Stock Code:2601

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FIRST STEAMSHIP COMPANY LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the six Months Ended June 30, 2024 and 2023

Address: 14F., No.237, Sec. 2, Fuxing S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)
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The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors First Steamship Company Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of the First Steamship Company Ltd. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of June 30, 2024 and 2023 and the consolidated statements of comprehensive income for the three months and the six months ended June 30, 2024 and 2023 , as well as the changes in equity and cash flows for the six months ended June 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards ("IASs") 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in note 6(f), the equity accounted investments of the First Steamship Company Ltd. and its subsidiaries in its investee companies of $ 739,837 thousand and $ 791,565 thousand as of June 30,2024 and 2023. And its equity in net earnings on these investee companies of $ 23,433 thousand, $ (1,947) thousand, $ 30,639 thousand, and $(692) thousand for the three months and six months ended June 30,2024 and 2023 , respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors and audited by another auditor (please refer to other matter), based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the First Steamship Company Ltd. and its subsidiaries as of June 30, 2024 and 2023 , and of its consolidated financial performance for the three months and six months ended June 30, 2024 and 2023 , as well as its consolidated cash flows for the six months ended June 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IASs 34,“Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

We did not audit the financial statements of Mariner Finance Ltd., a subsidiary of the Group. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Mariner Finance Ltd., is based solely on the report of other auditor. The financial statements of Mariner Finance Ltd. had total assets of $ 245,958 thousand and $ 571,171 thousand; reflect the total assets constituting 1% and 2% of the consolidated total assets on June 30,2024 and 2023. The net operating income was $ 8,878 thousand, $ 13,006 thousand, $ 16,153 thousand, and $28,494 thousand; reflect the total operating revenues constituting 1% of the consolidated total operating revenues for the three months and six months ended June 30,2024 and 2023.

The engagement partners on the reviews resulting in this independent auditors’ review report are Shu-Ying Chang and Jun-Ming Pan

KPMG

Taipei, Taiwan (Republic of China)
August 12, 2024

Notes to Readers

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

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Reviewed only, not audited in accordance with the generally accepted auditing standards

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2024		December 31, 2023		March 31, 2023	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Note 6(a))	$ 1,547,183	4	1,834,232	5	2,710,342	7
1110	Current financial assets at fair value through profit or loss (Notes 6(b))	154,299	-	167,661	-	195,927	1
1170	Accounts receivable, net (Notes 6(c), 7, 8 and 9)	299,929	1	353,770	2	442,799	1
1200	Other receivables, net (Notes 6(b), (d), (f), (w) and 7)	134,824	-	134,141	-	180,084	-
1300	Inventories, net	208,609	1	203,576	1	224,750	1
1320	Inventories (for construction business), net (Notes 6(e), 8 and 9)	1,755,090	5	1,748,420	5	1,738,662	4
1476	Other current financial assets (Notes 6(k), (w), 7, 8 and 9)	543,990	2	526,454	1	171,119	-
1479	Other current assets, others (Notes 7 and 9)	285,238	1	319,069	1	501,521	1
		4,929,162	14	5,287,323	15	6,165,204	15
	Non-current assets:						
1535	Non-current financial assets at amortised cost (Note 7 and 13)	49,900	-	59,900	-	59,900	-
1550	Investments accounted for using equity method (Note 6(f) and 7)	709,831	2	481,510	1	776,042	2
1600	Property, plant and equipment (Notes 6(h) and 8)	12,609,781	35	12,305,871	35	13,574,595	36
1755	Right-of-use assets (Notes 6(i) and 8)	11,674,125	33	11,501,840	33	11,882,194	31
1760	Investment property, net (Not 8)	139,873	-	140,116	-	140,846	-
1780	Intangible assets (Note 6(j))	1,750,788	5	1,691,118	5	2,051,984	5
1840	Deferred tax assets (Note 6(q))	2,833,008	8	2,782,429	8	3,000,820	8
1935	Long-term lease payments receivable(Notes 6(c) , 7 and 8)	2,845	-	6,684	-	114,676	-
1975	Net defined benefit asset, non-current	2,975	-	2,975	-	2,999	-
1980	Other non-current financial assets(Notes 6(k), 7, 8 and 9)	849,383	2	818,884	2	738,518	2
1990	Other non-current assets(Notes 6(f), (r) and 7)	294,025	1	290,303	1	269,911	1
		30,916,534	86	30,081,630	85	32,612,485	85
	Total assets	**$ 35,845,696**	**100**	**35,368,953**	**100**	**38,777,689**	**100**

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Reviewed only, not audited in accordance with the generally accepted auditing standards

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2024		December 31, 2023		March 31, 2023	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Notes 6(l))	$ 3,844,154	11	3,657,193	10	3,139,293	9
2151	Notes payable	97	-	-	-	-	-
2170	Accounts payable (Note 6(n))	1,012,147	3	1,272,029	4	1,156,321	3
2200	Other payables (Notes 6(n), (u), 7and 9)	1,155,619	3	1,232,947	4	896,548	2
2230	Current tax liabilities	46,782	-	41,489	-	65,904	-
2280	Current lease liabilities (Notes 6(o), 7 and 9)	920,990	3	838,426	3	823,353	2
2322	Current portion of long-term borrowings (Note 6(m))	1,176,811	3	1,018,680	3	1,199,084	3
2399	Other current liabilities (Notes 6(w), 7 and 9)	71,504	-	81,677	-	88,790	-
		8,228,104	23	8,142,441	24	7,369,293	19
	Non-Current liabilities:						
2500	Current financial liabilities at fair value through profit or loss (Note 6(b))	29,707	-	27,813	-	26,125	-
2540	Long-term borrowings (Note 6(m))	3,832,916	11	4,020,116	11	4,995,876	13
2570	Deferred tax liabilities (Note 6(q))	2,251,029	6	2,227,375	6	2,261,367	6
2580	Non-current lease liabilities (Notes 6(o), 7 and 9)	9,615,670	27	9,431,523	27	9,868,450	26
2645	Guarantee deposits	594,311	2	573,039	2	562,999	1
		16,323,633	46	16,279,866	46	17,714,817	46
		24,551,737	69	24,422,307	70	25,084,110	65
	Equity attributable to owners of parent(Notes 6(f) and (r)):						
3100	Capital stock	8,247,761	23	8,247,761	23	8,247,761	21
3200	Capital surplus	1,932,221	5	1,932,221	5	1,932,221	5
3300	Retained earnings	(1,154,181)	(3)	(1,095,839)	(3)	710,965	2
3400	Other equity interest	30,926	-	(354,024)	(1)	(335,001)	(1)
	Total equity attributable to owners of parent:	9,056,727	25	8,730,119	24	10,555,946	27
36XX	**Non-controlling interests (Notes 6(g) and (r))**	2,237,232	6	2,216,527	6	3,137,633	8
	Total equity	11,293,959	31	10,946,646	30	13,693,579	35
	Total liabilities and equity	**$ 35,845,696**	**100**	**35,368,953**	**100**	**38,777,689**	**100**

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Reviewed only, not audited in accordance with generally accepted auditing standards

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		For the three months ended March 31			
		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenues (Notes 6(p), (t) and 7)**	$ 1,293,337	100	1,527,114	100
5000	**Operating costs (Notes 6(p) and (v))**	452,281	35	493,232	32
	Gross profit from operations	841,056	65	1,033,882	68
6000	**Operating expenses (Notes 6(o), (u),7 and 9)**	759,617	60	810,991	54
6450	Impairment loss determined in accordance with IFRS 9 (Note 6(c) and 7)	7,861	1	35,654	2
	Net operating income	73,578	4	187,237	12
	Non-operating income and expenses:				
7100	Interest income(Notes 6(v) and 7)	15,950	1	13,524	1
7010	Other gains and losses(Notes 6(v))	388	-	12,732	1
7020	Other gains and losses, net (Notes 6(v), 7 and 9)	25,625	2	44,481	3
7050	Finance costs(Notes 6(o), (v) and 7)	(230,494)	(18)	(224,900)	(15)
7055	Impairment loss determined in accordance with IFRS 9 (Notes 6(d), (w) and 7)	10,756	1	26,754	2
7060	Share of profit (loss) of associates accounted for using equity method, net(Notes 6(f))	7,206	1	1,255	-
		(170,569)	(13)	(126,154)	(8)
7900	**Profit (loss) from continuing operations before tax**	(96,991)	(9)	61,083	4
7950	Less: Tax expense (Note 6(q))	21,176	2	2,613	-
	Profit (loss)	(118,167)	(11)	58,470	4
8300	**Other comprehensive income:**				
8360	**Components of other comprehensive income that will be reclassified to profit or loss(Notes 6(f) and (r))**				
8361	Exchange differences on translation of foreign financial statements	446,694	35	1,540	-
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	19,750	2	(11,496)	(1)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		466,444	37	(9,956)	(1)
8300	**Other comprehensive income, net**	466,444	37	(9,956)	(1)
	Comprehensive income (loss)	**$ 348,277**	**26**	**48,514**	**3**
	Profit (loss), attributable to:				
8610	Owners of parent	$ (57,378)	(6)	62,176	4
8620	Non-controlling interests	(60,789)	(5)	(3,706)	-
		$ (118,167)	**(11)**	**58,470**	**4**
	Comprehensive income (loss) attributable to:				
8710	Owners of parent	$ 327,572	24	31,060	2
8720	Non-controlling interests	20,705	2	17,454	1
		348,277	**26**	**48,514**	**3**
	Earnings per share (Note 6(s))				
9750	Basic earnings per share (NT dollars)	**$**	**(0.07)**		**0.08**
9850	Diluted earnings per share(NT dollars)	**$**	**(0.07)**		**0.08**

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the three months ended March 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
	Share capital		Retained earnings				Total other equity interest				
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2023	$ 8,347,761	1,926,712	7,548	633,830	7,411	648,789	(303,885)	(94,491)	10,524,886	3,120,179	13,645,065
Gain (loss) for the three months ended March 31, 2023	-	-	-	-	62,176	62,176	-	-	62,176	(3,706)	58,470
Other comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	-	-	(31,116)	-	(31,116)	21,160	(9,956)
Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	62,176	62,176	(31,116)	-	31,060	17,454	48,514
Retirement of treasury share	(100,000)	5,509	-	-	-	-	-	94,491	-	-	-
Balance at March 31, 2023	**$ 8,247,761**	**1,932,221**	**7,548**	**633,830**	**69,587**	**710,965**	**(335,001)**	**-**	**10,555,946**	**3,137,633**	**13,693,579**
Balance at January 1, 2024	$ 8,247,761	1,932,221	8,289	303,885	(1,408,013)	(1,095,839)	(354,024)	-	8,730,119	2,216,527	10,946,646
Loss for the three months ended March 31, 2024	-	-	-	-	(57,378)	(57,378)	-	-	(57,378)	(60,789)	(118,167)
Other comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	384,950	-	384,950	81,494	466,444
Total comprehensive income for the three months ended March 31, 2024	-	-	-	-	(57,378)	(57,378)	384,950	-	327,572	20,705	348,277
Changes in the associated for using equity method	-	-	-	-	(964)	(964)	-	-	(964)	-	(964)
Balance at March 31, 2024	**$ 8,247,761**	**1,932,221**	**8,289**	**303,885**	**(1,466,355)**	**(1,154,181)**	**30,926**	**-**	**9,056,727**	**2,237,232**	**11,293,959**

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		For the three months ended March 31	
		2024	2023
Cash flows from (used in) operating activities:			
(Loss) Profit before tax	$	(96,991)	61,083
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		502,472	494,948
Amortization expense		18,339	14,732
Expected credit impairment losses and reversal gains		(2,895)	8,900
Net gain on financial assets or liabilities at fair value through profit or loss		(11,307)	(10,148)
Interest expense		230,494	224,900
Operating costs (Interest expense)		3,128	3,461
Interest income		(15,950)	(13,524)
Share of loss (profit) of associates accounted for using equity method		(7,206)	(1,255)
Loss on disposal of property, plan and equipment		115	1,310
Gain (loss) on disposal of intangible assets		757	(672)
Gain on rent concessions		-	(712)
Total adjustments to reconcile profit (loss)		717,947	721,940
Changes in operating assets and liabilities：			
Changes in operating assets：			
Financial assets at fair value through profit or loss, mandatorily measured at fair value		29,600	59,199
Notes receivable		-	265
Accounts receivable		54,587	78,174
Other receivables		(3,772)	(2,569)
Inventories		(3,559)	15,224
Other current assets		45,379	(50,771)
Net defined benefit assets		-	(60)
Total changes in operating assets		122,235	99,462
Changes in operating liabilities：			
Notes payable		97	-
Accounts payable		(304,900)	181,046
Other payables		(148,296)	(80,184)
Other current liabilities		-	3,264
Total changes in operating liabilities		(453,099)	104,126
Total changes in operating assets and liabilities		(330,864)	203,588
Total adjustments		387,083	925,528
Cash inflow generated from operations		290,092	986,611
Interest received		15,252	13,781
Interest paid		(233,585)	(225,981)
Income taxes paid		(22,745)	(18,445)
Net cash flows from (used in) operating activities		49,014	755,966

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the three months ended March 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2024	**2023**
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at amortised cost	10,000	-
Acquisition of from investments accounted for using equity method	(202,329)	-
Acquisition of property, plant and equipment	(44,301)	(123,821)
Proceeds from disposal of property, plant and equipment	3,987	11,752
Decrease in other receivables	11,762	25,617
Acquisition of intangible assets	(90)	(1,016)
Proceeds from disposal of intangible assets	6,317	14,080
Decrease (increase) in other financial assets	5,636	(582,837)
(Increase) decrease in other non-current assets	(9,830)	1,656
Net cash flows used in investing activities	(218,848)	(654,569)
Cash flows from (used in) financing activities:		
Increase in short-term loans	91,535	311,052
Proceeds from long-term loans	50,009	533,533
Repayments of long-term loans	(214,761)	(826,078)
Decrease in guarantee deposits received	(1,485)	(31,499)
Payments of lease liabilities	(139,591)	(359,451)
Net cash flows from financing activities	(214,293)	(372,443)
Effect of exchange rate changes on cash and cash equivalents	97,078	(5,809)
Net decrease in cash and cash equivalents	(287,049)	(276,855)
Cash and cash equivalents at beginning of period	1,834,232	2,987,197
Cash and cash equivalents at end of period	$ **1,547,183**	**2,710,342**

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

First Steamship Company Ltd. (the “Company”) was incorporated in October 1963 in accordance with the Company Act of the Republic of China. The Company’s registered office is at 14F, No. 237, Sec. 2, Fuxing S. Rd., Taipei City, R.O.C. The principal business activities of the Company and its subsidiaries (“the Group”) are domestic and international marine transportation and related businesses, wholesale of vessels and related components, car and equipment rental, business management consultancy, department store retail industry, domestic and foreign investments, as well as development, rental and sale of both residential and commercial buildings.

(2) Approval date and procedures of the consolidated financial statements:

These consolidated financial statements were authorized for issuance by the Board of Directors on August 12, 2024.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Group has been subject to the following newly revised IFRS accounting standards since January 1, 2024, and has not had a significant impact on the financial report of the Group.

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS21 “Lack of Exchangeability”

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC
The standards and interpretations that have been issued and revised by the IASB but have not yet been approved by the FSC may be relevant to the Group as follows:

Newly issued or revised standards	Content of major amend	effective date
IFRS 18 "Presentation and Disclosure of Financial Statements"	The new standard introduces three categories of income and expense, two income statement subtotals and one single note on management performance measures. The three amendments,combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statements: Under current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘ operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPM): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1,2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17" Insurance Contracts"
- IFRS 19 " Subsidiaries without Public Accountability: Disclosures issued"
- Amendments to IFRS 9 and IFRS 7 " Revision of Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards

(4) Summary of significant accounting policies:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements is the same as those in the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2023.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

List of subsidiaries in the consolidated financial statements include.

