

(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, 2023 and 2022**

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

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## Independent Auditors' Review Report

To the Board of Directors First Steamship Company Ltd.:

### Introduction

We have reviewed the accompanying consolidated balance sheets of the First Steamship Company Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of September 30, 2023 and 2022 and the consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2023 and 2022, as well as the changes in equity and cash flows for the nine months ended September 30, 2023 and 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards ( “IASs” ) 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

### Scope of Review

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

### Basis for Qualified Conclusion

As stated in note 4(b), the part of non-major subsidiaries on Consolidated Financial Statements, those according to the same period investee company's financial report that have not been audited or review by a CPA. The total assets of \$ 398,248 thousand is accounting for 1% of total consolidated assets; the total liabilities of \$364,415 thousand is accounting for 1% of total consolidated liabilities. And its equity in net earnings of \$ (8,113) thousand and \$ (12,567) thousand for the three months and the nine months ended September 30, 2023, respectively; accounting for (4)% and 6% of Consolidated of Comprehensive Income.

Except as mentioned in the above paragraph, as stated in note 6(g), the equity accounted investments of the First Steamship Company Ltd. and its subsidiaries in its investee companies of \$ 810,573 thousand and \$ 875,440 thousand as of September 30, 2023 and 2022. And its equity in net earnings on these investee companies of \$ (93,400) thousand, \$ (4,793) thousand, \$ (94,092) thousand, and \$7,133 thousand for the three months and nine months ended September 30, 2023 and 2022, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

### 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.

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**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, 2023 and 2022, and of its consolidated financial performance for the three months and nine months ended September 30, 2023 and 2022, as well as its consolidated cash flows for the nine months ended September 30, 2023 and 2022 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 \$ 544,006 thousand and \$ 907,558 thousand; reflect the total assets constituting 1% and 2% of the consolidated total assets on September 30, 2023 and 2022. The net operating income was \$ 11,796 thousand, \$ 22,690 thousand, \$ 40,290 thousand, and \$68,699 thousand; reflect the total operating revenues both constituting 1% of the consolidated total operating revenues for the three months and nine months ended September 30, 2023 and 2022.

**Emphasis of matters**

As stated in Note 3(a) of the consolidated financial report, First Steamship Company Ltd. and its subsidiaries applied the amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction” for the first time on January 1, 2023, and applied it retrospectively Consolidated financial report for the third quarter of 2022 and the consolidated balance sheet on January 1, 2022. The accountant did not revise the review results accordingly.

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

KPMG

Taipei, Taiwan (Republic of China)  
November 13, 2023

**Notes to Readers**

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(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, 2023		December 31, 2022 (revised)		September 30, 2022 (revised)		January 1, 2022 (revised)		
	Amount	%	Amount	%	Amount	%	Amount	%	
<b>Assets</b>									
<b>Current assets:</b>									
1100	Cash and cash equivalents (Note 6(a))	\$ 2,383,137	6	2,987,197	8	2,959,859	8	4,275,526	10
1110	Current financial assets at fair value through profit or loss (Notes 6(b))	140,240	-	245,828	1	235,656	1	111,216	-
1150	Notes receivable, net (Notes 6(c))	-	-	265	-	-	-	-	-
1170	Accounts receivable, net (Notes 6(c), 7 and 8)	533,881	1	535,679	1	490,960	1	539,068	1
1200	Other receivables, net (Notes 6(b), (d), (g), (x) and 7)	134,267	-	177,838	-	389,160	1	644,357	2
1300	Inventories, net	285,608	1	239,288	1	259,429	1	264,967	1
1320	Inventories (for construction business), net (Notes 6(e), 8 and 9)	1,740,602	4	1,738,391	5	1,561,688	4	1,365,621	3
1461	Non-current assets classified as held for sale(Notes 6(f))	-	-	-	-	196,001	1	196,292	-
1476	Other current financial assets (Notes 6(l), (x), 7, 8 and 9)	219,800	1	104,901	-	145,751	-	103,179	-
1479	Other current assets, others (Notes 7 and 9)	471,830	1	448,880	1	384,564	1	416,199	1
	<b>Total current assets :</b>	<b>5,909,365</b>	<b>14</b>	<b>6,478,267</b>	<b>17</b>	<b>6,623,068</b>	<b>18</b>	<b>7,916,425</b>	<b>18</b>
<b>Non-current assets:</b>									
1510	Non-current financial assets at fair value through profit or loss	-	-	-	-	-	-	127,578	-
1535	Non-current financial assets at amortised cost (Note 13)	59,900	-	59,900	-	59,900	-	59,900	-
1550	Investments accounted for using equity method (Note 6(g))	810,573	2	786,283	2	875,440	2	762,825	2
1600	Property, plant and equipment (Notes 6(i) and 8)	13,638,084	36	13,739,553	37	14,231,292	36	13,833,681	34
1755	Right-of-use assets (Notes 6(j) and 8)	12,318,935	32	11,089,224	30	11,515,802	29	12,448,250	30
1760	Investment property, net (Not 8)	140,360	-	141,090	-	141,333	-	142,063	-
1780	Intangible assets (Note 6(k))	2,072,355	5	2,061,101	5	2,104,414	5	2,038,984	5
1840	Deferred tax assets (Note 6(r))	2,957,673	8	2,804,815	7	2,939,325	7	3,225,179	8
1915	Prepayments for business facilities	-	-	-	-	2,078	-	470	-
1935	Long-term lease payments receivable(Notes 6(c), 7 and 8)	21,261	-	132,425	-	211,624	1	309,003	1
1975	Net defined benefit asset, non-current	3,000	-	2,939	-	891	-	894	-
1980	Other non-current financial assets(Notes 6(l), (x), 7 and 8)	769,061	2	221,238	1	254,924	1	263,794	1
1990	Other non-current assets(Notes 6(g), (s) and 7)	262,059	1	284,723	1	208,852	1	221,603	1
	<b>Total non-current assets :</b>	<b>33,053,261</b>	<b>86</b>	<b>31,323,291</b>	<b>83</b>	<b>32,545,875</b>	<b>82</b>	<b>33,434,224</b>	<b>82</b>
	<b>Total assets</b>	<b>\$ 38,962,626</b>	<b>100</b>	<b>37,801,558</b>	<b>100</b>	<b>39,168,943</b>	<b>100</b>	<b>41,350,649</b>	<b>100</b>

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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, 2023		December 31, 2022		September 30, 2022		January 1, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Liabilities and Equity</b>								
<b>Current liabilities:</b>								
2100 Short-term borrowings (Notes 6(m))	\$ 4,112,430	11	2,827,445	6	2,939,291	8	3,396,693	8
2110 Short-term notes and bills payable	-	-	-	-	99,904	-	99,846	-
2151 Notes payable	224	-	-	-	-	-	-	-
2170 Accounts payable (Note 6(o))	957,672	2	970,940	3	1,101,299	3	2,013,436	5
2200 Other payables (Notes 6 (o), (v), 7 and 9)	1,176,328	3	992,246	3	1,042,350	2	986,971	2
2230 Current tax liabilities	38,172	-	50,051	-	48,033	-	54,547	-
2260 Liabilities related to non current assets classified as held for sale(Notes 6(f))	-	-	-	-	270	-	340	-
2280 Current lease liabilities (Notes 6(p), 7 and 9)	701,745	2	947,988	3	1,075,480	3	837,940	2
2322 Current portion of long-term borrowings (Note 6(n))	1,188,415	3	1,334,503	4	1,458,834	4	1,621,462	4
2399 Other current liabilities (Notes 6(f), (x), 7 and 9)	82,897	-	87,708	-	230,803	1	230,303	1
<b>Total current liabilities :</b>	<b>8,257,883</b>	<b>21</b>	<b>7,210,881</b>	<b>19</b>	<b>7,996,264</b>	<b>21</b>	<b>9,241,538</b>	<b>22</b>
<b>Non-Current liabilities:</b>								
2500 Current financial liabilities at fair value through profit or loss (Note 6(b))	27,813	-	26,125	-	24,429	-	23,234	-
2540 Long-term borrowings (Note 6(n))	4,319,777	11	5,182,200	14	4,532,194	12	4,932,646	12
2570 Deferred tax liabilities (Note 6(r))	2,371,258	6	2,101,143	6	2,192,607	5	2,422,888	6
2580 Non-current lease liabilities (Notes 6(p), 7 and 9)	10,041,589	26	9,044,616	23	9,588,770	24	10,770,711	25
2645 Guarantee deposits	594,471	2	591,528	2	626,713	2	700,582	2
<b>Total non-current liabilities :</b>	<b>17,354,908</b>	<b>45</b>	<b>16,945,612</b>	<b>45</b>	<b>16,964,713</b>	<b>43</b>	<b>18,850,061</b>	<b>45</b>
<b>Total liabilities :</b>	<b>25,612,791</b>	<b>66</b>	<b>24,156,493</b>	<b>64</b>	<b>24,960,977</b>	<b>64</b>	<b>28,091,599</b>	<b>67</b>
<b>Equity attributable to owners of parent(Notes 6(g) and (s):</b>								
3100 Capital stock	8,247,761	21	8,347,761	22	8,347,761	20	8,347,761	20
3200 Capital surplus	1,932,221	6	1,926,712	5	1,926,530	5	1,906,116	5
3300 Retained earnings	189,480	-	648,789	2	723,498	2	641,378	2
3400 Other equity interest	97,464	-	(303,885)	(1)	(35,040)	-	(982,609)	(2)
3500 Treasury stock	-	-	(94,491)	-	(94,491)	-	(94,491)	-
<b>Total equity attributable to owners of parent:</b>	<b>10,466,926</b>	<b>27</b>	<b>10,524,886</b>	<b>28</b>	<b>10,868,258</b>	<b>27</b>	<b>9,818,155</b>	<b>25</b>
36XX <b>Non-controlling interests (Notes 6(h) and (s))</b>	<b>2,882,909</b>	<b>7</b>	<b>3,120,179</b>	<b>8</b>	<b>3,339,708</b>	<b>9</b>	<b>3,440,895</b>	<b>8</b>
<b>Total equity</b>	<b>13,349,835</b>	<b>34</b>	<b>13,645,065</b>	<b>36</b>	<b>14,207,966</b>	<b>36</b>	<b>13,259,050</b>	<b>33</b>
<b>Total liabilities and equity</b>	<b>\$ 38,962,626</b>	<b>100</b>	<b>37,801,558</b>	<b>100</b>	<b>39,168,943</b>	<b>100</b>	<b>41,350,649</b>	<b>100</b>

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**Reviewed only, not audited in accordance with generally accepted auditing standards**  
**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the three months and nine months ended September 30, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

	For the three months ended				For the nine months ended			
	September 30				September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenues (Notes 6(q), (u) and 7)	\$ 1,243,742	100	1,523,760	100	4,101,836	100	4,824,824	100
5000 Operating costs (Notes 6(q) and (w))	440,539	35	487,194	32	1,404,501	34	1,519,786	31
<b>Gross profit from operations</b>	<b>803,203</b>	<b>65</b>	<b>1,036,566</b>	<b>68</b>	<b>2,697,335</b>	<b>66</b>	<b>3,305,038</b>	<b>69</b>
<b>Operating expenses:</b>								
6000 Operating expenses (Notes 6(p), (v), 7 and 9)	840,743	68	886,716	58	2,510,829	61	2,683,835	56
6450 Expected credit loss(Notes 6(c) and 7)	14,337	1	31,302	2	60,703	1	100,603	2
	855,080	69	918,018	60	2,571,532	62	2,784,438	58
<b>Net operating income</b>	<b>(51,877)</b>	<b>(4)</b>	<b>118,548</b>	<b>8</b>	<b>125,803</b>	<b>4</b>	<b>520,600</b>	<b>11</b>
<b>Non-operating income and expenses:</b>								
7100 Interest income(Notes 6(w) and 7)	16,884	1	7,942	1	47,158	1	26,463	1
7010 Other income(Notes 6(w))	2,219	-	660	-	15,261	-	3,346	-
7020 Other gains and losses, net (Notes 6(g), (i), (k), (w), 7and 9)	56,128	6	118,406	8	185,074	5	166,842	3
7050 Finance costs(Notes 6 (p), (w) and7)	(223,039)	(17)	(216,197)	(14)	(686,837)	(18)	(626,678)	(13)
7055 Expected credit loss (Notes 6(d), (l), (x)and 7)	3,836	-	(27,034)	(2)	(57,395)	(1)	(37,571)	(1)
7060 Share of profit (loss) of associates accounted for using equity method, net(Notes 6(g))	(93,400)	(8)	(4,793)	(1)	(94,092)	(3)	7,133	-
	(237,372)	(18)	(121,016)	(8)	(590,831)	(16)	(460,465)	(10)
7900 <b>Profit (loss) from continuing operations before tax</b>	<b>(289,249)</b>	<b>(22)</b>	<b>(2,468)</b>	<b>-</b>	<b>(465,028)</b>	<b>(12)</b>	<b>60,135</b>	<b>1</b>
7950 Less: Tax expense (Note 6(r))	23,307	2	95,596	6	193,971	5	155,252	3
<b>Profit (loss)</b>	<b>(312,556)</b>	<b>(24)</b>	<b>(98,064)</b>	<b>(6)</b>	<b>(658,999)</b>	<b>(17)</b>	<b>(95,117)</b>	<b>(2)</b>
8300 <b>Other comprehensive income:</b>								
8360 <b>Components of other comprehensive income that will be reclassified to profit or loss(Notes 6(g) and(s))</b>								
8361 Exchange differences on translation of foreign financial statements	510,516	41	406,506	27	399,208	10	895,118	19
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	33,646	2	54,981	3	39,620	1	105,482	2
8399 Less:Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	544,162	43	461,487	30	438,828	11	1,000,600	21
8300 <b>Other comprehensive income, net</b>	<b>544,162</b>	<b>43</b>	<b>461,487</b>	<b>30</b>	<b>438,828</b>	<b>11</b>	<b>1,000,600</b>	<b>21</b>
<b>Comprehensive income (loss)</b>	<b>\$ 231,606</b>	<b>19</b>	<b>363,423</b>	<b>24</b>	<b>(220,171)</b>	<b>(6)</b>	<b>905,483</b>	<b>19</b>
8300 <b>Profit (loss), attributable to:</b>								
8610 Owners of parent	\$ (219,671)	(17)	(25,395)	(1)	(384,250)	(10)	82,120	2
8620 Non-controlling interests	(92,885)	(7)	(72,669)	(5)	(274,749)	(7)	(177,237)	(4)
	<b>(312,556)</b>	<b>(24)</b>	<b>(98,064)</b>	<b>(6)</b>	<b>(658,999)</b>	<b>(17)</b>	<b>(95,117)</b>	<b>(2)</b>
<b>Comprehensive income (loss) attributable to:</b>								
8710 Owners of parent	\$ 204,913	17	429,845	28	17,099	-	1,029,689	21
8720 Non-controlling interests	26,693	2	(66,422)	(4)	(237,270)	(6)	(124,206)	(2)
	<b>231,606</b>	<b>19</b>	<b>363,423</b>	<b>24</b>	<b>(220,171)</b>	<b>(6)</b>	<b>905,483</b>	<b>19</b>
<b>Earnings per share (Note 6(t))</b>								
9750 Basic earnings per share (NT dollars)	\$ (0.27)		(0.03)		(0.47)		0.10	
9850 Diluted earnings per share(NT dollars)	\$ (0.27)		(0.03)		(0.47)		0.10	

