

**SHIH WEI NAVIGATION CO., LTD. AND
SUBSIDIARIES**

Consolidated Financial Statements

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

Address: 16F, No.167, Fuxing N. Rd., Songshan Dist., Taipei City 105403, Taiwan
(R.O.C)

Telephone:(02)8712-1888

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

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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web home.kpmg/tw

Independent Auditors' Review Report

To the Board of Directors of
Shih Wei Navigation Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Shih Wei Navigation Co., Ltd. and its subsidiaries as of September 30, 2022, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2022, as well as the changes in equity and cash flows for the nine months ended September 30, 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 Standard 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 reviews.

Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standard 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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 Shih Wei Navigation Co., Ltd. and its subsidiaries as of September 30, 2022, and of its consolidated financial performance for the three months and nine months ended September 30, 2022, as well as its consolidated cash flows for the nine months ended September 30, 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

The consolidated financial statements of Shih Wei Navigation Co., Ltd and its subsidiaries for the nine months ended September 30, 2021, were reviewed by other auditors, who expressed an unqualified opinion with an emphasis of matter on those statements on November 11, 2021.

The consolidated financial statements of Shih Wei Navigation Co., Ltd and its subsidiaries as of and for the year ended December 31, 2021 were audited by other auditors, who expressed an unqualified opinion on those statements on February 24, 2022.



The engagement partners on the reviews resulting in this independent auditors' review report are Kuo-Yang Tseng and Shih-Chin Chih.

KPMG

Taipei, Taiwan (Republic of China)
November 10, 2022

Notes to Readers

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

The 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 auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards as of September 30, 2022 and 2021