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding June 30, 2024	Shareholding December 31, 2023	Shareholding June 30, 2023	Note
First Steamship Co., Ltd.	Royal Sunway Development Co., Ltd.	Real estate development, rental and leasing of building	55.00%	55.00%	55.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	First Steamship S.A.	Investment holding company、International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Grand Ocean Retail Group Ltd.	Investment holding company	10.00%	10.00%	10.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	First Mariner Holding Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Yee young Investment Co., Ltd.	General investing	- %	- %	100.00 %	The company directly (indirectly) holds more than 50% of its subsidiaries. On June 9, 2023, the subsidiary has ceased operation and completed its liquidation procedures.
First Steamship Co., Ltd.	Longevity Navigation S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Praise Maritime S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Best Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Grand Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Black Sea Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Ship Bulker Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Reliance Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Alliance Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Sure Success Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Shining Steamship International S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Excellent Steamship International S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship Co., Ltd.	Advantage Steamship Co., Ltd	International transportation and shipping agency	100.00%	- %	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (Note 1)
First Steamship Co., Ltd.	Mighty Steamship Co., Ltd	International transportation and shipping agency	100.00%	- %	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (Note 1)

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding June 30, 2024	Shareholding December 31, 2023	Shareholding June 30, 2023	Note
First Steamship S.A.	Ahead Capital Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship S.A.	Media Assets Global Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship S.A.	Nature Sources Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship S.A.	Grand Ocean Retail Group Ltd.	Investment holding company	46.83%	46.83%	46.83%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Steamship S.A.	Heritage Riches Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Ahead Capital Ltd.	Grand Ocean Retail Group Ltd.	Investment holding company	1.79%	1.79%	1.79%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Mariner Holding Ltd.	First Mariner Capital Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Mariner Holding Ltd.	Mariner Far East Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Mariner Capital Ltd.	Mariner Capital Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Capital Ltd.	Mariner Finance Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Shanghai Youxin Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Nanjing Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Wuhan Youxin Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Qingdao Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Chongqing Youren Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Fuzhou Youli Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Dongguan Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Guangzhou Youqiang Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Changsha Youli Car Service Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding June 30, 2024	Shareholding December 31, 2023	Shareholding June 30, 2023	Note
Mariner Finance Ltd.	Xian Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Chengdu Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Lianyungang Youren Car Service Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Jinan Youli Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Urumqi Taroko Car Rental Co., Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Retail Group Ltd.	Grand Citi Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Citi Ltd.	Grand Ocean Classic Commercial Group Ltd.	Trading of cosmetics, apparels, shoes, hat , etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Classic Commercial Group Ltd.	Nanjing Grand Ocean Classic Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat , etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Classic Commercial Group Ltd.	Fuzhou Grand Ocean Commoncial Ltd.	Trading of cosmetics, apparels, shoes, hat , etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Classic Commercial Group Ltd.	Quanzhou Grand Ocean Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Classic Commercial Group Ltd.	Shanghai Jingxuan Business Administraction., Ltd.	Management consultancy, e-commerce business, and trading of cosmetics, apparels, shoes, hat etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Classic Commercial Group Ltd.	Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	Management consultancy, e-commerce business, and trading of cosmetics, apparels, shoes, hat etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Quanzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd	Trading of cosmetics, apparels, shoes, hat, etc.	30.00%	30.00%	30.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Nanjing Grand Ocean Classic Commercial Ltd.	Hefei Grand Ocean Classic Commercial Department Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Fuzhou Grand Ocean Commoncial Ltd.	Fuzhou Grand Ocean Classic Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Fuzhou Grand Ocean Commoncial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	70.00%	70.00%	70.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Fuzhou Grand Ocean Commoncial Ltd.	Fuzhou Jiaruixing Bussiness Administration Ltd.	Management consultancy, e-commerce business, and trading of cosmetics, apparels, shoes, hat etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries

Name of Investor	Name of Subsidiary	Principal activity	Shareholding June 30, 2024	Shareholding December 31, 2023	Shareholding June 30, 2023	Note
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Grand Ocean Classic Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	35.30%	35.30%	35.30%	The company directly (indirectly) holds more than 50% of its subsidiaries. On October 31, 2022, it would cease operation, and liquidation was in process.
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Trading of cosmetics, furnishings, etc.	50.00%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries. On August 31, 2023, it would cease operation, and liquidation was in process.
Wuhan Grand Ocean Classic Commercial Development Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Grand Ocean Classic Commercial Development Ltd	Shiyan Ocean Modern Shopping Co., Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	64.70%	64.70%	64.70%	The company directly (indirectly) holds more than 50% of its subsidiaries On October 31, 2022, it would cease operation, and liquidation was in process.
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Trading of cosmetics, furnishings, etc.	50.00%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries. On August 31, 2023, it would cease operation, and liquidation was in process.
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Yichang Grand Ocean Commercial Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	99.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Yichang Grand Ocean Commercial Ltd.	Trading of cosmetics, furnishings, etc.	- %	- %	1.00 %	The company directly (indirectly) holds more than 50% of its subsidiaries

Note 1: The Group approved setting the subsidiaries Adventage Steamship Co., Ltd and Mighty Steamship Co., Ltd in Liberia by the board of directors on February 25,2024. Due to operating demand. The establishment registration process has been completed, but the actual capital contribution has not yet.

(ii) List of subsidiaries which are not included in the consolidated financial statements: None.

(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. And allocate current income tax expense and deferred income tax expense according to the estimated proportion of current income tax expense and deferred income tax expense for the whole year.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-time events.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 "Interim Financial Reporting" and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial report, the significant judgments made by management when adopting the accounting policies of the consolidated company and the main sources of estimation uncertainty are consistent with Note 5 of the 2023 consolidated financial report.

(6) Explanation of significant accounts:

Except the following explanation mentioned below, the explanation of significant accounts described in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2023.

(a) Cash and cash equivalents

	June 30, 2024	December 31, 2023	June 30, 2023
Pretty cash	$ 27,667	27,768	25,986
Cash in Bank	1,542,477	1,289,620	1,568,481
Time deposits	78,374	516,844	789,674
Cash and cash equivalents in the consolidated statement of cash flows	**$ 1,648,518**	**1,834,232**	**2,384,141**

Please refer to Note 6(w) for the sensitivity analysis and interest rate risk of the financial assets and liabilities of the Group.

(b) Financial assets and liabilities at fair value through profit or loss

	June 30, 2024	December 31, 2023	June 30, 2023
Mandatorily measured at fair value through profit or loss:			
Non-derivative financial assets—current			
Shares of stock of listed companies	$ 18,787	46,603	27,678
Open fund	12,478	11,689	12,601
Domestic corporate bonds	32,610	-	-
Foreign corporate bonds and government bonds	111,215	109,369	5,893
Beneficial rights-Specific construction project	-	-	111,547
Total	**$ 175,090**	**167,661**	**157,719**
Held-for-trading financial liabilities:			
Non-derivative financial liabilities—non-current			
Landlord beneficiary rights	**$ 29,707**	**27,813**	**26,125**

(i) In September 2020, the Group and Honor Construction Co., Ltd. ("Honor Construction"), for a residential buildings construction project at Mingde Section, Tucheng District, entered into an interest purchase agreement, whereby the Group purchased 32% of the beneficial interests of the builder at a total contract price of $117,000 thousand. Impacted by the progress of both the overall project and the license review, the Group signed the 2nd supplemental agreement with Honor Construction thereafter on August 18, 2023; Honor Construction shall complete project clearance profit distribution (in the amount of 32% of the agreed minimum profit of $255,337 thousand) by October 31, 2023 and the project profit distribution by December 31, 2023. As of December 31, 2023, the Group has recovered capital invested by in the project it in full, reclassified minimum profit share of $81,708 thousand as other receivables. The Group received all profit in June,2024.

(ii) In 2021, the Group and Sanlinger Investment Development Co., Ltd. entered into an interest sale agreement for a land investment project located at Wushigang section, Toucheng township, Yilan County, whereby the Group sold 20% of its beneficial interests in the project and received a price of $20,400 thousand.

Thereafter, Sanlinger Investment Development Co., Ltd. shall bear the costs of land development and holding on a pro rata basis. As of June 30,2024, December 31,2023 and June 30,2023, the Group received the cost of holding and development from the Sanlinger Investment Development Co., Ltd., based on pro rata basis at the amount of $9,307 thousand, $7,413 thousand and $5,725 thousand, respectively.

(iii) Please refer to Note 6(w) for disclosure of credit risk and market risk.

(iv) All of the financial assets mentioned above have not been pledged as collateral.

(c) Trade receivables and other receivables

	June 30, 2024	December 31, 2023	June 30, 2023
Current			
Accounts receivables	$ 190,675	237,137	226,804
Less: Loss allowance	(19,384)	(38,259)	(37,627)
	171,291	198,878	189,177
Leases payment receivables (included operating lease)	805,751	759,787	584,870
Less: unearned financing income	(116,299)	(113,406)	(102,692)
Loss allowance	(591,025)	(491,489)	(268,317)
	98,427	154,892	213,861
Subtotal of current asset	269,718	353,770	403,038
Non-current			
Leases payment receivables	7,802	21,722	209,095
Less: unearned financing income	(531)	(1,417)	(13,349)
Loss allowance	(5,546)	(13,621)	(85,906)
Subtotal of non-current asset	1,725	6,684	109,840
Total notes and accounts receivable, net	**$ 271,443**	**360,454**	**512,878**

(i) The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

1) Due to the COVID-19 pandemic and the changes in economic environment, the overdue account, receivable from the Group's related parties amounting, incurred from the rental service departments in China, resulted in a significant increase in credit risk; therefore, the Group evaluated the value of collateral and recognized allowance for uncollectible as follow:

	June 30, 2024	December 31, 2023	June 30, 2023
Leases payment receivables	$ 508,746	481,288	474,916
Less: Loss allowance	(449,760)	(370,553)	(215,555)
	$ 58,986	**110,735**	**259,361**

The expected credit loss of other leasing account receivable (including operating lease) was determined as follow:

	June 30, 2024			
	Gross carrying amount of leases payment receivable		Weighted-average loss rate	Loss allowance provision
Current	$	5,857	0.90%	53
1 to 30 days past due		810	8.27%	67
61 to 90 days past due		270	18.15%	49
More than 91 days past due（Note）		181,040	81.00%	146,642
	$	**187,977**		**146,811**

	December 31, 2023			
	Gross carrying amount of leases payment receivable		Weighted-average loss rate	Loss allowance provision
Current	$	8,080	0.97%	78
1 to 30 days past due		9	8.28%	1
31 to 60 days past due		2,336	7.69%	180
61 to 90 days past due		1,880	18.06%	339
More than 91 days past due（Note）		173,093	77.39%	133,959
	$	**185,398**		**134,557**

	June 30, 2023			
	Gross carrying amount of leases payment receivable		Weighted-average loss rate	Loss allowance provision
Current	$	16,201	0.99%	161
1 to 30 days past due		4,493	6.90%	310
31 to 60 days past due		246	7.32%	18
More than 91 days past due（Note）		182,068	75.89%	138,179
	$	**203,008**		**138,668**

Note: As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had filed lawsuits for collecting the overdue receivables from leasing business with total amount of $ 118,324 thousand (RMB 25,987 thousand), $114,820 thousand (RMB 26,481 thousand) and $ 119,782 thousand (RMB 27,804 thousand) , respectively. The Group assessed the recoverability of those overdue receivables, and recognized provision for allowance of $ 87,799 thousand (RMB 19,283 thousand), $78,242 thousand (RMB 18,045 thousand) and $ 82,475 thousand (RMB 19,144 thousand) less unearned interests and guarantee deposits.

2) The main trade receivables of the Group's Department Store Segment were credit card payments to be collected from banks, and the average credit period was 2 to 3 days; there was no concern about recoverability. The Group applies the simplified approach to provide for its expected credit losses (ECLs) on receivables from customers running rental businesses.

A portion of accounts receivable of the Group's Department Store Segment was in the processes of either mediation or litigation, for which the Group has recognized loss allowances in accordance with the ruling of the 1st instance. The details were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Amount related to mediation or litigations	$ -	19,411	19,287
Less: Allowance for impairment	-	(19,411)	(19,287)
	$ -	**-**	**-**

The loss allowance provisions of other trade receivables were determined as follows:

	June 30, 2024		
	Gross carrying amount of leases payment receivable	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 140,268	0%	-
1 to 90 days past due	17,457	0%	-
91 to 180 days past due	3,070	0%~19%	584
181 to 270 days past due	1,735	100%	1,735
271 to 365 days past due	1,137	100%	1,137
More than 365 days past due	15,928	100%	15,928
	$ 179,595		**19,384**

	December 31, 2023		
	Gross carrying amount of leases payment receivable	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 156,380	0%	-
1 to 90 days past due	30,364	0%	-
91 to 180 days past due	4,338	0~9%	389
181 to 270 days past due	1,436	41%	591
271 to 365 days past due	6,421	100%	6,421
More than 365 days past due	11,447	100%	11,447
	$ 210,386		**18,848**

	June 30, 2023			
	Gross carrying amount of leases payment receivable		Weighted-average loss rate	Loss allowance provision
Current	$	164,515	0%	-
1 to 90 days past due		17,183	0%	-
91 to 180 days past due		4,764	0%~12%	584
181 to 270 days past due		6,942	52%	3,643
271 to 365 days past due		5,015	100%	5,015
More than 365 days past due		9,098	100%	9,098
	$	**207,517**		**18,340**

3) The loss allowance provisions of shipping business department were determined as follows:

	June 30, 2024			
	Gross carrying amount		Weighted-average loss rate	Loss allowance provision
Current	**$**	**11,080**	-	-

	December 31, 2023			
	Gross carrying amount		Weighted-average loss rate	Loss allowance provision
Current	**$**	**7,340**	-	-

	June 30, 2023			
	Gross carrying amount		Weighted-average loss rate	Loss allowance provision
Current	**$**	**-**	-	-

(ii) The movements in the allowance for accounts receivables were as follows:

	For the six months ended June 30		
	2024		2023
Balance on January 1	$	543,369	354,619
Impairment losses recognized		37,939	46,366
Amount written off due to irrecoverability in the current year		(21,778)	(46)
Rearrange (Note 9(a)、2)		27,634	-
Foreign exchange gain		28,791	(9,089)
Balance on March 31	**$**	**615,955**	**391,850**

(iii) A maturity analysis of lease payments, which reflects the undiscounted lease payments to be received after the reporting date, is as follows

	June 30, 2024	December 31, 2023	June 30, 2023
Less than one year	$ 805,751	759,787	584,870
One to two years	7,802	20,657	190,946
Two to three years	-	1,065	18,149
Total lease payments receivable	813,553	781,509	793,965
Unearned finance income	(116,830)	(114,823)	(116,041)
Present value of lease payments receivable	**$ 696,723**	**666,686**	**677,924**

(iv) For credit risk information, please refer to Note 6(w).

(v) Details of the above accounts receivable as guarantee for bank loans and financing quota. Please refer to Note 8.

(d) Other receivables

	June 30, 2024	December 31, 2023	June 30, 2023
Other receivables–loans (Note 7)	$ 16,200	15,289	34,799
Other receivables–investment	277,747	264,491	262,799
Other receivables–lease guarantee deposit	64,890	61,793	61,398
Other receivables–beneficial interests in construction project	-	81,708	-
Other receivables–others	64,940	74,124	64,121
Less: Loss allowance	(366,215)	(363,264)	(344,997)
	$ 57,562	**134,141**	**78,120**

(i) The Group' s other receivables－others were mainly the advance payments made by the Department Store Segment on behalf of its dealers for promotional activities. As the Group and the dealers have been in a long term business relationship, the Group assessed that there should be no concern over the recoverability of these receivables, taking into consideration historical experience. Therefore, loss allowances for the period were measured based on 12-month ECLs. Please refer to Note 6(w) for other credit risk information.