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**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For the nine months ended September 30, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars )**

	Equity attributable to owners of parent										
	Share capital	Retained earnings					Total other equity interest	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	Total equity
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings					
<b>Balance at January 1, 2022</b>	\$ 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
Profit nine months ended September 30, 2022	-	-	-	-	82,120	82,120	-	-	82,120	(177,237)	(95,117)
Other comprehensive income (loss) nine months ended September 30, 2022	-	-	-	-	-	-	947,569	-	947,569	53,031	1,000,600
Total comprehensive income 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
<b>Balance at September 30, 2022</b>	<b>\$ 8,347,761</b>	<b>1,926,530</b>	<b>7,549</b>	<b>633,830</b>	<b>82,119</b>	<b>723,498</b>	<b>(35,040)</b>	<b>(94,491)</b>	<b>10,868,258</b>	<b>3,339,708</b>	<b>14,207,966</b>
<b>Balance at January 1, 2023</b>	<b>\$ 8,347,761</b>	<b>1,926,712</b>	<b>7,548</b>	<b>633,830</b>	<b>7,411</b>	<b>648,789</b>	<b>(303,885)</b>	<b>(94,491)</b>	<b>10,524,886</b>	<b>3,120,179</b>	<b>13,645,065</b>
Loss nine months ended September 30, 2023	-	-	-	-	(384,250)	(384,250)	-	-	(384,250)	(274,749)	(658,999)
Other comprehensive income (loss) nine months ended September 30, 2023	-	-	-	-	-	-	401,349	-	401,349	37,479	438,828
Total comprehensive income nine months ended September 30, 2023	-	-	-	-	(384,250)	(384,250)	401,349	-	17,099	(237,270)	(220,171)
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	741	-	(741)	-	-	-	-	-	-
Special reserve reversal	-	-	-	(329,945)	329,945	-	-	-	-	-	-
Changes in the associated and the joint venture for using equity method(Notes 6 (g))	-	-	-	-	(75,059)	(75,059)	-	-	(75,059)	-	(75,059)
Cancellation of treasury shares	(100,000)	5,509	-	-	-	-	-	94,491	-	-	-
<b>Balance at September 30, 2023</b>	<b>\$ 8,247,761</b>	<b>1,932,221</b>	<b>8,289</b>	<b>303,885</b>	<b>(122,694)</b>	<b>189,480</b>	<b>97,464</b>	<b>-</b>	<b>10,466,926</b>	<b>2,882,909</b>	<b>13,349,835</b>



(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)  
Reviewed only, not audited in accordance with generally accepted auditing standards  
**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**For the nine months ended September 30, 2023 and 2022**  
**(Expressed in Thousands of New Taiwan Dollars )**

	For the nine months ended	
	September 30	
	2023	2022
<b>Cash flows from (used in) operating activities:</b>		
<b>(Loss) Profit before tax</b>	\$ (465,028)	60,135
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,493,324	1,565,155
Amortization expense	45,350	37,587
Expected credit loss	118,098	138,174
Net gain on financial assets or liabilities at fair value through profit or loss	(38,932)	(1,425)
Interest expense	686,837	626,678
Operating costs (Interest expense)	10,145	12,898
Interest income	(47,158)	(26,463)
Dividend income	(535)	(3,346)
Share of loss (profit) of associates and joint ventures accounted for using equity method	94,092	(7,133)
Loss on disposal of property, plan and equipment	759	309
Gain on disposal of intangible assets	(3,173)	(4,191)
Loss (gain) on disposal of investments	(5,099)	238
Impairment losses on non-financial assets	61,266	158,689
Gain on lease modification	(493,874)	(356,114)
Gain on rent concessions	(708)	-
<b>Total adjustments to reconcile profit (loss)</b>	<b>1,920,392</b>	<b>2,141,056</b>
<b>Changes in operating assets and liabilities :</b>		
<b>Changes in operating assets :</b>		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	103,244	18,084
Notes receivable	265	-
Accounts receivable	63,004	69,557
Other receivable	(1,674)	25,409
Inventories	(40,700)	(179,899)
Other current assets	(13,270)	34,172
Other operating assets	(61)	3
Total changes in operating assets	<b>110,808</b>	<b>(32,674)</b>
<b>Changes in operating liabilities :</b>		
Notes payable	224	-
Accounts payable	(31,889)	(966,232)
Other payable	231,444	72,723
Other current liabilities	(8,074)	(7,547)
Total changes in operating liabilities	<b>191,705</b>	<b>(901,056)</b>
Total changes in operating assets and liabilities	<b>302,513</b>	<b>(933,730)</b>
Total adjustments	<b>2,222,905</b>	<b>1,207,326</b>
Cash inflow generated from operations	1,757,877	1,267,461
Interest received	35,517	23,715
Dividend received	535	3,346
Interest paid	(695,988)	(633,287)
Income taxes paid	(79,105)	(88,125)
<b>Net cash flows from (used in) operating activities</b>	<b>1,018,836</b>	<b>573,110</b>

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

Reviewed only, not audited in accordance with generally accepted auditing standards**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the nine months ended September 30, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars )**

	<b>For the nine months ended</b>	
	<b>September 30</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of investments using the equity method	(178,879)	-
Proceeds from disposal of investments accounted for using equity method	30,157	-
Proceeds from disposal of subsidiaries	-	(8,984)
Acquisition of property, plant and equipment	(251,948)	(113,106)
Proceeds from disposal of property, plant and equipment	14,061	5,980
Decrease in other receivables	48,807	213,031
Acquisition of intangible assets	(1,300)	(337)
Proceeds from disposal of intangible assets	42,136	41,224
Increase in other financial assets	(643,157)	(14,363)
Decrease (increase) in other non-current assets	(12,788)	4,788
Increase in prepaid equipment	-	(1,422)
<b>Net cash flows used in investing activities</b>	<b>(952,911)</b>	<b>126,811</b>
<b>Cash flows from (used in) financing activities:</b>		
Increase (decrease) in short-term loans	1,212,575	(558,908)
Increase in short-term notes and bills payable	-	58
Proceeds from long-term loans	785,865	995,600
Repayments of long-term loans	(1,969,505)	(2,137,171)
Decrease in guarantee deposits received	(8,291)	(94,214)
Payments of lease liabilities	(777,549)	(456,363)
Disbursement income	-	8,810
Acquisition of ownership interests in subsidiaries	-	(10,377)
Changes in non-controlling interests	-	45,000
<b>Net cash flows from financing activities</b>	<b>(756,905)</b>	<b>(2,207,565)</b>
Effect of exchange rate changes on cash and cash equivalents	86,920	191,686
Net decrease in cash and cash equivalents	(604,060)	(1,315,958)
Cash and cash equivalents at beginning of period (Including classified as held for sale of cash and cash equivalents)	2,987,197	4,295,055
Cash and cash equivalents at end of period (Including classified as held for sale of cash and cash equivalents)	<b>\$ 2,383,137</b>	<b>2,979,097</b>
Components of cash and cash equivalents		
Cash and cash equivalents reported in the statement of financial position	\$ 2,383,137	2,959,859
(Non-current) assets (or disposal groups) classified as held for sale, net	-	19,238
Cash and cash equivalents at end of period	<b>\$ 2,383,137</b>	<b>2,979,097</b>

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

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

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

**September 30, 2023, and 2022**

**(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 13, 2023.

### (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.

(i) Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The amended provisions narrow the scope of the recognition exemption. When the original recognition of the transaction produces an equal amount of taxable and deductible temporary difference, the recognition exemption is no longer applicable, and an equal amount of deferred income tax assets and deferred tax liabilities should be recognized.

The Group estimates that the above revisions may increase the deferred income tax assets and deferred income tax liabilities by \$ 2,363,273 thousand, \$ 2,125,529 thousand, and \$ 2,035,972 thousand on January 1, September 30, and December 31, 2022, respectively.

If the Group is treated in accordance with the previous accounting policy in the third quarter of 2023, the deferred income tax assets and deferred income tax liabilities are both reduce by \$ 2,345,165 thousand on September 30, 2023.

(ii) Other

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, 2023:

- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Since May 23, 2023, the Group has adopted new amendments to IFRS, and has not been affected seriously by the Consolidated Financial Statements.

- Amendments to IAS 12, 'International tax reform - pillar two model rules'

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'
- Amendment to IFRS 16 "Requirements for Sale and Leaseback Transactions"

(c) The impact of IFRS issued by IASB

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
- Amendment to IAS 21 "Lack of Exchangeability"

#### (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 as IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except for the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2022. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2022.

(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			Note
			September 30, 2023	December 31, 2022	September 30, 2022	
First Steamship Co., Ltd.	Yee Shin Investment Co., Ltd.	General investing	- %	- %	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 (note 3)
First Steamship Co., Ltd.	Grand Ocean Retail Group Ltd.	Investment holding company	10.00%	10.00%	10.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 2)
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 is expected to close the business on June 9, 2023, and go through liquidation procedures
First Steamship Co., Ltd.	Longevity Navigation S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Praise Maritime S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Best Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Grand Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Black Sea Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Ship Bulker Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Reliance Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Alliance Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Sure Success Steamship S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Shining Steamship International S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship Co., Ltd.	Excellent Steamship International S.A.	International transportation and shipping agency	100.00%	100.00%	- %	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			September 30, 2023	December 31, 2022	September 30, 2022	
First Steamship S.A.	Longevity Navigation S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Praise Maritime S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Best Steamship S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Grand Steamship S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
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%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Ship Bulker Steamship S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
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%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Alliance Steamship S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Sure Success Steamship S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
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%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
First Steamship S.A.	Excellent Steamship International S.A.	International transportation and shipping agency	- %	- %	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 3)
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 STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			September 30, 2023	December 31, 2022	September 30, 2022	
First Mariner Holding Ltd.	Mariner Far East Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
First Mariner Capital Ltd.	Mariner Capital Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Capital Ltd.	Mariner Finance Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Shanghai Youxin Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Nanjing Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Wuhan Youxin Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Qingdao Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Chongqing Youren Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Fuzhou Youli Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Dongguan Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Guangzhou Youqiang Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Mariner Finance Ltd.	Changsha Youli Car Service Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
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
Youchen Car Leasing Ltd.	Urumqi Taroko Car Rental Co., Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Grand Ocean Retail Group Ltd.	Grand Citi Ltd.	Investment holding company	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			September 30, 2023	December 31, 2022	September 30, 2022	
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 Administration., Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries (note 4)
Grand Ocean Classic Commercial Group Ltd.	Shanghai Qianshu Commercial Management Co., Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Quanzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Trading of cosmetics, 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 Department 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 (note 4)
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	100.00%	100.00%	The company directly (indirectly) holds more than 50% of its subsidiaries
Wuhan Grand Ocean Classic Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	35.30%	35.30%	35.30%	The company directly (indirectly) holds more than 50% of its subsidiaries and it is expected to close the business on October 31,2022, and go through liquidation procedures
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Trading of cosmetics, furnishings, etc.	50.00%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries It is expected to close the business on August 31, 2023, and go through liquidation procedures
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



# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			September 30, 2023	December 31, 2022	September 30, 2022	
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, furnishings, etc.	64.70%	64.70%	64.70%	The company directly (indirectly) holds more than 50% of its subsidiaries and it also completed liquidation in October 31,2022
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Trading of cosmetics, furnishings, etc.	50.00%	50.00%	50.00%	The company directly (indirectly) holds more than 50% of its subsidiaries It is expected to close the business on August 31, 2023 and go through liquidation procedures
Wuhan Optics Valley Grand Ocean Commercial Development Ltd..	Yichang Grand Ocean Commercial Ltd.	Trading of cosmetics, furnishings, etc.	100.00%	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%	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 successively purchased the shares of Grand Ocean Retail Group Ltd. for \$10,377 thousand from January 1 to December 31, 2022, which increased the shareholding ratio from 9.69% to 10%, and recognized as the capital surplus of \$ 15,249 thousand.

