Stock Code:2601

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

FIRST STEAMSHIP COMPANY LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2022 and 2021

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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 of September 30, 2022 and 2021, the related consolidated statements of comprehensive income the three months and nine months ended September 30, 2022 and 2021, as well as the changes in equity and cash flows or the nine months ended September 30, 2022 and 2021, 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 Statement of Auditing Standards 65, “Review of Financial Information Performed by the Independent Auditor of the Entity”. 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(g), the equity accounted investments of the First Steamship Company Ltd. and its subsidiaries in its investee companies of $ 875,440 thousand and $ 553,499 thousand as of September 30, 2022 and 2021. And its equity in net earnings on these investee companies of $ (4,793) thousand, $ 1,693 thousand, $ 7,133 thousand, and $(2,700) thousand for the three months and nine months ended September 30, 2022 and 2021, 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 September 30, 2022 and 2021, and of its consolidated financial performance for the three months and the nine months ended September 30, 2022 and 2021, as well as its consolidated cash flows for the nine months ended September 30, 2022 and 2021 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 $ 907,558 thousand and $ 1,347,322 thousand; reflect the total assets constituting 2% and 4% of the consolidated total assets at September 30, 2022 and 2021. The net operating income was $ 22,690 thousand, $ 41,060 thousand, $ 68,699 thousand and $134,869 thousand; reflect the total operating revenues constituting 1%,3%,1% and 3% of the consolidated total operating revenues for the three months and nine months ended September 30, 2022 and 2021.

The engagement partners on the reviews resulting in this independent auditors’ review report are Shu-Ying Chang and Li-Chen Lai.

KPMG

Taipei, Taiwan (Republic of China)
November 11, 2022

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)

			September 30, 2022		December 31, 2021		September 30, 2021	
	Assets		**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:							
1100	Cash and cash equivalents (Note 6(a))	$	2,959,859	8	4,275,526	11	2,905,188	9
1110	Current financial assets at fair value through profit or loss (Notes 6(b) and (p))		235,656	1	111,216	-	110,196	-
1170	Accounts receivable, net (Notes 6(c), 7and 8)		490,960	1	539,068	1	525,226	2
1200	Other receivables, net (Notes 6(d), (z) and 7)		389,160	1	644,357	2	837,993	2
1300	Inventories, net		259,429	1	264,967	1	280,627	1
1320	Inventories (for construction business), net (Notes 6(e), 8 and 9)		1,561,688	4	1,365,621	4	1,365,516	4
1461	Non-current assets classified as held for sale(Notes 6(f))		196,001	1	196,292	1	-	-
1476	Other current financial assets (Notes 6(m), 7and 8)		145,751	-	103,179	-	77,665	-
1479	Other current assets, others (Notes 7 and 9)		384,564	1	416,199	1	395,787	1
	Total current assets		6,623,068	18	7,916,425	21	6,498,198	19
	Non-current assets:							
1510	Non-current financial assets at fair value through profit or loss (Notes 6(b))		-	-	127,578	-	119,158	-
1535	Non-current financial assets at amortized cost, net (Note13)		59,900	-	59,900	-	59,900	-
1550	Investments accounted for using equity method, net (Note 6(g))		875,440	2	762,825	2	956,555	3
1600	Property, plant and equipment (Notes 6(j) and 8)		14,231,292	38	13,833,681	35	13,911,834	42
1755	Right-of-use assets (Notes 6(k) and 8)		11,515,802	31	12,448,250	32	8,272,439	24
1760	Investment property, net (Not 8)		141,333	-	142,063	-	142,306	-
1780	Intangible assets (Note 6(l))		2,104,414	6	2,038,984	5	2,047,268	6
1840	Deferred tax assets		813,796	2	861,906	2	954,423	3
1915	Prepayments for business facilities (Note 9)		2,078	-	470	-	19,093	-
1935	Long-term lease payments receivable(Notes 6(c), 7 and 8)		211,624	1	309,003	1	377,520	1
1975	Net defined benefit asset, non-current		891	-	894	-	490	-
1980	Other non-current financial assets(Notes 6(m), 7 and 8)		254,924	1	263,794	1	261,114	1
1990	Other non-current assets(Notes 6(u) and 7)		208,852	1	221,603	1	221,551	1
	Total non-current assets		30,420,346	82	31,070,951	79	27,343,651	81
	Total assets	$	**37,043,414**	**100**	**38,987,376**	**100**	**33,841,849**	**100**

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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)

		September 30, 2022		December 31, 2021		September 30, 2021	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Notes 6(c) and (n))	$ 2,939,291	8	3,396,693	9	3,404,690	10
2110	Short-term notes and bills payable	99,904	-	99,846	-	49,928	-
2170	Accounts payable (Note 6(q))	1,101,299	3	2,013,436	5	1,229,100	4
2200	Other payables (Notes 6 (q), (x)and 7)	1,042,350	3	986,971	3	909,377	3
2230	Current tax liabilities	48,033	-	54,547	-	37,412	-
2260	Liabilities related to non current assets classified as held for sale(Notes 6(f))	270	-	340	-	-	-
2280	Current lease liabilities (Notes 6(r) and 7)	1,075,480	3	837,940	2	785,234	2
2322	Current portion of long-term borrowings (Note 6(o))	1,458,834	4	1,621,462	4	1,871,889	6
2399	Other current liabilities (Notes 6(f), (z) and7)	230,803	1	230,303	1	81,326	-
	Total current liabilities	7,996,264	22	9,241,538	24	8,368,956	25
	Non-Current liabilities:						
2500	Current financial liabilities at fair value through profit or loss (Note 6(b))	24,429	-	23,234	-	20,400	-
2540	Long-term borrowings (Note 6(o))	4,532,194	12	4,932,646	13	5,020,239	15
2570	Deferred tax liabilities	67,078	-	59,615	-	59,927	-
2580	Non-current lease liabilities (Notes 6(r) and 7)	9,588,770	26	10,770,711	27	6,562,415	18
2645	Guarantee deposits	626,713	2	700,582	2	616,054	2
	Total non-current liabilities	14,839,184	40	16,486,788	42	12,279,035	35
	Total liabilities	22,835,448	62	25,728,326	66	20,647,991	60
	Equity attributable to owners of parent(Notes 6(g) and (u):						
3100	Capital stock	8,347,761	22	8,347,761	21	8,347,761	25
3200	Capital surplus	1,926,530	5	1,906,116	5	1,906,116	6
3300	Retained earnings	723,498	2	641,378	2	615,299	2
3400	Other equity interest	(35,040)	-	(982,609)	(3)	(1,018,119)	(3)
3500	Treasury stock	(94,491)	-	(94,491)	-	(94,491)	-
	Total equity attributable to owners of parent:	10,868,258	29	9,818,155	25	9,756,566	30
36XX	**Non-controlling interests (Notes 6(i) and (u))**	3,339,708	9	3,440,895	9	3,437,292	10
	Total equity	14,207,966	38	13,259,050	34	13,193,858	40
	Total liabilities and equity	**$ 37,043,414**	**100**	**38,987,376**	**100**	**33,841,849**	**100**

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

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and nine months ended September 30, 2022 and 2021

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

		For the three months ended September 30				For the nine months ended September 30			
		2022		2021		2022		2021	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenues (Notes 6(s), (w) and 7)**	$ 1,523,760	100	1,584,278	100	4,824,824	100	5,028,054	100
5000	**Operating costs (Notes 6(s) and (y))**	487,194	32	565,372	36	1,519,786	31	1,918,323	38
	Gross profit from operations	1,036,566	68	1,018,906	64	3,305,038	69	3,109,731	62
6000	**Operating expenses (Notes 6(r), (x) and 7)**	886,716	58	833,003	52	2,683,835	56	2,503,388	50
6450	Expected credit loss (gain)(Notes 6(c) and 7)	31,302	2	(4,754)	-	100,603	2	5,521	-
	Net operating income	118,548	8	190,657	12	520,600	11	600,822	12
	Non-operating income and expenses:								
7100	Interest income(Notes 6(y) and 7)	7,942	1	7,311	-	26,463	1	24,994	-
7010	Other income(Notes 6(y))	660	-	298	-	3,346	-	2,953	-
7020	Other gains and losses(Notes 6(j), (l), (p), (y)and 7)	118,406	8	7,719	-	166,842	3	138,844	3
7050	Finance costs(Notes 6 (p), (r) , (y) and7)	(216,197)	(14)	(153,385)	(9)	(626,678)	(13)	(515,143)	(10)
7055	Expected credit loss (Notes 6(z)、7and 9)	(27,034)	(2)	735	-	(37,571)	(1)	(10,867)	-
7060	Share of profit (loss) of associates accounted for using equity method(Notes 6(g))	(4,793)	(1)	(7,787)	-	7,133	-	(6,356)	-
		(121,016)	(8)	(145,109)	(9)	(460,465)	(10)	(365,575)	(7)
7900	**Profit (loss) from continuing operations before tax**	(2,468)	-	45,548	3	60,135	1	235,247	5
7950	**Less: Tax expense (Note 6(t))**	95,596	6	29,614	2	155,252	3	169,421	3
	Profit (loss)	(98,064)	(6)	15,934	1	(95,117)	(2)	65,826	2
8300	**Other comprehensive income:**								
8360	**Components of other comprehensive income that will be reclassified to profit or loss(Notes 6(g)and (u))**								
8361	Exchange differences on translation of foreign financial statements	406,506	27	(46,800)	(3)	895,118	19	(245,159)	(5)
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	54,981	3	(11,022)	(1)	105,482	2	(17,821)	-
8399	Less:Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total components of other comprehensive income that will be reclassified to profit or loss	461,487	30	(57,822)	(4)	1,000,600	21	(262,980)	(5)
8300	**Other comprehensive income, net**	461,487	30	(57,822)	(4)	1,000,600	21	(262,980)	(5)
	Comprehensive income (loss)	**$ 363,423**	**24**	**(41,888)**	**(3)**	**905,483**	**19**	**(197,154)**	**(3)**
8300	**Profit (loss), attributable to:**								
8610	Owners of parent	$ (25,395)	(1)	77,082	5	82,120	2	124,512	3
8620	Non-controlling interests	(72,669)	(5)	(61,148)	(4)	(177,237)	(4)	(58,686)	(1)
		$ (98,064)	**(6)**	**15,934**	**1**	**(95,117)**	**(2)**	**65,826**	**2**
	Comprehensive income (loss) attributable to:								
8710	Owners of parent	$ 429,845	28	36,751	2	1,029,689	21	(82,792)	(1)
8720	Non-controlling interests	(66,422)	(4)	(78,639)	(5)	(124,206)	(2)	(114,362)	(2)
		$ 363,423	**24**	**(41,888)**	**(3)**	**905,483**	**19**	**(197,154)**	**(3)**
	Earnings per share (Note 6(v))								
9750	**Basic earnings per share (NT dollars)**	$	**(0.03)**		**0.09**		**0.10**		**0.17**
9850	**Diluted earnings per share(NT dollars)**	$	**(0.03)**		**0.09**		**0.10**		**0.17**

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the nine months ended September 30 2022 and 2021

(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, 2021 (revised)	$ 6,867,627	1,917,673	247,895	565,892	(345,746)	468,041	(810,815)	(94,491)	8,348,035	3,642,677	11,990,712
Gain for the nine months ended September 30, 2021	-	-	-	-	124,512	124,512	-	-	124,512	(58,686)	65,826
Other comprehensive income for the nine months ended September 30, 2021	-	-	-	-	-	-	(207,304)	-	(207,304)	(55,676)	(262,980)
Total comprehensive income for the nine months ended September 30, 2021	-	-	-	-	124,512	124,512	(207,304)	-	(82,792)	(114,362)	(197,154)
Appropriation and distribution of retained earnings:	-	-	-	-	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	(247,895)	-	247,895	-	-	-	-	-	-
Special reserve appropriated	-	(22,746)	-	-	22,746	22,746	-	-	-	-	-
Conversion of convertible bonds	1,480,134	5,408	-	-	-	-	-	-	1,485,542	-	1,485,542
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	5,273	-	-	-	-	-	-	5,273	(9,865)	(4,592)
Changes in ownership interests in subsidiaries	-	508	-	-	-	-	-	-	508	364	872
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(81,522)	(81,522)
Balance at September 30, 2021	**$ 8,347,761**	**1,906,116**	**-**	**565,892**	**49,407**	**615,299**	**(1,018,119)**	**(94,491)**	**9,756,566**	**3,437,292**	**13,193,858**
Balance at January 1, 2022	$ 8,347,761	1,906,116	-	565,892	75,486	641,378	(982,609)	(94,491)	9,818,155	3,440,895	13,259,050
Gain for the nine months ended September 30, 2022	-	-	-	-	82,120	82,120	-	-	82,120	(177,237)	(95,117)
Other comprehensive income (loss) for the nine months ended September 30, 2022	-	-	-	-	-	-	947,569	-	947,569	53,031	1,000,600
Total comprehensive income for the nine months ended September 30, 2022	-	-	-	-	82,120	82,120	947,569	-	1,029,689	(124,206)	905,483
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	7,549	-	(7,549)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	67,938	(67,938)	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	15,249	-	-	-	-	-	-	15,249	(25,626)	(10,377)
Changes in ownership interests in subsidiaries	-	5,165	-	-	-	-	-	-	5,165	3,645	8,810
Changes in non-controlling interests										45,000	45,000
Balance at September 30, 2022	**$ 8,347,761**	**1,926,530**	**7,549**	**633,830**	**82,119**	**723,498**	**(35,040)**	**(94,491)**	**10,868,258**	**3,339,708**	**14,207,966**