(ii) Xiangtan Grand Ocean Department Store Co., Ltd. (Xiangtan), one of the Group' s subsidiaries, pursuant to a board resolution, would cease operation when its lease contract expired in December 2018, and a guarantee deposit amounting to RMB15,000 thousand for lease of the mall should be refunded. Xiangtan had already returned the property to its owner, Xiangyuan Industrial Development Co., Ltd. (Xiangyuan), but failed to receive the security deposit. In order to receive the payment and begin the liquidation process, Xiangtan filed a lawsuit against Xiangyuan. On July 1, 2019, the people' s court ordered Xiangyuan to pay the amount of RMB14,700 thousand to Xiangtan. However, Xiangyuan disagreed with the court' s decision. Therefore, the Group filed an appeal on November 13, 2019. However, the 2nd-instance court made the final decision to uphold the 1st-instance ruling on January 16, 2020. Furthermore, Xiangtan filed an appeal with the court to freeze the property of Xiangyuan, which was approved by the court. After a thorough investigation by the court, it was found that Xiangyuan has enough property to pay for the security deposit, and the Group has collected the enforced payment of $1,952 thousand (RMB448 thousand). The Group considered that the department store industry had been seriously affected by COVID-19 recently and the future development of this region would be highly uncertain. As of June 30, 2024, December 31, 2023 and June 30,2023, the Group recognized lease deposit of $64,890 thousand (RMB14,252 thousand), $61,793 thousand (RMB14,252 thousand) and $61,398 thousand (RMB14,252 thousand) as well as loss allowance of $64,890 thousand (RMB14,252 thousand), $61,793 thousand (RMB14,252 thousand) and $30,699 thousand (RMB7,126 thousand) based on conservatism.

(iii) In 2012, the Group paid a guarantee deposit of RMB124,000 thousand to Quanzhou Fengsheng Group for the purchase of the commercial real estate of the Fengsheng Junyuan Development Project at Fengze District, Quanzhou. After assessing the investment value of the project, the Board of Directors of the Group resolved during a meeting held in July 2015 to invest in Quanzhou Fengan Real Estate Development Co., Ltd. (Fengan), and expected to obtain 100% shareholding in the company at a contract price of RMB325,000 thousand. As of December 31, 2015, the Group has paid the amount of RMB200,000 thousand, which was recognized as prepayment for investments. The management of the Group evaluated the uncertainty over the investment and thus terminated the investment. Therefore, the original prepayment for investments of RMB200,000 thousand and other current financial assets of RMB124,000 thousand were reclassified as other receivables on June 30, 2016.

The Group reviewed the nature of other receivables and analyzed the current financial position of the transaction counterparty. In order to secure the aforementioned debt, the Group had acquired equity interests in Fengan to serve as collateral. At the same time, the debtor promised that other investment profits thereof should first be used to repay the debt. On December 31, 2016, the Group assessed that the aforementioned claims would not become doubtful debts. As it should took time for the debtor to complete relevant legal procedures for disposal of investments, the Group and the debtor renegotiated the repayment deadlines, which were changed to April 30, 2017, September 30, 2017, and December 31, 2017; the repayment should be 10%, 40% and 50% of the total amounts, respectively. Upon breach of the agreement, the aforementioned collateral would be transferred to the Group for debt repayment. As of December 31, 2017, the Group had recovered RMB162,000 thousand according to aforesaid agreement. On December 19, 2017, the Board of Directors of the Group resolved to modify the repayment agreement and extended the remaining repayment to June 30, 2018. Due to the delay in disposals of investment, the Fengsheng group still failed to make the repayment by the aforementioned date.

To ensure both the collection schedule of the aforementioned debt claims and the progress of development of Fengan’s land, pursuant to a board resolution made on August 12, 2019, the Group entered into a “Debt Confirmation and Repayment Plan Arrangement” with Damahua Investment Co., Ltd. (Damahua), Fengsheng and Fengan, whereby Damahua would grant a loan to Fengan for the development, construction, and sale of real estate on Fengan’s land, and the future proceeds from sales would surely be used to settle the aforementioned debt claims. As the development progress of Fengan’s property, the collection period would exceed 1 year; therefore, the debt claim was reclassified as other non-current receivable (recognized as other non-current financial assets). The Group assed that the aforementioned debt should have no impairment concern based on the evaluation report on the collateral.

The Board of Directors resolved to sign the “Agreement for protection and conditional transfer of debt claim” whereby the Group and Damahua were entitled to oversee the development and construction of Fengan’s property to ensure that the future sales proceeds would be used to settle the aforementioned debt claims. Damahua agreed that the credit transfer condition would be met under certain circumstances mentioned in transfer agreement (e.g., the construction could not resume as scheduled, judicial sale in a court, or enforced execution). The aforementioned "Agreement for protection and conditional transfer of debt claim" stated that the development project of the Fengan property must be resume by June 30, 2020. However, the progress of approval and the commencement of construction were delayed because of the COVID 19 pandemic, hence the Group agreed to extend the commencement date to December 31, 2020.

On December 31, 2020, the aforementioned "Agreement for protection and conditional transfer of debt claim" has been reached, whereby Damahua assumed the debt claim. On February 9, 2021, the Group agreed to modify the original repayment terms and timeline because of the impact of the COVID 19 pandemic and the real estate policy in Quanzhou, both of which were force majeure. The repayment schedule was as follows:

1) Damahua agreed to pay RMB30,000 thousand before February 9, 2021.

2) Damahua agreed to pay RMB51,000 thousand before December 31, 2021.

3) Damahua agreed to pay RMB81,000 thousand before June 30, 2022.

4) Under the premise of a written consent of the Group, Damahua was entitled to transfer the title of properties located on Citong road to the Group, as the repayment of debt.

However, due to the force majeure factors of COVID 19, which have seriously affected the society, various industries, as well as the businesses of Damahua, Damahua had to retain part of its working capital. Therefore, Damahua proposed to postpone the payment of the remaining payables the Group until June 30, 2023, for which an agreement was reached in August 2022. The repayment schedule was as follows:

1) Damahua agreed to repay RMB16,000 thousand before December 31, 2022.

2) Damahua agreed to repay RMB16,000 thousand before March 31, 2023.

3) Damahua agreed to repay RMB29,000 thousand before June 30, 2023.

4) If Damahua fails to pay all the amounts above before the expiration of the deferred payment period, Damahua shall unconditionally cooperate with the liquidation of Quanzhou Jitong Road Project, and the above-mentioned debt claim should be the senior debt repaid with the proceeds from disposal of the land.

The Group 's original receivables from Damahua were RMB 162,000 thousand. As of June 30, 2023, the total of RMB 101,000 thousand had been repaid, and the remaining RMB 61,000 thousand had not been repaid by Damahua as agreed. The Group's considers that the aforementioned claims arise from the undertaking of the Fengan's land parcel. Recently the Quanzhou government has agreed with the development and construction of the Fengan's property to be undertaken in a cooperative way with existing developers, which is implement by the government of Fengze District, and is coordinating to promote the resumption of the construction of Fengan's property. Considering the circumstance above and that the creditor's rights are generated by undertaking the Fengan's property, the Group plans to negotiate with Damahua on the proceeds from the subsequent development project to repay all claims.

Although the Group assessed that Damahua should be able to repay its debts after distribution o of the gains on disposal of Fengan's land, the China's economy has not returned to pre-epidemic level. Based on conservatism, the Group recognized allowances of 99,772 thousand (RMB 22,630 thousand) in June,2023. As of June 30,2024, December 31, 2023 and June 30,2023, loss allowances of $277,747 thousand(RMB 61,000 thousand), $264,491 thousand (RMB 61,000 thousand)and $262,799 thousand (RMB 61,000 thousand) were recognized, respectively.

(e) Inventories (Construction department)

	June 30, 2024	December 31, 2023	June 30, 2023
Land held for construction site	$ 519,760	519,010	518,796
Construction in progress	896,323	887,205	879,681
Buildings and land held for sale	41,931	41,931	41,931
Prepayment for land purchases and development expenses	300,274	300,274	298,960
	$ 1,758,288	**1,748,420**	**1,739,368**

The inventories of the Group had been pledged as collateral for bank borrowings; please refer to Note 8.

(f) Investments accounted for using equity method

The Group's investments accounted for using the equity method at the reporting date were as follows:

Investee	June 30, 2024	December 31, 2023	June 30, 2023
Jiawang Assets Development Co., Ltd.	$ 9,616	15,333	3,392
Da Yu Financial Holdings Limited	730,221	466,177	762,996
Nanjing Grand Ocean Dongfadao Catering Co., Ltd.	-	-	25,177
Sandmartin International Holdings Limited	-	-	-
Hainan Sanhe Licheng Business Service Co., Ltd.	-	-	-
Shanghai Zhuke Technology Co., Ltd.	-	-	-
	$ 739,837	**481,510**	**791,565**

(i) Aggregation of financial information—individually insignificant associates' equity

The Group's financial information for investments accounted for using the equity method that are individually insignificant were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amount of individually insignificant associates' equity	**$ 739,837**	**481,510**	**791,565**

	For the three months ended June 30		For the six months ended June 30	
Attributable to the Group:	2024	2023	2024	2023
Gain(Loss) from continuing operations	$ 23,433	(1,947)	30,639	(692)
Other comprehensive income	11,473	17,470	31,223	5,974
Total comprehensive income	**$ 34,906**	**15,523**	**61,862**	**5,282**

(ii) Nanjing Grand Ocean Dongfadao Catering Co., Ltd.

(1) On May 6, 2021, the Group signed 5 year investment agreement with Shanghai Dongfadao Catering Management Co., Ltd. (hereinafter referred to as "Shanghai Dongfadao") at the amount of RMB 7,000 thousand, and jointly established Nanjing Grand Ocean Dongfadao Catering Co., Ltd. (hereinafter referred as Nanjing Dongfadao), wherein the Group will acquire 49% of the entire equity. As of June 30, 2023, the Group has invested the amount of $30,157 thousand (RMB 7,000 thousand).

(2) The share repurchase agreement of the investment agreement

a) If Shanghai Dongfadao requires to be listed, the share repurchase can be negotiated with the Group and the equity of Nanjing Dongfadao can be repurchased via written consent.

b) If the deficit of Nanjing Dongfadao continues to accumulate for six months or has reached the amount of RMB 5,000 thousand, the Group has the right to notify Shanghai Dongfadao to repurchase its shares unconditionally, at a price deemed as the difference between the total investment amount of the Group and the profit distribution obtained in previous period.

(3) As Nanjing Dongfadao has been incurring losses for 6 consecutive months and has not distributed profits, the Group signed an agreement for equity repurchase and urban investment termination with Shanghai Dongfadao on June 28, 2023. The equity was repurchased at a total price of $30,157 thousand (RMB 7,000 thousand). On August 30, 2023, the Group completed equity transfer procedures and recognized gains of $5,113 thousand (RMB 1,156 thousand) on disposal of investment. According to the agreement, the Group collected the equity repurchasing price in installments. As of June 30,2024, and December 31, 2023 the uncollected amount were $14,024 thousand (RMB 3,080 thousand), and $17,516 thousand (RMB 4,040 thousand) for which other receivables of $8,742 thousand (RMB 1,920 thousand), $5,282 thousand (RMB1,160 thousand) and other non-current assets of $8,324 thousand (RMB 1,920 thousand), $9,192 thousand (RMB 2,120 thousand) were recognized.

(iii) In 2023, the Group signed a cash capital increase underwriting agreement with an affiliated company to subscribe for shares issued by it, Sandmartin International Holdings Ltd., pursuant to a resolution of the board of directors; the Group acted as the lead underwriter. The Group subscribed for a total of 375,438 thousand shares according to the shareholding ratio and the underwriting agreement. The subscription price was HK$0.12 per share, and the investment amount was $178,879 thousand, increasing shareholding from 28.98% to 42.11% and recognizing retaining earnings of $(75,059) thousand. The Group determined that it only had significant influence rather than substantive control over Sandmartin International Holdings Ltd. Please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2023

(iv) The Group's approved the resolution to participate in the cash capital increase of 331,660 thousand shares in Da Yu Financial Holdings Limited in accordance with the shareholding ratio by the board of directors on January 17,2024. The subscription price is HK$0.15 per share, with a total amount of $ 202,329 thousand. The relevant legal registration procedures have been completed.

(v) Guarantees

The Group did not provide any investments accounted for using the equity method as collateral for its loans.

(vi) The equity method of investments on uncensored

The share of profits and losses and other comprehensive profits and losses enjoyed by investment and merger companies using the equity method are calculated based on financial reports that have not been reviewed by accountants.

(g) Material non-controlling interests of subsidiaries

The material non-controlling interests of a subsidiary were as follows:

		Percentage of non-controlling interests		
Name of Subsidiary	**Main operation/place**	**June 30, 2024**	**December 31, 2023**	**June 30, 2023**
Grand Ocean Retail Group Ltd.	China/Cayman Islands	41.38%	41.38%	41.38%

The following information of the aforementioned subsidiary has been prepared in accordance with the IFRSs endorsed by the FSC. Intra group transactions were not eliminated in this information.

Collective financial information of Grand Ocean Retail Group Ltd.

	June 30, 2024	**December 31, 2023**	**June 30, 2023**
Current assets	$ 1,929,795	2,146,578	2,110,987
Non-current assets	22,451,469	22,089,824	22,079,376
Current liabilities	(6,233,039)	(6,194,471)	(5,460,391)
Non-current liabilities	(13,006,914)	(12,969,130)	(12,084,723)
Net assets	**$ 5,141,311**	**5,072,801**	**6,645,249**
Non-controlling interests	**$ 2,127,474**	**2,099,126**	**2,749,806**

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	For the three months ended June 30		For the six months ended June 30	
	2024	**2023**	**2024**	**2023**
Sales revenue	**$ 779,872**	**911,872**	**1,690,854**	**1,968,454**
Net income (loss)	$ (36,517)	(415,676)	(171,079)	(411,596)
Other comprehensive income	42,646	(249,539)	239,589	(198,403)
Comprehensive income	**$ 6,129**	**(665,215)**	**68,510**	**(609,999)**
Net income (loss), attributable to non-controlling interests	**$ (15,112)**	**(172,007)**	**(70,793)**	**(170,318)**
Comprehensive income , attributable to non-controlling interests	**$ 2,535**	**(275,266)**	**28,348**	**(252,417)**

	For the six months ended June 30	
	2024	**2023**
Net cash flows from operating activities	11,305	614,749
Net cash flows from investing activities	(56,603)	(790,838)
Net cash flows from financing activities	(129,410)	(336,943)
Effect of exchange rate changes	44,648	(23,922)
Net decrease in cash and cash equivalents	**$ (130,060)**	**(536,954)**

(h) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Transportation equipment	Vessels	Office equipment	Leasehold Improvement	Construction in progress	Total
Cost or deemed cost:								
Balance at January 1, 2024	$ 126,409	4,657,868	109,711	10,220,855	215,780	6,443,918	34,892	21,809,433
Additions	-	-	2,420	-	2,201	40,324	19,792	64,737
Reclassifications	-	-	-	-	482	1,684	(2,166)	-
Disposals and obsolescence	-	-	(56,837)	-	(976)	(1,215)	-	(59,028)
Effect of change in foreign exchange rates	-	229,702	3,567	579,105	10,740	324,401	2,259	1,149,774
Balance at June 30, 2024	**$ 126,409**	**4,887,570**	**58,861**	**10,799,960**	**228,227**	**6,809,112**	**54,777**	**22,964,916**
Balance at January 1, 2023	$ 126,409	4,734,064	167,493	10,212,724	252,795	6,986,518	65,803	22,545,806
Additions	-	-	3,652	4,779	8,016	8,806	127,562	152,815
Reclassifications	-	-	-	-	958	142,938	(143,896)	-
Disposals and obsolescence	-	-	(40,790)	-	(27,936)	(432,529)	-	(501,255)
Effect of change in foreign exchange rates	-	(105,522)	(2,915)	143,136	(5,079)	(150,122)	(1,065)	(121,567)
Balance at June 30, 2023	**$ 126,409**	**4,628,542**	**127,440**	**10,360,639**	**228,754**	**6,555,611**	**48,404**	**22,075,799**

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	Land	Buildings	Transportation equipment	Vessels	Office equipment	Leasehold Improvement	Construction in progress	Total
Depreciation and impairment loss:								
Balance at January 1, 2024	$ -	1,430,543	59,372	3,456,941	160,810	4,393,579	2,317	9,503,562
Depreciation	-	50,670	4,118	215,633	5,796	159,953	-	436,170
Disposals and obsolescence	-	-	(33,248)	-	(855)	(1,215)	-	(35,318)
Effect of change in foreign exchange rates	-	71,551	1,942	198,941	8,130	225,821	-	506,385
Balance at June 30, 2024	**$ -**	**1,552,764**	**32,184**	**3,871,515**	**173,881**	**4,778,138**	**2,317**	**10,410,799**
Balance at January 1, 2023	$ -	815,985	83,661	3,042,158	196,941	4,665,191	2,317	8,806,253
Depreciation	-	56,116	10,595	205,723	6,362	166,495	-	445,291
Disposals and obsolescence	-	-	(27,078)	-	(27,645)	(432,529)	-	(487,252)
Impairment losses	-	-	164	-	3,002	55,613	-	58,779
Effect of change in foreign exchange rates	-	(18,944)	(1,493)	46,523	(3,849)	(99,158)	-	(76,921)
Balance at June 30, 2023	**$ -**	**853,157**	**65,849**	**3,294,404**	**174,811**	**4,355,612**	**2,317**	**8,746,150**
Carrying amounts:								
Balance at January 1, 2024	**$ 126,409**	**3,227,325**	**50,339**	**6,763,914**	**54,970**	**2,050,339**	**32,575**	**12,305,871**
Balance at June 30, 2024	**$ 126,409**	**3,334,806**	**26,677**	**6,928,445**	**54,346**	**2,030,974**	**52,460**	**12,554,117**
Balance at January 1, 2023	**$ 126,409**	**3,918,079**	**83,832**	**7,170,566**	**55,854**	**2,321,327**	**63,486**	**13,739,553**
Balance at June 30, 2023	**$ 126,409**	**3,775,385**	**61,591**	**7,066,235**	**53,943**	**2,199,999**	**46,087**	**13,329,649**

(i) The Group’ s buildings and the material components thereof included main buildings, electrical power equipment, and air-conditioners, all of which are depreciated based on the estimated useful lives of 5 to 50 years, 5 to 20 years, and 5 to 20 years, respectively.