Note 3: On December 15, 2022, the Board of Directors resolved to reduce the subsidiary, FIRST STEAMSHIP S.A.'s capital of 1,706 shares amounting to \$5,264,843 thousand (USD\$170,600 thousand) through cash return of \$614,315 thousand and 11 shipping subsidiaries' equity of \$4,650,528 thousand due to the Group's organizational restructuring. The effective date of the capital reduction was December 16, 2022, and related registration procedures are completed accordingly.

Note 4: The financial reports of the non-major subsidiaries have not been reviewed by CPA.

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

(c) Government subsidy

When the Group can receive government subsidies, it will recognize the unconditional subsidies as other income. For other grants related to assets, when the Group can be reasonably sure that the conditions attached to the government grant will be followed and the grant will be received, it will be recognized as deferred income at fair value, and it will be included in the deferred income within the useful life of the asset. The deferred income is recognized as other income on a systematic basis. Government grants to compensate for the expenses or losses incurred by the Group are recognized in profit or loss on a systematic basis and related expenses at the same time.

(d) 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).

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements:

- (a) Judgment of whether the Group has substantive control over its investees.

The Group holds 42.11% of the outstanding voting shares of Sandmartin International Holdings Limited. The Group is the single largest shareholder of the investees; however, the specific shareholder agreement among persons acting in concert has been reached. The Group still failed to obtain more than half of the total number of aforementioned companies’ board seats and failed to obtain more than half of the voting rights at a shareholders’ meeting as well. Therefore, it is determined that the Group only has significant influence on this investee.

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 2022 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, 2022. For the related information, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2022.

- (a) Cash and cash equivalents

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Pretty cash	\$ 28,859	25,227	30,621
Demand deposits	1,832,501	2,066,096	2,770,538
Time deposits	521,777	895,874	158,700
<b>Total</b>	<b>\$ 2,383,137</b>	<b>2,987,197</b>	<b>2,959,859</b>

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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

	September 30,2023	December 31, 2022	September 30,2022
<b>Mandatorily measured at fair value through profit or loss:</b>			
Non-derivative financial assets—current			
Shares of stock of listed companies	\$ 27,403	94,135	90,980
Open fund	14,597	10,852	11,205
Foreign corporate bonds	57,292	5,893	5,893
Beneficial rights-Specific construction project	40,948	134,948	127,578
Total	\$ 140,240	245,828	235,656
<b>Held-for-trading financial liabilities:</b>			
Non-derivative financial liabilities—non-current			
Landlord beneficiary rights	\$ 27,813	26,125	24,429

- (i) In September 2020, the Group entered into a residential construction project agreement with Honor Construction Co., Ltd. (Honor Construction), wherein the Group will purchase 32% of the beneficial rights from the specific construction project of Honor Construction located in Mingde Section, Tucheng District, at the amount of \$117,000 thousand. The Group has recovered the project 20% investment principal, but the delay of the project has caused by the impact of license review, the Group signed the second supplementary agreement with Honor Construction on July 31 and August 18, 2023. Honor Construction should pay the project share payment (the remaining payment is 80% of the total sale price of the project) within 30 days after obtaining the usage license (no later than August 31, 2023). The Group have to recover the project temporary profit distribution (the minimum profit distribution amount the 32% of \$255,377 thousand) before October 31, 2023 and have to recover all the project profit distribution before December 31, 2023. Until September 30, 2023, the Group has recovered the investment principal \$70,200 thousand (60%) and the remaining investment principal \$46,800 thousand (40%) has listed other accounts receivable on statement. Before the submission date of financial statement, the Group has recovered \$23,400 thousand.
- (ii) In 2021, 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. Thereafter, Sanlinger Investment Development Co., Ltd. would bear the cost of the development and holding based on pro rata basis. As of September 30, 2023, December 31, 2022, and September 30, 2022, the Group received the cost of holding and development from the Sanlinger Investment Development Co., Ltd., based on pro rata basis at the amount of \$7,413 thousand, \$5,725 thousand and \$4,029 thousand, respectively.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iii) Please refer to Note 6(x) for disclosure of credit risk and market risk of all financial instruments mentioned above.

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

(c) Trade receivables and other receivables

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
<b>Current</b>			
Accounts notes	\$ -	265	-
Accounts receivables	281,900	304,113	243,244
Less: Allowance for impairment	(39,510)	(30,669)	(13,901)
	<u>242,390</u>	<u>273,709</u>	<u>229,343</u>
Leases payment receivables (included operating lease)	774,799	590,647	502,913
Less: Unearned interest	(117,981)	(93,059)	(78,935)
Allowance for impairment	(365,327)	(235,353)	(162,361)
	<u>291,491</u>	<u>262,235</u>	<u>261,617</u>
<b>Subtotal of current asset</b>	<u>533,881</u>	<u>535,944</u>	<u>490,960</u>
<b>Non-current</b>			
Leases payment receivables	41,881	245,363	359,811
Less: Unearned interest	(2,226)	(24,341)	(42,163)
Allowance for impairment	(18,394)	(88,597)	(106,024)
	<u>21,261</u>	<u>132,425</u>	<u>211,624</u>
<b>Subtotal of non-current asset</b>	<u>21,261</u>	<u>132,425</u>	<u>211,624</u>
<b>Total</b>	<u><u>\$ 555,142</u></u>	<u><u>668,369</u></u>	<u><u>702,584</u></u>

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

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Leases payment receivables	\$ 497,733	474,292	477,474
Less: Allowance for impairment	(243,680)	(177,491)	(132,545)
	<b>\$ 254,053</b>	<b>296,801</b>	<b>344,929</b>

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

<b>September 30, 2023</b>			
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 10,763	0.98%	105
1 to 30 days past due	428	8.41%	36
31 to 60 days past due	3,952	7.84%	310
61 to 90 days past due	271	18.45%	50
More than 91 days past due ( Note )	183,326	76.12%	139,540
	<b>\$ 198,740</b>		<b>140,041</b>
<b>December 31, 2022</b>			
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 33,452	1.05%	352
1 to 30 days past due	4,478	7.24%	324
31 to 60 days past due	1,534	8.38%	129
61 to 90 days past due	7,494	19.43%	1,456
More than 91 days past due ( Note )	197,360	73.06%	144,198
	<b>\$ 244,318</b>		<b>146,459</b>
<b>September 30, 2022</b>			
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
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
	<b>\$ 264,152</b>		<b>135,840</b>

Note: As of September 30, 2023, December 31, 2022 and September 30, 2022, the Group had filed lawsuits for collecting the overdue receivables from leasing business with total

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

amount of \$ 122,908 thousand (CNY\$ 27,354 thousand), \$128,676 thousand (CNY\$ 29,192 thousand) and \$ 105,476 thousand (CNY\$ 23,593 thousand), respectively. The Group assessed the recoverability of those overdue receivables, and recognized provision for allowance of \$ 82,055 thousand (CNY\$ 18,262 thousand), \$84,769 thousand (CNY\$ 19,231 thousand) and \$ 57,476 thousand (CNY\$ 12,857 thousand) less unearned interests and guarantee deposits.

- 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 has partial receivables deferred, which was caused by the effect of COVID19. The Groups accounts receivable arose from mediation and litigation the retail department entered into are detailed as follows, it's recognized as an allowance loss based on the result of the court's first-instance judgment:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Amount involved in mediation or litigation	\$ 20,115	18,589	21,088
Less: Allowance for impairment	(20,115)	(18,589)	(3,951)
	<b>\$ -</b>	<b>-</b>	<b>17,137</b>

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

	<b>September 30,2023</b>		
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 218,584	0%	-
1 to 90 days past due	21,682	0%	-
91 to 180 days past due	2,068	0~20%	406
181 to 270 days past due	797	42%	335
271 to 365 days past due	5,650	100%	5,650
More than 365 days past due	13,004	100%	13,004
	<b>\$ 261,785</b>		<b>19,395</b>

  

	<b>December 31, 2022</b>		
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 215,910	0%	-
1 to 90 days past due	33,486	0%	-
91 to 180 days past due	6,165	0~25%	1,549
181 to 270 days past due	1,002	45%	457
271 to 365 days past due	2,671	100%	2,671
More than 365 days past due	7,403	100%	7,403
	<b>\$ 266,637</b>		<b>12,080</b>

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

	<b>September 30, 2022</b>		
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
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
	<b>\$ 222,093</b>		<b>9,950</b>

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

	<b>December 31, 2022</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
<b>Current</b>	<b>\$ 18,887</b>	-	-

  

	<b>September 30, 2022</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
<b>Current</b>	<b>\$ 63</b>	-	-

4) The loss allowance provision in Taiwan was determined as follows:

	<b>December 31, 2022</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
<b>Current</b>	<b>\$ 265</b>	-	-

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

	<b>For the nine months ended September 30</b>	
	<b>2023</b>	<b>2022</b>
Balance on January 1	\$ 354,619	178,338
Impairment losses recognized	60,703	100,603
Amount written off due to irrecoverability in the current year	(69)	(2,734)
Foreign exchange gain (loss)	7,978	6,079
Balance on September 30	<b>\$ 423,231</b>	<b>282,286</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Less than one year	\$ 774,799	590,647	502,913
One to two years	26,249	237,241	346,812
Two to three years	15,632	8,122	12,999
Total lease payments receivable	816,680	836,010	862,724
Unearned finance income	(120,207)	(117,400)	(121,098)
Present value of lease payments receivable	<b>\$ 696,473</b>	<b>718,610</b>	<b>741,626</b>

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

- (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

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Other receivables–loans (Note 7)	\$ 23,221	71,018	106,055
Other receivables–investment	274,083	268,888	272,703
Other receivables–Lease guarantee deposit	64,034	62,820	63,712
Other receivables – Beneficiary rights-specific construction project and landowner	46,800	-	-
Other receivables–others	77,286	62,934	106,482
Less: Loss allowance	(351,157)	(287,822)	(159,792)
	<b>\$ 134,267</b>	<b>177,838</b>	<b>389,160</b>

- (i) The other receivables – others are the advance payment in accordance with the promotions held by retail business department and vendors. 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. The Group evaluate the other receivable are financial assets with credit risk. Therefore, they do not have significant credit loss in the period by evaluating the amount of credit loss in 12 months. For credit risk information, please refer to note 6(x).
- (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



## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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 to do 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 \$1,952 thousand (CNY\$448 thousand). Considering that the department store industry has been seriously affected by COVID recently and the future development of this region is highly uncertain, the Group recognized loss allowance of \$32,017 thousand (CNY\$7,126 thousand), \$31,410 thousand (CNY\$7,126 thousand) and zero as of September 30, 2023, December 31, 2022 and September 30, 2022 for the lease deposit of \$64,034 thousand (CNY\$14,252 thousand), \$62,820 thousand (CNY\$14,252 thousand) and \$63,712 thousand (CNY\$14,252 thousand) based on conservatism.

- (iii) In 2012, the Group paid a guarantee deposit of CNY\$124,000 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 Fenggan Real Estate Development Co., Ltd.(Fenggan), and expected to obtain 100% equity of the company with a contractual amount of CNY\$325,000 thousand. As of December 31, 2015, the Group had paid CNY\$200,000 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 CNY\$200,000 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 Fenggan, 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 Fenggan'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 Fenggan, stating that Damahua will provide financial support to Fenggan for the development and construction of a real estate property to be sold to the market to ensure

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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 judicial 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. However, 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.

However, due to the force majeure factors of COVID-19, which have seriously affected the society and various industries as well as the business of Damahua, Damahua needs to retain part of its working capital. Therefore, Damahua propose to postpone the payment of the remaining receivables to the Group until June 30, 2023, and reached an agreement in August 2022. As of September 30, 2022, the Group has collected the payment of CNY\$101,000 thousand out of CNY\$162,000 thousand. Leaving CNY\$61,000 of receivables outstanding, the details of the payment are 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 Damahua fails to pay all the amounts above before the expiration of the deferred payment period, Damahua shall unconditionally cooperate with the liquidation of Quanzhou Jitong Road Project and give priority to the repayment of debts with the proceeds of the land portion to the Group.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

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In 2021, the Group has collected the payment of CNY\$55,500 thousand. In March and June 2022, the Group has collected the payment of CNY\$25,500 thousand and CNY\$20,000 thousand, respectively. Subsequently, Damahua failed to pay the Group CNY\$29,000, CNY\$16,000 and CNY\$16,000 thousand on June 30, March 31, 2023 and December 31, 2022, as agreed. And as of September 30, 2023, December 31, 2022, and September 30, 2022, the outstanding receivables were \$274,083 thousand (CNY\$61,000 thousand), \$268,888 thousand (CNY\$61,000 thousand) and \$272,703 thousand (CNY\$61,000 thousand), respectively. Recently the Quanzhou government has agreed with the development and construction of the Fengan' s property to be undertaken in a cooperative way with existing developers, which is implement by the government of Fengze District, and is coordinating to promote the resumption of the construction of Fengan' s property. Considering the circumstance above and- that the creditor's rights are generated by undertaking the Fengan' s property, the Group plans to negotiate with Damahua on the proceeds from the subsequent development project to repay all claims.

