Sino Horizon Holdings Limited and Subsidiaries

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

Deloitte.

勤業眾信

勤業眾信聯合會計師事務所
110016 台北市信義區松仁路100號20樓

Deloitte & Touche
20F, Taipei Nan Shan Plaza
No. 100, Songren Rd.,
Xinyi Dist., Taipei 110016, Taiwan

Tel :+886 (2) 2725-9988
Fax:+886 (2) 4051-6888
www.deloitte.com.tw

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, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Key Audit Matters

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

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

Fair Value of Investment Properties

Description of key audit matter:

As of December 31, 2023, the carrying amount of the Group's investment properties was NT$53,221,181 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, 2023 was a loss of NT$160,743 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 obtained an understanding of 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. We assessed the reasonableness of the judgments 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 rental revenue, rental costs 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, 2023, revenue from the sale of real estate was NT$9,325,794 thousand. Based on the accounting policies of the Group (refer to Note 4), when real estate still in the 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.

The 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 transactions in the current year are as follows:

1. We reviewed the sales contracts signed by the Group and the customers on the official government 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 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 Standards on Auditing of 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, 2023, and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shiuh-Ran Cheng and Wei-Chun Ma.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2024

Notice to Readers

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

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

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)

(In Thousands of New Taiwan Dollars)

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	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	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	December 31 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	December 31 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	December 31 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	December 31 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	For the Year Ended December 31 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	December 31 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).

TABLE 1

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.

TABLE 3

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	
	Fund							
Wealthy Joy Co., Ltd.	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	
	Fund							
Peak Vision International Ltd.	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”.

TABLE 5

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.

TABLE 6

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.

TABLE 7

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.

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