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the nine months ended September 30 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

		For the nine months ended September 30	
		2022	**2021**
Cash flows from (used in) operating activities:			
Profit before tax	$	60,135	235,247
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		1,565,155	1,438,105
Amortization expense		37,587	27,929
Expected credit loss		138,174	16,388
Gain on financial assets or liabilities at fair value through profit or loss, net		(1,425)	(50,139)
Interest expense		626,678	515,143
Operating costs (Interest expense)		12,898	26,372
Interest income		(26,463)	(24,994)
Dividend income		(3,346)	(2,953)
Cost of share-based payments awards		-	872
Share of loss (profit) of associates accounted for using equity method		(7,133)	6,356
Loss on disposal of property, plan and equipment		309	1,162
Gain on disposal of intangible assets		(4,191)	(20,629)
Loss on disposal of investments		238	6,926
Impairment losses on non-financial assets		158,689	26,053
Gain on lease modifications		(356,114)	(2,097)
Rent concessions		-	(31,164)
Total adjustments to reconcile profit (loss)		2,141,056	1,933,330
Changes in operating assets and liabilities：			
Changes in operating assets：			
Fnancial assets and liabilities at fair value through profit or loss, mandatorily measured at fair value		18,084	115,384
Accounts receivable		69,557	448,162
Other receivable		25,409	(93,296)
Inventories		(179,899)	29,756
Other current assets		34,172	(22,046)
Net defined benefit asset		3	-
Total changes in operating assets		(32,674)	477,960
Changes in operating liabilities：			
Accounts payable		(966,232)	(1,058,110)
Other payable		72,723	(97,826)
Other current liabilities		(7,547)	4,577
Total changes in operating liabilities		(901,056)	(1,151,359)
Total changes in operating assets and liabilities		(933,730)	(673,399)
Total adjustments		1,207,326	1,259,931
Cash inflow generated from operations		1,267,461	1,495,178
Interest received		23,715	24,600
Dividend received		3,346	2,953
Interest paid		(633,287)	(504,820)
Income taxes paid		(88,125)	(100,831)
Net cash flows from (used in) operating activities		573,110	917,080

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FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the nine months ended September 30 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		For the nine months ended September 30	
		2022	2021
Cash flows from (used in) investing activities:			
Acquisition of the equity method of the investment		-	(200,823)
Acquisition of the subsidiary (Deduction of cash received)		-	(3,491)
Proceeds from disposal of subsidiaries		(8,984)	11,828
Acquisition of property, plant and equipment		(113,106)	(209,333)
Proceeds from disposal of property, plant and equipment		5,980	20,737
Decrease in other receivables		213,031	23,307
Acquisition of intangible assets		(337)	(1,046)
Proceeds from disposal of intangible assets		41,224	108,558
Decrease(increase) in other financial assets		(14,363)	256,337
Decrease(increase) in other non-current assets		4,788	(46,366)
Increase in prepaid equipment		(1,422)	(634,609)
Net cash flows from (used in) investing activities		126,811	(674,901)
Cash flows from (used in) financing activities:			
Decrease in short-term loans		(558,908)	(2,382,364)
Increase(decrease) in short-term notes and bills payable		58	(64)
Proceeds from long-term debt		995,600	4,736,225
Repayments of long-term debt		(2,137,171)	(2,472,239)
Increase(decrease) in guarantee deposits		(94,214)	36,525
Payments of lease liabilities		(456,363)	(1,179,877)
Disgorgement income		8,810	-
Acquisition of ownership interests in subsidiaries		(10,377)	(4,592)
Changes in non-controlling interests		45,000	-
Net cash flows from (used in) financing activities		(2,207,565)	(1,266,386)
Effect of exchange rate changes on cash and cash equivalents		191,686	(53,380)
Net decrease in cash and cash equivalents		(1,315,958)	(1,077,587)
Cash and cash equivalents at beginning of period		4,295,055	3,982,775
Cash and cash equivalents at end of period	$	**2,979,097**	**2,905,188**
Components of cash and cash equivalents			
Cash and cash equivalents in the balance sheets	$	2,959,859	2,905,188
Reclassification to (non-current) assets (or disposal groups) held for distribution to owners		19,238	-
Cash and cash equivalents at end of period	$	**2,979,097**	**2,905,188**

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

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<u>Reviewed only, not audited in accordance with generally accepted auditing standards</u>

September 30, 2022 and 2021

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

(1) Company history

First Steamship Company Ltd. (the "Company") was established in October 1963 in accordance with the Company Act of the Republic of China. The Company's registered office address is located at 14F, No.237, Sec. 2, Fuxing S. Rd., Taipei City, R.O.C. The major business activities of the Company and its subsidiaries ("the Group") are the domestic and international sea transportation and related businesses, trading of vessels and related products, providing services of financial leasing, providing business consultation services, trading of cosmetics, furnishings and etc., investments, and selling, renting, investing in construction.

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

These consolidated financial statements were authorized for issuance by the Board of Directors on November 11, 2022.

(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 initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2022:

- Amendments to IAS 16 "Property, Plant and Equipment－Proceeds before Intended Use"
- Amendments to IAS 37 "Onerous Contracts－Cost of Fulfilling a Contract"
- Annual Improvements to IFRS Standards 2018－2020
- Amendments to IFRS 3 "Reference to the Conceptual Framework"

(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, 2023, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendment to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	Under the current IAS 1 requirement, liabilities that do not unconditionally extend the right to defer the settlement period to at least 12 months after the reporting period should be classified as current. The amendment deleted the requirement that the right should be unconditional and replaced it with a requirement that the right must exist and be substantive at the end of the reporting period. The amended provision sets out how an enterprise should classify liabilities (e.g. convertible corporate bonds) that are settled by issuing its own equity instruments.	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Contractual Terms"	Following a reconsideration of certain aspects of the 2020 IAS1 amendments, the new amendments clarify that only contractual terms followed on or before the reporting date will affect the classification of liabilities as current or non-current. The terms of the contract to be followed after the reporting date (i.e. future terms) do not affect the classification of liabilities on that date. However, when non-current liabilities are subject to future contract terms, companies need to disclose information to help financial report users understand the risk that such liabilities may be repaid within 12 months after the date of reporting.	January 1, 2024

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

The Group does not expect the 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
- Amendments to IFRS 16 “Sale-Leaseback Transaction Requirements”

(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, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

List of subsidiaries in the consolidated financial statements include.

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding September 30, 2022	Shareholding December 31, 2021	Shareholding September 30, 2021	Note
First Steamship Co., Ltd.	Yee Shin Investment Co., Ltd.	General investing	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 1)
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.	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%	9.69%	9.69%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
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%	100.00%	100.00 %	The company directly (indirectly) holds more than 50% of its subsidiaries and it reduced capital of 20,825 thousand shares on September 2021.
First Steamship S.A.	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 S.A.	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 S.A.	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 S.A.	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 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.	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 S.A.	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 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.	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 S.A.	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 S.A.	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

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Name of Investor	Name of Subsidiary	Principal activity	Shareholding September 30, 2022	Shareholding December 31, 2021	Shareholding September 30, 2021	Note
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
First Steamship S.A.	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 S.A.	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
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
First Mariner Capital Ltd.	Morgan Finance Ltd.	Loan company	-%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 2)
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.	Suzhou Youcheng Car Leasing Ltd.	Automobile Finance leasing company	-%	-%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries and it also completed liquidation in October 22,2021
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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Name of Investor	Name of Subsidiary	Principal activity	Shareholding September 30, 2022	Shareholding December 31, 2021	Shareholding September 30, 2021	Name of Investor
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 Leasing 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, furnishings, 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, furnishings, 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, furnishings, 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, furnishings, 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 consulting business, and trading of cosmetics, furnishings, 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 consulting business, and trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 6(h))
Quanzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Trading of cosmetics, furnishings, 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 Development Ltd.	Trading of cosmetics, furnishings, 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, furnishings, 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, furnishings, 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 consulting business, and 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.	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

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Name of Investor	Name of Subsidiary	Principal activity	Shareholding September 30, 2022	Shareholding December 31, 2021	Shareholding September 30, 2021	Name of Investor
Wuhan Grand Ocean Classic Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	35.30%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Classic Commercial Ltd.	Trading of cosmetics, furnishings, etc.	50.00%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
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%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Classic Commercial Ltd.	Trading of cosmetics, furnishings, etc.	50.00%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Yichang Grand Ocean Commercial Ltd.	Trading of cosmetics, furnishings, etc.	99.00%	99.00%	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%	1.00%	1.00%	The company directly (indirectly) holds more than 50% of its subsidiaries

Note 1: On July 30, 2021, the board of directors of the Group resolved to dispose the 100% equity of the subsidiary, Yee Shin Investment Co., Ltd. to a related party, Yonghenghui Investment Co., Ltd. For more information, please refer to note 6(f).

Note 2: The Group sold the Morgan Finance Ltd. through the board of directors on February 25, 2022 and completed the process of equity transferred. The more information, please refer to note 7.

Note 3: The Group successively purchased the shares of Grand Ocean Retail Group Ltd. for the amount of $10,377 thousand from January 1 to September 30, 2022, which increased the shareholding ratio from 9.69% to 10%, and recognized as the capital surplus of $ 15,249 thousand.

(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 IAS 34, Interim Financial 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. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

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.

(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 2021 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, 2021. For the related information, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2021.

(a) Cash and cash equivalents

	September 30, 2022	December 31, 2021	September 30, 2021
Petty cash	$ 30,621	23,971	29,279
Demand deposits	2,770,538	4,251,555	2,875,909
Time deposits	158,700	-	-
Total	$ 2,959,859	4,275,526	2,905,188

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

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

	September 30, 2022	December 31, 2021	September 30, 2021
Mandatorily measured at fair value through profit or loss:			
Non-derivative financial assets—current			
Shares of stock of listed companies	$ 90,980	92,055	91,199
Open fund	11,205	13,268	13,104
Foreign corporate bonds	5,893	5,893	5,893
Beneficiary rights - Specific construction project	127,578	-	-
Subtotal	235,656	111,216	110,196
Non-derivative financial assets—non-current			
Beneficiary rights - Specific construction project	-	127,578	119,158
Total	$ 235,656	238,794	229,354
Held-for-trading financial liabilities:			
Non-derivative financial liabilities-non-current			
Landlord beneficiary rights	$ 24,429	23,234	20,400

(i) The Group entered into land investment project agreement with Sanlinger Investment Development Co., Ltd., wherein the Group sold 20% of its beneficial rights on the project land located in Wushigang section, Toucheng Township, Yilan County, and received the amount of $20,400 thousand in 2021. Thereafter, Sanlinger Investment Development Co., Ltd. would bear the cost of the development and holding based on percentage. As on September 30,2022, December 31,2021 and September 30,2021 the holding or development costs charged by the consolidated company to Sanlinger Investment Development Co., Ltd., on a pro rata basis were $4,029 thousand, $2,834 thousand and $0 thousand.

(ii) Please refer to note 6(z) for disclosure of credit risk and market risk of all financial instruments mentioned above.

(iii) The financial assets mentioned above had not been pledged as collateral.

(c) Accounts receivables

	September 30, 2022	December 31, 2021	September 30, 2021
Current			
Accounts receivables	$ 243,244	212,437	180,913
Less: Allowance for impairment	(13,901)	(13,266)	(15,194)
	229,343	199,171	165,719
Leases payment receivables (including operating lease)	502,913	521,160	502,006
Less: Unearned interest	(78,935)	(90,504)	(83,000)
Allowance for impairment	(162,361)	(90,759)	(59,499)
	261,617	339,897	359,507
Subtotal of current asset	490,960	539,068	525,226
Non-current			
Leases payment receivables	359,811	427,330	492,773
Less: Unearned interest	(42,163)	(44,014)	(57,183)
Allowance for impairment	(106,024)	(74,313)	(58,070)
Subtotal of non-current asset	211,624	309,003	377,520
Total	$ 702,584	848,071	902,746

(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, its credit risk will be assessed on a separate basis in the third quarter of 2022 and the fourth quarter of 2021 respectively. The Group evaluated the value of collateral and recognized allowance for uncollectible as follow:

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Notes to the Consolidated Financial Statements

	September 30, 2022	December 31, 2021	September 30, 2021
Leases payment receivables	$ 477,474	322,579	-
Less: Allowance for impairment	(132,545)	(48,360)	-
	$ 344,929	274,219	-

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

	September 30, 2022		
	Gross carrying amount of leases payment receivable	Weighted-average loss rate	Loss allowance provision
Current	$ 49,525	1.08%	537
1 to 30 days past due	5,346	7.51%	401
31 to 60 days past due	9,089	8.92%	810
61 to 90 days past due	6,516	20.28%	1,321
More than 91 days past due（Note）	193,676	68.55%	132,771
	$ 264,152		135,840

	December 31, 2021		
	Gross carrying amount of leases payment receivable	Weighted-average loss rate	Loss allowance provision
Current	$ 284,076	0.44%	1,260
1 to 30 days past due	18,200	2.57%	467
31 to 60 days past due	3,761	10.75%	404
61 to 90 days past due	378	23.14%	88
More than 91 days past due（Note）	184,978	61.90%	114,493
	$ 491,393		116,712

	September 30, 2021		
	Gross carrying amount of leases payment receivable	Weighted-average loss rate	Loss allowance provision
Current	$ 509,446	0.36%	1,844
1 to 30 days past due	159,920	2.67%	4,273
31 to 60 days past due	6,275	11.00%	690
61 to 90 days past due	5,401	23.47%	1,268
More than 91 days past due（Note）	173,554	63.09%	109,494
	$ 854,596		117,569

Note: As of September 30, 2022, December 31, 2021 and September 30, 2021 ,the Group had filed lawsuits for collecting the overdue receivables from leasing business with total amount of $ 105,476 thousand (CNY23,593 thousand), $108,746 thousand (CNY25,057 thousand) and $ 107,252 thousand (CNY24,985 thousand). The Group assessed the recoverability of those overdue receivables, and recognized provision for allowance of $57,476 thousand (CNY12,857 thousand), $59,316 thousand (CNY13,688 thousand) and $58,510 thousand (CNY13,630 thousand) less unearned interests and guarantee deposit.