(ii) Wuhan Hanyang Grand Ocean Classic Commerce Limited, a subsidiary of the Group, due to continued operating losses, on August 31,2023, the board of directors decided to close operations and recognized the impairment losses of property, plant and equipment 58,779 thousand.

(iii) Chongqing Optics Valley Grand Ocean Commercial Development Ltd., a subsidiary of the Group, the board of directors approve to close the business on October 31,2022. And the impairment loss was recognized in January 2023. Hand over the scrapped related equipment with the owner to clear the site and delist the book cost and accumulated depreciation and depreciation of $460,207 thousand.

(iv) The property, plant and equipment of the Group had been pledged as collateral for bank borrowings. Please refer to Note 8 for further details.

(i) Right-of-use assets

The cost and depreciation of the land, building, machine and transportation equipment of the Group were as follows：

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	Land	Buildings	Machine and transportation equipment	Total
Cost :				
Balance at January 1, 2024	$ 3,272,698	12,136,586	77,456	15,486,740
Additions	-	15,582	-	15,582
Effect of change in foreign exchange rates	164,029	608,901	2,925	775,855
Balance at June 30, 2024	**$ 3,436,727**	**12,761,069**	**80,381**	**16,278,177**
Balance at January 1, 2023	$ 3,327,110	10,998,973	66,817	14,392,900
Additions(Note 7)	-	1,019,629	11,609	1,031,238
Decrease	-	(10,438)	-	(10,438)
Lease modifications	-	(1,049,272)	-	(1,049,272)
Effect of change in foreign exchange rates	(75,353)	(248,004)	(1,344)	(324,701)
Balance at June 30, 2023	**$ 3,251,757**	**10,710,888**	**77,082**	**14,039,727**
Depreciation :				
Balance at January 1, 2024	$ 598,651	3,347,341	38,908	3,984,900
Depreciation	45,871	499,331	6,210	551,412
Effect of change in foreign exchange rates	31,632	185,502	1,910	219,044
Balance at June 30, 2024	**$ 676,154**	**4,032,174**	**47,028**	**4,755,356**
Balance at January 1, 2023	$ 391,033	2,882,470	30,173	3,303,676
Depreciation	48,888	487,107	4,622	540,617
Decrease	-	(10,438)	-	(10,438)
Lease modifications	-	(420,912)	-	(420,912)
Effect of change in foreign exchange rates	(9,971)	(66,425)	(746)	(77,142)
Balance at June 30, 2023	**$ 429,950**	**2,871,802**	**34,049**	**3,335,801**
Carrying amounts: :				
Balance at January 1, 2024	**$ 2,674,047**	**8,789,245**	**38,548**	**11,501,840**
Balance at June 30, 2024	**$ 2,760,573**	**8,728,895**	**33,353**	**11,522,821**
Balance at January 1, 2023	**$ 2,936,077**	**8,116,503**	**36,644**	**11,089,224**
Balance at June 30, 2023	**$ 2,821,807**	**7,839,086**	**43,033**	**10,703,926**

Wuhan Hanyang Grand Ocean Classic Commerce Limited, a subsidiary of the Group, due to continued operating losses, on August 31,2023, the board of directors decided to close operations. Please refer to Note 6 (v) for the lease modification benefits arising from the shortening of the lease term due to the closure of business operations.

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(j) Intangible assets

The costs, amortization, and impairment loss of intangible assets were as follows:

		Goodwill	Trademark	License Plate	Other	Total
Cost：						
Balance at January 1, 2024	$	1,449,468	430,434	101,428	44,402	2,025,732
Additions		-	-	-	138	138
Disposal and derecognition		-	-	(11,500)	-	(11,500)
Effect of change in foreign exchange rates		72,648	24,388	4,675	2,231	103,942
Balance at June 30, 2024	**$**	**1,522,116**	**454,822**	**94,603**	**46,771**	**2,118,312**
Balance at January 1, 2023	$	1,473,567	430,294	142,049	43,797	2,089,707
Additions		-	-	-	1,163	1,163
Disposal and derecognition		-	-	(38,942)	-	(38,942)
Effect of change in foreign exchange rates		(33,374)	6,027	(2,328)	(1,017)	(30,692)
Balance at June 30, 2023	**$**	**1,440,193**	**436,321**	**100,779**	**43,943**	**2,021,236**
Depreciation：						
Balance at January 1, 2024	$	-	301,928	5,078	27,608	334,614
Amortization		-	-	-	1,696	1,696
Effect of change in foreign exchange rates		-	17,106	254	1,445	18,805
Balance at June 30, 2024	**$**	**-**	**319,034**	**5,332**	**30,749**	**355,115**
Balance at January 1, 2023	$	-	-	5,162	23,444	28,606
Amortization		-	-	-	2,214	2,214
Impairment losses		-	-	-	251	251
Effect of change in foreign exchange rates		-	-	(117)	(587)	(704)
Balance at June 30, 2023	**$**	**-**	**-**	**5,045**	**25,322**	**30,367**
Carrying amounts:：						
Balance at January 1, 2024	**$**	**1,449,468**	**128,506**	**96,350**	**16,794**	**1,691,118**
Balance at June 30, 2024	**$**	**1,522,116**	**135,788**	**89,271**	**16,022**	**1,763,197**
Balance at January 1, 2023	**$**	**1,473,567**	**430,294**	**136,887**	**20,353**	**2,061,101**
Balance at June 30, 2023	**$**	**1,440,193**	**436,321**	**95,734**	**18,621**	**1,990,869**

(i) Impairment testing

	June 30,2024			December 31,2023		June 30,2023	
Goodwill		**Carrying amount**	**Recoverable amount**	**Carrying amount**	**Recoverable amount**	**Carrying amount**	**Recoverable amount**
Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	$	107,813	633,010	102,667	624,745	102,010	731,620
Wuhan Grand Ocean Classic Commercial Development Ltd.(Note)		199,134	1,354,593	189,630	1,142,617	188,417	284,300
Fuzhou Grand Ocean Commerce Ltd.		1,215,169	1,337,143	1,157,171	1,246,950	1,149,766	1,425,942
	$	**1,522,116**	**3,324,746**	**1,449,468**	**3,014,312**	**1,440,193**	**2,441,862**
Trademark							
Grand Ocean Classic Commercial Group Co.,Ltd.	**$**	**135,788**	**158,373**	**128,506**	**128,506**	**436,321**	**513,127**

Note: On June 30,2024 and December 31,2023, the recoverable amount, including a new store opened on September 1, 2023, was calculated as fair value of the owner occupied building less costs of disposal.

The recoverable amount of a CGU is the higher of the fair value less costs of disposal and the value in use. If an asset's recoverable amount is higher than its carrying amount, the Group assumes that there is no concern about impairment loss. The recoverable amount of a CGU as of June 30,2024 , December 31, 2023 and June 30,2023 was estimated at its value in use, except Fuzhou Grand Ocean Commerce Limited, whose recoverable amount was its fair value, less costs of disposal.

The fair value of Fuzhou Grand Ocean Classic Commercial Ltd as of June 30, 2024, December 31,2023 and June 30, 2023 were estimated based on the transaction market price in nearby areas and the income method. Based on the evaluation of an independent evaluator (who has relevant recognized professional qualifications and has recent relevant experience in the location and type of property, plant and equipment being evaluated). The input values used in its fair value evaluation technology belong to the third level, and the fair value evaluation is based on market value. The key assumptions are as follows:

(1) Capitalization rate is 6% ~7%

(2) The annual rental growth rate is 2% ~ 4%

(3) The remaining term is 12.4 years ~ 38 years

(4) When measuring the fair value of property, plant and equipment, it will be adjusted based on transaction status, transaction date, entity conditions.

The recoverable amount of the CGUs of Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd., Wuhan Grand Ocean Classic Commercial Department Limited and Grand Ocean Classic Commercial Group Co., Ltd., as of June 30,2024 , December 31, 2023 and June 30,2023, were estimated at their values in use. The key assumptions used in estimating value in use are as follows:

	June 30,2024	Deceber 31,2023	June 30,2023
Discount rate	10%	10%	10%
Growth rate	1%~10%	1%~10%	-2%~8%

1) The discount rate was a pre tax measure based on the rate of 20 year government bonds issued by China, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

2) Estimates of future cash flows are based on past experience, actual operating results and expiry date future lease agreement.

3) The operating income forecast measures the average growth over the past 5 years. Projected based on data of comparable companies, selling prices over the next 5 years would grow at a fixed rate slightly higher than the expected inflation rate.

4) Under the business scheme, operating costs and expenses were estimated based on both past experiences and factors causing movements in each cost and expense.

Taking into account the external and internal historical information, these key assumptions represented management's assessment of future trend of the retail industry.

(ii) Wuhan Hanyang Grand Ocean Classic Commerce Limited, a subsidiary of the Group, due to continued operating losses, on August 31,2023, the board of directors decided to close operations and recognized the impairment losses on intangible assets of 251 thousand.

(iii) Impairment testing of license plates
The Group's assessment of the recoverable amount of the license plate cash-generating unit and the key assumptions used have not changed significantly from those disclosed in the 2023 consolidated financial report. Please refer to Note 6(k) of the Consolidated Financial Report in 2023.

(k) Other financial assets－current and non-current

		June 30, 2024	December 31, 2023	June 30, 2023
Other financial assets－current				
Lease deposits	$	291	303	28,325
Restricted deposits		481,172	457,848	95,036
Debt claims－vehicle purchases		36,426	34,687	34,465
Prepaid deposit for extended portion of lease		-	65,039	64,623
Others		3,542	3,264	2,600
Less: Loss allowance		(36,426)	(34,687)	(34,465)
	$	**485,005**	**526,454**	**190,584**
Other financial assets－non-current				
Lease deposits	$	201,556	191,935	173,478
Prepaid deposit for cooperation agreements		7,589	7,499	7,722
Restricted deposits		558,611	523,457	515,118
Litigation security (Note 9(b))		80,397	76,086	-
Prepaid deposit for extended portion of lease		68,299	-	-
Others		14,293	19,907	20,058
	$	**930,745**	**818,884**	**716,376**

(i) The lease deposit is mainly for lease of malls; the deposit for expansion of leased area was paid by a subsidiary, Yichang Grand Ocean Commerce Limited, to expand the leased area. The deposit will be used to offset the rentals after the contract is signed.

(ii) In November 2020, the Group acquired the right to purchase the 765 Zotye vehicles of Shanghai Zhuke Technology Co., Ltd. (hereinafter referred to as “Shanghai Zhuke”) at the price of RMB 8,000 thousand. Thereafter, Shanghai Zhuke would unconditionally transfer the vehicles to the Group after 3 years. However, Zotye International Automobile Trading Co., Ltd. entered into bankruptcy and was liquidated in December 2020, which prompted Shanghai Zhuke to make a proposal for disposal of vehicles in advance. On August 19, 2021, the Group approved the proposal and reached a supplemental agreement with Shanghai Zhuke, which agreed to pay the amount at a fair value of RMB11,000 thousand upon expiry of the period in use (March 2023). As of June 30, 2024, the amount has not been recovered. For the year ended December 31, 2022, due to the significant increase in the credit risk of Shanghai Zhuke, the Group evaluated the credit risk on an individual basis and recognized all the amount in loss allowance for expected credit loss in 2022. As of June 30, 2024, the aforementioned amount had not been recovered.

(iii) For further credit risk information, please refers to Note 6(w).

(l) Short-term borrowings

		June 30, 2024	December 31, 2023	June 30, 2023
Unsecured bank loans	$	1,217,163	1,143,101	1,228,812
Secured bank loans		3,167,211	2,514,092	2,304,341
Total	**$**	**4,384,374**	**3,657,193**	**3,533,153**
Unused credit lines	**$**	**730,547**	**1,482,815**	**1,559,375**
Range of interest rates		**2.18%~7.87%**	**2.17%~8.09%**	**2.17%~7.80%**

For the collateral of short-term borrowings, please refer to Note 8.

(m) Long-term borrowings

The list, terms and conditions of long-term borrowings of the Group were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Unsecured bank loans	$ 208,708	526,196	787,240
Secured bank loans	4,049,020	4,255,225	4,661,950
Secured commercial promissory note	249,952	249,903	249,860
Other secured loans	3,164	7,472	20,622
Less: current portion	(2,267,128)	(1,018,680)	(1,029,274)
Total	**$ 2,243,716**	**4,020,116**	**4,690,398**
Unused credit lines	**$ 480,098**	**420,441**	**430,981**
Range of interest rates	**1.74%~15.60%**	**1.31%~15.60%**	**1.38%~15.60%**

(i) For the collateral of long-term borrowings, please refer to Note 8

(ii) Significant loan contract agreement

The Group signed a syndicated loan agreement with 6 banks (including Chang Hwa Commercial Bank, Ltd.). and obtained a credit line of $2,000,000 thousand. According to the agreement, the Group should maintain the following financial ratios and regulations, and the semi-annual inspection started from the second quarter of 2021:

1) Current ratio [current assets/(current liabilities - current portion of the long term borrowings current lease liabilities)]: should not be lower than 80%;

2) Debt ratio [(total liabilities - lease liabilities) / total equity]: should not exceed 150%;

3) Interest coverage multiple [(profit before tax + interest expense + depreciation + amortization) /interest expense]: should be maintained at 3 or above;

4) Net tangible assets [(total equity - intangible assets)]: should be maintained at NTD 9 billion or above.

(iii) Breach of a loan contract

The financial ratio of the Group as of December 31, 2023, was in breach of the above-mentioned financial ratio limit. In addition to the additional 0.05% interest rate as agreed in the contract, the Group should immediately propose specific improvement measures to the management bank. If the Group completed improvement before the next examination date of the financial ratio, it shall not be deemed to be in breach of the terms of this commitment clause.

The Group intended to communicate with the lending bank to reduce the financial ratio or waive the review thereof for a certain period. The Group issued the statement to the management bank on April 19,2024 and continued to communicate with the management bank which the major reason was the financial ratio.

The Group still violated the agreed financial ratios on June 30, 2024, and has transferred the remaining loan amount of 1,474,952 thousand to long-term loans due within one year.

The Group is communicating with bank to apply for exemption from the aforementioned financial ratios in accordance with the provisions of the credit contract or to respond by reorganizing a joint credit loan.