Although the Group assessed that Damahua should be able to repay its debts after the distribution of the disposal of Fengan' s property, China's economy has yet to return to normal levels due to the impact of the epidemic, based on conservatism, the Group recognized loss allowance for the overdue and upcoming receivables of CNY\$61,000 thousand. As of September 30, 2023, December 31, 2022 and September 30, 2022, the loss allowance of \$274,083 thousand, \$169,134 thousand and \$59,899 thousand are recognized, respectively.

(e) Inventories (construction department)

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Land held for construction site	\$ 518,796	518,796	518,437
Construction in progress	880,915	878,704	873,963
Buildings and land held for sale	41,931	41,931	41,931
Prepayment for land purchases and development expenses	298,960	298,960	127,357
	<b>\$ 1,740,602</b>	<b>1,738,391</b>	<b>1,561,688</b>

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

(f) Loss of control of subsidiary (non-current assets held for sale)

The Group decided to dispose the entire equity of its subsidiary, Yee Shin investment Co, Ltd., to Yonghenghui investment Co., at the amount of \$356,000 thousand, based on the resolution approved during the board meeting held on July 30, 2021, wherein the Group received deposit of \$150,000 thousand (recognized as other current liabilities) on November 24, 2021, with the remaining amount being deposited in a trust account. All related procedures are still in progress, and the transaction is expected to be completed within one year; therefore, the assets and liabilities were classified to disposal group.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The disposal group comprised the following assets and liabilities:

	<b>September 30, 2022</b>
Cash and cash equivalents	\$ 19,238
Investments accounted for using equity method	176,763
the assets of disposal groups	<b>\$ 196,001</b>
the liabilities of disposal groups(other payables)	<b>\$ 270</b>

The aforementioned non-current assets to be sold have completed the equity transfer procedure on November 7, 2022. For relevant information, please refer to Note 6(f) of the consolidated financial report of 2022.

(g) Investments accounted for using equity method

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

<b>Investee</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Jiawang Assets Development Co., Ltd.	\$ 3,017	4,186	4,187
Da Yu Financial Holdings Limited	796,624	754,461	795,179
Sandmartin International Holdings Limited	10,932	-	45,989
Nanjing Grand Ocean Dongfadao Catering Co., Ltd.	-	27,636	30,085
Hainan Sanhe Licheng Business Service Co., Ltd.	-	-	-
Shanghai Zhuke Technology Co., Ltd.	-	-	-
	<b>\$ 810,573</b>	<b>786,283</b>	<b>875,440</b>

(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:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Carrying amount of individually insignificant associates' equity	<b>\$ 810,573</b>	<b>786,283</b>	<b>875,440</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	For the three months ended September 30		For the nine months ended September 30	
	2023	2022	2023	2022
Attributable to the Group:				
Gain(Loss) from continuing operations	\$ (93,400)	(4,793)	(94,092)	7,133
Other comprehensive income	33,646	54,981	39,620	105,482
Total comprehensive income	\$ (59,754)	50,188	(54,472)	112,615

- (ii) Nanjing Grand Ocean Dongfadao Catering Co., Ltd.
- (1) On May 6, 2021, the Group signed 5-year investment agreement with Shanghai Dongfadao Catering Management Co., Ltd. (hereinafter referred to as “Shanghai Dongfadao”) at the amount of 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. As of June 30, 2023, the Group has invested the amount of \$30,157 thousand (CNY\$7,000 thousand).
- (2) The share repurchases 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.
  - c) Because Nanjing Dongfadao has been losing money for six consecutive months and has not distributed profits, the Group signed an equity repurchase and urban investment termination agreement with Shanghai Dongfadao on June 28, 2023. The total price of equity repurchase is \$30,157 thousand (CNY\$7,000 thousand). On August 30, 2023, completed the equity-changed procedure and recognized disposal of gain on investment amount \$5,099 thousand (CNY\$ 1,156 thousand). According to the agreement, recovering the equity repurchase price in installments. Until September 30,2023, it has not recovered amount \$20,309 thousand (CNY\$ 4,520 thousand) and has listed other receivable amount \$8,627 thousand (CNY\$1,920 thousand), other non-current assets-other amount \$11,682 thousand (CNY\$2,600 thousand).

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (iii) In 2023, the Group signed a cash capital increase underwriting agreement with the affiliated company Sandmartin International Holdings Ltd. through a resolution of the board of directors and participated in its cash capital increase shares, the Group acts as the lead underwriter. The Group subscribed a total of 375,438 thousand shares according to the shareholding ratio and the underwriting agreement, and the subscription price was HK\$0.12 per share, and the investment amount is \$178,879 thousand, the ratio of shareholders from 28.98% up to 42.11%, therefore recognized the retaining earning amount \$(75,059) thousand. The Group evaluates Sandmartin International Holdings Ltd. without substantial control only significant influence. Please refer to note 5 for further details.
- (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.
- (h) **Material non-controlling interests of subsidiaries**

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

Name of Subsidiary	Main operation/place	Percentage of non-controlling interests		
		September 30, 2023	December 31, 2022	September 30, 2023
GRAND OCEAN RETAIL GROUP LTD.	China/Cayman Islands	41.38%	41.38%	41.38%

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

Collective financial information of Grand Ocean Retail Group Ltd.

	September 30, 2023	(revised) December 31, 2022	(revised) September 30, 2022	(revised) January 1, 2022
Current assets	\$ 2,524,478	2,830,302	3,101,107	4,999,105
Non-current assets	24,372,532	22,550,845	23,276,529	24,641,575
Current liabilities	(6,317,017)	(5,202,977)	(5,473,636)	(7,225,731)
Non-current liabilities	(13,871,601)	(12,922,923)	(13,129,166)	(14,376,148)
Net assets	<u>\$ 6,708,392</u>	<u>7,255,247</u>	<u>7,774,834</u>	<u>8,038,801</u>
Non-controlling interests	<u>\$ 2,775,935</u>	<u>3,002,223</u>	<u>3,217,227</u>	<u>3,351,378</u>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	For the three months ended September 30		For the nine months ended September 30	
	2023	2022	2023	2022
Sales revenue	\$ 843,341	962,564	2,811,795	3,223,386
Net loss	\$ (225,831)	(164,056)	(637,427)	(398,571)
Other comprehensive income	288,975	15,096	90,572	125,794
Comprehensive income	63,144	(148,960)	(546,855)	(272,777)
Net loss, attributable to non-controlling interests	\$ (93,449)	(67,886)	(263,767)	(165,201)
Comprehensive income, attributable to non-controlling interests	\$ 26,129	(61,639)	(226,288)	(112,170)

	For the nine months ended September 30	
	2023	2022
Net cash flows from operating activities	\$ 625,963	(65,500)
Net cash flows from investing activities	(827,771)	84,147
Net cash flows from financing activities	(22,011)	(1,754,981)
Effect of exchange rate changes	29,274	100,331
Net decrease in cash and cash equivalents	\$ (194,545)	(1,636,003)

(i) Property, plant and equipment

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	Land	Buildings	Transportation equipment	Vessels	Office equipment	Leasehold Improvement	Construction in progress	Total
<b>Cost or deemed cost:</b>								
Balance at January 1, 2023	\$ 126,409	4,734,064	167,493	10,212,724	252,795	6,986,518	65,803	22,545,806
Additions	-	-	3,654	4,841	9,830	12,697	143,168	174,190
Reclassifications	-	-	-	-	958	151,721	(152,679)	-
Disposals and obsolescence	-	-	(44,570)	-	(47,824)	(629,249)	-	(721,643)
Effect of change in foreign exchange rates	-	90,007	2,468	519,159	3,991	123,520	1,049	740,194
<b>Balance at September 30, 2023</b>	<b>\$ 126,409</b>	<b>4,824,071</b>	<b>129,045</b>	<b>10,736,724</b>	<b>219,750</b>	<b>6,645,207</b>	<b>57,341</b>	<b>22,738,547</b>
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
<b>Balance at September 30, 2022</b>	<b>\$ 126,409</b>	<b>4,799,694</b>	<b>181,039</b>	<b>10,543,125</b>	<b>246,018</b>	<b>7,000,272</b>	<b>80,348</b>	<b>22,976,905</b>
<b>Accumulated depreciation and impairment loss:</b>								
Balance at January 1, 2023	\$ -	815,985	83,661	3,042,158	196,941	4,665,191	2,317	8,806,253
Depreciation	-	84,215	15,106	312,659	10,335	247,584	-	669,899
Disposals and obsolescence	-	-	(30,639)	-	(46,935)	(629,249)	-	(706,823)
Impairment loss	-	-	2,370	-	3,002	55,643	-	61,015
Effect of change in foreign exchange rates	-	16,620	1,364	167,893	2,985	81,257	-	270,119
<b>Balance at September 30, 2023</b>	<b>\$ -</b>	<b>916,820</b>	<b>71,862</b>	<b>3,522,710</b>	<b>166,328</b>	<b>4,420,426</b>	<b>2,317</b>	<b>9,100,463</b>
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
<b>Balance at September 30, 2022</b>	<b>\$ -</b>	<b>798,643</b>	<b>86,322</b>	<b>3,038,205</b>	<b>196,515</b>	<b>4,624,742</b>	<b>1,186</b>	<b>8,745,613</b>
<b>Carrying amounts:</b>								
Balance at January 1, 2023	<b>\$ 126,409</b>	<b>3,918,079</b>	<b>83,832</b>	<b>7,170,566</b>	<b>55,854</b>	<b>2,321,327</b>	<b>63,486</b>	<b>13,739,553</b>
Balance at September 30, 2023	<b>\$ 126,409</b>	<b>3,907,251</b>	<b>57,183</b>	<b>7,214,014</b>	<b>53,422</b>	<b>2,224,781</b>	<b>55,024</b>	<b>13,638,084</b>
Balance at January 1, 2022	<b>\$ 126,409</b>	<b>3,968,096</b>	<b>114,047</b>	<b>6,821,835</b>	<b>54,081</b>	<b>2,718,131</b>	<b>31,082</b>	<b>13,833,681</b>
Balance at September 30, 2022	<b>\$ 126,409</b>	<b>4,001,051</b>	<b>94,717</b>	<b>7,504,920</b>	<b>49,503</b>	<b>2,375,530</b>	<b>79,162</b>	<b>14,231,292</b>

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



## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (ii) Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., a subsidiary of the Group, has suffered continuous operating losses. According to the resolution of the board of directors, it is expected to close its business on August 31, 2023, so it recognizes \$58,809 thousand for impairment losses on property, plant and equipment. Hand over the scrapped related equipment with the owner to clear the site and delist the book cost and accumulated depreciation and impairment of \$212,040 thousand.
- (iii) Chongqing Optics Valley Grand Ocean Commercial Development Ltd., a subsidiary of the Group, it is close the business on October 31,2022, so it recognizes \$158,395 thousand for impairment losses on property, plant and equipment. Hand over the scrapped related equipment with the owner to clear the site and delist the book cost and accumulated depreciation and impairment of \$458,266 thousand.
- (iv) The property, plant and equipment of the Group had been pledged as collateral for bank borrowings. Please refer to note 8 for further details.