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2022, December 31, 2021, and September 30, 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2022		December 31, 2021		September 30, 2021		Liabilities and Equity		September 30, 2022		December 31, 2021		September 30, 2021	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (Note 6(a) and Note 6(s))	\$ 5,571,997	21	5,082,169	21	2,263,722	10	2100	Short-term borrowings (Note 6(h) and Note 6(s))	\$ 642,675	3	914,232	4	1,113,962	5
1110	Current financial assets at fair value through profit or loss (Note 6(b) and Note 6(s))	9,234	-	9,649	-	8,160	-	2110	Short-term notes and bills payable (Note 6(j) and Note 6(s))	39,911	-	-	-	-	-
1170	Accounts receivable, net (Note 6(s))	58,180	-	48,336	-	56,147	-	2170	Accounts payable (Note 6(s) and Note 7)	185,133	1	155,094	1	180,259	1
130X	Inventories	255,554	1	163,387	1	193,842	1	2200	Other payables (Note 6(s))	291,424	1	240,766	1	204,825	1
1476	Other current financial assets (Note 6(c), 6(s) and Note 8)	215,619	1	119,892	-	299,011	1	2220	Other payables to related parties (Note 6(s) and Note 7)	308,669	1	308,748	1	332,435	1
1479	Other current assets	245,934	1	142,000	1	143,012	1	2230	Current tax liabilities	111,323	-	-	-	-	-
		<u>6,356,518</u>	<u>24</u>	<u>5,565,433</u>	<u>23</u>	<u>2,963,894</u>	<u>13</u>	2250	Current provisions (Note 6(k) and Note 9)	50,800	-	44,288	-	44,560	-
Non-current assets:								2280	Current lease liabilities (Note 6(l) and Note 6(s))	366	-	89	-	88	-
1550	Investments accounted for using equity method (Note 6(d))	28,641	-	-	-	-	-	2322	Long-term borrowings, current portion (Note 6(i) and Note 6(s))	4,133,666	16	3,304,866	13	1,103,588	5
1600	Property, plant and equipment (Note 6(f) and Note 8)	19,589,777	76	18,376,839	75	18,779,315	86	2399	Other current liabilities, others	227,181	1	149,601	1	150,415	1
1755	Right-of-use assets (Note 6(g))	1,561	-	300	-	321	-			<u>5,991,148</u>	<u>23</u>	<u>5,117,684</u>	<u>21</u>	<u>3,130,132</u>	<u>14</u>
1840	Deferred tax assets	18,243	-	40,927	-	1,176	-	Non-Current liabilities:							
1915	Prepayments for equipment	4,612	-	4,344	-	3,815	-	2540	Long-term borrowings (Note 6(i) and Note 6(s))	9,579,625	37	11,561,659	48	13,820,133	63
1980	Other non-current financial assets (Note 6(c), 6(s) and Note 8)	36,538	-	179,439	1	65,750	-	2570	Deferred tax liabilities	851,813	3	526,775	2	89,437	-
1990	Other non-current assets, others (Note 8)	45,988	-	155,015	1	160,355	1	2580	Non-current lease liabilities (Note 6(l) and Note 6(s))	827	-	168	-	168	-
		<u>19,725,360</u>	<u>76</u>	<u>18,756,864</u>	<u>77</u>	<u>19,010,732</u>	<u>87</u>	2622	Other payables to related parties (Note 6(s) and Note 7)	-	-	94,389	-	125,826	1
								2640	Net defined benefit liabilities, non-current	1,059	-	1,767	-	2,261	-
								2645	Guarantee deposits received	-	-	-	-	7	-
										<u>10,433,324</u>	<u>40</u>	<u>12,184,758</u>	<u>50</u>	<u>14,037,832</u>	<u>64</u>
										<u>16,424,472</u>	<u>63</u>	<u>17,302,442</u>	<u>71</u>	<u>17,167,964</u>	<u>78</u>
									Total liabilities						
									Equity attributable to owners of parent (Note 6(o)):						
								3110	Ordinary shares	3,292,671	13	3,292,671	14	2,792,671	13
								3200	Capital surplus	2,642,041	10	2,642,041	11	1,492,664	7
								Retained earnings :							
								3310	Legal reserve	257,180	1	56,909	-	56,909	-
								3320	Special reserve	1,143,072	4	-	-	-	-
								3350	Unappropriated retained earnings (accumulated deficit)	1,807,004	7	2,002,718	8	1,375,669	6
										<u>3,207,256</u>	<u>12</u>	<u>2,059,627</u>	<u>8</u>	<u>1,432,578</u>	<u>6</u>
								3400	Other equity interests	420,328	2	(1,143,073)	(5)	(1,092,699)	(5)
									Total equity attributable to owners of parent:	9,562,296	37	6,851,266	28	4,625,214	21
								36XX	Non-controlling interests (Note 6(e))	95,110	-	168,589	1	181,448	1
									Total equity	<u>9,657,406</u>	<u>37</u>	<u>7,019,855</u>	<u>29</u>	<u>4,806,662</u>	<u>22</u>
									Total liabilities and equity	<u>\$ 26,081,878</u>	<u>100</u>	<u>24,322,297</u>	<u>100</u>	<u>21,974,626</u>	<u>100</u>
	Total assets	<u>\$ 26,081,878</u>	<u>100</u>	<u>24,322,297</u>	<u>100</u>	<u>21,974,626</u>	<u>100</u>								