(n) Accounts payable and other payables

	June 30, 2024	December 31, 2023	June 30, 2023
Accounts payable			
Payments for goods purchased for direct sales	$ 48,970	61,097	51,719
Payments for goods purchased for concessionaire sales	761,776	1,140,001	927,094
Others	70,831	70,931	25,493
Total	**$ 881,577**	**1,272,029**	**1,004,306**
Other payables			
Wages and salaries payable	108,470	177,234	118,145
Construction contract prices payable	111,187	95,435	92,994
Compensation payable for store shutdown or matters	1,534	45,259	476,609
Litigation damages payable	449,821	397,582	11,848
Tax fee	34,576	42,327	33,683
Vessel repair at docks	-	28,089	-
Collect car sales on behalf of others	34,300	-	-
Others	429,876	447,021	445,152
Total	**$ 1,169,764**	**1,232,947**	**1,178,431**

(o) Lease liabilities

The information of lease liabilities of the Group were as follows：

	June 30, 2024	December 31, 2023	June 30, 2023
Current	$ 816,229	838,426	708,229
Non-current	9,547,467	9,431,523	8,435,103
	$ 10,363,696	**10,269,949**	**9,143,332**

For the maturity analysis, please refer to Note 6(w).

The amounts recognized in profit or loss as follows:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Interest expense of lease liabilities	$ 113,912	119,786	231,717	246,494
Variable leases payments not included in the measurement of lease liabilities	$ -	142	-	318
Expenses relating to short-term leases	$ 234	303	525	636
Expenses relating to leases of low value (excluding short term leases of low value assets)	$ 180	495	295	1,002
Rent concessions related to COVID-19 (deductible operating expenses)	$ -	4	-	(708)

The amounts recognized in the statement of cash flows for the Group was as follows:

	For the six months ended June 30	
	2024	2023
Total cash outflow for leases	$ 560,835	794,975

(i) Real estate leases

The Group leases land use rights, buildings and structures as office premises, staff dormitories and department stores for business. The lease terms of office premises, staff dormitories and department stores are usually 3 to 5 years, 1 to 3 years, and 10 to 20 years, respectively. Some leases include an option to extend the lease period at the end of the lease term.

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Group makes at the leased store in the period.

(ii) Other lease

The Group leases transportation and machinery equipment, with lease terms of 5 to 10 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases part of the office and machinery equipment with contract terms of one years. These leases are short term. The Group has elected not to recognize right of use assets and lease liabilities for these leases.

(p) Operating lease

1. Leases as lessor

The Group leases its bulk carriers and transportation equipment and these contracts was classified as operating leases, because it has not substantially transferred all of the risks and rewards affiliated to the ownership of the assets. For more information please refer to Note 6 (h). In addition, please refer to Note 6(c) for the information about the rental business in finance leases of transportation equipment.

The maturity analysis of the lease payments is reported in the following table for the total amount of undiscounted lease payments to be received in the future：

1) Bulk carriers

	June 30, 2024	December 31, 2023	June 30, 2023
Less than one year	$ 1,137,916	1,242,938	861,594
Between one and two years	269,048	577,406	305,650
Between two and three years	-	17,191	102,349
Total undiscounted lease payments	**$ 1,406,964**	**1,837,535**	**1,269,593**

2) Transportation equipment

	June 30, 2024	December 31, 2023	June 30, 2023
Less than one year	$ 9,977	14,568	47,736
Between one and two years	2,941	5,177	7,100
Between two and three years	1,910	1,531	796
Between three and four years	1,668	833	-
Total undiscounted lease payments	**$ 16,496**	**22,109**	**55,632**

The direct expenses including repairs and maintenance arising from bulk carriers were as follows：

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Operating costs	$ 12,344	12,873	$ 28,521	25,615

(q) Income Tax

(i) The components of income tax were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Current tax expense				
Current period	$ 6,890	16,966	33,207	51,106
Adjustment for prior periods	-	4,383	-	4,383
	6,890	21,349	33,207	55,489
Deferred tax expense				
Origination and reversal of temporary differences	(12,083)	146,702	(17,224)	115,175
	$ (5,193)	**168,051**	**15,983**	**170,664**

(ii) Deferred tax assets and liabilities

1) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities were as follows:

Deferred tax assets:

	Loss deduction	Leases expenses and others	Total
Balance at January 1, 2024	$ 72,967	2,709,462	2,782,429
Recognized in profit or loss	(1,246)	(103,321)	(104,567)
Foreign currency translation differences for foreign operations	2,646	132,134	134,780
Balance at June 30, 2024	**$ 74,367**	**2,738,275**	**2,812,642**
Balance at January 1, 2023	$ 141,151	2,663,664	2,804,815
Recognized in profit or loss	(27,548)	(158,644)	(186,192)
Foreign currency translation differences for foreign operations	(2,131)	(56,706)	(58,837)
Balance at June 30, 2023	**$ 111,472**	**2,448,314**	**2,559,786**

Deferred tax liabilities:

	Estimated share of subsidiaries' earnings	Leases expenses	Total
Balance at January 1, 2024	$ 25,266	2,202,109	2,227,375
Recognized in profit or loss	-	(121,791)	(121,791)
Foreign currency translation differences for foreign operations	929	106,049	106,978
Balance at June 30, 2024	**$ 26,195**	**2,186,367**	**2,212,562**
Balance at January 1, 2023	65,171	2,035,972	2,101,143
Recognized in profit or loss	(39,714)	(31,303)	(71,017)
Foreign currency translation differences for foreign operations	33	(45,397)	(45,364)
Balance at June 30, 2023	**$ 25,490**	**$ 1,959,272**	**$ 1,984,762**

(iii) Examination and Approval

1) The tax returns the Company and other domestic subsidiaries for the years up to 2022 have been examined and approved by the tax authorities.
2) For the years up to 2023, tax returns of subsidiaries in Mainland China have been examined and approved by the local tax authority.

(r) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the six months ended June 30, 2024, and 2023. For the related information, please refer to Note 6(s) of the consolidated financial statements for the year ended December 31, 2023.

(i) Capital surplus

The components of the capital surplus were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Share capital	$ 352,570	352,570	352,570
Stock option from convertible corporate bonds	-	851,231	851,231
Forfeited share options	-	13,838	13,838
Treasury share transactions	-	21,476	21,476
Difference arising from subsidiary's share price and its carrying value	480,480	617,046	617,046
Changes in a parent's ownership interest in a subsidiary	-	72,728	72,728
Donation from shareholders	3,332	3,332	3,332
	$ 836,382	**1,932,221**	**1,932,221**

The Company was pursuant to the resolutions reached in shareholder meetings held on June 18, 2024 for making up losses from capital reserves of $1,095,838 thousand.

(ii) Retained earnings

The Company’s article of incorporation stipulates that Company's profit after tax for the period, if any, should first be used to offset accumulated losses, after which 10% should be appropriated as legal reserve, unless the amount of legal reserve has reached that of Company's paid-in capital. In addition, special reserve shall be appropriated or reversed according to related laws and regulations. The remaining portion, together with any unappropriated retained earnings at the beginning of the period, shall be distributed according to the Board’ s proposal and submitted to a shareholders’ meeting for approval.

The dividend policy of the Company shall take into account the actual operating conditions of the current year, future investment development, funding needs, financial structure, and take into account the interests of shareholders. Distributable surplus may be distributed in the form of shares or cash, unless it is reserved at the discretion. However, cash dividends shall not be less than 10% of the total dividends. If the cash dividends to be distributed per share are less than $0.5, they shouldn’t be distributed unless otherwise resolved by the shareholders' meeting.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

The Company was pursuant to the resolutions reached in shareholder meetings held on June 18, 2024 for making up losses from legal reserves of $8,289 thousand.

2) Special reserve

The Company elected to apply the exemption under IFRS 1 “First-time Adoption of International Financial Reporting Standards” upon initial adoption of IFRS. Accumulated translation adjustments recognized in shareholders’ equity increased retained earnings, except that the retained earnings arising from first-time adoption of

IFRS endorsed by the FSC on the transition date experienced net decrease; the Company was not required to appropriate the same amount of special reserve according to the regulations stipulated by the FSC.

As stipulated by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. If the Company has already reclassified a portion of earnings as special reserve as mentioned in the preceding subparagraph, the Company shall make supplemental allocation of special reserve, in the amount of the difference between the amount it has already allocated and the amount of the current period total net reduction of other shareholders' equity from undistributed current-period and prior-period earnings, including the after tax net profit for the period, plus items other than after tax net profit for the period. (When the Company distributed its 2021 earnings in 2020, a portion of its current period profits and undistributed prior period earnings shall be reclassified as special reserve. When the Company distributed its 2022 earnings in 2021, the after tax net profit for the period, plus items other than the after tax net profit for the period, shall be included in the amount of undistributed current period and prior period earnings for appropriation as special reserve.) A portion of undistributed prior period earnings shall be reclassified as special reserve (and shall not qualify for earnings distribution) to account for cumulative changes to net reduction in other shareholders' equity for prior periods. Amounts of subsequent reversals pertaining to the net reduction in other shareholders' equity shall qualify for additional distributions.

A resolution was passed during the shareholders' meeting on June 18,2024 and June 16, 2023 to making up losses from special reserve of $303,885 thousand and to reverse of special reserve of $329,945 thousand.

3) Earnings distribution

A resolutions was passed by the shareholders' meeting on June 18, 2024, and June 16, 2023, respectively, decided not to distribute the income for 2023 and 2022.

(iii) Treasury stock

1) In 2020, in accordance with the requirements under section 28(2) of the Securities and Exchange Act, the Company repurchased 10,000 thousand shares as treasury shares in order to transfer the shares to employees.

In accordance with the Securities and Exchange Act requirements as stated above, the number of shares repurchased should not exceed 10% of total issued shares. Also the value of the repurchased shares should not exceed the sum of the Company's retained earnings, share premium, and realized reserves.

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company should not be pledged, and do not hold any shareholder rights before their transfer.

On March 16, 2023, the Company's board of directors approved to cancel all treasury shares, which were 10,000 thousand shares, so as to reduce share capital by $100,000 thousand and record capital surplus of $5,509 thousand. The record date of capital reduction is March 17, 2023, and all the statutory procedures have been completed.

2) The movement in treasury shares of subsidiaries was as follows:

(In thousands of shares)

	For the six months ended June 30		
	2024		2023
Outstanding at January 1	$	7,709	8,682
Quantity sold in this period		-	(973)
Outstanding at June 30	**$**	**7,709**	**7,709**

The prepayments from transferring treasury shares for employees to subscribe were recognized as prepaid payroll. As of June 30, 2024, December 31, 2023, and June 30, 2023, the prepayments amounting to $129,086 thousand, $122,915 thousand and $122,161 thousand, respectively (reported as other current assets). Considering the changes in the economic environment and the impact of the COVID-19, a resolution adopted was decided at the board of directors held on August 31, 2022, to defer the repayments of prepaid payroll to 2025.

(iv) Other equity interests (after tax)

		Exchange differences on translation of foreign financial statements	Non-controlling Interest	Total
Balance at January 1, 2024	$	(354,024)	2,216,527	1,862,503
Loss of non-controlling interests		-	(81,077)	(81,077)
Share of exchange differences on equity accounted associates		31,223	-	31,223
Exchange differences on translation of foreign financial statements		479,704	99,141	578,845
Balance at June 30, 2024	**$**	**156,903**	**2,234,591**	**2,391,494**
Balance at January 1, 2023	$	(303,885)	3,120,179	2,816,294
Loss of non-controlling interests		-	(181,864)	(181,864)
Share of exchange differences on equity accounted associates		5,974	-	5,974
Exchange differences on translation of foreign financial statements		(29,209)	(82,099)	(111,308)
Balance at June 30, 2023	**$**	**(327,120)**	**2,856,216**	**2,529,096**

(s)Earnings per share

The Group's earnings per share were calculated as follows:

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Basic earnings (loss) per share				
(Loss)Profit attributable to ordinary shareholders of the Company	$ **(6,549)**	**(226,755)**	**(63,927)**	**(164,579)**
Issued ordinary shares at January 1	824,776	824,776	824,776	834,776
Effect of treasury stock	-	-	-	(10,000)
Weighted average number of ordinary shares at March 31	824,776	824,776	824,776	824,776
Earnings per share (dollars)	$ **(0.01)**	**(0.27)**	**(0.08)**	**(0.20)**
Diluted earnings per share				
(Loss)Profit attributable to ordinary shareholders of the Company (diluted)	$ **(6,549)**	**(226,755)**	**(63,927)**	**(164,579)**
Weighted average number of ordinary shares at March 31	824,776	824,776	824,776	824,776
Effect of dilutive potential ordinary shares (basic)				
Effect of employee share compensation	(Note)	(Note)	(Note)	(Note)
Weighted average number of ordinary shares (diluted) at March 31	824,776	824,776	824,776	824,776
Earnings per share (dollars)	$ **(0.01)**	**(0.27)**	**(0.08)**	**(0.20)**

Note: Anti-dilutive effect on earnings per share was not calculated

(t) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended June 30, 2024

	Marine Transportation department	Investing department	Department Store department	Rental department	Construction department	Total
Primary geographical markets						
Taiwan	$ -	1,742	-	-	-	1,742
China	-	-	779,872	8,878	-	788,750
Other	405,906	-	-	-	-	405,906
	$ **405,906**	**1,742**	**779,872**	**8,878**	**-**	**1,196,398**

For the three months ended June 30, 2024

	Marine Transportation department	Investing department	Department Store department	Rental department	Construction department	Total
Major products/services lines						
Commissions revenue (Retail revenue-concessionaire sales)	$ -	-	184,141	-	-	184,141
Sales of merchandise (Retail revenue-direct sales)	-	-	125,667	-	-	125,667
Lease revenue (Note)	-	1,742	258,475	4,500	-	264,717
Marine transportation revenue (Note)	405,906	-	-	-	-	405,906
Financial lease interest income (Note)	-	-	-	3,914	-	3,914
Service revenue and others	-	-	211,589	464	-	212,053
	$ **405,906**	**1,742**	**779,872**	**8,878**	**-**	**1,196,398**

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the three months ended June 30, 2023

	Marine Transportation department	Investing department	Department Store department	Rental department	Construction department	Total
Primary geographical markets						
Taiwan	$ -	1,722	-	-	-	1,722
China	-	-	911,872	13,006	-	924,878
Other	404,380	-	-	-	-	404,380
	$ 404,380	**1,722**	**911,872**	**13,006**	**-**	**1,330,980**
Major products/services lines						
Commissions revenue (Retail revenue-concessionaire sales)	$ -	-	271,670	-	-	271,670
Sales of merchandise (Retail revenue-direct sales)	-	-	179,011	-	-	179,011
Lease revenue (Note)	-	1,722	237,194	9,665	-	248,581
Marine transportation revenue (Note)	404,380	-	-	-	-	404,380
Financial lease interest income (Note)	-	-	-	3,213	-	3,213
Service revenue and others	-	-	223,997	128	-	224,125
	$ 404,380	**1,722**	**911,872**	**13,006**	**-**	**1,330,980**

For the six months ended June 30, 2024

	Marine Transportation department	Investing department	Department Store department	Rental department	Construction department	Total
Primary geographical markets						
Taiwan	$ -	3,480	-	-	-	3,480
China	-	-	1,690,854	16,153	-	1,707,007
Other	779,248	-	-	-	-	779,248
	$ 779,248	**3,480**	**1,690,854**	**16,153**	**-**	**2,489,735**
Major products/services lines						
Commissions revenue (Retail revenue-concessionaire sales)	$ -	-	453,366	-	-	453,366
Sales of merchandise (Retail revenue-direct sales)	-	-	293,065	-	-	293,065
Lease revenue (Note)	-	3,480	532,281	9,906	-	545,667
Marine transportation revenue (Note)	779,248	-	-	-	-	779,248
Financial lease interest income (Note)	-	-	-	4,007	-	4,007
Service revenue and others	-	-	412,142	2,240	-	414,382
	$ 779,248	**3,480**	**1,690,854**	**16,153**	**-**	**2,489,735**

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

	For the six months ended June 30, 2023						
		Marine Transportation department	Investing department	Department Store department	Rental department	Construction department	Total
Primary geographical markets							
Taiwan	$	-	3,443	-	-	-	3,443
China		-	-	1,968,454	28,494	-	1,996,948
Other		857,703	-	-	-	-	857,703
	$	**857,703**	**3,443**	**1,968,454**	**28,494**	**-**	**2,858,094**
Major products/services lines							
Commissions revenue (Retail revenue-concessionaire sales)	$	-	-	657,616	-	-	657,616
Sales of merchandise (Retail revenue-direct sales)		-	-	398,891	-	-	398,891
Lease revenue (Note)		-	3,443	487,597	22,109	-	513,149
Marine transportation revenue (Note)		857,703	-	-	-	-	857,703
Financial lease interest income (Note)		-	-	-	5,279	-	5,279
Service revenue and others		-	-	424,350	1,106	-	425,456
	$	**857,703**	**3,443**	**1,968,454**	**28,494**	**-**	**2,858,094**

Note: The lease revenue and financial lease interest income of the Group are under IFRS 16.