(j) Right-of-use assets

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

	<b>Land</b>	<b>Buildings</b>	<b>Machine and transportation equipment</b>	<b>Total</b>
<b>Cost :</b>				
Balance at January 1, 2023	\$ 3,327,110	10,998,973	66,817	14,392,900
Additions(note 7)	-	2,436,981	11,610	2,448,591
Reduce	-	(10,444)	-	(10,444)
Lease modifications	-	(1,089,882)	-	(1,089,882)
Effect of change in foreign exchange rates	64,274	237,496	1,146	302,916
Balance at September 30, 2023	<b>\$ 3,391,384</b>	<b>12,573,124</b>	<b>79,573</b>	<b>16,044,081</b>
Balance at January 1, 2022	\$ 3,275,716	11,648,905	58,416	14,983,037
Additions	-	39,795	7,485	47,280
Reduce	-	(571,218)	-	(571,218)
Lease modifications	-	(30,824)	-	(30,824)
Effect of change in foreign exchange rates	98,600	346,955	1,758	447,313
Balance at September 30, 2022	<b>\$ 3,374,316</b>	<b>11,433,613</b>	<b>67,659</b>	<b>14,875,588</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Accumulated depreciation and impairment loss:	Machine and transportation equipment			
	Land	Buildings	equipment	Total
Balance at January 1, 2023	\$ 391,033	2,882,470	30,173	3,303,676
Depreciation	73,370	741,906	7,419	822,695
Reduce	-	(10,444)	-	(10,444)
Lease modifications	-	(461,194)	-	(461,194)
Effect of change in foreign exchange rates	8,920	60,827	666	70,413
Balance at September 30, 2023	<b>\$ 473,323</b>	<b>3,213,565</b>	<b>38,258</b>	<b>3,725,146</b>
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 modifications	-	(51,763)	-	(51,763)
Disposals and obsolescence	-	(30,824)	-	(30,824)
Effect of change in foreign exchange rates	9,227	71,981	687	81,895
Balance at September 30, 2022	<b>\$ 371,795</b>	<b>2,959,645</b>	<b>28,346</b>	<b>3,359,786</b>
<b>Carrying amounts :</b>				
Balance at January 1, 2023	<b>\$ 2,936,077</b>	<b>8,116,503</b>	<b>36,644</b>	<b>11,089,224</b>
Balance at September 30, 2023	<b>\$ 2,918,061</b>	<b>9,359,559</b>	<b>41,315</b>	<b>12,318,935</b>
Balance at January 1, 2022	<b>\$ 2,986,971</b>	<b>9,424,342</b>	<b>36,937</b>	<b>12,448,250</b>
Balance at September 30, 2022	<b>\$ 3,002,521</b>	<b>8,473,968</b>	<b>39,313</b>	<b>11,515,802</b>

- (i) Wuhan Grand Ocean Jingdian Commercial Ltd., a subsidiary of the Group, has expanded operating. According to the resolution of the board of directors, it is set up new store on September 1, 2023, so it recognizes \$1,416,806 thousand for Right-of-use assets.
- (ii) Nanjing Grand Ocean Classic Commercial Ltd., a subsidiary of the Group, it has rent the business premises from the relevant in January,2003. Due to the deadline of original contract in January,2023, the Group sign the 10-years lease contract, so it recognizes \$1,015,368 thousand for increasing in right-of-use assets.
- (iii) Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., and Chongqing Optics Valley Grand Ocean Commercial Development Ltd., the subsidiary of the Group, have suffered continuous operating losses. According to the resolution of the board of directors, they are expected to close its business on August 31,2023 and on October 31,2023, due to continuous losses in operations. Please refer to Note 6(w) for the lease modification benefits arising from the shortening of the lease term due to the closure of operations.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(k) Intangible assets

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

	Goodwill	Trademark	License Plate	Other	Total
<b>Cost :</b>					
Balance at January 1, 2023	\$ 1,473,567	430,294	142,049	43,797	2,089,707
Additions	-	-	-	1,300	1,300
Disposal and derecognition	-	-	(38,963)	-	(38,963)
Effect of change in foreign exchange rates	28,467	21,865	2,019	871	53,222
Balance at September 30, 2023	<b>\$ 1,502,034</b>	<b>452,159</b>	<b>105,105</b>	<b>45,968</b>	<b>2,105,266</b>
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	<b>\$ 1,494,474</b>	<b>444,871</b>	<b>156,927</b>	<b>35,120</b>	<b>2,131,392</b>
<b>Depreciation :</b>					
Balance at January 1, 2023	\$ -	-	5,162	23,444	28,606
Amortization	-	-	-	3,433	3,433
Impairment loss	-	-	-	251	251
Effect of change in foreign exchange rates	-	-	99	522	621
Balance at September 30, 2023	<b>\$ -</b>	<b>-</b>	<b>5,261</b>	<b>27,650</b>	<b>32,911</b>
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	<b>\$ -</b>	<b>-</b>	<b>5,235</b>	<b>21,743</b>	<b>26,978</b>
<b>Carrying amounts :</b>					
Balance at January 1, 2023	<b>\$ 1,473,567</b>	<b>430,294</b>	<b>136,887</b>	<b>20,353</b>	<b>2,061,101</b>
Balance at September 30, 2023	<b>\$ 1,502,034</b>	<b>452,159</b>	<b>99,844</b>	<b>18,318</b>	<b>2,072,355</b>
Balance at January 1, 2022	<b>\$ 1,450,805</b>	<b>387,825</b>	<b>183,472</b>	<b>16,882</b>	<b>2,038,984</b>
Balance at September 30, 2022	<b>\$ 1,494,474</b>	<b>444,871</b>	<b>151,692</b>	<b>13,377</b>	<b>2,104,414</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(i) Impairment testing of goodwill

The Group evaluated the key assumption for recoverable amount and usage rights of the department store retail and license plate cash-generating units as same as the financial report for the second quarter of 2023. Please refer to the retail of the note 6(k) in the financial report for the second quarter of 2023.

- (ii) Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., and Chongqing Optics Valley Grand Ocean Commercial Development Ltd., the subsidiary of the Group, have suffered continuous operating losses. According to the resolution of the board of directors, they are expected to close its business on August 31, 2023, and on October 31, 2022, therefore, they recognized the impairment loss of intangible assets \$251 thousand and \$294 thousand, respectively.

(l) Other financial assets — current and non-current

	September 30, 2023	December 31, 2022	September 30, 2022
Other financial assets — current			
Deposits — out for lease	\$ 29,519	28,999	576
Restricted deposits	87,248	73,241	106,708
Vehicle purchase claims	35,945	35,264	35,764
Deposit for rent expansion	67,397	-	-
Time deposits	32,260	-	-
Others	3,376	2,661	2,703
Less: Allowance for impairment	(35,945)	(35,264)	-
	<b>\$ 219,800</b>	<b>104,901</b>	<b>145,751</b>
Other financial assets — non-current			
Deposits — out for lease	\$ 198,899	187,228	217,605
Deposits — out for cooperation	7,912	8,178	8,435
Restricted deposits	541,590	8,186	7,396
Others	20,660	17,646	21,488
	<b>\$ 769,061</b>	<b>221,238</b>	<b>254,924</b>

- (i) The lease deposit is mainly the deposit deposited by the lessee; the deposit for rent expansion is the deposit paid by the subsidiary Yichang Grand Ocean Commerce Limited. to expand the leased area, which will be used to offset the rental expenses after the contract is signed.
- (ii) In November 2020, the Group acquired the right to purchase the 765 Zotye vehicles of Shanghai Zhuke Technology Co., Ltd. (hereinafter referred to as “ Shanghai Zhuke” ) at the price of 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). As of September 30, 2023, the amount has not been recovered. For the year ended December 31, 2022, due to the significant increase in the credit risk of Shanghai Zhuke, the Group evaluated the credit risk on an individual basis and recognized all the amount in loss allowance for expected credit loss.
- (iii) For further credit risk information, please refers to note 6(x).

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(m) Short-term borrowings

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Unsecured bank loans	\$ 1,527,972	918,080	1,149,945
Secured bank loans	2,520,458	1,909,365	1,789,346
Other secured loans	64,000	-	-
Total	<b>\$ 4,112,430</b>	<b>2,827,445</b>	<b>2,939,291</b>
Unused credit lines	<b>\$ 1,100,062</b>	<b>2,073,518</b>	<b>1,678,794</b>
Range of interest rates	<b>2.17%~8.00%</b>	<b>1.49%~9.30%</b>	<b>1.49%~9.30%</b>

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

(n) Long-term borrowings

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

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Unsecured bank loans	\$ 707,660	1,660,457	1,386,036
Secured bank loans	4,536,379	4,559,237	4,291,879
Secured notes	249,881	249,862	249,886
Other secured loans	14,272	47,147	63,227
Less: current portion	(1,188,415)	(1,334,503)	(1,458,834)
Total	<b>\$ 4,319,777</b>	<b>5,182,200</b>	<b>4,532,194</b>
Unused credit lines	<b>\$ 577,761</b>	<b>356,345</b>	<b>385,679</b>
Range of interest rates	<b>1.38%~15.60%</b>	<b>0.58%~15.60%</b>	<b>0.58%~15.60%</b>

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

(ii) Significant loan contract agreement

The Group signed a joint credit agreement with a joint credit bank group (six banks including Changhua Bank). According to the contract, the Group should maintain the following financial ratios and regulations, and start the inspection from the second quarter of 2021, and the audit 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.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(o) Accounts payable and other payables

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Accounts payable			
Arising from direct sales	\$ 61,087	46,335	70,223
Arising from concessionaire sales	805,446	880,886	965,086
Others	91,139	43,719	65,990
Total	<b>\$ 957,672</b>	<b>970,940</b>	<b>1,101,299</b>
Other payables			
Construction payables	\$ 95,581	171,473	177,516
Compensation payable	487,737	158,258	158,546
Others	593,010	662,515	706,288
Total	<b>\$ 1,176,328</b>	<b>992,246</b>	<b>1,042,350</b>

(p) Lease liabilities

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

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Current	\$ 701,745	947,988	1,075,480
Non- Current	10,041,589	9,044,616	9,588,770
	<b>\$ 10,743,334</b>	<b>9,992,604</b>	<b>10,664,250</b>

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

The amounts recognized in profit or loss as follows:

	<b>For the three months ended September 30</b>		<b>For the nine months ended September 30</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Interest expense of lease liabilities	<b>\$ 112,200</b>	<b>136,852</b>	<b>358,694</b>	<b>415,613</b>
Variable leases payments not included in the measurement of lease liabilities	<b>\$ 429</b>	<b>10,022</b>	<b>747</b>	<b>42,149</b>
Expenses relating to short-term leases	<b>\$ 235</b>	<b>298</b>	<b>871</b>	<b>961</b>
Expenses relating to leases of low value (excluding short term leases of low value assets)	<b>\$ 500</b>	<b>398</b>	<b>1,502</b>	<b>1,296</b>
Rent concessions related to COVID-19 (deductible operating expenses)	<b>\$ -</b>	<b>-</b>	<b>(708)</b>	<b>-</b>

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

	<b>For the nine months ended September 30</b>	
	<b>2023</b>	<b>2022</b>
Total cash outflow for leases	<b>\$ 1,139,363</b>	<b>916,382</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(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 years. These leases are short-term. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(q) Operating lease

1. Leases as lessor

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

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

1) Bulk carriers

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Less than one year	\$ 608,454	1,249,073	1,225,901
Between one and two years	300,034	406,514	477,948
Between two and three years	42,938	243,724	297,914
Between three and four years	-	6,686	46,246
Total undiscounted lease payments	<b><u>\$ 951,426</u></b>	<b><u>1,905,997</u></b>	<b><u>2,048,009</u></b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 2) Transportation equipmen

	September 30, 2023	December 31, 2022	September 30, 2022
Less than one year	\$ 43,570	63,709	43,803
Between one and two years	5,826	11,917	42,269
Between two and three years	325	3,763	5,054
Between three and four years	-	39	40
Total undiscounted lease payments	<u>\$ 49,721</u>	<u>79,428</u>	<u>91,166</u>

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	
	2023	2022	2023	2022
Operating costs	<u>\$ 13,568</u>	<u>10,038</u>	<u>39,183</u>	<u>29,980</u>

#### (r) 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	
	2023	2022	2023	2022
Current tax expense				
Current period	\$ 11,013	25,391	62,118	82,955
Adjustment for prior periods	(1)	90	4,383	(1,223)
	<u>11,012</u>	<u>25,481</u>	<u>66,501</u>	<u>81,732</u>
Deferred tax expense				
Origination and reversal of temporary differences	12,295	70,115	127,470	73,520
Income tax expense from continuing operations	<u>\$ 23,307</u>	<u>95,596</u>	<u>193,971</u>	<u>155,252</u>

#### (ii) Deferred tax assets and liabilities

##### 1) Recognized deferred tax assets and liabilities

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

Deferred tax assets:



## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	The estimated appropriated of earnings of subsidiary	Rental expenses	Total
<b>Balance at January 1, 2023 (revised)</b>	\$ 141,151	2,663,664	2,804,815
Recognized in profit or loss	(47,057)	144,294	97,237
Foreign currency translation differences for foreign operations	1,479	54,142	55,621
<b>Balance at September 30, 2023</b>	<b>\$ 95,573</b>	<b>2,862,100</b>	<b>2,957,673</b>
<b>Balance at January 1, 2022</b>	\$ 182,884	679,022	861,906
The change in revision	-	2,363,273	2,363,273
<b>Balance at January 1, 2022 (revised)</b>	182,884	3,042,295	3,225,179
Recognized in profit or loss	(53,577)	(326,595)	(380,172)
Foreign currency translation differences for foreign operations	5,116	89,202	94,318
<b>Balance at September 30, 2022 (revised)</b>	<b>\$ 134,423</b>	<b>2,804,902</b>	<b>2,939,325</b>

Deferred tax liabilities:

	The carry forward of unused tax losses	Rental expenses and others	Total
<b>Balance at January 1, 2023 (revised)</b>	\$ 65,171	2,035,972	2,101,143
Recognized in profit or loss	(40,226)	264,933	224,707
Foreign currency translation differences for foreign operations	1,148	44,260	45,408
<b>Balance at September 30, 2023</b>	<b>\$ 26,093</b>	<b>2,345,165</b>	<b>2,371,258</b>
<b>Balance at January 1, 2022</b>	\$ 59,615	-	59,615
The change in revision	-	2,363,273	2,363,273
<b>Balance at January 1, 2022 (revised)</b>	59,615	2,363,273	2,422,888
Recognized in profit or loss	-	(306,652)	(306,652)
Foreign currency translation differences for foreign operations	7,463	68,908	76,371
<b>Balance at September 30, 2022 (revised)</b>	<b>\$ 67,078</b>	<b>2,125,529</b>	<b>2,192,607</b>

The Group began to apply the amendment of International Accounting Standard No. 12 "Deferred income tax related to assets and liabilities arising from a single transaction" from January 1, 2023, and the rental expenses of mainland subsidiaries are no longer applicable to recognize the exemption, deferred income tax assets and deferred income tax liabilities should be recognized in equal amounts, please see the Note 3 (a).