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

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

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

	For the three months ended September 30				For the nine months ended September 30				
	2022		2021		2022		2021		
	Amount	%	Amount	%	Amount	%	Amount	%	
Operating Revenues (Note 6(q) and Note 7):									
4300	Rental revenue	\$ 1,824,078	96	1,626,769	98	5,236,339	97	3,571,267	97
4800	Other operating revenue	83,952	4	28,167	2	180,309	3	99,920	3
	Operating revenue, net	<u>1,908,030</u>	<u>100</u>	<u>1,654,936</u>	<u>100</u>	<u>5,416,648</u>	<u>100</u>	<u>3,671,187</u>	<u>100</u>
5000	Operating costs (Note 6(m) and Note 7)	<u>945,220</u>	<u>50</u>	<u>792,899</u>	<u>48</u>	<u>2,609,526</u>	<u>48</u>	<u>2,144,563</u>	<u>58</u>
	Gross profit from operations	<u>962,810</u>	<u>50</u>	<u>862,037</u>	<u>52</u>	<u>2,807,122</u>	<u>52</u>	<u>1,526,624</u>	<u>42</u>
6200	Administrative expenses (Note 6(m) and Note 6(r))	<u>81,883</u>	<u>4</u>	<u>82,024</u>	<u>5</u>	<u>246,648</u>	<u>5</u>	<u>185,869</u>	<u>5</u>
	Net operating income	<u>880,927</u>	<u>46</u>	<u>780,013</u>	<u>47</u>	<u>2,560,474</u>	<u>47</u>	<u>1,340,755</u>	<u>37</u>
	Non-operating income and expenses :								
7100	Interest income	16,197	1	106	-	21,343	-	399	-
7190	Other income	26,400	1	26,232	2	74,042	1	67,401	2
7225	Gains on disposals of investments	395	-	131	-	545	-	196	-
7230	Foreign exchange (losses) gains	(132,280)	(7)	198	-	(270,642)	(5)	31,810	1
7235	Gains (losses) on financial assets at fair value through profit or loss	(1,267)	-	(218)	-	(4,244)	-	(39)	-
7370	Shares of loss of associates and joint ventures accounted for using equity method	(258)	-	-	-	(1,359)	-	-	-
7510	Interest expense	(116,734)	(6)	(64,305)	(4)	(254,435)	(5)	(204,580)	(6)
7590	Other expenses	(2,615)	-	(9,163)	(1)	(5,396)	-	(12,106)	-
7610	Losses on disposals of property, plant and equipment	72,299	4	81,309	5	71,408	1	76,322	2
	Total non-operating income and expenses	<u>(137,863)</u>	<u>(7)</u>	<u>34,290</u>	<u>2</u>	<u>(368,738)</u>	<u>(8)</u>	<u>(40,597)</u>	<u>(1)</u>
	Profit from continuing operations before tax	<u>743,064</u>	<u>39</u>	<u>814,303</u>	<u>49</u>	<u>2,191,736</u>	<u>39</u>	<u>1,300,158</u>	<u>36</u>
7950	Less: Income tax expenses (Note 6(n))	<u>157,513</u>	<u>8</u>	<u>(2,070)</u>	<u>-</u>	<u>459,052</u>	<u>7</u>	<u>828</u>	<u>-</u>
	Profit	<u>585,551</u>	<u>31</u>	<u>816,373</u>	<u>49</u>	<u>1,732,684</u>	<u>32</u>	<u>1,299,330</u>	<u>36</u>
8300	Other comprehensive income :								
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	805,021	42	(7,026)	-	1,563,401	29	(134,040)	(4)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	<u>805,021</u>	<u>42</u>	<u>(7,026)</u>	<u>-</u>	<u>1,563,401</u>	<u>29</u>	<u>(134,040)</u>	<u>(4)</u>
8300	Other comprehensive income	<u>805,021</u>	<u>42</u>	<u>(7,026)</u>	<u>-</u>	<u>1,563,401</u>	<u>29</u>	<u>(134,040)</u>	<u>(4)</u>
	Total comprehensive income	<u>\$ 1,390,572</u>	<u>73</u>	<u>809,347</u>	<u>49</u>	<u>3,296,085</u>	<u>61</u>	<u>1,165,290</u>	<u>32</u>
	Profit (loss), attributable to:								
8610	Owners of parent	\$ 603,265	32	840,318	51	1,806,163	33	1,375,669	38
8620	Non-controlling interests	(17,714)	(1)	(23,945)	(2)	(73,479)	(1)	(76,339)	(2)
		<u>\$ 585,551</u>	<u>31</u>	<u>816,373</u>	<u>49</u>	<u>1,732,684</u>	<u>32</u>	<u>1,299,330</u>	<u>36</u>
	Comprehensive income (loss) attributable to:								
8710	Owners of parent	\$ 1,408,286	74	833,292	50	3,369,564	62	1,241,629	34
8720	Non-controlling interests	(17,714)	(1)	(23,945)	(1)	(73,479)	(1)	(76,339)	(2)
		<u>\$ 1,390,572</u>	<u>73</u>	<u>809,347</u>	<u>49</u>	<u>3,296,085</u>	<u>61</u>	<u>1,165,290</u>	<u>32</u>
	Basic earnings per share (Note 6(p))	<u>\$ 1.83</u>		<u>3.01</u>		<u>5.49</u>		<u>4.93</u>	
	Diluted earnings per share (Note 6(p))	<u>\$ 1.82</u>		<u>3.00</u>		<u>5.45</u>		<u>4.92</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Equity attributable to owners of parent