(u) Employee compensation and directors' remuneration

In accordance with the Articles of Incorporation, the Company should contribute no less than 1% of the profit as employee remuneration and no more than 3% as director remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Employee compensation could be distributed by cash or shares. The recipients of shares and cash may include the employees of the Company's affiliated companies under certain conditions approved by the board of directors. Directors' remuneration should only be distributed in the form of cash. During 2023, the Company incurred net losses before tax, and thus, it was not required to appropriate any employee bonuses or director remuneration.

From January 1 to June 30, 2024, the Company incurred net losses before tax, and thus, it was not required to appropriate any employee bonuses or director remuneration.

The employee compensation and the directors' remuneration from April 1 to June 30,2023 and January 1 to June 30,2023 the estimated amounts of employee compensation at ($622) thousand and the directors' remuneration at zero. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Articles of Incorporation. These remunerations were expensed under operating costs or operating expenses for each period. The difference between the actual amounts and the estimation of employee compensation will be treated as changes in accounting estimates and adjusted in profit or loss in the following year.

During 2023, the Company incurred net losses before tax, and thus, it was not required to appropriate any employee bonuses or director remuneration.

For 2022, the Company estimated employee remuneration at $13 thousand and remuneration for directors at zero, respectively. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions. Related information would be available at the Market Observation Post System.

(v) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Interest income from bank deposits	$ 15,338	16,433	27,465	28,699
Loans interest income	140	967	399	1,947
Open-end fund	250	236	491	490
Interest income from corporate bonds	837	115	2,243	115
Dividend of special stock	-	-	1,846	-
Other	330	(1,001)	401	(977)
	$ 16,895	16,750	32,845	30,274

(ii) Other income

The details of other income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Subsidy income	$ 376	310	764	13,042

(iii) Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Loss on disposal of property, plant and equipment	$ (3,850)	915	(3,965)	(395)
Gain (loss) on disposal of intangible asset	(197)	2,499	(954)	3,171
Foreign exchange gains	(9,782)	(25,405)	(7,238)	(21,000)
Valuation gains on financial assets/liabilities at FVTPL	2,045	7,007	13,352	17,155
Impairment losses on property, plant and equipment	-	(58,779)	-	(58,779)
Impairment losses on intangible assets	-	(251)	-	(251)
Reverse to gain (loss) on compensation for store shutdown	46,412	(348,745)	46,412	(348,745)
Reverse to gain (loss) on compensation losses on litigations	62,005	(11,154)	62,005	(11,154)
Gains on lease modifications	-	493,615	-	493,615
Revenue reclassified from overdue payments	7,707	2,338	13,879	7,211
Miscellaneous revenue (including credit card transaction fees, etc.)	9,251	22,425	15,725	48,118
	$ 113,591	84,465	139,216	128,946

(iv) Finance costs

The details of finance costs were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Interest expense on bank loans	$ 99,158	113,215	208,151	208,828
Interest on lease liabilities	113,912	119,786	231,717	246,494
Other financial expense	3,121	5,897	6,817	8,476
	$ 216,191	**238,898**	**446,685**	**463,798**

For the three months and six months ended June 30,2024 and 2023, the interest expense of the rental business department amounting to the interest related to leases amounting to $ 1,510 thousand, $2,397 thousand, $4,638 thousand, and $ 5,858 thousand respectively, and were recognized as interest expense under operating cost.

(w) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to Note 6(x) of the consolidated financial statements for the year ended December 31, 2023.

(i) Credit risk

1) Credit risk exposure

As of June 30, 2024, December 31, 2023, and June 30, 2023, the Group's exposure to the maximum credit risk were from providing financial guarantees or failing to execute obligations by counterparty. The maximum credit risk exposure was as follows:

• The carrying amount of financial assets recognized in the balance sheet；and

• The Group provided financial guarantees and commitments to purchase default debt claims, and the details were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Commitments to purchase default debt claims	$ -	33,441	52,259

The movement in the financial guarantee liability for financial guarantee were as follows:

	For the six months ended June 30	
	2024	**2023**
Balance at January 1	$ 31,982	12,014
Impairment losses reversed	(4,799)	(3,911)
Reclassification(Note9(a))	(27,634)	-
Effect of foreign exchange rate	451	(183)
Balance at June 30 (reported asother current liabilities)	**$ -**	**7,920**

2) Receivables of credit risk

Receivables of credit risk for credit risk exposure of notes and accounts receivables, please refer to Note 6(c). Other financial assets at amortized cost included other receivables, other financial assets, investments in preferred shares.; please refer to Notes 6(d), (k), 7 and 13 for details.

For the period, the loss allowances for the above-mentioned financial assets were measured based on the amounts of 12-months ECLs or lifetime ECL measurement.

The movement in the allowance for impairment for other receivables and other financial assets for the three months ended June 30, 2024, and 2023 were as follows:

	For the six months ended June 30	
	2024	**2023**
Balance at January 1	$ 397,951	323,086
Impairment losses reversed	(14,651)	65,142
Effect of foreign exchange rate	19,341	(8,766)
Balance at June 30	**$ 402,641**	**379,462**

(ii) Liquidity risks

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	1 years	1 to 5 years	Over 5 years
June 30, 2024					
Non derivative financial liabilities					
Non-interest bearing liabilities	$ 2,648,557	2,648,557	2,052,550	137	595,870
Floating rate instrument	6,215,821	6,771,423	4,260,801	1,796,902	713,720
Fixed rate instruments	2,679,397	2,776,631	2,659,874	116,757	-
Leases liabilities	10,363,696	13,716,336	1,264,740	4,711,659	7,739,937
	$ 21,907,471	**25,912,947**	**10,237,965**	**6,625,455**	**9,049,527**
December 31, 2023					
Non derivative financial liabilities					
Non-interest bearing liabilities	$ 3,078,015	3,078,015	2,506,938	130	570,947
Floating rate instrument	6,842,527	7,557,626	3,520,023	3,287,081	750,522
Fixed rate instruments	1,853,462	1,922,525	1,444,321	478,204	-
Leases liabilities	10,269,949	13,690,447	1,284,945	4,540,608	7,864,894
	$ 22,043,953	**26,248,613**	**8,756,227**	**8,306,023**	**9,186,363**

	Carrying amount	Contractual cash flows	1 years	1 to 5 years	Over 5 years
June 30, 2023					
Non derivative financial liabilities					
Non-interest bearing liabilities	$ 2,740,778	2,740,778	2,184,946	2,818	553,014
Floating rate instrument	6,953,323	7,796,843	3,236,102	3,728,411	832,330
Fixed rate instruments	2,299,502	2,401,936	1,851,931	550,005	-
Leases liabilities	9,143,332	12,336,256	1,112,644	4,160,131	7,063,481
	$ 21,136,935	**25,275,813**	**8,385,623**	**8,441,365**	**8,448,825**

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(iii) Market risk

1) Currency risk

The Group's significant exposure to foreign currency risk was as follows:

	June 30, 2024			December 31, 2023			June 30, 2023		
	Currency	Exchange rate	NTD	Currency	Exchange rate	NTD	Currency	Exchange rate	NTD
Financial assets									
Monetary items									
USD:NTD	$ 1,860	32.45	60,357	2,983	30.71	91,608	9,620	31.13	299,471
HKD:NTD	13	4.1550	54	8,158	3.9340	32,094	6	3.9750	24
HKD:USD	2,640	0.1280	10,966	2,670	0.1281	10,504	20,179	0.1277	80,218
NTD:USD	1,265	0.0308	1,265	761	0.3260	761	1,853	0.0321	1,853
Financial liabilities									
Monetary items									
USD:CNY	950	7.1268	30,827	1,250	7.0827	38,387	1,550	7.2258	48,252

2) Sensitivity analysis

The Group’ s exposure to currency risk arises from exchange gains and losses on cash and cash equivalents, financial assets and liabilities at FVOCI, loans, and other payables that are denominated in foreign currencies. A strengthening (weakening) of 1% of the NTD or RMB against the USD, EUR, HKD, AUD and RMB as of June 30, 2024, and 2023 would have increased (decreased) the profit before tax by $418 thousand and $3,333 thousand, respectively. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months and six months ended June 30, 2024, and 2023, foreign exchange gain (loss) (including realized and unrealized portions) amounted to $(9,782) thousand, $(25,405) thousand, $(7,238) thousand and $(21,000) thousand, respectively.

3) Interest rate analysis

The details of the Group's exposure to interest rate of financial assets and liabilities please refer to the note on liquidity risk management.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments at the reporting date. Regarding of liabilities with floating interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.5% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 0.5%, the Group's profit before tax would have decreased or increased by $ 9,084 thousand and $ 11,937 thousand, which is mainly due to the Group's borrowings at variable rates and demand deposits for the six months ended June 30, 2024, and 2023, respectively, given that all other variable factors remaining constant.

4) Other market price risk

The sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Prices of securities at the reporting date	For the six months ended June 30			
	2024		2023	
	Comprehensive Income (Loss) (net of tax)	Net Income (Loss) (net of tax)	Comprehensive Income (Loss) (net of tax)	Net Income (Loss) (net of tax)
Increase 5%	$ -	8,755	-	2,309
Decrease 5%	$ -	(8,755)	-	(2,309)

(iv) Fair value of financial instruments

1) Fair value hierarchy

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required :

	June 30, 2024				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 142,480	31,265	111,215	-	142,480
Domestic corporate bonds	32,610	-	-	32,610	32,610
Financial liabilities at fair value through profit or loss					
Non-derivative financial liabilities	$ 29,707	-	-	29,707	29,707

	December 31, 2023				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 167,661	58,292	109,369	-	167,661
Financial liabilities at fair value through profit or loss					
Non-derivative financial liabilities	$ 27,813	-	-	27,813	27,813

	June 30, 2023				
		Fair Value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 157,719	40,279	5,893	111,547	157,719
Financial liabilities at fair value through profit or loss					
Non-derivative financial liabilities	$ 26,125	-	-	26,125	26,125

2) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

2.1) Financial assets measured at amortized cost and financial liabilities measured at amortized cost.

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation techniques for financial instruments measured at fair value

3.1) Non-derivative financial instruments

If quoted prices in active markets are available, the prices are established as fair values. Market prices published by major stock exchange and OIC market, where high volume of central government bonds are traded, are the foundation of fair value of debt instruments with quoted market price in an active market and listed equity instruments.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm’ s length basis. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without quoted price in active market. In general, market with low trading volume or high-ask spreads is an indication of non-active market.

If the Group’ s financial instruments are regarded as being quoted in an active market, the classification and nature of fair value are as follows:

- Stocks in listed companies and fund are financial assets with standard term and quoted prices in active markets. The fair values are determined with referenced to quoted market prices.
- The fair values of corporate bonds are measured based on public quoted market prices provided by third parties.

If the financial instruments held by the Group’ don’t have an active market, their fair values are bond instruments that are not publicly quoted according to their categories and attributes. The fair value is estimated using discounted cash flow. The main assumption is that the investee company will repay its debts capacity, risk-free interest rate and debt duration are the basis for measurement. The estimate adjusts for the impact of default risk on the debt.

3.2) non-derivative financial instruments(hybrid contract)

It is evaluated using a discounted cash flow model, which mainly assumes that future cash flows are expected, risk premiums are taken into consideration, and then measured based on the time value of money after discounting.

3.3) Financial guarantee contract

The discounted cash flow model was applied to estimate the fair value. The main assumption was to incorporate the expected default rate of the transaction counterparty (the weighted-average ECL) and expected losses in the event of default.

3.4) Beneficial interests in construction projects and of landowners

The discounted cashflow model is used to estimate the fair value. The main assumption is to use the investor's expected future cashflow, take into account the fluctuation of the building's selling prices and construction costs. Measured after discounting based on time value of money and liquidity discount .

4) Transfers between Level 1 and Level 2: None.

5) Reconciliation of Level 3 fair values

	Financial assets and liabilities held for trading		
	Non-derivative financial assets —beneficial interests of construction projects	Non-derivative financial liabilities —beneficial interests of landowners	Measured at fair value through profit or loss -Investments in bond instruments that are not publicly quoted
January 1,2024	$ -	(27,813)	-
Buy	-	-	32,610
Issued	-	(1,894)	-
June 30,2024	**$ -**	**(29,707)**	**32,610**
January 1,2023	$ 134,948	(26,125)	-
Received	(23,401)	-	-
June 30,2023	**$ 111,547**	**(26,125)**	**-**

6) Quantified information for significant unobservable inputs (Level 3) used in fair value measurement

The Group's fair value measurement is classified as Level 3. It is mainly non-derivative financial assets, measured at fair value through profit and loss - bond instrument investments and liabilities that are not publicly quoted. The fair value measurement is classified as Level 3 and has multiple significant unobservable. Enter a value.

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inpits and fair value measurement
Financial assets measured at fair value through profit or loss – Domestic corporate bonds with no active market	Discounted cashflow	· risk premium (3% of June 30,2024) · market interest rate (4.78% of June 30,2024)	·The higher the risk premium rate and market interest rate, the lower the fair value.
Beneficial interests-construction projects	Discounted cashflow	・ Fluctuations in the selling price of building ($4.1 hundred thousand per ping as of June 30, 2023) ・ Fluctuations in cost of building ($13.3 hundred thousand per ping as of June 30, 2023)	・ Fair value is higher if building selling price is higher or if construction costs are lower.

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inpits and fair value measurement
Laiabilities arising from beneficial interests of landowners	Discounted cashflow	• Fluctuations in building selling prices and construction costs ($3.07 hundred thousand 、$3.07 hundred thousand and $1.83 hundred thousand as of June 30, 2024 、December 31, 2023 and June 30, 2023)	• Fair value is higher if building selling price is higher or if construction costs are lower.

7) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's measurement on the fair value of financial instruments is deemed reasonable despite different valuation models or assumptions may lead to different results. For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss:

			Impacts of fair value change on net income or loss	
	Inputs	Variation	Favourable	Unfavourable
June 30, 2024				
Financial assets at fair value through profit and loss				
Investment in bond instruments without publicly quoted prices	risk premium	1%	770	(744)
Investment in bond instruments without publicly quoted prices	market interest rate	1%	770	(744)
Financial liabilities at fair value through profit or loss				
Liabilities arising from beneficial interests of landowner	Price fluctuation	5%	13,628	(13,403)
December 31, 2023				
Financial liabilities at fair value through profit or loss				
Liabilities arising from beneficial interests of landowner	Price fluctuation	5%	13,628	(13,403)
June 30, 2023				
Financial assets at fair value through profit and loss				
Beneficial interests- construction projects	Price fluctuation	5%	18,349	(18,349)
Financial liabilities at fair value through profit or loss				
Liabilities arising from beneficial interests of landowner	Price fluctuation	5%	12,151	(12,364)

The favourable and unfavourable change effects represent the change in fair value and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(x) Financial risk management

Except as stated below ,there were no significant differences of the Group's financial risk management and policies with those disclosed in Note 6(y) of the consolidated financial statements for the year ended December 31, 2023.

1. Liquidity risk

2.Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group supports its operations and mitigates the impact of cash flow fluctuations by managing and maintaining adequate levels of cash and cash equivalents. Management supervises the use of bank credit lines and compliance with loan covenants to ensure that the Group has sufficient liquidity to meet its obligations in both normal and stressed conditions, thereby avoiding unacceptable losses or damage to its reputation. In addition, the Group’s unused borrowing lines as of June 30, 2024, December 31, 2023 and June 30, 2023 totaled $1,210,645 thousand, $1,903,256 thousand, and $1,990,356 thousand.