(iii) Examination and Approval

- 1) The Company's tax returns for the years through 2021 were examined and approved by the national tax authorities

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- 2) The other ROC subsidiaries' tax returns for the years through 2021 were examined and approved by the national tax authorities
- 3) The annual tax returns of subsidiaries in China through 2022 were examined and approved by the tax authority.

#### (s) 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, 2023, and 2022. For the related information, please refer to note 6(u) of the consolidated financial statements for the year ended December 31, 2022.

#### (i) Capital surplus

The components of the capital surplus were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Share capital	\$ 352,570	352,570	352,570
Stock option from convertible corporate bonds	851,231	851,231	851,231
Forfeited share options	13,838	13,838	13,838
Treasury share transactions	21,476	15,967	15,967
Difference arising from subsidiary's share price and its carrying value	617,046	617,046	617,046
Changes in a parent's ownership interest in a subsidiary	72,728	72,728	72,546
Donation from shareholders	3,332	3,332	3,332
	<b><u>\$ 1,932,221</u></b>	<b><u>1,926,712</u></b>	<b><u>1,926,530</u></b>

#### (ii) 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.

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements**

## 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 requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. If the Company has already reclassified a portion of earnings to special reserve under the preceding subparagraph, it shall make supplemental allocation of special reserve for any difference between the amount it has already allocated and the amount of the current-period total net reduction of other shareholders' equity. An equivalent amount of special reserve shall be allocated from the after-tax net profit in the period, plus items other than after-tax net profit in the period, that are included in the undistributed current-period earnings and the undistributed prior-period earnings. (When the Company distributes its 2020 earnings in 2021, a portion of its current-period earnings and undistributed prior-period earnings shall be reclassified to special earnings reserve. When the Company distributes its 2021 earnings in 2022, the after-tax net profit in the period, plus items other than the after-tax net profit in the period, that are included in the undistributed current-period earnings and undistributed prior-period earnings, shall be reclassified to special earnings reserve.) A portion of undistributed prior-period earnings shall be reclassified to special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. 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 16, 2023 for reversing the special reserve of \$329,945 and 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

Resolutions passed by the General Meeting of Shareholders held on June 16, 2023 and June 24, 2022, respectively, decided not to distribute the adjusted income distribution for 2022 and 2021.

## (iii) Treasury stock

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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.

On March 16, 2023, the board of directors approved to cancel all of treasury amount of 10,000 thousand shares, reduced Capital amount of \$100,000 thousand and recognized Capital surplus amount of \$5,509 thousand. The Record date of capital reduction is on March 17, 2023 and complete the relation legal process.

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

	(In thousands of shares)	
	<b>For the nine months ended September 30</b>	
	<b>2023</b>	<b>2022</b>
Outstanding at January 1	\$ 8,682	9,007
Quantity sold in this period	(973)	(310)
Outstanding at september 30	<b>\$ 7,709</b>	<b>8,697</b>

The prepayments from transferring treasury shares for employees to subscribe were recognized as prepaid payroll. As of September 30, 2023, December 31, 2022 and September 30, 2022, the prepayments amounting to \$127,396 thousand, \$139,588 thousand and \$141,600 thousand, respectively (reported as other current assets). Considering the changes in the economic environment and the impact of the COVID-19, a resolution adopted was decided at the Board of Directors held on August 31, 2022 to defer the repayments of prepaid payroll to 2025.

(iv) Other equity interests (after tax)

	Exchange differences on translation of foreign financial statements	Non controlling Interest	Total
Balance at January 1, 2023	\$ (303,885)	3,120,179	2,816,294
Profit of non-controlling interests	-	(274,749)	(274,749)
Exchange differences on subsidiaries accounted for using equity method	39,620	-	39,620
Exchange differences on translation of foreign financial statements	361,729	37,479	399,208
Balance at September 30, 2023	<b>\$ 97,464</b>	<b>2,882,909</b>	<b>2,980,373</b>

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	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
Profit of 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	-	(25,626)	(25,626)
Changes in ownership interests in subsidiaries	-	3,645	3,645
Increase of non-controlling interests	-	45,000	45,000
Exchange differences on foreign operations	842,087	53,031	895,118
Balance at September 30, 2022	<u>\$ (35,040)</u>	<u>3,339,708</u>	<u>3,304,668</u>

(t) 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	
	2023	2022	2023	2022
<b>Basic earnings (loss) per share</b>				
Profit attributable to ordinary shareholders of the Company	<u>\$ (219,671)</u>	<u>(25,395)</u>	<u>(384,250)</u>	<u>82,120</u>
Weighted average number of ordinary shares				
Weighted average number of ordinary shares at January 1	824,776	834,776	834,776	834,776
Effect of treasury stock	-	(10,000)	(10,000)	(10,000)
Weighted average number of ordinary shares at September 30	824,776	824,776	824,776	824,776
<b>Earnings per share (dollars)</b>	<u>\$ (0.27)</u>	<u>(0.03)</u>	<u>(0.47)</u>	<u>0.10</u>
<b>Diluted earnings per share</b>				
Profit attributable to ordinary shareholders of the Company (diluted)	<u>\$ (219,671)</u>	<u>(25,395)</u>	<u>(384,250)</u>	<u>82,120</u>
Weighted average number of ordinary shares at September 30	824,776	824,776	824,776	824,776
Effect of dilutive potential ordinary shares (basic)				
Effect of employee share compensation	-	-	-	195
Weighted average number of ordinary shares (diluted) at September 30	824,776	824,776	824,776	824,971
<b>Earnings per share (dollars)</b>	<u>\$ (0.27)</u>	<u>(0.03)</u>	<u>(0.47)</u>	<u>0.10</u>

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(u) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended September 30, 2023						
	Shipping department	Investing department	Retail department	Rental department	Construction department	Total
Primary geographical markets						
Taiwan	\$ -	1,721	-	-	-	1,721
China	-	-	843,341	11,796	-	855,137
Other	386,884	-	-	-	-	386,884
	<b>\$ 386,884</b>	<b>1,721</b>	<b>843,341</b>	<b>11,796</b>	<b>-</b>	<b>1,243,742</b>
Major products/services lines						
Commissions revenue (Retail revenue – concessionaire sales)	\$ -	-	248,754	-	-	248,754
Commodity sales (Retail revenue – direct sales)	-	-	134,005	-	-	134,005
Lease revenue (Note)	386,884	1,721	248,416	8,161	-	645,182
Financial lease interest income (Note)	-	-	-	805	-	805
Service revenue and others	-	-	212,166	2,830	-	214,996
	<b>\$ 386,884</b>	<b>1,721</b>	<b>843,341</b>	<b>11,796</b>	<b>-</b>	<b>1,243,742</b>

For the three months ended September 30, 2022						
	Shipping department	Investing department	Retail department	Rental department	Construction department	Total
Primary geographical markets						
Taiwan	\$ -	1,875	-	-	-	1,875
China	-	-	962,564	22,690	-	985,254
Other	536,631	-	-	-	-	536,631
	<b>\$ 536,631</b>	<b>1,875</b>	<b>962,564</b>	<b>22,690</b>	<b>-</b>	<b>1,523,760</b>
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
	<b>\$ 536,631</b>	<b>1,875</b>	<b>962,564</b>	<b>22,690</b>	<b>-</b>	<b>1,523,760</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### For the nine months ended September 30, 2023

	Shipping department	Investing department	Retail department	Rental department	Construction department	Total
Primary geographical markets						
Taiwan	\$ -	5,164	-	-	-	5,164
China	-	-	2,811,795	40,290	-	2,852,085
Other	1,244,587	-	-	-	-	1,244,587
	<b>\$ 1,244,587</b>	<b>5,164</b>	<b>2,811,795</b>	<b>40,290</b>	<b>-</b>	<b>4,101,836</b>
Major products/services lines						
Commissions revenue (Retail revenue – concessionaire sales)	\$ -	-	906,370	-	-	906,370
Commodity sales (Retail revenue – direct sales)	-	-	532,896	-	-	532,896
Lease revenue (Note)	1,244,587	5,164	736,013	30,270	-	2,016,034
Financial lease interest income (Note)	-	-	-	6,084	-	6,084
Service revenue and others	-	-	636,516	3,936	-	640,452
	<b>\$ 1,244,587</b>	<b>5,164</b>	<b>2,811,795</b>	<b>40,290</b>	<b>-</b>	<b>4,101,836</b>

#### For the nine months ended September 30, 2022

	Shipping department	Investing department	Retail department	Rental department	Construction 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
	<b>\$ 1,527,659</b>	<b>5,080</b>	<b>3,223,386</b>	<b>68,699</b>	<b>-</b>	<b>4,824,824</b>
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
	<b>\$ 1,527,659</b>	<b>5,080</b>	<b>3,223,386</b>	<b>68,699</b>	<b>-</b>	<b>4,824,824</b>

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(v) 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, 2023 and 2022, the Company estimated its employee remuneration amounting to \$0 thousand, \$(254) thousand, \$0 thousand and \$821 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 period of 2022 and 2021, the Company estimated its employee compensation amounting of \$13 thousand and \$3,467 thousand respectively and the directors' remuneration amounting are both \$0 thousand. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions. Related information would be available at the Market Observation Post System.

(w) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
Bank deposit	\$ 15,924	4,760	44,623	16,846
Loans	612	1,947	2,559	6,007
Open-end fund	244	255	734	736
Interest of bonds	220	-	220	-
Other	(116)	980	(978)	2,874
	<b>\$ 16,884</b>	<b>7,942</b>	<b>47,158</b>	<b>26,463</b>

(ii) Other income

The details of other income were as follows:

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
Dividend income	\$ 535	660	535	3,346
Subsidy income	1,684	-	14,726	-
	<b>\$ 2,219</b>	<b>660</b>	<b>15,261</b>	<b>3,346</b>



## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iii) Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2023	2022	2023	2022
Loss on disposal of property, plant and equipment	\$ (364)	(375)	(759)	(309)
Gain on disposal of intangible asset	2	1,168	3,173	4,191
Gain on disposal of investment	5,099	-	5,099	(238)
Foreign exchange gains (loss)	11,271	(31,146)	(9,729)	(45,120)
Gain (loss) on financial assets or liabilities at fair value through profit or loss	21,777	(758)	38,932	1,425
Impairment loss on property, plant and equipment	(2,236)	(158,395)	(61,015)	(158,395)
Impairment loss on intangible assets	-	(294)	(251)	(294)
Compensation losses	(188)	(157,405)	(360,087)	(157,405)
Gain on lease modification	259	356,114	493,874	356,114
Gains from transfer of overdue payments	6	98,859	7,217	98,859
Others	20,502	10,638	68,620	68,014
	<b>\$ 56,128</b>	<b>118,406</b>	<b>185,074</b>	<b>166,842</b>

(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	
	2023	2022	2023	2022
Interest expenses	\$ 107,046	76,988	315,874	200,400
Lease liabilities	112,200	136,852	358,694	415,613
Other financial expense	3,793	2,357	12,269	10,665
	<b>\$ 223,039</b>	<b>216,197</b>	<b>686,837</b>	<b>626,678</b>

For the three months and nine months ended September 30, 2023 and 2022, the interest expenses of the rental business department amounting to \$4,287 thousand, \$3,599 thousand, \$10,145 thousand and \$12,898 thousand, respectively, and were reported as operating costs.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (x) 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, 2022.

##### (i) Credit risk

###### 1) Credit risk exposure

Amount of maximum exposure to credit risk Maximum credit risk exposure of the Group's on September 30, 2023, December 31, 2022, and September 30, 2022, 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:

	<b>September 30, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
Buy defaulted claims	<b>\$ 46,004</b>	<b>90,790</b>	<b>112,438</b>

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

	<b>For the nine months ended September 30</b>	
	<b>2023</b>	<b>2022</b>
Balance at January 1	\$ 12,014	1,062
Impairment losses recognized	646	971
Effect of foreign exchange rate	243	39
Balance at September 30(other current liabilities)	<b>\$ 12,903</b>	<b>2,072</b>

###### 2) Receivables of credit risk

Receivables of credit risk for credit risk exposure of notes and accounts receivables, please refer to note 6(c). Other financial assets at amortized cost include other receivables and corporate bonds, etc.; please refer to notes 6(d) 、6(l) and 13.