2) The Group's main trade receivables from retail department in China are credit card payments collected from banks, with an average credit period of 2 to 3 days, wherein there is no concern about the recoverability. The retail business department in China which is classified as leasing was effected by COVI-19 pandemic. Therefore, partial receivables were deferred.

The retail business department in China has entered the mediation process or the amount involved of the accounts receivable are as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Mediation or Litigation Amount	$ 21,088	-	-
Less: Allowance for impairment	(3,951)	-	-
	$ 17,137	-	-

The expected credit loss was determined as follows:

	September 30, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 188,325	0%	-
1 to 90 days past due	19,168	0%	-
91 to 180 days past due	2,772	4%	119
181 to 270 days past due	3,897	46%	1,900
271 to 365 days past due	68	100%	68
More than 365 days past due	7,863	100%	7,863
	$ 222,093		9,950

	December 31, 2021		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 170,090	0%	-
1 to 90 days past due	11,568	0%	-
91 to 180 days past due	5,506	3%	192
181 to 270 days past due	3,949	52%	1,849
271 to 365 days past due	414	100%	414
More than 365 days past due	10,811	100%	10,811
	$ 202,338		13,266

	September 30, 2021		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 118,689	0%	-
1 to 90 days past due	26,287	0%	-
91 to 180 days past due	8,800	4%	487
181 to 270 days past due	4,755	52%	2,488
271 to 365 days past due	2,338	100%	2,338
More than 365 days past due	9,881	100%	9,881
	$ 170,750		15,194

3) The loss allowance provision in shipping business department was determined as follows:

	September 30, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 63	-	-

	December 31, 2021		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 10,099	-	-

	September 30, 2021		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 10,163	-	-

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

	For the nine months ended September 30	
	2022	2021
Balance on January 1	$ 178,338	132,523
Impairment losses recognized	100,603	5,521
Amount written off due to uncollectible this year	(2,734)	(3,070)
Foreign exchange gain (loss)	6,079	(2,211)
Balance on September 30	$ 282,286	132,763

(iii) Expiration analysis of the Group lease payments to report the undiscounted lease payments to be received in the future

	September 30, 2022	December 31, 2021	September 30, 2021
Below 1 year	$ 502,913	521,160	502,006
1 to 2 year past due	346,812	239,186	240,217
2 to 3 year past due	12,999	188,144	252,556
Gross investment in the lease	862,724	948,490	994,779
Unearned finance income	(121,098)	(134,518)	(140,183)
Present value of minimum lease payments receivable	$ 741,626	813,972	854,596

(iv) The Group and the financial institution shall sign the accounts receivable and sales contract, and the contracted company shall guarantee the receivables for all receivables that cannot be recovered (whether delayed or defaulted) within a certain period of time, and retain the accounts receivable. Almost all risks and rewards are therefore not eligible for financial assets. The carrying amounts of the transferred receivables and related financial liabilities not excluded in the reporting date are as follows:

September 30, 2022					
Resale company	**Transferred accounts receivable amount**	**Credit lines**	**Advanced amount(recognized under Short-term borrowings)**	**Range of interest rates**	**Guarantee item**
CDIB International Leasing Corp.	$ -	-	-	-	-

December 31, 2021					
Resale company	**Transferred accounts receivable amount**	**Credit lines**	**Advanced amount(recognized under Short-term borrowings)**	**Range of interest rates**	**Guarantee item**
CDIB International Leasing Corp.	$ 42,103	86,798	5,102	9.3%	Accounts receivables

September 30, 2021					
Resale company	**Transferred accounts receivable amount**	**Credit lines**	**Advanced amount(recognized under Short-term borrowings)**	**Range of interest rates**	**Guarantee item**
CDIB International Leasing Corp.	$ 64,058	85,854	28,721	9.3%	Accounts receivables

(vi) For credit risk information, please refer to note 6(z).

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

(d) Other receivables

	September 30, 2022	**December 31, 2021**	**September 30, 2021**
Other receivables–loans (note 7)	$ 106,055	115,989	114,733
Other receivables–investment	272,703	462,201	566,639
Other receivables–Lease guarantee deposit	63,712	62,284	62,122
Other receivables–return payment (note)	-	34,247	59,302
Other receivables–others	106,482	89,019	102,784
Less: Loss allowance	(159,792)	(119,383)	(67,587)
	$ 389,160	644,357	837,993

Note：The Group’s subsidiaries Fuzhou Grand Ocean Commerce Co, Ltd., reached an agreement with supplier to return part of supply to supplier because some floor owner of departments failed to meet renewal condition and that floor most of whom was self-operated, therefore incurred return payments.

(i) The other receivables–loans arise from the car dealer with business cooperation, and obtain collateral when necessary. Furthermore, other receivables–others are the advance payment in accordance with the promotions held by retail business department and venders. Since the Group and the vendors are in a long-term business relationship, the Group has considered historical experience and believed that they were less doubtful of the recoverability of these receivables.

(ii) Since the rental agreement of, Xiangtan Grand Ocean Department Store Co., Ltd. (Xiangtan) one of the Group's subsidiaries, have reached its maturity in December 2018, the Group ceased Xiangtan's business operation, wherein a security deposit amounting to CNY 15,000 thousand is expected to be received. 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 CNY 14,700 thousand to Xiangtan. However, Xiangyuan disagreed with the court's decision, therefore, filed an appeal on November 13, 2019, wherein it was denied on January 16, 2020. Furthermore, Xiangtan filed an appeal to the court to freeze the property of Xiangyuan, in which the court granted the approval do to so. 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 mandatory payment of $1,511 thousand (CNY348 thousand). As a result, the Group assessed that amount of $63,712 thousand (CNY14,252 thousand) should have no impairment concern.

(iii) In 2012, the Group paid a guarantee deposit of CNY124,000 thousand to Quanzhou Fengsheng Group to purchase the commercial real estate of the Fengsheng Junyuan Development Project developed by Fengsheng Group in Fengze District, Quanzhou. After assessing the investment value of the project, the Board of Directors of the Group resolved during the meeting in July 2015 to invest Quanzhou Fengan Real Estate Development Co., Ltd. (Fengan), and expected to obtain 100% equity of the company with a contractual amount of CNY325,000 thousand. As of December 31, 2015, the Group had paid CNY200,000 thousand, which was reported under the prepayment for investments. The management of the Group evaluated the uncertainty of the investment and thus terminated the investment. Therefore, the original prepayment for investments of CNY200,000 thousand and other financial assets – current of CNY 124,000 thousand, were reclassified as other receivables as of June 30, 2016.

The Group reviewed the nature of other receivables and analyzed the current financial position of the counterparty. In order to secure the aforementioned debt, the Group had acquired pledge of stock rights of Fengan, and at the same time had obtained the debtor's promise that other investment profits to be priority to repay the debt. The Group evaluated that the aforementioned claims should have no impairment concern in December 31, 2016. Because the debtor takes time to complete the relevant legal procedures of the disposition of investment, the Group and the debtor renegotiate the repayment period, which should be before April 30, 2017, before September 30, 2017, and before December 31, 2017. The total amount of repayment should be 10%, 40% and 50%, respectively. In case of violation of the agreement, the aforementioned collateral would be transferred to the Group for debt repayment. As of December 31, 2017, the Group had recovered CNY 162,000 thousand according to aforesaid agreement. On December 19, 2017, the Board of Directors of the Group resolved during the meeting on the Fengsheng Group's extension of the repayment agreement, which extended remaining proceeds to June 30, 2018. Due to the delay of procedures of the disposition of investment, Fengsheng Group could not make the payments by the aforementioned date.

To ensure the recovery of the aforementioned creditor's rights and the development of Fengan's property, on August 12, 2019, the Board of Directors resolved to sign a "Debt Confirmation and Repayment Plan" with Damahua Investment Co., Ltd. (Damahua), Fengsheng and Fengan, stating that Damahua will provide financial support to Fengan for the development and construction of a real estate property to be sold to the market to ensure that the future sales proceeds will be used to repay for the aforementioned claims. Considering the development progress of Fengan's property, the credit recovery period will exceed one year; therefore, the related receivables reclassified to other non-current receivables (were recognized as other non-current financial assets). The Group evaluated that the aforementioned debt should have no impairment concern under the cash flow of pledge asset.

The Board of Directors resolved to sign a "Debt Preservation and Conditional Credit Transfer Agreement" and agree that the Group and Damahua to oversee the development and construction of Fengan's property to ensure that the future sales proceeds will be used to repay for the aforementioned claims. Damahua agreed that the credit transfer condition would be met under certain circumstances mentioned in transfer agreement, such as the construction couldn't resume as scheduled, the court auction is designated or the compulsory execution is enforced by judical authority. The aforementioned "Debt Preservation and Conditional Credit Transfer Agreement" stated that the development project of the Fengan property must be restarted before June 30, 2020. The progress of approval was delayed because of COVID-19 pandemic. The Group has agreed to extend the start date to December 31, 2020.

On December 31, 2020, the aforementioned "Debt Preservation and Conditional Credit Transfer Agreement" has been reached, Damahua carried the aforementioned creditor's right. On February 9, 2021, the Group agreed to modify the original payment terms and timeline because of the impact of COVID-19 pandemic and the property policy in Quanzhou, which are force majeure. The details of payments are as follows:

1) Damahua agrees to pay CNY 30,000 thousand before February 9, 2021.
2) Damahua agrees to pay CNY 51,000 thousand before December 31, 2021.
3) Damahua agrees to pay CNY 81,000 thousand before June 30, 2022.
4) Under the premise of obtaining written consent of the Group, Damahua can transfer the title of properties located in Citong road to the Group, as the payment of debt.

Due to the force majeure factor of the COVID-19 epidemic, the society, various industries and the business of Damahua have been seriously affected. Damahua needs to retain part of the operating capital, and proposes to the Group to postpone the payment of the remaining receivables until June 30, 2023 and reaches an agreement in August 2022.The Group's original receivables from Damahua amounted to CNY 162,000 thousand, as of June 30, 2022, the accumulative amount of CNY 101,000 thousand has been paid, and the remaining CNY 61,000 thousand unpaid. The payment schedule is described as follows:

1) Damahua agrees to pay CNY 16,000 thousand before December 31, 2022.
2) Damahua agrees to pay CNY 16,000 thousand before March 31, 2023.
3) Damahua agrees to pay CNY 29,000 thousand before June 30, 2023.
4) If the above amount is not repaid by Damahua before the expiry of the deferred repayment period, Damahua will unconditionally cooperate with the liquidation of the Quanzhou Citong Road Project, and the land disposal price of the Quanzhou Citong Road Project will be repaid to the Group in priority.

The Group has collected the payment of CNY 55,500 thousand in 2021. The Group has collected the payment of CNY 25,500 thousand and CNY 20,000 thousand in March and June, 2022. As of September 30, 2022, December 31, 2021 and September 30, 2021, the outstanding receivables were $272,703 thousand (CNY 61,000 thousand), $462,201 thousand (CNY 106,500 thousand) and $566,639 thousand (CNY 132,000 thousand), respectively.

In addition, the Group estimates the receivables of Damahua calculating the amortized cost by discounting the effective interest rate(Bank of China、China Construction Bank、Industrial and Commercial Bank of China、Agricultural Bank of China) average bad debt ratio, general economic and related industry information are included in forward-looking information to estimate the expected credit loss during the duration. For the years ended September 30, 2022, December 31, 2021 and September 30 2021, the amount of allowance for loss was $59,899 thousand, $50,765 thousand and $50,213 thousand, respectively.

(iv) For credit risk information, please refer to note 6(z).

(e) Inventories (construction department)

	September 30, 2022	December 31, 2021	September 30, 2021
Land held for construction site	$ 518,437	518,437	518,437
Construction in progress	873,963	677,896	677,790
Buildings and land held for sale	41,931	41,931	41,932
Prepayment for land purchases and development expenses	127,357	127,357	127,357
	$ 1,561,688	**1,365,621**	**1,365,516**

Please refer to note 8 for the details of inventories pledged as collateral.

(f) Non-current Assets Held for Sale

Based on the resolution approved during the board meeting held on July 30, 2021, the Group resolved to dispose its entire equity in its subsidiary, Yee Shin Investment Co., Ltd., to a related party, Yonghenghui Investment Co., Ltd., at the amount of $356,000 thousand, wherein the Group received deposit amounting to $150,000 thousand (reported as other current liabilities) on November 24, 2021, and the rest was deposited in a trust account. Both parties have started dealing with the sale, and expected to finish the transaction within one year. Therefore the assets and liability are classified in disposal groups.