As of June 30, 2024, the Group has violated the promised financial ratio. The Group will continue to communicate with the bank and plans to adjust the borrowing plan from short-term borrowing to long-term borrowing, increase loans, or dispose of assets. Improve financial structure. In addition, the Group still has unmortgaged ships and properties, and is currently negotiating with financial institutions for medium- and long-term financing lines. And the current assets of the Group are less than the current liabilities, which is mainly due to the influence of the department store department. In terms of the industry characteristics of the department store department, since there are no large current assets such as inventory, it is normal in the industry that the current assets are less than the current liabilities. The Group has evaluate the aforementioned options and there should be no risk of liquidity risk

(y) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group have been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2023. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2023. Please refer to Note 6(z) of consolidated financial statements for the year ended December 31, 2023 for further details.

(z) Investing and financing activities not affecting cash flow

The Group's investing and financing activities which have non-cash flow for the six months ended June 30, 2024, and 2023, were as follows:

1) Adjustment of liabilities from financing activities were as follows:

			Non-cash changes		
	January 1, 2024	Cash flows	Other	Foreign exchange movement	June 30, 2024
Short term borrowings	$ 3,657,193	587,951	-	139,230	4,384,374
Long-term borrowings	5,038,796	(704,089)	-	176,137	4,510,844
Leases liabilities	10,269,949	(328,298)	(77,624)	499,669	10,363,696
Guarantee deposits	573,039	(4,320)	-	28,497	597,216
Total liabilities from financing activities	$ 19,538,977	(448,756)	(77,624)	843,533	19,856,130

Note:Increase the right-of-use assets 15,582 thousand and reclassic $93,206 thousand to other accounts payable

			Non-cash changes		
	January 1, 2023	Cash flows	Other (Note)	Foreign exchange movement	June 30, 2023
Short term borrowings	$ 2,827,445	731,950	-	(26,242)	3,533,153
Long-term borrowings	6,516,703	(831,059)	-	34,028	5,719,672
Leases liabilities	9,992,604	(546,525)	(91,445)	(211,302)	9,143,332
Guarantee deposits	591,528	(20,610)	-	(12,877)	558,041
Total liabilities from financing activities	$ 19,928,280	(666,244)	(91,445)	(216,393)	18,954,198

Note: The period increases $1,031,238 thousand, lease modification decrease $1,121,975 thousand and rent concession decrease operating expenses $708 thousand.

(7) Related-party transactions:

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements:

Nane of related party	Relationship with the Group
Shanghai Tian An Tower Co., Ltd. (Note1)	The Group's manager is the company's director
Nanjing Tiandu Co., Ltd.(Nanjing Tiandu) (Note1)	The Group's manager is the company's director
Shanghai Guorui Tongshun Environmental Protection Technology Co., Ltd.	The Group's manager is the company's director
Shanghai Allied Cement Holdings Limited	The Group's manager is the company's director
Shanghai Kaixuanmen Enterprise Development Co., Ltd.(Shanghai Kaixuanmen) (Note1)	The Group's manager is the company's director
Tian An (Shanghai) Investment Co., Ltd.(Note1)	The Group's manager is the company's director
Nanjing Tianan Gangli Property Management Co., Ltd.(Note1)	The Group's manager is the company's director
Gangli Property Management (Shanghai) Co., Ltd.(Note1)	The Group's manager is the company's director
Shanghai Qianshu Property Management Co., Ltd.(Note1)	The Group's manager is the company's director
Hainan Sanhe Licheng Business Service Co., Ltd.	A substantial related party
Haikou Zhuke Technology Co., Ltd.(Zhuke Technology)	A substantial related party
Wuhan Zhuke Technology Co., Ltd.(Zhuke Technology)	A substantial related party
Shanghai Zhuke Technology Co., Ltd.(Zhuke Technology)	A substantial related party
Chengdu Zhuke Technology Co., Ltd.(Zhuke Technology)	A substantial related party
Changsha Zhuke Technology Co., Ltd.(Zhuke Technology)	A substantial related party
Da Yu Financial Holdings Ltd.	A substantial related party
Jiawang Assets Development Co., Ltd.	A substantial related party
Sandmartin International Holdings Ltd.	A substantial related party
Nanjing Grand Ocean Dongfadao Catering Co., Ltd.(Note2)	A substantial related party

Note1: After the change of directors in 2023, they are no longer related parties of the Group.

Note2: The Group sold all of shares in September,2023, hey are no longer related parties of the Group.

(b) Significant transactions with related parties

(i) Prepayments

	June 30, 2024	December 31, 2023	June 30, 2023
Nanjing Tiandu (Note)	$ -	-	169,944
Other related parties	-	4,773	3,787
	$ -	**4,773**	**173,731**

Note: The amount represents the Group's fixed monthly advance payment of variable rent under the lease agreement, and the difference in rents and expenses is refunded or made up after the end of the year. The Group should refund the aforesaid prepaid variable rental based on income under the original lease agreement. At the end of 2023, the Group assessed that the fixed monthly guaranteed rental under the original lease agreement was significantly lower than the market rental in the neighboring commercial district. The aforesaid rental prepayment is closer to the market rental in the commercial circle. Therefore,Based on mutual benefit and cooperation for long-term interests and stable development, the Group will no longer collect the aforementioned payments from contacts and transfer the aforesaid prepaid amount of $174,470 thousand to the line item under operating expenses.

(ii) Other receivables

	June 30, 2024	December 31, 2023	June 30, 2023
Other related parties	**$ -**	**1,914**	**3,475**

(iii) Payables to Related Parties

The payables to related parties were as follows:

Account	Relationship	June 30, 2024	December 31, 2023	June 30, 2023
Other payables	An associate	$ -	-	1,379
Other payables	Other related parties	-	11,142	1,839
Other payables(Note)	Zhuke Technology	34,300	6,712	-
		$ 34,300	**17,854**	**3,218**

Note: Collect car sales from related parties on behalf of others

(iv) Leases

1) Lease liabilities and interest costs

Account	Purpose	Lease liabilities June 30, 2024	December 31, 2023	June 30, 2023
Shanghai Kaixuanm	Department store buildi	$ -	4,272,732	4,278,838
Nanjing Tiandu	Department store buildi	-	926,731	965,841
Other payables	Office building	-	2,026	6,766
Other payables	Energy saving renovation engineering	9,566	10,874	29,621
		$ 9,566	5,212,363	5,281,066

Note: To sign the lease agreement with relations on above, the price and the way of payment according to both of agreement.

		Interest costs			
		For the three months ended June 30		For the six months ended June 30	
Account	Purpose	2024	2023	2024	2023
Shanghai Kaixuanmen	Department store building	$ -	50,727	-	102,315
Nanjing Tiandu	Department store building	-	10,235	-	20,800
Other payables	Office building	-	88	-	205
Other payables	Energy saving renovation engineering equipment	115	375	242	778
		$ 115	61,425	242	124,098

2) Operating lease

Account	Purpose	Property management fee For the three months ended 2024	2023	For the six months ended June 30 2024	2023
Other payables	Office and department store building	$ -	941	-	1,894

3) Deposits-out for lease

Account	Relationship	June 30, 2024	December 31, 2023	June 30, 2023
Other non-current financial assets	Shanghai Kaixuanmen	$ -	74,106	73,632
Other non-current financial assets	Nanjing Tiandu	-	8,672	8,616
Other non-current financial assets	Other related parties	-	3,217	3,196
		$ -	85,995	85,444

(v) Operating revenue and lease receivable

The amounts of significant interest income of finance leases and lease receivables by the Group to related parties were as follows:

		For the three months ended June 30		For the six months ended June 30	
Account	**Relationship**	**2024**	**2023**	**2024**	**2023**
Financial lease interest income	Zhuke Technology	$ 2,879	1,689	2,879	2,168
Lease revenue	Zhuke Technology	-	2,078	-	5,989
		$ 2,879	3,767	2,879	8,157

Account	Relationship	June 30, 2024	December 31, 2023	June 30, 2023
Lease receivables	Hainan Sanhe Licheng	$ 153,087	136,859	135,984
Lease receivables	Zhuke Technology	355,659	344,429	338,932
Less: loss allowance-Hainan Sanhe Licheng		(150,993)	(113,920)	(70,380)
Less: loss allowance-Zhuke Technology		(298,767)	(256,633)	(145,175)
		$ 58,986	**110,735**	**259,361**

Derived from finance leases, the interest income received by the Group from its associates is based on interest rates agreed by both parties and collected monthly. Those interest rates are not significantly different from those for unrelated parties. The receivables due from related parties were guaranteed by vehicles under finance lease.

The overdue receivables of Hainah Sanhe Licheng and Zhuke Technology resulted from the COVID-19 pandemic, which significantly increased their credit risk. After assessment of the value of collateral, the Group recognized impairment losses of $36,207 thousand and impairment losses $43,067 thousand on reversal of ECLs for the six months ended June 30, 2024 and 2023, respectively.

(vi) Account receivables-related parties

The amounts of account receivables by the Group to related parties were as follows:

Account	Relationship	June 30, 2024	December 31, 2023	June 30, 2023
Other receivables (loaning funds)	Hainah Sanhe Licheng	$ -	14,309	16,586
Other receivables (loaning funds)	Zhuke Technology	-	-	17,233
Other receivables (loaning funds)	Jiawang Assets	16,200	980	980
Other receivables (interest)	Hainah Sanhe Licheng	2,813	2,384	1,734
Other receivables (interest)	Zhuke Technology	4,635	4,414	4,053
Other receivables (interest)	Jiawang Assets	112	-	-
Other receivables (preferred stock dividend)	Jiawang Assets	1,072	1,697	1,697
Other receivables	Zhuke Technology	483	460	457
Less: Allowance for impairment		(7,931)	(21,567)	(35,754)
		$ 17,384	**2,677**	**6,986**
Other financial assets	Zhuke Technology	$ 36,426	34,687	34,465
Less: Allowance for impairment		(36,426)	(34,687)	(34,465)
		$ -	**-**	**-**

The Group uses loss provision to provide for its lifetime ECLs on both receivables from its related parties and other financial assets. The credit risk on financial assets of Hainah Sanhe Licheng and Zhuke Technology has increased significantly; therefore, the Group evaluated the value of their collateral and took their other assets and sources of subsequent repayments into consideration, resulting in the expected credit income reversing of $14,212 thousand and $38,291 thousand to be recognized for the six months ended June 30, 2024 and 2023, respectively.

The loans to related parties are all unsecured. The interest charged by 6%~8.4%. The loans to related parties were as follows:

	Interest income For the three months ended June 30		Interest income For the six months ended June 30	
	2024	**2023**	**2024**	**2023**
Hainah Sanhe Licheng	$ 28	355	282	742
Zhuke Technology	-	604	-	1,190
Jiawang Assets	112	-	117	-
	$ 140	**959**	**399**	**1,932**

(vii) The Group promised to buy unconditionally the default claims from Shangshi for Zhuke Technology who violated the agreement. Please refer to Note 9(a) for further information. The details were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Contract residual amounts	$ -	25,467	27,536
Loss allowance (reported as other current liabilities)	$ -	25,467	4,945

1) The credit risk of Hainah Sanhe Licheng has increased significantly; therefore, the Group assessed that the values of their collateral might fail to fully cover the potential default risk during the contract period and recognized ECLs of of $3,478 thousand and impairment losses of $2,107 thousand for the six months ended June 30, 2024 and 2023, respectively.

2) The Group signed the contract of cooperation with Shangshi Financial Leasing Co., Ltd. on March 29,2024. The Group paid the amount to repurchase the debit of Hainan Sanhe Licheng Business Service Co., Ltd. $23,142 thousand (RMB 5,083 thousand) and recognized on accounts receivable. In addition, it reclassifies Other non-current liabilities to accounts receivable.

(viii) Others

1) The Group provided management consulting services and signed service contracts with other related parties. For the three months and six months ended June 30, 2024 and 2023, the revenue from consulting services was $0 thousand, $617 thousand, $0 thousand and $1,037 thousand, respectively.

2) On March 31, 2023, and June 8, 2023, the Group signed a cash capital increase underwriting agreement with an associate Sandmartin International Holdings Ltd. and participated in its cash capital increase, with the Group acting as the lead underwriter; please refer to Note 6(f) for further information. In addition, the commission income collected by the Group due to the underwriting agreement was $2,512 thousand.

3) The resolution of the Board of Directors was passed on January 17, 2024 the Group approved participate in the cash capital increase of Da Yu Financial Holdings Ltd. according to the ratio of shareholding. Please refer to Note 6(f) for further information.

4) The Group purchased the special shares of Jiawang Assets Development Co., Ltd., the shares amount of 3,000 thousand (in cash $30,000 thousand) and 2,990 thousand (in cash $29,900 thousand) in 2020 and 2019, respectively. The Special shares have cumulative priority rights and the dividend interest rate are 8% and 6% respectively and the duration both are 5 years. Until June 30,2024, the Group get back the principal amount of $10,000 thousand and recognize the interest income from special shares of $1,846 thousand.

(c) Key management personnel compensation

(i) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Short-term employee benefits	$ 12,693	13,863	26,862	27,282

(ii) The Group granted key management personnel rights to subscribe treasury shares as prepaid salaries. As of June 30, 2024, December 31, 2023, and June 30, 2023, those prepaid salaries amounting to $40,284 thousand (RMB 8,847 thousand), $39,438 thousand (RMB 9,096 thousand) and $ 39,193 thousand (RMB 9,097 thousand), which were recognized under other non-current assets accounts.

(8) Pledged assets:

The carrying amount of pledged assets were as follows:

Pledged assets	Object	June 30, 2024	December 31, 2023	June 30, 2023
Lease receivables	Other secured loans	$ -	-	2,940
Inventories (for construction business)	Bank loans	1,458,014	1,448,146	1,440,408
Other financial assets	Bank depository funds	12,383	15,435	15,623
Other financial assets	Frozen deposits due to lease dispute	35,198	31,313	14,582
Other financial assets	Bank loans	992,202	934,557	579,949
Other financial assets	Litigation security	80,397	76,086	-
Property, plant and equipment (Note)	Bank and other secured loans	10,652,403	10,885,896	12,108,705
Investment Property	Bank loans	139,630	140,116	140,603
		$ 13,370,227	**13,531,549**	**14,302,810**

Note : Property, plant and equipment including the land use rights, which are recognized as right-of-use assets.

(9) Significant commitments and contingencies:

Except for those described in Note 6, the Group's other significant commitments and contingencies were as follows:

(a) Unrecognized contractual commitments

(i) The unrecognized contractual commitments of the Group were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Contracted price			
Acquisition of buildings and land	$ 665,331	665,331	665,331
Subcontracted construction projects	33,537	21,920	3,355
Received or paid price			
Acquisition of buildings and land (prepayment for land purchases and development costs)	$ 279,912	279,912	279,912
Subcontracted construction projects (recognized as inventories and other current assets)	10,688	5,024	336

Shangshi Financial Leasing Co., Ltd. (Shangshi) entered into several finance leases contracts with different customers introduced by the Group based on the Finance Lease Business Cooperation Agreement signed by Shangshi and the Group. According to the agreement, the Group should look for customers with good credit ratings, in accordance with the specified risk management standards, before introducing them to Shangshi. Thereafter, the Group will receive a portion of contract prices from Shangshi. In addition, the Group promised to purchase unconditionally the default debt claims from Shangshi for any customer who breached the contracts. There were no material overdue receivables arising from the above-mentioned contract. For the six months ended June 30, 2024 and 2023, the Group took into consideration the possibility of default during the contract period to recognize allowances for ECLs; please refer to Note 6(w) for the ECLs. The details of contracts were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Contract value	**$ -**	**101,867**	**118,806**
Residual amounts	**$ -**	**33,441**	**52,259**

The Group signed the contract of cooperation with Shangshi Financial Leasing Co., Ltd. on March 29,2024. The Group paid Shangshi Financial Leasing Co., Ltd. $25,964 thousand (RMB 5,702 thousand) (Deduct the deposit). To repurchase on above the default claim of $28,615 thousand (RMB 6,285 thousand) and recognize on accounts receivable. In addition, reclassify the expected credit impairment losses on other non-current assets $27,634 thousand (RMB 6,285 thousand) to accounts receivable.