The impairment provision of all 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, 2023, and 2022 were as follows:

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	<b>For the nine months ended</b>	
	<b>September 30</b>	
	<b>2023</b>	<b>2022</b>
Balance at January 1	\$ 323,086	119,383
Impairment losses recognized	56,749	36,600
Effect of foreign exchange rate	7,267	3,809
Balance at September 30	<b>\$ 387,102</b>	<b>159,792</b>

### (ii) Liquidity risks

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

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>1 years</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>
<b>September 30, 2023</b>					
Non derivative financial liabilities					
Non-interest bearing liabilities	\$ 2,728,695	2,728,695	2,136,183	45	592,467
Floating rate instrument	6,729,168	7,661,199	2,839,370	4,010,796	811,033
Fixed rate instruments	2,891,454	3,041,989	2,481,591	560,398	-
Leases liabilities	10,743,334	14,409,405	1,175,066	4,827,236	8,407,103
	<b>\$ 23,092,651</b>	<b>27,841,288</b>	<b>8,632,210</b>	<b>9,398,475</b>	<b>9,810,603</b>
<b>December 31, 2022</b>					
Non derivative financial liabilities					
Non-interest bearing liabilities	\$ 2,554,714	2,554,714	1,965,146	10,700	578,868
Floating rate instrument	7,249,114	8,108,571	2,919,128	4,305,605	883,838
Fixed rate instruments	2,095,034	2,197,376	1,564,270	633,106	-
Leases liabilities	9,992,604	13,518,692	1,406,742	4,575,230	7,536,720
	<b>\$ 21,891,466</b>	<b>26,379,353</b>	<b>7,855,286</b>	<b>9,524,641</b>	<b>8,999,426</b>
<b>September 30, 2022</b>					
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
	<b>\$ 22,464,835</b>	<b>26,736,772</b>	<b>7,981,268</b>	<b>9,374,639</b>	<b>9,380,865</b>

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

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

### (iii) Market risk

#### 1) Currency risk

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

	September 30, 2023			December 31, 2022			September 30, 2022		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<b>Financial assets</b>									
<u>Monetary items</u>									
USD:NTD	\$ 5,205	32.26	167,913	14,059	30.70	431,611	908	31.74	28,820
USD:CNY	-	-	-	-	-	-	1,675	7.0998	53,155
HKD:USD	10,678	0.1279	44,058	49,329	0.1284	194,449	10,155	0.1275	41,096
NTD:USD	826	0.0310	826	7,180	0.0326	7,180	7,945	0.0315	7,945
<b>Financial liabilities</b>									
<u>Monetary items</u>									
USD:CNY	1,400	7.1798	45,164	1,850	6.9646	56,795	2,000	7.0998	63,479

#### 2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from cash and cash equivalents, financial assets at fair value through profit or loss, loans and borrowings; and trade and other payables that are denominated in foreign currency. strengthening (weakening) of 1% of the NTD or CNY against the USD, EUR, HKD, AUD and CNY as of September 30, 2023, and 2022 would have increased (decreased) the profit before tax by \$1,676 thousand and \$675 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, 2023, and 2022, foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$11,271 thousand, \$(31,146) thousand, \$(9,729) thousand and \$(45,120) 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 \$ 16,004 thousand and \$ 16,687 thousand, which is mainly due to the Group's borrowings at variable rates and demand deposits for the nine months ended September 30, 2023, and 2022, respectively, given that all other variable factors remaining constant.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 4) Other market price risk

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

Prices of securities at the reporting date	For the nine months ended September 30			
	2023		2022	
	Comprehensive Income (Loss) (net of tax)	Net Income (Loss) (net of tax)	Comprehensive Income (Loss) (net of tax)	Net Income (Loss) (net of tax)
Increase 5%	\$ -	4,965	-	5,404
Decrease 5%	\$ -	(4,965)	-	(5,404)

#### (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, 2023				
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 140,240	42,000	57,292	40,948	140,240
<b>Financial liabilities at fair value through profit or loss</b>					
Non-derivative financial liabilities	\$ 27,813	-	-	27,813	27,813
	December 31, 2022				
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 245,828	104,987	5,893	134,948	245,828
<b>Financial liabilities at fair value through profit or loss</b>					
Non-derivative financial liabilities	\$ 26,125	-	-	26,125	26,125

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	September 30, 2022				
	Carrying amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 235,656	102,185	5,893	127,578	235,656
<b>Financial liabilities at fair value through profit or loss</b>					
Non-derivative financial liabilities	\$ 24,429	-	-	24,429	24,429

### 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 or 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) 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.

#### 3.3) Beneficiary rights-specific construction project and landowner

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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 liabilities-Landowner
Opening balance, January 1, 2023	\$ 134,948	(26,125)
Issued	-	(1,688)
Recoverd	(70,200)	-
Transferred to other accounts receivable	(46,800)	-
Total gains and losses recognized:		
In profit or loss	23,000	-
Ending Balance, September 30, 2023	<u>\$ 40,948</u>	<u>(27,813)</u>
Opening balance, January 1, 2022	\$ 127,578	(23,234)
Issued	-	(1,195)
Total gains and losses recognized:		
Ending Balance, September 30, 2022	<u>\$ 127,578</u>	<u>(24,429)</u>

For the nine months ended September 30, 2023 and 2022, total gains and losses that were included in “other gains and losses” and “unrealized gains and losses from financial assets at fair value through other comprehensive income” were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2023	2022	2023	2022
Total gains and losses recognized: In profit or loss, and including “other gains and losses	<u>\$ 23,000</u>	<u>-</u>	<u>23,000</u>	<u>-</u>

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.

There were no differences between the quantitative information of the material unobservable input values of the combined company as of September 30, 2023 and those disclosed in the 2022 consolidated financial report. For relevant information, please refer to Note 6(z) of the 2022 consolidated financial report.

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

assumptions

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

	Inputs	Fluctuation in inputs	Impacts of fair value change on profit or loss	
			Favourable	Unfavourable
<b>September 30, 2023</b>				
Financial assets at fair value through profit and loss				
Beneficial rights Specific construction project	Price volatility	5%	18,240	(18,240)
Financial liabilities at fair value through profit or loss				
Beneficial rights- landowner	Price volatility	5%	12,151	(12,364)
<b>December 31, 2022</b>				
Financial assets at fair value through profit and loss				
Beneficial rights Specific construction project	Price volatility	5%	17,688	(17,688)
Financial liabilities at fair value through profit or loss				
Beneficial rights- landowner	Price volatility	5%	12,151	(12,364)
<b>September 30, 2022</b>				
Financial assets at fair value through profit and 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)

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.



## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(y) 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, 2022.

(z) 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, 2022. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2022. Please refer to Note 6(ab) of consolidated financial statements for the year ended December 31, 2022, for further details.

(aa) Investing and financing activities not affecting current cash flow.

The Group's investing and financing activities which have non-cash flow for the nine months ended September 30, 2023, and 2022, were as follows:

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

	January 1, 2023	Cash flows	Non cash changes		September 30, 2023
			Other (Note)	Foreign exchange movement	
Short term borrowings	\$ 2,827,445	1,212,575	-	72,410	4,112,430
Long-term borrowings	6,516,703	(1,183,640)	-	175,129	5,508,192
Leases liabilities	9,992,604	(777,549)	1,325,321	202,958	10,743,334
Guarantee deposits	591,528	(8,291)	-	11,234	594,471
Total liabilities from financing activities	<b>\$ 19,928,280</b>	<b>(756,905)</b>	<b>1,325,321</b>	<b>461,731</b>	<b>20,958,427</b>

Note: The period increases \$2,448,591 thousand, lease modification decreases \$1,122,562 thousand and rent concession decrease operating expenses \$708 thousand.

	January 1, 2022	Cash flows	Non cash changes		September 30, 2022
			Other (Note)	Foreign exchange movement	
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	<b>\$ 22,359,880</b>	<b>(2,250,998)</b>	<b>(828,289)</b>	<b>1,040,593</b>	<b>20,321,186</b>

Note: Adding \$47,280 thousand of the right-of-use assets, \$875,569 thousand of lease modification benefit and lease decrease. The short-loans reclassified \$61,165 thousand to long-loans.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

**(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:

<u>Nane of related party</u>	<u>Relationship with the Group</u>
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 Allied Cement Holdings Limited	A substantial related party
Shanghai Kaixuanmen Enterprise Development Co., Ltd.	A substantial related party
Tian An Investment 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
Shanghai Qianshu Property Management 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
Jiawang Assets Development Co., Ltd.	An associate
Sandmartin International Holdings Ltd.	An associate

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(c) Significant transactions with related parties

(i) Other current assets (prepayments)

	September 30, 2023	December 31, 2022	September 30, 2022
Nanjing Tiandu (Note)	\$ 177,240	160,877	141,046
Shanghai Qianshu Property Management	6,135	7,601	3,806
	<b>\$ 183,375</b>	<b>168,478</b>	<b>144,852</b>

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. On March 31, 2023, the board of directors resolved to sign a ten-year lease contract with a related party, and the aforementioned prepaid rent is in the process of settlement.

(ii) Other receivables

	September 30, 2023	December 31, 2022	September 30, 2022
Other related parties	<b>\$ 2,817</b>	<b>3,503</b>	<b>2,938</b>

(iii) Payables to Related Parties

The payables to related parties were as follows:

Account	Relationship	September 30, 2023	December 31, 2022	September 30, 2022
Other payables	An associate	\$ -	1,411	1,431
Other payables	Other related parties	-	832	-
		<b>\$ -</b>	<b>2,243</b>	<b>1,431</b>

(iv) Leases

1) Lease liabilities and interest costs

Account	Purpose	Lease liabilities		
		September 30, 2023	December 31, 2022	September 30, 2022
Shanghai Kaixuanmen	Department store	\$ 4,446,929	4,408,145	4,482,775
Nanjing Tiandu	Department store	990,656	-	5,060
Other payables	Office building	4,592	11,675	14,209
Other payables	Energy saving renovation engineering equipment	12,312	34,101	36,473
		<b>\$ 5,454,489</b>	<b>4,453,921</b>	<b>4,538,517</b>

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

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Account	Purpose	Interest costs			
		For the three months ended		For the nine months ended	
		September 30		September 30	
		2023	2022	2023	2022
Shanghai Kaixuanmen	Department store	\$ 50,972	52,021	153,287	155,077
Nanjing Tiandu	Department store	10,133	82	30,933	425
Other payables	Office building	62	253	267	320
Other payables	Energy saving renovation engineering equipment	355	450	1,133	1,415
		<b>\$ 61,522</b>	<b>52,806</b>	<b>185,620</b>	<b>157,237</b>

#### 2) Operating lease

Account	Purpose	Payments that are not included in the measurement of the variable lease liabilities			
		For the three months ended		For the nine months ended	
		September 30		September 30	
		2023	2022	2023	2022
Other payables-Nanjing Tiandu	Office building and department store	\$ -	10,344	-	41,214
		<b>Property management fee</b>			
		For the three months ended		For the nine months ended	
		September 30		September 30	
		2023	2022	2023	2022
Other payables	Office building and department store	\$ 948	1,064	2,842	2,860

#### 3) Deposits-out for lease

Account	Relationship	September 30, 2023	December 31, 2022	September 30, 2022
Other non-current financial assets	Shanghai Kaixuanmen	\$ 76,794	66,120	67,058
Other non-current financial assets	Nanjing Tiandu	8,986	8,816	-
Other non-current financial assets	Other related parties	3,334	3,270	12,258
		<b>\$ 89,114</b>	<b>78,206</b>	<b>79,316</b>

#### (v) Operating revenue and lease receivables

The amounts of significant financial lease interest income, lease revenue and lease receivables by the Group to related parties were as follows:

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

Account	Relationship	For the three months ended September 30		For the nine months ended September 30	
		2023	2022	2023	2022
Financial lease interest income	Hainan Sanhe Licheng	\$ -	10	-	9,543
Financial lease interest income	Zhuke Technology	1	6,934	2,169	6,934
Lease revenue	Zhuke Technology	2,109	2,222	8,098	5,943
		<b>\$ 2,110</b>	<b>9,166</b>	<b>10,267</b>	<b>22,420</b>

Account	Relationship	September 30, 2023	December 31, 2022	September 30, 2022
Lease receivables	Hainan Sanhe Licheng	\$ 141,823	139,135	141,109
Lease receivables	Zhuke Technology	355,910	335,157	336,365
Less: Allowance for impairment-Hainan Sanhe Licheng		(76,881)	(61,552)	(49,315)
Less: Allowance for impairment-Zhuke Technology		(166,799)	(115,939)	(83,230)
		<b>\$ 254,053</b>	<b>296,801</b>	<b>344,929</b>

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.

The overdue receivables of Hainan Sanhe Licheng and Zhuke Technology were due to the COVID-19 pandemic, which significantly increased the credit risk on financial assets, resulting in the expected credit loss of \$61,613 thousand and \$81,813 thousand to be recognized for the nine months ended September 30, 2023 and 2022, respectively.