As of September 30, 2022, the disposal group comprised the following assets and liabilities:

	September 30, 2022	December 31, 2021
Cash and cash equivalents	$ 19,238	19,529
Investments accounted for using equity method	176,763	176,763
The assets of disposal groups	**$ 196,001**	**196,292**
The liabilities of disposal groups(other payables)	**$ 270**	**340**

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(g) Investments accounted for using equity method

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

Investee	September 30, 2022	December 31, 2021	September 30, 2021
Taiwan Environment Scientific Co., Ltd.(Note6(f))	$ -	-	177,399
Jiawang Assets Development Co., Ltd.	4,187	5,755	6,285
Da Yu Financial Holdings Limited	795,179	675,949	681,958
Sandmartin International Holdings Limited	45,989	50,641	62,574
Nanjing Grand Ocean Dongfadao Catering Co., Ltd.	30,085	30,480	28,339
Hainan Sanhe Licheng Business Service Co., Ltd.	-	-	-
Shanghai Zhuke Technology Co., Ltd.	-	-	-
	$ 875,440	762,825	956,555

(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:

	September 30, 2022	December 31, 2021	September 30, 2021
Carrying amount of individually insignificant associates' equity	$ 875,440	762,825	956,555

	For the three months ended September 30		For the nine months ended September 30	
Attributable to the Group:	2022	2021	2022	2021
Gain(Loss) from continuing operations	$ (4,793)	(7,787)	7,133	(6,356)
Other comprehensive income	54,981	(11,022)	105,482	(17,821)
Total comprehensive income	$ 50,188	(18,809)	112,615	(24,177)

(ii) Sandmartin International Holdings Limited

According to the resolution decided during the board meeting held on December 7, 2018, the Group decided to dispose its equity method investment in Sandmartin International Holdings Ltd., (reported under non-current assets classified as held for sale) and started to conduct the related sales, which is expected to be completed within one year. The Group has taken all the necessary actions to respond accordingly to the changes in the situation and actively seek for a reasonable price to attract other buyers since the transaction is expected to be completed within one year. Therefore, in order to optimize the return of its investment, the Group increased the capital of Sandmartin International Holdings Ltd. in cash, at a shareholding ratio amounting to $75,434 thousand (HKD 20,924 thousand), based on the resolution the approved during the board meeting held on June 25, 2021. All related regulatory registration procedures were completed as of the reporting date. Since the requirements for the recognition of the non-current assets held for sale had been reassessed in the second quarter of 2021, the completion of the transaction will not be able to materialize within one year, resulting in the

Group to cease the classification of the above investment as non-current assets held for sale.

(iii) 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 CNY 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. The Group has invested the amount of $31,294 thousand (CNY 7,000 thousand) for the years ended September 30, 2022.

(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 CNY 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.

(iv) Guarantees

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

(v) The unreviewed financial statements of investments accounted for using equity method

Investments were accounted for by the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that had not been reviewed. Except for Taiwan Environment Scientific Co., Ltd and Nanjing Grand Ocean Dongfadao Catering Co., Ltd. has reviewed by CPA.

(h) Business combination─acquisition of subsidiaries

On June 30, 2021, the Group acquired the entire shares of Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd. (hereinafter referred to as "Shanghai Qianshu"), resulting in its equity interest in Shanghai Qianshu to increase from 0% to 100% and gain control over it, enabling the Group to expand its business on retail industry. For the related information, please refer to note 6(h) of the consolidated financial statements for the year ended December 31, 2021.

(i) 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**	**September 30,2022**	**December 31, 2021**	**September 30,2021**
GRAND OCEAN RETAIL GROUP LTD.	China/Cayman Islands	41.38%	41.69%	41.69%

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.

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The financial information of Grand Ocean Retail Group Ltd

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	$ 3,101,107	4,999,105	3,877,498
Non-current assets	21,151,000	22,278,302	18,153,975
Current liabilities	(5,473,636)	(7,225,731)	(6,253,077)
Non-current liabilities	(11,003,637)	(12,012,875)	(7,758,182)
Net assets	$ 7,774,834	8,038,801	8,020,214
Non-controlling interests	$ 3,217,227	3,351,378	3,343,627

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Sales revenue	$ 962,564	1,068,112	3,223,386	3,814,423
Profit (loss)	$ (164,056)	(159,336)	(398,571)	(145,936)
Other comprehensive income (loss)	15,096	(41,400)	125,794	(135,682)
Comprehensive income (loss)	$ (148,960)	(200,736)	(272,777)	(281,618)
Profit (loss), attributable to non-controlling interests	$ (67,886)	(66,426)	(165,201)	(60,824)
Comprehensive income (loss), attributable to non-controlling interests	$ (61,639)	(83,917)	(112,170)	(116,500)

	For the nine months ended September 30	
	2022	2021
Net cash flows from operating activities	$ (65,500)	(44,133)
Net cash flows from investing activities	84,147	(98,932)
Net cash flows from financing activities	(1,754,981)	(1,219,636)
Effect of exchange rate changes	100,331	(50,562)
Net decrease in cash and cash equivalents	$ (1,636,003)	(1,413,263)
Dividends paid to non-controlling interests	$ -	(81,522)

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(j) 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, 2022	$ 126,409	4,661,517	191,363	9,191,189	234,509	6,742,846	31,596	21,179,429
Additions	-	102	4,966	-	3,941	27,121	83,435	119,565
Reclassifications	-	-	-	-	3,130	32,839	(35,969)	-
Disposals and obsolescence	-	-	(20,518)	-	(2,524)	(1,815)	-	(24,857)
Disposals subsidiaries	-	-	-	-	(325)	(945)	-	(1,270)
Effect of change in foreign exchange rates	-	138,075	5,228	1,351,936	7,287	200,226	1,286	1,704,038
Balance at September 30, 2022	**$ 126,409**	**4,799,694**	**181,039**	**10,543,125**	**246,018**	**7,000,272**	**80,348**	**22,976,905**
Balance at January 1, 2021	$ 126,409	4,690,022	194,358	7,558,952	239,855	6,628,424	58,535	19,496,555
Additions	-	-	39,060	34,949	6,687	26,874	81,346	188,916
Transferred from prepaid equipment.	-	-	-	1,814,653	-	-	-	1,814,653
Inventory transfer	-	-	8,670	-	-	-	-	8,670
Reclassifications	-	-	-	-	939	91,371	(92,310)	-
Disposals and obsolescence	-	(2,168)	(38,775)	-	(6,830)	(2,766)	-	(50,539)
Disposals subsidiaries	-	-	(5,212)	-	(5,131)	(3,878)	-	(14,221)
Acquired in a business combination	-	-	-	-	1,229	-	14,057	15,286
Effect of change in foreign exchange rates	-	(76,223)	(3,215)	(183,842)	(3,875)	(110,574)	(860)	(378,589)
Balance at September 30, 2021	**$ 126,409**	**4,611,631**	**194,886**	**9,224,712**	**232,874**	**6,629,451**	**60,768**	**21,080,731**
Depreciation and impairment loss:								
Balance at January 1, 2022	$ -	693,421	77,316	2,369,354	180,428	4,024,715	514	7,345,748
Depreciation	-	84,692	21,780	295,947	10,606	325,709	-	738,734
Disposals and obsolescence	-	-	(15,262)	-	(2,394)	(912)	-	(18,568)
Impairment loss	-	-	115	-	2,911	154,709	660	158,395
Disposals subsidiaries	-	-	-	-	(323)	(945)	-	(1,268)
Effect of change in foreign exchange rates	-	20,530	2,373	372,904	5,287	121,466	12	522,572
Balance at September 30, 2022	**$ -**	**798,643**	**86,322**	**3,038,205**	**196,515**	**4,624,742**	**1,186**	**8,745,613**
Balance at January 1, 2021	$ -	587,303	68,316	2,082,449	184,048	3,700,335	-	6,622,451
Depreciation	-	82,918	24,513	256,086	10,753	316,099	-	690,369
Disposals and obsolescence	-	(1,325)	(18,899)	-	(6,086)	(2,330)	-	(28,640)
Impairment loss	-	-	4,695	-	-	21,358	-	26,053
Disposals subsidiaries	-	-	(5,212)	-	(5,027)	(3,878)	-	(14,117)
Effect of change in foreign exchange rates	-	(10,007)	(1,153)	(48,732)	(2,987)	(64,340)	-	(127,219)
Balance at September 30, 2021	**$ -**	**658,889**	**72,260**	**2,289,803**	**180,701**	**3,967,244**	**-**	**7,168,897**
Carrying amounts:								
Balance at January 1, 2022	**$ 126,409**	**3,968,096**	**114,047**	**6,821,835**	**54,081**	**2,718,131**	**31,082**	**13,833,681**
Balance at September 30, 2022	**$ 126,409**	**4,001,051**	**94,717**	**7,504,920**	**49,503**	**2,375,530**	**79,162**	**14,231,292**
Balance at January 1, 2021	**$ 126,409**	**4,102,719**	**126,042**	**5,476,503**	**55,807**	**2,928,089**	**58,535**	**12,874,104**
Balance at September 30, 2021	**$ 126,409**	**3,952,742**	**122,626**	**6,934,909**	**52,173**	**2,662,207**	**60,768**	**13,911,834**

(i) The significant components of the buildings include the main building, electrical equipment and air conditioner with their own estimated useful lives.

(ii) 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 due to continuous operating losses. Therefore, an impairment loss on property, plant and equipment of $158,395 thousand was recognized.

(iii) Some shopping mall floors of Wuhan Grand Ocean Classic Commercial Development Ltd., a subsidiary of the Group did not reach a lease renewal agreement. Therefore, the Group cancelled the counters on these floors and recognized an impairment loss of $ 21,358 thousand in September, 2021.

(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.

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(k) Right-of-use assets

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

	Land	Buildings	Transportation and other equipment	Total
Cost：				
Balance at January 1, 2022	$ 3,275,716	11,648,905	58,416	14,983,037
Addition	-	39,795	7,485	47,280
Lease modification	-	(571,218)	-	(571,218)
Disposal and derecognition	-	(30,824)	-	(30,824)
Effect of change in foreign exchange rates	98,600	346,955	1,758	447,313
Balance at September 30, 2022	$ 3,374,316	11,433,613	67,659	14,875,588
Balance at January 1, 2021	$ 3,294,512	7,317,431	61,197	10,673,140
Addition	-	13,783	-	13,783
Lease modification	-	504,712	-	504,712
Disposal and derecognition	-	(433,221)	-	(433,221)
Subsidiaries disposal	-	(17,848)	(2,446)	(20,294)
Effect of change in foreign exchange rates	(54,420)	(121,417)	(971)	(176,808)
Balance at September 30, 2021	$ 3,240,092	7,263,440	57,780	10,561,312
Depreciation and impairment：				
Balance at January 1, 2022	$ 288,745	2,224,563	21,479	2,534,787
Depreciation	73,823	745,688	6,180	825,691
Lease modification	-	(51,763)	-	(51,763)
Disposal and derecognition	-	(30,824)	-	(30,824)
Effect of change in foreign exchange rates	9,227	71,981	687	81,895
Balance at September 30, 2022	$ 371,795	2,959,645	28,346	3,359,786
Balance at January 1, 2021	$ 193,601	1,807,622	15,540	2,016,763
Depreciation	72,101	669,478	5,427	747,006
Disposal and derecognition	-	(419,630)	-	(419,630)
Subsidiaries disposal	-	(17,848)	(1,223)	(19,071)
Effect of change in foreign exchange rates	(3,898)	(32,007)	(290)	(36,195)
Balance at September 30, 2021	$ 261,804	2,007,615	19,454	2,288,873
Carrying amounts:：				
Balance at January 1, 2022	$ 2,986,971	9,424,342	36,937	12,448,250
Balance at September 30, 2022	$ 3,002,521	8,473,968	39,313	11,515,802
Balance at January 1, 2021	$ 3,100,911	5,509,809	45,657	8,656,377
Balance at September 30, 2021	$ 2,978,288	5,255,825	38,326	8,272,439

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 due to continuous operating losses. Therefore, the lease modification benefits arising from closure of business resulting in shortened lease term are detailed in Note 6 (y).