	Share capital					Retained earnings		Total other equity interest		Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent			
Balance at January 1, 2021	\$ 2,792,671	1,489,164	1,479,818	-	(1,422,909)	56,909	(958,659)	3,380,085	111,287	3,491,372	
Profit (loss)	-	-	-	-	1,375,669	1,375,669	-	1,375,669	(76,339)	1,299,330	
Other comprehensive income	-	-	-	-	-	-	(134,040)	(134,040)	-	(134,040)	
Total comprehensive income	-	-	-	-	1,375,669	1,375,669	(134,040)	1,241,629	(76,339)	1,165,290	
Legal reserve used to offset accumulated deficits	-	-	(1,422,909)	-	1,422,909	-	-	-	-	-	
Changes in ownership interests in subsidiaries	-	3,500	-	-	-	-	-	3,500	(3,500)	-	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	150,000	150,000	
Balance at September 30, 2021	\$ 2,792,671	1,492,664	56,909	-	1,375,669	1,432,578	(1,092,699)	4,625,214	181,448	4,806,662	
Balance at January 1, 2022	\$ 3,292,671	2,642,041	56,909	-	2,002,718	2,059,627	(1,143,073)	6,851,266	168,589	7,019,855	
Profit (loss)	-	-	-	-	1,806,163	1,806,163	-	1,806,163	(73,479)	1,732,684	
Other comprehensive income	-	-	-	-	-	-	1,563,401	1,563,401	-	1,563,401	
Total comprehensive income	-	-	-	-	1,806,163	1,806,163	1,563,401	3,369,564	(73,479)	3,296,085	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	200,271	-	(200,271)	-	-	-	-	-	
Special reserve appropriated	-	-	-	1,143,072	(1,143,072)	-	-	-	-	-	
Cash dividends of ordinary shares	-	-	-	-	(658,534)	(658,534)	-	(658,534)	-	(658,534)	
Balance at September 30, 2022	\$ 3,292,671	2,642,041	257,180	1,143,072	1,807,004	3,207,256	420,328	9,562,296	95,110	9,657,406	

See accompanying notes to 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

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

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

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,191,736	1,300,158
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	1,014,360	977,595
Amortization expenses	715	567
Net losses on financial assets or liabilities at fair value through profit or loss	4,244	39
Interest expenses	254,435	204,580
Interest income	(21,343)	(399)
Dividend income	-	(15)
Shares of losses of associates and joint ventures accounted for using equity method	1,359	-
Gains on disposal of property, plant and equipment	(71,408)	(76,322)
Gains on disposal of investments	-	(196)
Total adjustments to reconcile profit	<u>1,182,362</u>	<u>1,105,849</u>
Changes in operating assets and liabilities:		
Net gains on financial assets or liabilities at fair value through profit or loss	(3,829)	(6,999)
Increase in accounts receivable	(3,095)	(10,669)
Increase in inventories	(63,139)	(48,340)
Increase in other current assets	(81,650)	(4,598)
Increase in accounts payable	8,120	40,478
(Decrease) Increase in other payables	(235)	60,534
Increase in other current liabilities	57,293	58,317
Decrease in net defined benefit liabilities	(708)	(711)
Total adjustments	<u>1,095,119</u>	<u>1,193,861</u>
Cash inflow generated from operations	3,286,855	2,494,019
Interest received	21,749	411
Interest paid	(224,337)	(207,484)
Income taxes paid	(7)	(221)
Net cash flows from operating activities	<u>3,084,260</u>	<u>2,286,725</u>
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(30,000)	-
Proceeds from disposal of non-current assets classified as held for sale	-	192,747
Acquisition of property, plant and equipment	(202,051)	(131,428)
Proceeds from disposal of property, plant and equipment	204,175	129,108
Decrease in refundable deposits	113,722	128,723
Acquisition of intangible assets	-	(762)
Decrease in other financial assets	49,169	26,005
Increase in prepayments equipment	(4,721)	(8,385)
Dividends received	-	15
Net cash flows from investing activities	<u>130,294</u>	<u>336,023</u>
Cash flows from (used in) financing activities:		
Decrease in short-term loans	(286,604)	(437,017)
Increase in short-term notes and bills payable	120,000	-
Decrease in short-term notes and bills payable	(80,000)	-
Proceeds from long-term debt	280,010	580,000
Repayments of long-term debt	(2,991,019)	(405,048)
Decrease in guarantee deposits received	-	(6)
Increase (decrease) in other payables to related parties	177,975	(450,143)
Payments of lease liabilities	(473)	(384)
Cash dividends paid	(658,534)	-
Net cash flows used in financing activities	<u>(3,438,645)</u>	<u>(712,598)</u>
Effects of exchange rate changes on cash and cash equivalents	713,919	(20,206)
Net (decrease) increase in cash and cash equivalents	489,828	1,889,944
Cash and cash equivalents at beginning of period	<u>5,082,169</u>	<u>373,778</u>
Cash and cash equivalents at end of period	<u>\$ 5,571,997</u>	<u>2,263,722</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2022 and 2021