(vi) Account receivables-related parties

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

Account	Relationship	September 30, 2023	December 31, 2022	September 30, 2022
Other receivables (loaning funds)	Hainan Sanhe	\$ 15,501	19,836	22,353
Other receivables (loaning funds)	Zhuke Technology	6,740	50,692	76,000
Other receivables (loaning funds)	An associate	980	490	490
Other receivables (interest)	Hainan Sanhe	2,150	987	548
Other receivables (interest)	Zhuke Technology	4,527	2,885	1,596
Other receivables	Zhuke Technology	476	467	474
Less: Allowance for impairment		(29,394)	(74,867)	(78,618)
		<b>\$ 980</b>	<b>490</b>	<b>22,843</b>

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Account	Relationship	September30, 2023	December 31, 2022	September30, 2022
Other financial assets	Zhuke Technology	\$ 35,945	35,264	35,764
Less: Allowance for impairment		(35,945)	(35,264)	-
		<u>\$ -</u>	<u>-</u>	<u>35,764</u>

The Group uses lifetime expected loss provision to provide for its expected credit losses on receivables from its related parties and other financial assets. The credit risk on financial assets of Hainan Sanhe and Zhuke Technology has increased significantly; therefore, the Group evaluated the value of their collateral and took their other assets and sources of subsequent repayments into consideration, resulting in the expected credit income reversing of \$46,063 thousand and impairment losses of \$24,791 thousand to be recognized for the nine months ended September 30, 2023 and 2022, respectively.

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	
	2023	2022	2023	2022
Hainan Sanhe	\$ 317	441	1,059	1,319
Zhuke Technology	279	1,498	1,469	4,665
	<u>\$ 596</u>	<u>1,939</u>	<u>2,528</u>	<u>5,984</u>

#### (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, 2023	December 31, 2022	September 30, 2022
Zhuke Technology	\$ -	42,065	49,430

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

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

	September 30, 2023	December 31, 2022	September 30, 2022
Contract value	\$ 44,951	92,867	94,184
Residual amounts	\$ 26,221	50,332	51,358
Loss allowance (reported as other current liabilities)	\$ 9,039	2,953	-

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The credit risk of Hainan Sanhe and Zhuke Technology has increased significantly; therefore, the Group evaluated the value of their collateral cannot fully cover the potential default risk of the counter-parties during the contract period, and recognized an expected credit loss of \$5,919 thousand for the nine months ended September 30, 2023.

(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, 2023 and 2022, the revenue from consulting services was zero thousand, \$2,312 thousand, \$1,037 thousand and \$7,662 thousand, respectively.
- 2) 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.
- 3) The Group resolved to dispose its entire equity in its subsidiary, Yee Shin Investment Co., Ltd., to a related party, Yonghenghui Investment Co., Ltd., and completed the trading in 2022. Please refer to note 6(f) for further information.
- 4) On March 31, 2023, and June 8, 2023, the Group signed a cash capital increase underwriting agreement with the affiliated company Sandmartin International Holdings Ltd. and participated in its cash capital increase, with the Group acting as the lead underwriter; Please refer to note 6(g) for further information. In addition, the commission income collected by the Group due to the underwriting agreement was \$2,512 thousand.

(d) Key management personnel compensation

(i) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
<b>Short-term employee benefits</b>	<b>\$ 15,117</b>	<b>13,103</b>	<b>42,399</b>	<b>39,093</b>

- (ii) The Group granted key management personnel rights to subscribe treasury shares as prepaid salaries. As of September 30, 2023, December 31, 2022 and September 30, 2022, those prepaid salaries amounting to \$40,826 thousand (CNY\$9,086 thousand), \$40,074 thousand (CNY\$9,091 thousand) and \$40,626 thousand (CNY\$9,088 thousand), which were recognized under other non-current assets accounts.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (8) Pledged assets:

The carrying amount of pledged assets were as follows:

Pledged assets	Object	September 30, 2023	December 31, 2022	September 30, 2022
Leases payment receivables	Other secured loans	\$ 3,031	19,339	29,532
Inventories (for construction business)	Bank loans	1,440,005	1,437,793	1,431,444
Other financial assets	Bank loans, bank depository funds	16,552	27,117	114,104
Other financial assets	Frozen due to lease dispute	25,176	13,621	-
Other financial assets	Bank loans	587,110	40,689	-
Property, plant and equipment	Bank loans, other secured loans	12,048,207	12,719,171	9,426,875
Investment Property	Bank loans	140,360	141,090	141,333
		<b>\$ 14,260,441</b>	<b>14,398,820</b>	<b>11,143,288</b>

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

#### (9) Significant commitments and contingencies:

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

##### (a) Unrecognized contractual commitments

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

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Contracted price</u>			
Construction of land and building	\$ 665,331	665,331	665,331
Contracting out of project	3,355	3,355	3,355
<u>Received or paid price</u>			
Construction of land and building	\$ 279,912	279,912	108,309
Contracting out of project (recognized as other current assets)	336	336	336

(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 to 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 for the nine months ended September 30, 2023 and 2022, the Group can use the lifetime expected loss provision for the contract to provide for its expected credit losses, please refer to Note 6(x). The details of contracts were as follows:



## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	September 30, 2023	December 31, 2022	September 30, 2022
Contract value	\$ 105,562	259,613	255,557
Residual amounts	\$ 46,004	90,790	112,438

- (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 (note)

Note: The Group invested and built jointly with Honor Construction Ltd., serve as co-founders, and endorse each other as stipulated in the contract. Please refer to notes 13.

#### (b) Contingencies

- (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. In addition, the Group also counterclaimed the rental pricing in this case, requesting a reduction of the rent. On June 26, 2023, the court ruled in the second instance that the Group should pay rent exceeding the agreed area and rent arrears of \$70,322 thousand (CNY\$ 15,651 thousand) from the previous year, which were recognized as operating expenses and lease liabilities. Liquidated damages and litigation-related expenses of \$12,361 thousand (CNY\$ 2,751 thousand) were recognized as operating expenses, other gains and other payables.
- (iii) Chongqing Optics Valley Grand Ocean Commercial Development Ltd., the subsidiary of the Group, have suffered continuous operating losses. It has closed its business on October 31, 2022 and it has terminated the renting contract in advance with the owner Chongqing Zhengsheng Real Estate Co., Ltd. (abbreviation Chongqing Zhengsheng on below). However, Chongqing Zhengsheng proceed against Chongqing Optics Valley Grand Ocean Commercial Development Ltd. on August 17,2023. It’s proposition on below:

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- 1) It asked the Group have to pay the penalty fee for terminating the renting contract in advance and the amount of \$124,768 thousand (CNY\$ 28,285 thousand). The Group have already recognized the expense in account and have listed in other accounts payable.
- 2) It asked the Group have to pay the penalty fee for being late to pay rent in monthly and the amount of \$112,695 thousand (CNY\$ 25,548 thousand). However, each other thought the period of debt was different, the final judgment in court. The Group have already recognized the amount of \$78,593 thousand (CNY\$ 17,817 thousand) in account and have listed in lease liabilities.
- 3) It asked the Group have to pay the rent fee, the penalty fee and occupancy fee by movie theater and the amount of \$20,370 thousand (CNY\$ 4,618 thousand). However, the Chongqing Zhengsheng did not have enough evidence to accuse the Group, the Group did not have to pay the related expense.
- 4) It asked the Group have to pay the rent concession fee for the past year, the penalty fee and the related legal fee and the amount of \$36,189 thousand (CNY\$ 8,204 thousand). However, the Group have returned the concession fee to Chongqing Zhengsheng, the Group did not have the obligation of reparation.

Chongqing Zhengsheng has applied the property protection to the court on September 7, 2023. The court restricted to the Group's bank deposit amount \$9,970 thousand (CNY\$ 2,219 thousand) for listing the financial assets-current and the equity of Nanjing Grand Ocean Classic Commercial Ltd., the subsidiary of the Group amount \$224,658 thousand (CNY\$ 50,000 thousand).

According to the company's evaluation, the related compensation has recognized in account, Chongqing Zhengsheng did not have enough evidence to accuse the Group, the Group did not have to pay the related expense. The consequence in trail.

- (iv) 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. On May 12, 2022, the court ruled in the second instance that the Group won the case, and Hubei Huayu had registered the property rights of the real estate except the ground floor with the Group.

On the other hand, Hubei Huayu filed a lawsuit against Grand Ocean Classic Commercial Group Ltd. and Wuhan Optics Valley Grand Ocean Commercial Development Co., Ltd. in the third quarter of 2021 for the dispute on the equity investment of Hubei Huayu prior to 2017, claiming the compensation of CNY\$93 million for the damage. On July 28, 2022, the court ruled in the first instance that the Group won the case, but Hubei Huayu refused to accept the court's judgment and appointed a lawyer to file an appeal, which is still in court. After the assessment of the Group, the right to make a claim occurred in 2017 exceeded the 3-year limitation period for the protection of civil rights according to the law. In addition, the Group has paid on schedule according to the subsequent equity capital reduction agreement signed by both parties. Therefore, it is determined that the Group have no obligation to pay any compensation.

**FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**(10) Losses Due to Major Disasters: None**

**(11) Subsequent Events: None**

**(12) Other:**

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

By item	By function	For the three months ended September 30					
		2023			2022		
		Cost of sales	Operating expense	Total	Cost of sales	Operating expense	Total
Employee benefits							
Salary		\$ 87,276	141,298	228,574	80,808	136,529	217,337
Health and labor insurance		-	1,421	1,421	314	948	1,262
Pension		-	15,391	15,391	286	15,650	15,936
Others		5,875	17,955	23,830	4,810	38,939	43,749
Depreciation		111,344	395,585	506,929	108,753	418,430	527,183
Amortization		13,793	1,872	15,665	10,397	2,192	12,589

By item	By function	For the nine months ended September 30					
		2023			2022		
		Cost of sales	Operating expense	Total	Cost of sales	Operating expense	Total
Employee benefits							
Salary		\$ 249,179	422,303	671,482	245,301	383,521	628,822
Health and labor insurance		-	4,665	4,665	939	3,181	4,120
Pension		-	44,764	44,764	853	45,373	46,226
Others		18,452	94,798	113,250	13,739	88,799	102,538
Depreciation		327,458	1,165,866	1,493,324	317,929	1,247,226	1,565,155
Amortization		39,903	5,447	45,350	31,034	6,553	37,587

- (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.

## FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (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 P59-61.
  - (ii) Guarantees and endorsements for other parties : Appendix 2, please refer to the Chinese version consolidated financial statements P62-63.
  - (iii) Securities held as of September 30,2023 (excluding investment in subsidiaries, associates and joint ventures) : Appendix 3, please refer to the Chinese version consolidated financial statements P64.
  - (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 P65.
  - (ix) Trading in derivative instruments : None
  - (x) Business relationships and significant intercompany transactions : Appendix 5, please refer to the Chinese version consolidated financial statements P66.
- (b) Information on investees : Appendix 6, please refer to the Chinese version consolidated financial statements P67-68
- (c) Information on investment in mainland China : Appendix 7, please refer to the Chinese version consolidated financial statements P69-70
- (d) Major shareholders:

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

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

- 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.

### (14) Segment information:

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

	Shipping department	Investing department	Retail department	Rental department	Property department	Reconciliation and elimination	Total
<b>For the three months ended September 30, 2023</b>							
Revenue							
Revenue from external customers	\$ 386,884	1,721	843,341	11,796	-	-	1,243,742
Intersegment revenues	-	387	-	-	-	(387)	-
Total revenue	<u>\$ 386,884</u>	<u>2,108</u>	<u>843,341</u>	<u>11,796</u>	<u>-</u>	<u>(387)</u>	<u>1,243,742</u>
Reportable segment profit or loss	<u>\$ 33,201</u>	<u>(92,531)</u>	<u>(202,524)</u>	<u>(28,648)</u>	<u>1,253</u>	<u>-</u>	<u>(289,249)</u>
<b>For the three months ended September 30, 2022</b>							
Revenue							
Revenue from external customers	\$ 536,631	1,875	962,564	22,690	-	-	1,523,760
Intersegment revenues	-	20,437	-	-	-	(20,437)	-
Total revenue	<u>\$ 536,631</u>	<u>22,312</u>	<u>962,564</u>	<u>22,690</u>	<u>-</u>	<u>(20,437)</u>	<u>1,523,760</u>
Reportable segment profit or loss	<u>\$ 188,461</u>	<u>(2,919)</u>	<u>(68,564)</u>	<u>(108,818)</u>	<u>(10,628)</u>	<u>-</u>	<u>(2,468)</u>

# FIRST STEAMSHIP COMPANY LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

	Shipping department	Investing department	Retail department	Rental department	Property department	Reconciliation and elimination	Total
<b>For the nine months ended September 30, 2023</b>							
Revenue							
Revenue from external customers	\$ 1,244,587	5,164	2,811,795	40,290	-	-	4,101,836
Intersegment revenues	-	1,179	-	-	-	(1,179)	-
Total revenue	<u>\$ 1,244,587</u>	<u>6,343</u>	<u>2,811,795</u>	<u>40,290</u>	<u>-</u>	<u>(1,179)</u>	<u>4,101,836</u>
<b>Reportable segment profit or loss</b>	<u>\$ 224,575</u>	<u>(134,440)</u>	<u>(448,589)</u>	<u>(82,170)</u>	<u>(24,404)</u>	<u>-</u>	<u>(465,028)</u>
<b>For the nine months ended September 30, 2022</b>							
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	<u>\$ 1,527,659</u>	<u>63,921</u>	<u>3,223,386</u>	<u>68,699</u>	<u>-</u>	<u>(58,841)</u>	<u>4,824,824</u>
<b>Reportable segment profit or loss</b>	<u>\$ 560,294</u>	<u>(703)</u>	<u>(243,416)</u>	<u>(229,292)</u>	<u>(26,748)</u>	<u>-</u>	<u>60,135</u>