(l) 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, 2022	$ 1,450,805	387,825	188,554	33,734	2,060,918
Additions	-	-	-	337	337
Disposal and derecognition	-	-	(37,033)	-	(37,033)
Effect of change in foreign exchange rates	43,669	57,046	5,406	1,049	107,170
Balance at September 30, 2022	$ 1,494,474	444,871	156,927	35,120	2,131,392
Balance at January 1, 2021	$ 1,361,635	399,178	305,176	39,811	2,105,800
Additions	-	-	-	1,046	1,046
acquired in a business combination	101,645	-	-	-	101,645
Disposal and derecognition	-	-	(87,929)	(10,954)	(98,883)
Effect of change in foreign exchange rates	(22,528)	(8,970)	(4,188)	(599)	(36,285)
Balance at September 30, 2021	$ 1,440,752	390,208	213,059	29,304	2,073,323
Accumulated amortization and impairment loss:					
Balance at January 1, 2022	$ -	-	5,082	16,852	21,934
Amortization	-	-	-	4,027	4,027
Impairment loss	-	-	-	294	294
Effect of change in foreign exchange rates	-	-	153	570	723
Balance at September 30, 2022	$ -	-	5,235	21,743	26,978
Balance at January 1, 2021	$ 5,857	-	5,111	22,358	33,326
Amortization	-	-	-	4,240	4,240
Disposal and derecognition	-	-	-	(10,954)	(10,954)
Effect of change in foreign exchange rates	(132)	-	(84)	(341)	(557)
Balance at September 30, 2021	$ 5,725	-	5,027	15,303	26,055
Carrying amounts:					
Balance at January 1, 2022	$ 1,450,805	387,825	183,472	16,882	2,038,984
Balance at September 30, 2022	$ 1,494,474	444,871	151,692	13,377	2,104,414
Balance at January 1, 2021	$ 1,355,778	399,178	300,065	17,453	2,072,474
Balance at September 30, 2021	$ 1,435,027	390,208	208,032	14,001	2,047,268

(i) Impairment testing

The key assumptions used by the Group in evaluating department store retail license plate of recoverable amount in cash-generating units was not significant change of the consolidated financial statements for the nine months ended September 30, 2022. Please refer to Note 6(l) of the consolidated financial statements for the nine months ended September 30, 2022.

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(ii) 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 due to continuous operating losses. Therefore, an impairment loss on intangible assets of $294 thousand was recognized.

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

		September 30, 2022	December 31, 2021	September 30, 2021
Other financial assets－current				
Deposits－out for lease	$	576	559	596
Restricted deposits		106,708	99,397	73,967
Vehicle purchase claims		35,764	-	-
Others		2,703	3,223	3,102
	$	145,751	103,179	77,665
Other financial assets－non-current				
Deposits－out for lease	$	217,605	211,317	209,022
Cooperation Deposit		8,435	-	-
Restricted deposits		7,396	-	-
Vehicle purchase claims		-	34,719	34,342
Others		21,488	17,758	17,873
Less: Allowance for impairment		-	-	(123)
	$	254,924	263,794	261,114

(a) Deposits－out for lease is leasing deposit from lessee.

(b) 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 CNY 8,000 thousand. Thereafter, Shanghai Zhuke would unconditionally transfer the vehicles to the Group after three 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 with disposal of vehicles in advance to the Group. On August 19, 2021, the Group approved the proposal and reached a supplemental agreement with Shanghai Zhuke, who agreed to pay the amount at a fair value of CNY 11,000 thousand upon maturity (March 2023). The aforementioned receivables had already been discounted and reported as other financial assets.

(c) For further credit risk information, please refers to note 6(z).

(n) Short-term borrowings

	September 30, 2022	December 31, 2021	September 30, 2021
Unsecured bank loans	$ 1,149,945	1,115,752	1,140,767
Secured bank loans	1,789,346	2,275,839	2,235,202
Other secured loans	-	5,102	28,721
Total	$ 2,939,291	3,396,693	3,404,690
Unused credit lines	$ 1,678,794	1,069,143	1,637,159
Range of interest rates	1.49%~9.30%	1.41%~9.30%	1.53%~9.30%

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

(o) Long-term borrowings

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

	September 30, 2022	December 31, 2021	September 30, 2021
Unsecured bank loans	$ 1,386,036	1,363,866	1,551,805
Secured bank loans	4,291,879	4,850,567	4,985,816
Secured commercial promissory note	249,886	249,916	249,906
Other secured loans	63,227	89,759	104,601
Less: current portion	(1,458,834)	(1,621,462)	(1,871,889)
Total	$ 4,532,194	4,932,646	5,020,239
Unused credit lines	$ 385,679	214,374	427,771
Range of interest rates	0.58%~15.60%	0.49%~15.60%	0.49%~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 the syndicate of six banks (including Chang Hwa Commercial Bank, Ltd.) obtained a credit line of 2 billion. According to the agreement, the Group should maintain the following financial ratios and regulations, and start the inspection from the second quarter of 2021, which shall be performed every six months:

(1)Current ratio [current assets / (current liabilities - in this case as long-term liabilities due within one year - current lease liabilities)]: not less than 80%;

(2)Debt ratio (total liabilities - lease liabilities) / total equity: not more than 150%;

(3)Interest protection multiple (pre-tax net profit + interest expense + depreciation + amortization) / interest expense: should be maintained at 3 times (inclusive) or more;

(4)Tangible net worth (total equity - intangible assets): should be maintained at NT$9 billion (inclusive) or more.

(p) Bonds payable

The information of bonds of the Group was as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Total convertible bonds issued	$ -	1,542,300	1,542,300
Less: Cumulative redeemed amount	-	(1,542,300)	(1,542,300)
Corporate bonds issued balance at year-end	$ -	-	-

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Embedded derivative instruments — call and put rights, included in financial liabilities at fair value through profit or loss	$ -	(46)	-	(925)
Interest expense	$ -	851	-	40,802

For the collateral of long term borrowings, please refer to note 8

(q) Accounts payable and other payables

	September 30, 2022	December 31, 2021	September 30, 2021
Accounts payable			
Arising from direct sales	$ 70,223	86,889	66,161
Arising from concessionaire sales	965,086	1,853,055	1,099,694
Others	65,990	73,492	63,245
Total	$ 1,101,299	2,013,436	1,229,100
Other payables			
Dividend payable	$ -	-	81,522
Construction payables	177,516	166,014	143,364
Compensation payable	158,546	-	-
Others	706,288	820,957	684,491
Total	$ 1,042,350	986,971	909,377

(r) Lease liabilities

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

	September 30, 2022	December 31, 2021	September 30, 2021
Current	$ 1,075,480	837,940	785,234
Non- Current	$ 9,588,770	10,770,711	6,562,415

The lease amendment amounts for the nine months ended September 30, 2022 and 2021 were $875,569 thousand and $504,712 thousand, respectively, and the right-of-use assets are detailed in Note 6 (k).

Expiration analysis, please refer to Note 6 (z) for financial instruments.

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The amounts recognized in profit or loss as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Interest expense of lease liabilities	$ 136,852	91,821	415,613	286,317
Variable leases payments not included in the measurement of lease liabilities	$ 10,022	12,016	42,149	63,482
Expenses relating to short-term leases	$ 298	305	961	1,030
Expenses relating to leases of low-value, excluding short-term leases of low-value assets	$ 398	464	1,296	1,329
COVID-19 related rent reduction	$ -	118	-	(31,164)

Total cash flow for the Group's leases as follows:

	For the nine months ended September 30	
	2022	**2021**
Total cash outflow for leases	$ 916,382	1,532,035

(i) Real estate leases

The Group leases land use rights, housing and buildings as office space, staff quarters and department store for business. And the lease period of office space, staff quarters and department store are usually three to five years, one to three years, and ten to twenty years, respectively. Some leases include the 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 five to ten 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 year. These leases are short term. The Group has elected not to recognize right of use assets and lease liabilities for these lease.

(s) Operating lease

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 (j). 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：

(i) Bulk carriers

	September 30, 2022	December 31, 2021	September 30, 2021
Less than one year	$ 1,225,901	786,357	925,482
Between one and two years	477,948	524,985	543,392
Between two and three years	297,914	366,392	419,221
Between three and four years	42,246	219,669	261,308
Between four and five years	-	6,276	38,586
Total undiscounted lease payments	**$ 2,044,009**	**1,903,679**	**2,187,989**

(ii) Transportation equipment

	September 30, 2022	December 31, 2021	September 30, 2021
Less than one year	$ 43,803	45,251	50,749
Between one and two years	42,269	38,099	39,367
Between two and three years	5,054	10,917	17,764
Between three and four years	40	3,235	4,840
Total undiscounted lease payments	**$ 91,166**	**97,502**	**112,720**

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

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Operating costs	**$ 10,038**	**7,357**	**29,980**	**19,595**

(t) Income Tax

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

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Current tax expense				
Current period	$ 55,364	21,741	112,928	136,077
Land value increment tax	-	142	-	213
Adjustment for prior periods	90	115	(1,223)	(2,148)
	55,454	21,998	111,705	134,142
Deferred tax expense				
Origination and reversal of temporary differences	40,142	7,616	43,547	35,279
Income tax expense from continuing operations	**$ 95,596**	**29,614**	**155,252**	**169,421**

(ii) Examination and Approval

1) The Company's and other ROC subsidiaries' tax returns for the years through 2020 were examined and approved by the national tax authorities

2) The annual tax returns of subsidiaries in China through 2021 were examined and approved by the tax authority.

(u) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the nine months ended September 30 2022 and 2021. For the related information, please refer to note 6(u) of the consolidated financial statements for the year ended of December 31, 2021.

(i) Issuance of Common stock

From January 1, 2021 to September 30, 2021, convertible bonds issued by the Group amounting to $1,480,134 thousand were converted into 148,013 thousand shares of common stock with par value $10.The relevant statutory registration procedures have since been completed. In addition, due to the above-mentioned transactions, the company reversed the capital reserve-stock options $(96,902) thousand and recognized the corporate bond conversion premium of $102,310 thousand.

(ii) Capital surplus

The components of the capital surplus were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Issued stock premium	$ 352,570	352,570	352,570
Conversion of corporate bond premium	851,231	851,231	851,231
Forfeited share options	13,838	13,838	13,838
Treasury share transactions	15,967	15,967	15,967
Difference arising from subsidiary's share price and its carrying value	617,046	601,797	601,797
Changes in a parent's ownership interest in a subsidiary	72,546	67,381	67,381
Donation from shareholders	3,332	3,332	3,332
	$ 1,926,530	1,906,116	1,906,116

On July 30, 2021, a resolution was passed during the shareholders' meeting to offset accumulated losses using legal reserve of $247,895 thousand and capital surplus–share capital of $22,746 thousand, and tally amounting of $270,641 thousand.

(iii) Retained earnings

The Company's article of incorporation stipulates that Company's profit should be used to offset the prior years' deficits in first, then 10% is to be appropriated as legal reserve, when the legal reserve has reached the company's actual capital received isn't unrestricted. Then in according to the act or the competent authority the special reserve is allocated or reversed. Then any remaining earning together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders’ 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.

2) Special reserve

When the Company first adopted the IFRS recognized by the FSC, the Company chose to apply the IFRS 1 "First time adoption of IFRS" exemption item and recorded the exchange difference on translation of foreign financial statements adjustment under shareholders' equity with additional reservation. Except that the retained earnings arising from the first adoption of the IFRS recognized by the FSC on the conversion date is a net decrease, and there is no need to set aside the same amount of special reserve according to the regulations of the FSC.

In accordance with the rules issued by the FSC, a portion of current period earnings and undistributed prior period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current period total net reduction of other shareholder's equity. For the 2020 earnings to be distributed in 2021, the amount to be reclassified to special reserve shall be a portion of current period earnings and undistributed prior period earnings; and for the 2021, the amount to be reclassified to special reserve shall be a portion of current period earnings and undistributed prior period earnings. As for the year 2021 earnings to be distributed in 2022, the amount to be reclassified to special reserve shall be a portion of current period earnings, plus other line items in the retained earnings movements and undistributed prior period earning. A portion of undistributed prior period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders’ equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders’ equity shall qualify for additional distributions. A resolution was passed during the shareholders’ meeting held on June 24, 2022 for the appropriation of special earnings reserve of $67,938 thousand.

3) Earnings distribution

No distribution of 2021 and 2020 were decided by the resolution adopted, at the provisional meeting of shareholders held on June 24, 2022 and July 30, 2021, respectively.

(v) 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. Total of 10,000 thousand shares were not yet cancelled on September 30, 2022.

In accordance with the Securities and Exchange Act requirements as stated above, the number of shares repurchased should not exceed 10 percent 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.

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

(In thousands of shares)

	For the nine months ended September 30	
	2022	**2021**
Outstanding at January 1	9,007	10,507
Quantity sold in this period	(310)	(1,170)
Outstanding at September 30	**8,697**	**9,337**

The prepayments from transferring treasury shares for employees to subscribe were recognized as prepaid payroll. For the ended of September 30, 2022, December 31, 2021 and September 30, 2021,the prepayments amounting to $141,600 thousand, $141,093 thousand and $164,930 thousand, respectively, and reported as other non-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.

