6.82
4	Shanghai Dingyi Real Estate Development Co., Ltd.	Fullrich Investment Development Ltd.	3	Dividend income	2,263,734	-	19.29
5	Shanghai Ming Long Construction and Development Co., Ltd.	Chongqing Dinggu Real Estate Development Co., Ltd.	3	Other receivables - related parties	3,271,212	-	2.70
		Chongqing Dinggu Real Estate Development Co., Ltd.	3	Interest income	127,256	-	1.08
		Shanghai Ding Lin Real Estate Development Co., Ltd.	3	Other receivables - related parties	2,319,272	-	1.92
		Shanghai Ding Jia Real Estate Development Co., Ltd.	3	Other receivables - related parties	1,856,283	-	1.53

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, 2023
(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, 2023	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized	Carrying Amount as of December 31, 2023 (Notes 2 and 3)	Accumulated Inward Remittance of Earnings as of December 31, 2023
					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$ 45,963,510	-
Shanghai Ming Long Construction And Development Co., Ltd.	Real-estate development and sale and office leasing	RMB 21,000,000	Note 1	-	-	-	-	-	100	-	US$ 8,280,095	-
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 234,216,253	Note 1	-	-	-	-	-	100	-	US$ 34,141,303	-
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 18,000,000	Note 1	-	-	-	-	-	100	-	US$ 9,933,446	-
Wuxi Ding Gu Real Estate Development Co., Ltd.	Real-estate development and sale and office leasing	RMB -	Notes 1 and 4	-	-	-	-	-	-	-	US$ -	-
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, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
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.

Note 4: The Company was deregistered in September 2023.

TABLE 8

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023
(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	19.53
Sino Engine Group Ltd.	333,321,053	19.15
Fairwheel Holdings Ltd.	174,057,991	10.00

鼎固控股有限公司

董事長 張洪本







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SINO HORIZON HOLDINGS LIMITED