(ii) The Group signed the joint construction contracts with other companies as follows:

Item	Construction name
Joint construction with allocation of buildings	Me island phase III B1
Joint construction	Nan Jing Jian Kang
Joint construction and investment withallocation of buildings	Tucheng Yongfu (Note)

Note: As joint investors and builders, the Group and Honor Construction Ltd. endorsed each other as stipulated in the contract. Please refer to Note 13 for details.

(b) Significant contingencies:

(i) While the Group acquired the Quanzhou store, the assignor, Quanzhou FuHua Co., Ltd., failed to comply with the term of the contract, which stated that the assignor should repay the mortgage loan secured by the 4th floor of the Quanzhou store with the consideration paid by the Group to release the mortgage. Therefore, the mortgagee filed an application to freeze the rent earned from the 4th floor of the Quanzhou store in June 2020. The Group evaluates that the creditor still has means to repay the mortgage loan; hence, the 4th floor of the Quanzhou store should not be at risk of impairment.

(ii) A subsidiary of the Group, Chongqing Optics Valley Grand Ocean Commercial Development Co., Ltd., negotiated with the lessor, Chongqing Zhengsheng Real Estate Ltd. (hereinafter referred to as "Chongqing Zhengsheng"), for rent concession and shortening of lease term in 2020 because the business was out of expectation and the rental was higher than market price in the vicinity. However, the negotiation was futile. In November 2020, Chongqing Optics Valley Grand Ocean filed a lawsuit with the court, claiming that the Group should pay both the rental for the use of the space beyond the agreed area and the overdue rentals accumulated during the previous years. The Group has recognized rental of 50,974 thousand (RMB11,564 thousand) in lease liabilities in accordance with both the force majeure deadline stipulated by the government and the original lease contract. The Group also counterclaimed the rental pricing in this case and requested for rent reduction. On June 26, 2023, the court ruled against the Group, which shall repay the outstanding rents payable of $18,076 thousand (RMB4,087 thousand) for the excess of the agreed area, and the amount was recognized in operating expenses. In addition, the Group shall pay the default payment and related litigation expenses totaling $12,167 thousand (RMB2,751 thousand), and the amount was recognized in operating expenses as well as other gains and losses. As of June 30, 2024, the amount of $1,143 thousand (RMB251 thousand), recognized in other payables, was outstanding.

(iii) Chongqing Optics Valley Grand Ocean Commercial Development Ltd., a subsidiary of the Group, has incurred continuous operating losses. It ceased operation on October 31, 2022 and terminated the lease contract in advance with, the owner, Chongqing Zhengsheng Real Estate Co., Ltd. ("Chongqing Zhengsheng"). However, Chongqing Zhengsheng filed a litigation against Chongqing Optics Valley Grand Ocean Commercial Development Ltd. on August 17, 2023. Chongqing Zhengsheng's claims were as follows:

1) Demanding the Group to pay early termination default payment of $124,375 thousand (RMB28,285 thousand) under the lease contract. The default payment was offset by a performance bond of $28,183 thousand (RMB6,500 thousand). In addition, the Group estimated and recognized $123,660 thousand (RMB27,159 thousand) as other payables;

2) Demanding the Group to settle rentals overdue and the default payments totaling $112,340 thousand (RMB25,548 thousand) as of the handover date, for which the Group has estimated and recognized an amount in lease liabilities. The case is currently pending before the court;

3) Demanding the Group to pay the rental, penalty and occupancy fee totaling $20,306 thousand (RMB4,618 thousand) owed by Huanyang Cinema from the site clearance date to the litigation date. However, the Group had already sent a mail by post to prove

the handover of the site. Besides, the Group was no longer able to use the underlying subject. Therefore, the Group deemed the Chongqing Zhengsheng’ s request to be ungrounded, and the Group should not be liable for compensation.

4) Demanding the Group to refund the reduced portion of rent for prior years, the penalty fee and related litigation expenses totaling $36,075 thousand (RMB8,204 thousand). However, the Group had already refunded the reduced portion of rentals to Chongqing Zhengsheng. The Group deemed the Chongqing Zhengsheng’ s request to be ungrounded, hence the Group should not be liable for compensation.

Chongqing Zhengsheng applied property protection to the court on September 7, 2023. The court froze both the Group’ s bank deposit of $10,005 thousand (RMB2,219 thousand) recognized in other financial assets-current and the equity of $227,662 thousand (RMB50,000 thousand) in Nanjing Grand Ocean Classic Commercial Ltd., a subsidiary of the Group.

According to the Group’s assessment, both accumulated overdue rental and related penalties have been recognized. The Group deemed the Chongqing Zhengsheng’ s other requests to be ungrounded, hence the Group should not be liable for compensation.

(iv) Hubei Huayu filed a lawsuit against Grand Ocean Classic Commercial Group Ltd. and Wuhan Optics Valley Grand Ocean Commercial Development Co., Ltd. in the 3rd quarter of 2021 for the dispute over the equity investment in Hubei Huayu prior to 2017, claiming damages amounting to RMB93 million. On July 28, 2022, the court ruled in the first instance that the Group won the case, but Hubei Huayu refused to accept the court’ s judgment and appointed a lawyer to file an appeal, which is still in court. After the assessment of the Group, the right to make a claim as applied in 2017 exceeded the 3-year limitation period for the protection of civil rights according to the law. In addition, the Group has paid on time according to the subsequent equity capital reduction agreement signed by both parties. Therefore, it was determined that the Group had no obligation to pay any compensation.

(v) On August 31, 2023, Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., a subsidiary, ceased operation due to continuing losses and requested early termination of its lease with the landlord, Wuhan Trade State-owned Holdings Group Co.,Ltd. (hereinafter referred to as “Wuhan Trade”). On November 26, 2023, Wuhan Trade filed a lawsuit with the court to request the following:

1) Demanding the Group to pay the rentals overdue, for which the Group has estimated and recognized an amount in lease liabilities. In addition, the Group recognized a default payment for early contract termination amounting to $207,202 thousand (RMB45,507 thousand) in other payables. Moreover, the performance bond of $22,115 thousand (RMB5,000 thousand) was not refunded, for which the Group has recognized losses on bad debts in other gains and losses. In accordance with the first-instance judgment of the court on June 14, 2024, the rent for September 2023 was additionally estimated at $15,540 thousand (RMB 3,413 thousand), and the liquidated damages for early termination of the overestimation were reversed at $21,986 thousand (RMB 5,000 thousand), recorded under other profits and losses;

2) Demanding the Group to pay $33,353 thousand (RMB7,585 thousand) for lease losses caused by premature termination of lease contract. According to the first-instance judgment of the court on June 14, 2024, the Group has no obligation to compensate.

3) Demanding the Group to refund the reduced portion of rentals and the default payments totaling \$84,294 thousand (RMB19,170 thousand), for which the Group has estimated and recognized \$85,500 thousand (RMB18,778 thousand) as other payables; According to the first-instance judgment of the court on June 14, 2024, the Group had no obligation to compensate, so the aforementioned amount was reversed and recorded under other profits and losses in the account;

4) Demanding the Group to refund the rentals of \$21,067 thousand (RMB4,791 thousand) paid during the 5-month rent-free period in prior years. According to the first-instance judgment of the court on June 14, 2024, the Group has no obligation to compensate.

5) Demanded the Group to pay the demolition fees and related litigation costs totaling \$10,298 thousand (RMB2,342 thousand) for the cinema on the 5th floor that is to be demolished. According to the first-instance judgment of the court on June 14, 2024, the Group should pay litigation costs of \$1,325 thousand (RMB 291 thousand), which were recorded under other payables and other benefits and losses.

On November 21, 2023, Wuhan Trade filed an application for property preservation with the court. The court legally frozen the bank deposits of the Group of \$234 thousand (RMB52 thousand), and the amount was recognized as other current financial assets.

After evaluation by the Group, the aforementioned amounts have been estimated and included in the accounts in accordance with the court's first-instance judgment. However, Wuhan Commercial was dissatisfied with the court's decision and hired a lawyer to appeal. It is still pending before the court.

(vi) On August 31, 2023, Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., a subsidiary, ceased operation due to continuing losses and terminated its lease with a brand vendor, Wuhan Laopai Catering Management Co., Ltd. (“Laopai”) before the end of contract term. On December 20, 2023, Laopai filed a request for arbitration to demand the refund of performance bond and default payment for early termination, renovation losses and related litigation costs totaling \$26,827 thousand (RMB6,101 thousand. In June 2024, the Group has estimated and recognized \$27,196 thousand (RMB5,973 thousand) in other payables. This case is currently pending before the court.

(vii) In May 2022, Sure Success Steamship S.A.(hereinafter referred to as SSS), the Group’s subsidiary, contracted with Perfect Bulk Limited (hereinafter referred to as PB) to lease a bulk carrier named Ever Success to it. As PB failed to pay the remaining rentals and the differences in fuel oil prices totaling US\$431 thousand as well as the fuel expenses paid on behalf of PB of US\$350 thousand (\$11,358 thousand included in other current assets). In July 2023, the Group filed a lawsuit with the London Court of International Arbitration. In addition, the Group applied to the South African court in August 2023 and was approved to arrest PB's ship Tai Harmony. PB has deposited a deposit of \$28,426 thousand (US\$876 thousand) to lift the arrest of the ship.

During September 2023, PB also filed a counterclaim with the India court, claiming that the Group was liable for business losses caused by its refusal to carry steel rolls and container during the lease period and applying for the seizure of Ever Success, a vessel of subsidiary SSS to use it as the security for the counterclaim. In October 2012, the Group provided the court with a deposit of \$80,397 thousand (US\$2,478 thousand) (recognized in other non-current financial assets) to release the vessel from seizure. The above-mentioned case is now being arbitrated in London, the UK, where, according to counsel, PB's counterclaim may be in the range of US$1,500 thousand to US$2,000 thousand.

The Group refused to load PB's cargo under the contract on the basis that the charterer's restrictions on the use of the vessel and the rolled materials loading manual and the IMSBC (International Maritime Solid Bulk Cargo Code) were specified in the contract; therefore, PB's claim was ungrounded, and the Group shall not be liable for compensation.

In the second quarter of 2024, the Group applied to the South African court for an additional deposit of $14,132 thousand (US$436 thousand) that PB should deposit and was approved. PB Company has appealed to the South African court and applied to cancel the deposit and subsequent additional deposit. Totaling $42,558 thousand (US$1,312 thousand), the application was rejected by the court on July 23, 2024.

(10) Losses Due to Major Disasters: None

(11) Significant Subsequent Events: None

(12) Other:

(a) The employee benefit expenses, depreciation and amortization, categorized by function, were as follows:

By function / By item	For the three months ended June 30					
	2024			2023		
	Cost of sales	Operating expense	Total	Cost of sales	Operating expense	Total
Employee benefits						
Salary	$ 87,871	101,993	189,864	83,546	131,789	215,335
Health and labor insurance	-	1,586	1,586	-	1,367	1,367
Pension	-	13,173	13,173	-	14,318	14,318
Others	6,131	21,935	28,066	5,620	51,100	56,720
Depreciation	111,571	374,025	485,596	108,971	382,476	491,447
Amortization	12,900	1,489	14,389	13,118	1,835	14,953

By function / By item	For the six months ended June 30					
	2024			2023		
	Cost of sales	Operating expense	Total	Cost of sales	Operating expense	Total
Employee benefits						
Salary	$ 169,152	214,895	384,047	161,903	281,005	442,908
Health and labor insurance	-	3,029	3,029	-	3,244	3,244
Pension	-	27,105	27,105	-	29,373	29,373
Others	13,665	47,333	60,998	12,577	76,843	89,420
Depreciation	219,549	768,519	988,068	216,114	770,281	986,395
Amortization	29,865	2,863	32,728	26,110	3,575	29,685

(b) Seasonality of operations

The Group's retail business is subject to seasonal fluctuations as a result of vacation. Thus, this industry typically has higher revenues and results for the first and fourth quarter of the year.

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group ended June 30, 2024 :

(i) Loans to other parties：Appendix 1, please refer to the chinese version consolidated financial statements P62-63.

(ii) Guarantees and endorsements for other parties：Appendix 2, please refer to the chinese version consolidated financial statements P64-65.

(iii) Securities held as of June 30, 2024 (excluding investment in subsidiaries, associates and joint ventures) ：Appendix 3, please refer to the chinese version consolidated financial statements P66.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of $300 million or 20% of the capital stock：None.

(v) Acquisition of individual real estate with amount exceeding the lower of $300 million or 20% of the capital stock：None.

(vi) Disposal of individual real estate with amount exceeding the lower of $300 million or 20% of the capital stock：None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of $100 million or 20% of the capital stock：None

(viii) Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the capital stock：Appendix 4, please refer to the chinese version consolidated financial statements P67.

(ix) Trading in derivative instruments：Please Note6 (b) and (w)

(x) Business relationships and significant intercompany transactions：Appendix 5, please refer to the chinese version consolidated financial statements P68.

(b) Information on investees：Appendix 6, please refer to the chinese version consolidated financial statements P69-70

(c) Information on investment in mainland China：Appendix 7, please refer to the chinese version consolidated financial statements P71-72

(d) Major shareholders:

Shareholding / Shareholder's Name	Shares	Percentage
Henghua Investment Co., Ltd.	57,065,945	6.91%
CAPITAL SECURITIES trusted custody Investment account of Lukfook Financial (HK) Ltd.	46,358,716	5.62%

Note: 1) The information of major shareholders in this table is based on the last business day of each quarter, and is calculated based on the shareholders holding more than 5% of the Company's common shares (including treasury shares) that have been issued without physical registration. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration due to different bases of preparation and calculation.

2) In the case of the above information, if a shareholder delivers shares to the trust, the shares will be individually disclosed by the trustee who opened the trust account. As for the declaration of insider shareholdings exceeding 10% in accordance with the securities and exchange act, the shareholdings should include the shares held by the shareholder, as well as those that have been delivered to the trust and for which the shareholder has the right to determine the use of trust property. For information on the declaration of insider shareholdings, please refer to the Market Observation Post System website of the TWSE.

(14) Segment information:

The Group's operating segment information and reconciliation were as follows:

	Shipping department	Investing department	Retail department	Rental department	Property department	Reconciliation and elimination	Total
For the three months ended June 30, 2024							
Revenue							
Revenue from external customers	$ 405,906	1,742	779,872	8,878	-	-	1,196,398
Intersegment revenues	-	386	-	-	-	(386)	-
Total revenue	**$ 405,906**	**2,128**	**779,872**	**8,878**	**-**	**(386)**	**1,196,398**
Reportable segment profit or loss	**$ 59,714**	**4,777**	**(41,683)**	**(43,335)**	**(11,503)**	**-**	**(32,030)**
For the three months ended June 30, 2023							
Revenue							
Revenue from external customers	$ 404,380	1,722	911,872	13,006	-	-	1,330,980
Intersegment revenues	-	394	-	-	-	(394)	-
Total revenue	**$ 404,380**	**2,116**	**911,872**	**13,006**	**-**	**(394)**	**1,330,980**
Reportable segment profit or loss	**$ 64,636**	**(1,308)**	**(252,758)**	**(33,763)**	**(13,669)**	**-**	**(236,862)**
For the six months ended June 30, 2024							
Revenue							
Revenue from external customers	$ 779,248	3,480	1,690,854	16,153	-	-	2,489,735
Intersegment revenues	-	773	-	-	-	(773)	-
Total revenue	**$ 779,248**	**4,253**	**1,690,854**	**16,153**	**-**	**(773)**	**2,489,735**
Reportable segment profit or loss	**$ 96,814**	**6,562**	**(155,143)**	**(54,400)**	**(22,854)**	**-**	**(129,021)**
For the six months ended June 30, 2023							
Revenue							
Revenue from external customers	$ 857,703	3,443	1,968,454	28,494	-	-	2,858,094
Intersegment revenues	-	792	-	-	-	(792)	-
Total revenue	**$ 857,703**	**4,235**	**1,968,454**	**28,494**	**-**	**(792)**	**2,858,094**
Reportable segment profit or loss	**$ 191,374**	**(41,909)**	**(246,065)**	**(53,522)**	**(25,657)**	**-**	**(175,779)**