(vi) Other equity interests

	Exchange differences on translation of foreign financial statements	Non-controlling Interest	Total
Balance at January 1, 2022	$ (982,609)	3,440,895	2,458,286
Loss attributable to non-controlling interests	-	(177,237)	(177,237)
Exchange differences on subsidiaries accounted for using equity method	105,482	-	105,482
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(25,626)	(25,626)
Changes in ownership interests in subsidiaries	-	3,645	3,645
Changes in non-controlling interests	-	45,000	45,000
Exchange differences on foreign operations	842,087	53,031	895,118
Balance at September 30, 2022	**$ (35,040)**	**3,339,708**	**3,304,668**

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	Exchange differences on translation of foreign financial statements	Non-controlling Interest	Total
Balance at January 1, 2021 (revised)	$ (810,815)	3,642,677	2,831,862
Loss attributable to non-controlling interests	-	(58,686)	(58,686)
Exchange differences on subsidiaries accounted for using equity method	(17,821)	-	(17,821)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(9,865)	(9,865)
Changes in ownership interests in subsidiaries	-	364	364
Changes in non-controlling interests	-	(81,522)	(81,522)
Exchange differences on foreign operations	(189,483)	(55,676)	(245,159)
Balance at September 30, 2021	$ (1,018,119)	3,437,292	2,419,173

(v) Earnings per share

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

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Basic earnings (loss) per share				
Profit (loss) attributable to ordinary shareholders of the Company	$ (25,395)	77,082	82,120	124,512
Weighted-average number of ordinary shares				
Issued ordinary shares at January 1	834,776	686,763	834,776	686,763
Treasury stock	(10,000)	(10,000)	(10,000)	(10,000)
Effect of convertible bonds	-	137,278	-	67,368
Weighted average number of ordinary shares	824,776	814,041	824,776	744,131
Earnings per share (dollars)	$ (0.03)	0.09	0.10	0.17
Diluted earnings per share				
Profit (loss) attributable to ordinary shareholders of the Company	$ (25,395)	77,082	82,120	124,512
Effect of conversion of convertible bonds	-	727	-	（Note）
Profit (loss) attributable to ordinary shareholders of the Company (diluted)	$ (25,395)	77,809	82,120	124,512
Weighted-average number of ordinary shares	824,776	814,041	824,776	744,131
Effect of dilutive potential ordinary shares				
Effect of issuance of share dividend	-	50	195	80
Effect of conversion of convertible bonds	-	10,735	-	（Note）
Weighted-average number of ordinary shares (diluted)	824,776	824,826	824,971	744,211
Gain(loss) per share (dollars)	$ (0.03)	0.09	0.10	0.17

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Note: The conversion of convertible bonds was not included in the calculation of the weighted-average number of shares (diluted) due to the anti-dilutive effect.

(w) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended September 30, 2022					
	Freight department	Invest department	Retail department	Lease department	Construct department	Total
Primary geographical markets						
Taiwan	$ -	1,875	-	-	-	1,875
China	-	-	962,564	22,690	-	985,254
Other	536,631	-	-	-	-	536,631
	$ 536,631	1,875	962,564	22,690	-	1,523,760
Major products/services lines						
Commissions revenue (Retail revenue – concessionaire sales)	$ -	-	278,923	-	-	278,923
Commodity sales (Retail revenue – direct sales)	-	-	167,541	-	-	167,541
Lease revenue(Note)	536,631	1,875	269,470	12,574	-	820,550
Financial lease interest income(Note)	-	-	-	9,253	-	9,253
Service revenue and others	-	-	246,630	863	-	247,493
	$ 536,631	1,875	962,564	22,690	-	1,523,760

	For the three months ended September 30, 2021					
	Freight department	Invest department	Retail department	Lease department	Construct department	Total
Primary geographical markets						
Taiwan	$ -	1,572	-	-	43,065	44,637
China	-	-	1,068,112	41,060	-	1,109,172
Other	430,469	-	-	-	-	430,469
	$ 430,469	1,572	1,068,112	41,060	43,065	1,584,278
Major products/services lines						
Commissions revenue (Retail revenue – concessionaire sales)	$ -	-	304,433	-	-	304,433
Commodity sales (Retail revenue – direct sales)	-	-	311,575	-	-	311,575
Lease revenue(Note)	430,469	1,572	238,698	17,533	-	688,272
Financial lease interest income(Note)	-	-	-	22,098	-	22,098
Service revenue and others	-	-	213,406	1,429	43,065	257,900
	$ 326,349	1,572	1,068,112	41,060	43,065	1,584,278

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	For the nine months ended September 30, 2022					
	Freight department	Invest department	Retail department	Lease department	Construct department	Total
Primary geographical markets						
Taiwan	$ -	5,080	-	-	-	5,080
China	-	-	3,223,386	68,699	-	3,292,085
Other	1,527,659	-	-	-	-	1,527,659
	$ 1,527,659	5,080	3,223,386	68,699	-	4,824,824
Major products/services lines						
Commissions revenue (Retail revenue – concessionaire sales)	$ -	-	981,217	-	-	981,217
Commodity sales (Retail revenue – direct sales)	-	-	648,183	-	-	648,183
Lease revenue(Note)	1,527,659	5,080	861,392	42,319	-	2,436,450
Financial lease interest income(Note)	-	-	-	23,374	-	23,374
Service revenue and others	-	-	732,594	3,006	-	735,600
	$ 1,527,659	5,080	3,223,386	68,699	-	4,824,824

	For the nine months ended September 30, 2021					
	Freight department	Invest department	Retail department	Lease department	Construct department	Total
Primary geographical markets						
Taiwan	$ -	4,312	-	-	63,418	67,730
China	-	-	3,814,423	134,869	-	3,949,292
Other	1,011,032	-	-	-	-	1,011,032
	$ 1,011,032	4,312	3,814,423	134,869	63,418	5,028,054
Major products/services lines						
Commissions revenue (Retail revenue – concessionaire sales)	$ -	-	1,172,327	-	-	1,172,327
Commodity sales (Retail revenue – direct sales)	-	-	1,253,095	-	-	1,253,095
Lease revenue(Note)	1,011,032	4,312	727,418	54,412	-	1,797,174
Financial lease interest income(Note)	-	-	-	75,847	-	75,847
Service revenue and others	-	-	661,583	4,610	63,418	729,611
	$ 1,011,032	4,312	3,814,423	134,869	63,418	5,028,054

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

(x) 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 compensation and no more than 3% as directors' and supervisors' 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 who meet certain conditions that is approved by the Board of Directors. Directors' remuneration could only be distributed by cash.

For the three months and the nine months ended September 30, 2022 and 2021, the Company estimated its employee remuneration amounting to $(254) thousand, $770 thousand, $821 thousand and $1,239 thousand, respectively. And the estimated amounts of directors' remuneration are both $0 thousand. 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.

For the year ended December 31, 2021, the Company estimated its employee compensation and directors' remuneration amounting to $3,467 thousand and $0 thousand. There were no differences between the amount to be distributed as rewards to employees and directors and those estimations made by the board of directors. Related information would be available at the Market Observation Post System. As the operations for the year 2020 resulted in a net loss, no employee compensation and directors' remuneration were estimated.

(y) Non-operating income and expenses

(i) Interest income

The details of other income were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Bank deposits	$ 4,760	3,649	16,846	16,306
Loans interest income	1,947	2,090	6,007	3,929
Open end Funds	255	233	736	705
Others	980	1,339	2,874	4,054
	$ 7,942	7,311	26,463	24,994

(ii) Other income

The details of other income were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Dividends income	$ 660	298	3,346	2,953

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(iii) Other gains and losses

The details of other gains and losses were as follows:

	For the three months end September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Loss on disposal of property, plant and equipment	$ (375)	(369)	(309)	(1,162)
Gain on disposals of intangible assets	1,168	5,394	4,191	20,629
Gain on disposal of investment	-	-	(238)	(6,926)
Loss on foreign exchange	(31,146)	(3,611)	(45,120)	(683)
Gain (loss) on financial assets (liabilities) at fair value through profit or loss	(758)	2,874	1,425	50,139
Impairment loss on property, plant and equipment (Note)	(158,395)	(26,053)	(158,395)	(26,053)
Impairment loss on intangible assets (Note)	(294)	-	(294)	-
Profit (loss) from lease modification (Note)	356,114	(8)	356,114	2,097
Indemnification for damages(Note)	(157,405)	-	(157,405)	-
Overdue payments are transferred to income	98,859	-	98,859	-
Others	10,638	29,492	68,014	100,803
	$ 118,406	7,719	166,842	138,844

Note：Chongqing Optics Valley Grand Ocean Commercial Development Ltd., a subsidiary of the Group is expected to close down the profit and loss, which estimated compensation payable on September 30, 2022 about $158,546 thousand.

(iv) Finance costs

The details of finance costs were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Bank loans	$ 76,988	59,109	200,400	180,250
Amortization on discount of corporate bonds	-	851	-	40,802
Lease liabilities	136,852	91,821	415,613	286,317
Other financial expenses	2,357	1,604	10,665	7,774
	$ 216,197	153,385	626,678	515,143

For the three months and nine months ended September 30, 2022 and 2021, the interest expenses of the rental business department amounting to $ 3,599 thousand, $ 6,201 thousand, $ 12,898 thousand and $ 26,372 thousand, respectively, and were reported as operating costs.

(z) 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(z) of the consolidated financial statements for the year ended December 31, 2021.

(i) Credit risk

1) Credit risk exposure

Maximum credit risk exposure of the Group's on September 30, 2022, December 31, 2021 and September 30, 2021, which may be caused by the failure of the counterparty to perform its obligations and the financial guarantee provided by the Group's .mainly from:

- The carrying amount of financial assets recognized in the balance sheet；and
- The amount of financial guarantee provided by the Group's to the outside world and the commitment to purchase the defaulted creditor's rights are as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Financial guarantee	$ 475,930	303,785	340,644
Committed to purchase defaulted creditor's rights	$ 112,438	165,337	189,829

The changes in the financial guarantee liabilities recognized for the above financial guarantees for the nine months ended September 30, 2022 and 2021 were as follows:

	For the nine months ended September 30	
	2022	2021
Balance at January 1	$ 1,062	-
Impairment of reversal benefits recognized	971	4,625
Effect of changes in foreign exchange rates	39	(45)
Balance at September 30 (reported as other current liabilities)	$ 2,072	4,580

2) Credit risk of receivables

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 include other receivables and corporate bonds, etc.; please refer to notes 6(d) and 6(m).

The impairment provision of all of these financial assets recognized during the period was limited to 12 months expected losses or lifetime ECL measurement.

The movement in the allowance for impairment for other receivables and other financial assets for the nine months ended September 30, 2022 and 2021 were as follows:

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	For the nine months ended September 30	
	2022	**2021**
Balance at January 1	$ 119,383	63,125
Impairment losses recognized	36,600	6,242
Delisting subsidiaries	-	(562)
Effect of foreign exchange rate	3,809	(1,095)
Balance at September 30	$ 159,792	67,710

(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
September 30, 2022					
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 2,770,362	2,770,362	2,145,602	14,671	610,089
Floating rate instrument	7,334,606	7,839,824	2,817,085	4,162,190	860,549
Fixed rate instruments	1,695,617	1,762,971	1,466,705	296,266	-
Leases liabilities	10,664,250	14,363,615	1,551,876	4,901,512	7,910,227
	$ 22,464,835	26,736,772	7,981,268	9,374,639	9,380,865
December 31, 2021					
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 3,700,989	3,700,989	3,002,368	27,922	670,699
Floating rate instrument	7,120,119	7,431,331	2,257,542	4,365,715	808,074
Fixed rate instruments	2,930,528	3,041,777	2,634,871	406,906	-
Lease liabilities	11,608,651	15,741,113	1,372,776	5,483,046	8,885,291
	$ 25,360,287	29,915,210	9,267,557	10,283,589	10,364,064
September 30, 2021					
Non-derivative financial liabilities					
Non-interest bearing liabilities	$ 2,754,531	2,754,531	2,140,437	32,963	581,131
Floating rate instrument	7,485,628	7,818,667	2,644,656	4,350,246	823,765
Fixed rate instruments	2,861,118	2,975,618	2,518,540	457,078	-
Leases liabilities	7,347,649	8,918,032	1,125,024	4,375,187	3,417,821
	$ 20,448,926	22,466,848	8,428,657	9,215,474	4,822,717

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

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(iii) Market risk

1) Currency risk

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

	September 30, 2022			December 31, 2021			September 30, 2021		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets									
Monetary items									
USD:NTD	$ 908	31.74	28,820	8,684	27.67	240,286	10,030	27.84	279,235
USD:CNY	1,675	7.0998	53,155	-	-	-	-	-	-
HKD: USD	10,155	0.1275	41,096	5,161	0.1283	18,322	-	-	-
NTD:USD	7,945	0.0315	7,945	2,968	0.0361	2,968	2,176	0.1285	7,785
Non-monetary items									
Investments accounted for using equity method HKD:USD	207,853	0.1275	841,168	204,612	0.1283	726,590	208,090	0.1285	744,532
Financial liabilities									
Monetary items									
USD:CNY	2,000	7.0998	63,479	3,875	6.3757	107,221	4,500	6.4854	125,279

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash equivalents, trade and other receivables, financial assets at fair value through other comprehensive income, loans and borrowings; and trade and other payables that are denominated in foreign currency.

A strengthening (weakening) of 1% the NTD or CNY against the USD, EUR,HKD, AUD and CNY as of September 30,2022 and 2021 would have increased (decreased) the profit before tax by $675 thousand and $1,617 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 nine months ended September 30, 2022 and 2021, foreign exchange gain (loss) (including realized and unrealized portions) amounted to $(31,146) thousand, $(3,611) thousand, $(45,120) thousand and $(683) thousand, respectively.

3) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

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 $16,687 thousand and $17,009 thousand, which is mainly due to the Group's borrowings at variable rates and demand deposits for the nine months ended September 30, 2022 and 2021, 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:

	For the nine months ended September 30			
	2022		2021	
Prices of securities at the reporting date	Comprehensive Income after tax	Net Income or Loss	Comprehensive Income after tax	Net Income or Loss
Increase 5%	$ -	5,109	-	5,215
Decrease 5%	$ -	(5,109)	-	(5,215)

(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 :

	September 30, 2022				
	Carrying amount	Fair Value			
		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	$ 235,656	102,185	5,893	127,578	235,656
Financial liabilities at fair value through profit or loss					
Non-derivative financial liabilities	$ 24,429	-	-	24,429	24,429

	December 31, 2021				
	Carrying amount	Fair Value			
		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	$ 238,794	105,323	5,893	127,578	238,794
Financial liabilities at fair value through profit or loss					
Non-derivative financial liabilities	$ 23,234	-	-	23,234	23,234

	September 30,2021				
	Carrying amount	Fair Value			
		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	$ 229,354	104,303	5,893	119,158	229,354
Financial liabilities at fair value through profit or loss					
Non-derivative financial liabilities	$ 20,400	-	-	20,400	20,400

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

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. Whether transactions are taking place ‘regularly’ is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well established, only small volumes are traded, or bid ask spreads are very wide. Determining whether a market is active involves judgment.

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

- Stocks in listed companies, fund and Corporate bonds, which have standard term and quoted prices in active markets. The fair values are referenced by market quotation.

3.2) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques. Embedded derivative instruments are measured at model of adjusted Binary tree.

3.3) Financial guarantee contract

Discounted cash flow models that are applied to estimate the fair value of a financial guarantee. The assumption is to use a probability-weighted discounted cash flow analysis that incorporates the expected default rate of the borrower and expected recoveries in the event of default.

3.4) Beneficiary rights-specific construction project and landowner

Measurement of the fair value of the Group's beneficiary rights-specific construction project and landowner is based on the discounted cash flows model. Quantified information of significant unobservable inputs includes buildings sale prices and construction costs. The discounted cash flows are used to estimate fair values.

4) Transferring from each level 1 and 2 in the fair value hierarchy: None

5) Reconciliation of Level 3 fair values

	Financial assets and liabilities as held for sale		
	Non-derivative financial assets -Beneficial rights	**Non-derivative financial assets-Landlord Beneficial rights**	**Embedded derivative instruments**
Opening balance, January 1, 2022	$ 127,578	(23,234)	-
Issuance	-	(1,195)	-
Ending Balance, September 30, 2022	$ 127,578	(24,429)	-
Opening balance, January 1, 2021	$ 119,158	-	925
Issuance	-	(20,400)	-
In profit or loss	-	-	(925)
Ending Balance, September 30, 2021	$ 119,158	(20,400)	-

For the nine months ended September 30, 2022 and 2021, total gains and losses that were included in "other gains and losses" were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Total gains or losses recognized:				
In profit (loss) (presented in "other gains and losses")	$ -	(47)	-	(925)

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

The Group' s financial instruments that use Level 3 inputs to measure fair value include financial assets measured at fair value through profit or loss-embedded derivative instruments, and the financial instrument in Level 3 has only one significant unobservable input.

The Group's significant unobservable input on September 30, 2022 is no significant change than the Financial Report of December 31, 2021.The related information please reference of the Note6 (z).

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 in Level 3, changing one or more of the assumptions would have the following effects on profit or loss:

	Inputs	Variation	Impacts of fair value change on net income or loss Favourable	Unfavourable
September 30, 2022				
Financial assets at fair value through profit or loss				
Beneficial rights-Specific construction project	Price volatility	5%	17,317	(17,317)
Financial liabilities at fair value through profit or loss				
Beneficial rights- Landowner	Price volatility	5%	10,946	(11,153)
December 31, 2021				
Financial assets at fair value through profit and loss				
Beneficial rights-Specific construction project	Price volatility	5%	17,420	(17,420)
Financial liabilities at fair value through profit or loss				
Beneficial rights- Landowner	Price volatility	5%	10,946	(11,153)
September 30, 2021				
Financial assets at fair value through profit or loss				
Beneficial rights-Specific construction project	Price volatility	5%	17,172	(17,172)
Financial liabilities at fair value through profit or loss				
Beneficial rights- Landowner	Price volatility	5%	10,946	(11,153)

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.

(aa) Financial risk management

There were no significant differences of the Group's financial risk management and policies with those disclosed in Note 6(aa) of the consolidated financial statements for the year ended December 31, 2021.

(ab) 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, 2021. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2021. Please refer to Note 6(ab) of consolidated financial statements for the year ended December 31, 2021 for further details.

(ac) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the nine months ended September 30, 2022 and 2021, were as follows:

1) Acquisition of right-of-use assets from lease. Please refer to Note 6 (k).

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

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	January 1, 2022	Cash flows	Non-cash changes: Other (Note)	Non-cash changes: Foreign exchange movement	September 30, 2022
Short-term borrowings	$ 3,396,693	(558,908)	(61,165)	162,671	2,939,291
Short-term notes and bills payable	99,846	58	-	-	99,904
Long-term borrowings	6,554,108	(1,141,571)	61,165	517,326	5,991,028
Leases liabilities	11,608,651	(456,363)	(828,289)	340,251	10,664,250
Guarantee deposits	700,582	(94,214)	-	20,345	626,713
Total liabilities from financing activities	**$ 22,359,880**	**(2,250,998)**	**(828,289)**	**1,040,593**	**20,321,186**

Note: Adding $47,280 thousand of the right-of-use assets and a lease decrease of $519,455 thousand and a lease modification benefit of $356,114 thousand; Short-term borrowings were reclassified to long-term borrowings of $61,165 thousand.

	January 1, 2021	Cash flows	Non-cash changes: Other (Note)	Non-cash changes: Foreign exchange movement	September 30, 2021
Short-term borrowings	$ 5,844,838	(2,382,364)	-	(57,784)	3,404,690
Short-term notes and bills payable	49,992	(64)	-	-	49,928
Bonds payable	1,431,651	-	(1,431,651)	-	-
Long-term borrowings	4,717,107	2,263,986	-	(88,965)	6,892,128
Leases liabilities	8,185,453	(1,179,877)	470,389	(128,316)	7,347,649
Guarantee deposits	543,726	36,525	45,114	(9,311)	616,054
Total liabilities from financing activities	**$ 20,772,767**	**(1,261,794)**	**(916,148)**	**(284,376)**	**18,310,449**

Note: Bonds payable is the amortization on issuance costs of discount of corporate bonds to $ 1,480,134 thousand, the effect of corporate bond conversion $ 40,802 thousand and $ 7,681 thousand in stock options. Lease liabilities is the effect of adding, disposal and derecognition and lease modification amounting to $502,807 thousand and rent concessions to reduce operating expenses amounting to $31,164 thousand and the effect of disposal subsidiaries to $(1,254) thousand. Guarantee deposited is the effect of acquisition of subsidiaries amounting to $ 45,775 thousand and deduction the disposal subsidiaries amounting to $ 661 thousand.

(7) Related-party transactions:

(a) Parent company and ultimate controlling company

First Steamship Company Ltd. is the ultimate controlling company of the Group.

(b) 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:

Name of related party	Relationship with the Group
Yonghenghui Investment Co., Ltd.	Same chairman with the Company
Nanjing Tiandu Co., Ltd.	The Group's manager is the company's chairman
Shanghai Tian An Tower Co., Ltd.	The Group's manager is the company's director
Shanghai Guorui Tongshun Environmental Protection Technology Co., Ltd.	A substantial related party
Shanghai Qianshu Commercial Management Co., Ltd.	A substantial related party(Note)
Shanghai Qianshu Property Management Co., Ltd.	A substantial related party
Shanghai Kaixuanmen Enterprise Development Co., Ltd.	A substantial related party
Shanghai Tianrong Real Estate Co., Ltd.	A substantial related party
Tian An Investment Co., Ltd.	A substantial related party
Shanghai Haiguang Real Estate Management Co., Ltd.	A substantial related party
Nanjing Tianan Gangli Property Management Co., Ltd.	A substantial related party
Gangli Property Management (Shanghai) Co., Ltd.	A substantial related party
Nanjing Grand Ocean Dongfadao Catering Co., Ltd.	An associate
Hainan Sanhe Licheng Business Service Co., Ltd.	An associate
Haikou Zhuke Technology Co., Ltd.	An associate
Wuhan Zhuke Technology Co., Ltd.	An associate
Shanghai Zhuke Technology Co., Ltd.	An associate
Chengdu Zhuke Technology Co., Ltd.	An associate
Changsha Zhuke Technology Co., Ltd.	An associate
Da Yu Financial Holdings Ltd.	An associate
Taiwan Environment Scientific Co., Ltd.	An associate
Jiawang Assets Development Co., Ltd.	An associate

Note: The company was other related party of the Group originally. Controlling the company and becoming a subsidiary from June 30, 2021.

(c) Significant transactions with related parties

(i) Other current assets (Prepayments)

	September 30, 2022	December 31, 2021	September 30, 2021
Nanjing Tiandu (note)	$ 141,046	106,668	96,952
Other related parties	3,806	16,665	16,484
	$ 144,852	123,333	113,436

Note: In accordance with rental agreement, the Group prepays a fixed amount monthly for variable rents and it will be settled at the end of the year.

(ii) Other receivables

	September 30, 2022	December 31, 2021	September 30, 2021
Other related parties	$ 2,938	1,302	1,288

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(iii) Payables to Related Parties

The payables to related parties were as follows:

Account	Relationship	September 30, 2022	December 31, 2021	September 30, 2021
Other payables	An associate	$ 1,431	-	1,726
Other payables	Other related parties	-	1,406	-
		$ 1,431	1,406	1,726

(iv) Leases

1) Lease liabilities and interest costs

		Lease liabilities		
Relationship	Purpose	September 30, 2022	December 31, 2021	September 30, 2021
Shanghai Kaixuanmen	Office building and department store	$ 4,482,775	4,295,335	-
Other related parties	Office building and department store	19,269	22,526	29,275
Other related parties	Energy-saving renovation engineering equipment	36,473	40,775	42,058
		$ 4,538,517	4,358,636	71,333

		Interest costs			
		For the three months ended September 30		For the nine months ended September 30	
Relationship	Purpose	2022	2021	2022	2021
Shanghai Kaixuanmen	Office building and department store	$ 52,021	-	155,077	-
Other related parties	Office building and department store	253	251	745	1,411
Other related parties	Energy-saving renovation engineering equipment	450	521	1,415	1,638
		$ 52,724	772	157,237	3,049

2) Operating lease

Relationship	Purpose	Payments that are not included in the measurement of the variable lease liabilities: For the three months ended September 30, 2022	2021	For the nine months ended September 30, 2022	2021
Other related parties	Office building and department store	$ 10,344	14,189	41,214	60,561

Relationship	Purpose	Property management fee: For the three months ended September 30, 2022	2021	For the nine months ended September 30, 2022	2021
Other related parties	Office building and department store	$ 1,064	924	2,860	2,793

3) Deposits-out for lease

Account	Relationship	September 30, 2022	December 31, 2021	September 30, 2021
Other financial assets-non-current	Shanghai Kaixuanmen	$ 67,058	65,099	64,391
Other financial assets-non-current	Other related parties	12,258	11,900	11,770
		$ 79,316	76,999	76,161

(v) Operating revenue

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

Account	Relationship	For the three months ended September 30, 2022	2021	For the nine months ended September 30, 2022	2021
Financial lease interest income	Hainan Sanhe Licheng	$ 10	4,734	9,543	12,468
Financial lease interest income	Zhuke Technology	6,934	13,416	6,934	41,571
Lease revenue	Zhuke Technology	2,222	-	5,943	-
		$ 9,166	18,150	22,420	54,039

Account	Relationship	September 30, 2022	December 31, 2021	September 30, 2021
Lease receivables	Hainan Sanhe Licheng	$ 141,109	135,389	137,037
Lease receivables	Zhuke Technology	336,365	322,579	316,110
Less: Allowance for impairment－Hainan Sanhe Licheng		(49,315)	(312)	(3,661)
Less: Allowance for impairment－Zhuke Technology		(83,230)	(48,360)	-
		$ 344,929	409,296	449,486

The interest income deriving from finance leases received by the Group from its associates is based on the interest rate agreed by both parties and collected monthly. The interest rate is not significantly different from that of nonrelated parties. The receivables with related parties were guaranteed by vehicles for finance lease. Chengdu Sanhe Licheng is the guarantor of the receivables from Hainah Sanhe Licheng.

The Group measures the loss allowances at an amount equal to lifetime expected credit losses for receivables of related parties and has recognized the expected credit loss and Impairment losses amounting to $ 3,697 thousand for the nine months ended September 30, 2022.

Due to the overdue payment situation of Hainah Sanhe Licheng and Zhuke Technology due to the impact of the new crown epidemic, they changed their credit risk assessment on an individual basis in the third quarter of 2022 and the fourth quarter of 2021 respectively, as the credit risk has increased significantly. After assessing the value of the collateral, the Group recognized an expected credit loss of $ 81,813 thousand for the nine months ended September 30, 2022 and 2021. Please refer to note 6(c).

(vi) Account receivables-related parties

Account	**Relationship**	**September 30, 2022**	**December 31, 2021**	**September 30, 2021**
Other receivables (loaning funds)	Hainan Sanhe Licheng	$ 22,353	21,700	21,464
Other receivables (loaning funds)	Zhuke Technology	76,000	86,798	85,854
Other receivables (loaning funds)	An associate	490	490	-
Other receivables (Interest)	Hainan Sanhe Licheng	548	532	225
Other receivables (Interest)	Zhuke Technology	1,596	1,871	30
Other receivables	Zhuke Technology	474	-	-
Less: Allowance for impairment		(78,618)	(52,079)	-
		$ 22,843	**59,312**	**107,573**
Other financial assets	Zhuke Technology	**$ 35,764**	**34,719**	**34,342**

The Group measured the allowance loss for the expected credit loss of the receivables during the period of dependence, and Hainan Sanhe Licheng Business Service Co., Ltd. and Zhuke Technology significantly increased due to credit risk. After assessing the value of collateral and weighing post-period recoveries and other sources of repayment, The Group recognized expected credit impairment losses of $ 24,791 thousand and $ 2,819 thousand for the nine months ended September 30, 2022 and 2021

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

	Interest income			
	For the three months ended September 30		For the nine months ended September 30	
Account	**2022**	**2021**	**2022**	**2021**
Hainan Sanhe Licheng	$ 441	428	1,319	787
Zhuke Technology	1,498	1,655	4,665	3,120
	$ 1,939	2,083	5,984	3,907

(vii) Guarantees

An associate signed a rental agreement with non-related parties and was guaranteed by the group. The details were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Hainan Sanhe Licheng	$ -	-	29,808
Zhuke Technology	49,430	70,785	77,836
	$ 49,430	70,785	107,644

The Group evaluated the value of collaterals, which can cover lifetime expected credit losses for the contract and no impairment losses were required.

(viii) About the Group promise shangshi Company to purchase the default debt of Hainan Sanhe Licheng please reference the Note9(a),the related contract list on below

	September 30, 2022	December 31, 2021	September 30, 2021
Contract value	$ 44,725	43,418	42,945
Remaining value	$ 32,410	39,799	41,753

The Group evaluated the value of collateral enough to pay the possible default risk in the trading term therefore it does not have the impairment loss.

(ix) Others

1) The Group provided management consulting services and signed service contracts with other related parties. For the three months and nine months ended September 30, 2022 and 2021, the revenue from consulting services was $ 2,312 thousand, $ 1,331 thousand, $ 7,729 thousand and $ 8,172 thousand, respectively.

2) On June 25, 2021, the Group signed an equity transfer agreement with Shanghai Kaixuanmen Enterprise Development Co., Ltd. to obtain 100% of the equity of the subsidiary, Shanghai Qianshu with payment of CNY 1,000 thousand. For related information please refer to note 6(h).

3) On February 25, 2022, the board of directors of the Group resolved to sell 100% equity of the subsidiary, Morton Finance Ltd. to Da Yu Financial Holdings Ltd. for the disposal price of $ 7,818 thousand (HKD 2,178 thousand). After deducting the company’s net assets of $ 7,818 thousand, the disposal loss of $ 238 thousand was recognized. The disposal loss includes the loss of $ 238 thousand that is related to the subsidiary and recognized in other comprehensive profit and loss.

4) On March 16, 2021, the board of directors of the Group resolved to sell 100% equity of the subsidiary, Morton Securities Ltd. to Da Yu Financial Holdings Ltd. for the disposal price of $ 26,212 thousand (HKD 7,140 thousand). After deducting the company's net assets of $ 32,502 thousand, the disposal loss of $ 6,926 thousand was recognized. The disposal loss includes the loss of $ 636 thousand that is related to the subsidiary and recognized in other comprehensive profit and loss.

5) On July 30, 2021, the board of directors of the Group resolved to sell 100% equity of the subsidiary, Yee Shin Investment Co., Ltd. to Yonghenghui Investment Co., Ltd. for the contract price of $ 356,000 thousand. The Group had received the deposit amounting to $ 150,000 thousand, recognized as other current liabilities under noncurrent assets –held for sale. Please refer to note 6(f).

(d) Main management personnel compensation

(i) Main management personnel compensation

Main management personnel compensation comprised:

	For the three months ended September 30		For the nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Short-term employee benefits	**$ 13,103**	**13,826**	**39,093**	**41,762**

(ii) The Group granted main management personnel rights to subscribe treasury shares as prepaid salaries. As of September 30, 2022, December 31, 2021 and September 30, 2021, those prepaid salaries amounting to $ 40,626 thousand (CNY 9,088 thousand), $ 39,572 thousand (CNY 9,118 thousand) and $ 40,661 thousand (CNY 9,472 thousand), which were reported as other non-current assets.

(8) Pledged assets:

The carrying amount of pledged assets were as follows:

Pledged assets	Object	September 30, 2022	December 31, 2021	September 30, 2021
Inventories (for construction business)	Bank loans	$ 1,431,444	1,181,780	1,066,635
Inventories	Bank loans	-	-	3,851
Other financial assets	Bank loans, bank depository funds	114,104	99,397	73,967
Accounts receivable	Other secured loans	-	42,103	64,058
Lease payment receivables	Other secured loans	29,532	30,624	32,891
Property, plant and equipment	Bank loans, other secured loans	9,426,875	10,000,355	11,197,312
Investment Property	Bank loans	141,333	142,063	142,306
		$ 11,143,288	**11,496,322**	**12,581,020**

Note：Including the land use rights, which were reported 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:

		September 30, 2022	December 31, 2021	September 30, 2021
Contracted price				
Construction contract of land and building	$	665,331	665,331	665,331
Purchase vessel equipment		-	-	25,702
Contract of construction case		3,355	56,762	53,407
Received or paid price				
Construction contract of land and building	$	108,309	108,309	108,309
Purchase vessel equipment		-	-	19,093
Contract of construction case		336	5,554	5,219

(ii) Shangshi Financial Leasing Co., Ltd. (Shangshi) signed several finance leases contracts with different customers introduced by the Group based on the finance lease business cooperation agreement entered into by Shangshi and the Group. According to the agreement, the Group will look for customers with good credit ratings, in accordance with the contracted risk control standards, before introducing them Shangshi. Thereafter, the Group will receive a portion of the rewards from Shangshi for each rental payment made by the customers. In addition, the Group promised to buy unconditionally the default claims from Shangshi for any customer who violated the agreement. Since there were no significant overdue receivables, the Group can use the lifetime expected loss provision for the contract to provide for its expected credit losses, which was recognized for nine months ended September 30, 2022, please refer to notes 6(z), as follow:

		September 30, 2022	December 31, 2021	September 30, 2021
Contracted value	$	255,557	248,090	243,887
Residual amounts	$	112,438	165,337	189,829

(iii) 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 investing and developing on construction site	Nan Jing Jian Kang
Joint construction with allocation of buildings, Joint investing and developing on construction site	Tucheng Yongfu

(iv) Guarantees and endorsements for other parties on behalf of the Group, please refer to notes 6(z).

(b) Contingencie

(i) While the Group acquired the Quanzhou real estate, 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 fourth floor of Quanzhou real estate with the consideration paid by the Group to release the mortgage. Therefore, the mortgagee filed an application to freeze the rent earned from the fourth floor of Quanzhou real estate in June 2020. The Group evaluates that the creditor still has means to repay the mortgage loan; hence, the fourth floor of Quanzhou real estate may not be at risk of impairment.

(ii) The 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"), to reduce the period for the lease payments due to the COVID-19 pandemic in 2020. However, the negotiation failed and Chongqing Zhengsheng filed a lawsuit against the Group in November 2020 demanding for the payment of the arrears and rental of the extended area used by the Group. The hearing concerning the above lawsuit has yet to commence as of the reporting date. As of September 30, 2022, the Group had recognized its rental expenses before the government regulated deadline based on the lease contract.

Meanwhile, the Group filed a counterclaim against Chongqing Zhengsheng, wherein the court ruled against the Group. Thereafter, the Group filed an appeal to the high court. At present, the second-instance judgment upheld the first-instance judgment, and the Group should pay rent according to the original contract, but the merged company was not satisfied with the court's judgment and planned to appoint a lawyer to appeal.

(iii) The real estate property right transfer registration of Shiyan International Financial Center project from the first floor to the ninth floor above ground that the subsidiary of the Group, Wuhan Optics Valley Grand Ocean Commercial Development Co., Ltd. purchased from Hubei Grand Ocean Huayu Investment Co., Ltd.(hereinafter referred to as "Hubei Huayu") had not been completed in accordance with the agreement of commercial property contract; therefore, the Group filed a lawsuit on September 6, 2021. In accordance with the PRC law, the Group has adequate protection for the property; hence, no losses will be incurred by the Group regarding the matter.

In addition, Hubei Huayu filed a lawsuit against Grand Ocean Classic Commercial Group Ltd. and Wuhan Optics Valley Grand Ocean Commercial Development Co., Ltd. on September 30, 2021 for the dispute on the equity investment of Hubei Huayu prior to 2017, claiming the compensation of CNY 93 million for the damage. After the assessment of the Group, the right to make a claim occurred in 2017 exceeded the 3 year limitation period for the protection of civil rights according to the law. The Group has paid on schedule according to the subsequent equity capital reduction agreement signed by both parties. Therefore, it is determined that the Group has no obligation to pay any compensation.

(10) Losses due to major disasters: None

(11) Subsequent Events:

(a) 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 due to continuous operating losses.

(b) The Group's completes the equity delivery procedures of Yee Shin Investment Co., Ltd on November 8, 2022. (Reported on non-current assets classified as held for sale)

(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 September 30					
	2022			2021		
	Operating Cost	Operating expense	Total	Operating Cost	Operating expense	Total
Employee benefits						
Salary	80,808	136,529	217,337	53,762	130,925	184,687
Health and labor insurance	314	948	1,262	332	905	1,237
Pension	286	15,650	15,936	324	14,264	14,588
Others	4,810	38,939	43,749	3,977	24,850	28,827
Depreciation	108,753	418,430	527,183	95,490	383,671	479,161
Amortization	10,397	2,192	12,589	8,080	2,087	10,167

By function / By item	For the nine months ended September 30					
	2022			2021		
	Operating Cost	Operating expense	Total	Operating Cost	Operating expense	Total
Employee benefits						
Salary	245,301	383,521	628,822	156,542	373,739	530,281
Health and labor insurance	939	3,181	4,120	991	2,886	3,877
Pension	853	45,373	46,226	1,004	42,201	43,205
Others	13,739	88,799	102,538	11,378	72,356	83,734
Depreciation	317,929	1,247,226	1,565,155	280,897	1,157,208	1,438,105
Amortization	31,034	6,553	37,587	21,835	6,094	27,929

(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.

(c) Other

The Group's stores in Quanzhou and Shanghai, the implementation of local closure measures, although the Quanzhou area has resumed normal operations in the middle of April and the Shanghai area has resumed normal operations in the end of May. Affected by the epidemic, some stores resumed operations after a short-term suspension, resulting in a decline in business for the nine months ended September 30, 2022. The impact of the epidemic is still uncertain, so the Group will continue to pay attention to development of the COVID-19.

(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:

(i) Loans to other parties：Appendix 1, please refer to the Chinese version consolidated financial statements P57-59.

(ii) Guarantees and endorsements for other parties：Appendix 2, please refer to the Chinese version consolidated financial statements P60-61.

(iii) Securities held as of September 30, 2022 (excluding investment in subsidiaries, associates and joint ventures) ：Appendix 3, please refer to the Chinese version consolidated financial statements P62.

(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 P63.

(ix) Trading in derivative instruments：None

(x) Business relationships and significant intercompany transactions：Appendix 5, please refer to the Chinese version consolidated financial statements P64.

(b) Information on investees：Appendix 6, please refer to the Chinese version consolidated financial statements P65-66

(c) Information on investment in mainland China：Appendix 7, please refer to the Chinese version consolidated financial statements P67-68

(d) Major shareholders:

Shareholding / Shareholder’s Name	Shares	Percentage
Henghua Investment Co., Ltd.	57,065,945	6.83%
CAPITALSECURITIESCORP.(HK)	47,517,059	5.45%

Note:

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

(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.

FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(14) Segment information:

For the three months ended September 30, 2022	Freight department	Invest department	Retail department	Lease department	Construct department	Reconciliation and elimination	Total
Revenue:							
Revenue from external customers	$ 536,631	1,875	962,564	22,690	-	-	1,523,760
Intersegment revenues	-	20,437	-	-	-	(20,437)	-
Total revenue	$ 536,631	22,312	962,564	22,690	-	(20,437)	1,523,760
Reportable segment profit or loss	$ 188,461	(2,919)	(68,564)	(108,818)	(10,628)	-	(2,468)
For the three months ended September 30, 2021							
Revenue:							
Revenue from external customers	$ 430,469	1,572	1,068,112	41,060	43,065	-	1,584,278
Intersegment revenues	-	17,885	-	-	-	(17,885)	-
Total revenue	$ 430,469	19,457	1,068,112	41,060	43,065	(17,885)	1,584,278
Reportable segment profit or loss	$ 177,558	(17,287)	(129,980)	3,386	11,871	-	45,548

For the nine months ended September 30, 2021	Freight department	Invest department	Retail department	Lease department	Construct department	Reconciliation and elimination	Total
Revenue:							
Revenue from external customers	$ 1,527,659	5,080	3,223,386	68,699	-	-	4,824,824
Intersegment revenues	-	58,841	-	-	-	(58,841)	-
Total revenue	$ 1,527,659	63,921	3,223,386	68,699	-	(58,841)	4,824,824
Reportable segment profit or loss	$ 560,294	(703)	(243,416)	(229,292)	(26,748)	-	60,135
For the nine months ended September 30, 2022							
Revenue:							
Revenue from external customers	$ 1,011,032	4,312	3,814,423	134,869	63,418	-	5,028,054
Intersegment revenues	-	52,150	-	-	-	(52,150)	-
Total revenue	$ 1,011,032	56,462	3,814,423	134,869	63,418	(52,150)	5,028,054
Reportable segment profit or loss	$ 290,343	(71,792)	25,767	(14,035)	4,964	-	235,247