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

(1) Company history

Shih Wei Navigation Co., Ltd. (the “Company”) was incorporated in the Republic of China (ROC) in March 1985. The Company mainly engages in cargo shipping services and shipping agency, resort hotels for tourists, as well as sales and lease of cargo vessels.

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

These consolidated financial statements were authorized for issue by the Board of Directors on November 10, 2022.

(3) New standards, amendments and interpretations adopted:

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

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

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

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2023, would not have a significant impact on its consolidated financial statements:

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

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information “
- IFRS16 “Requirements for Sale and Leaseback Transactions”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”

(4) Summary of significant accounting policies:

- (a) Statement of compliance

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

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021.

- (b) Basis of consolidation

- (i) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

Name investor	Name of investee	Scope of business	Percentage of ownership			Notes
			September 30, 2022	December 31, 2021	September 30, 2021	
The Company	Dong Lien Maritime S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
The Company	Fortunate Maritime S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
The Company	Dancewoods Hotel & Resort (Dancewoods)	Resort hotel service and recreational grounds and facilities	51.52 %	51.52 %	51.52 %	
Dong Lien Maritime S.A. Panama	Audrey Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Beacon Pescadores S.A. Panama	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Blossom Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Brave Pescadores S.A.	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name investor	Name of investee	Scope of business	Percentage of ownership			Notes
			September 30, 2022	December 31, 2021	September 30, 2021	
Dong Lien Maritime S.A. Panama	Bright Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Brilliant Pescadores S.A.	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Danceflora Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Dancewood Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Elegant Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Endurance Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Eternity Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Excellent Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Fair Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Federal Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Forever Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Fourseas Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Gallant Pescadores S.A.	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Genius Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Glaring Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Grand Ocean Navigation (Panama) S.A.	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Grand Overseas S.A. Panama	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Grand Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Honor Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Huge Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Indigo Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Jackson Steamship S.A.	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Justicia Pescadores S.A. Panama	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Leader Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Modest Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Moon Bright Shipping Corporation	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Patriot Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Penghu Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Pharos Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Poseidon Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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Name investor	Name of investee	Scope of business	Percentage of ownership			Notes
			September 30, 2022	December 31, 2021	September 30, 2021	
Dong Lien Maritime S.A. Panama	Royal Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Shining Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Skyhigh Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Spinnaker Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Stamina Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Summit Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Sunny Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	- %	100.00 %	100.00 %	Note
Dong Lien Maritime S.A. Panama	Superior Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Trump Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Unicorn Brilliant S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Valor Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Vigor Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Well Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Wise Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Wonderful Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	

Note : The subsidiaries completed their liquidation and dissolution in March 2022.

(c) Income taxes

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

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

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(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.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2021. For related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2021.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Cash on hand	\$ 53,128	46,419	41,709
Bank deposits	1,136,416	3,278,070	1,678,938
Cash equivalents	<u>4,382,453</u>	<u>1,757,680</u>	<u>543,075</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u><u>\$ 5,571,997</u></u>	<u><u>5,082,169</u></u>	<u><u>2,263,722</u></u>

- (i) The above cash and cash equivalent had not been pledged as collateral for borrowings.
- (ii) Bank deposits which did not meet the definition of cash equivalent have been transferred to other financial assets. Please refer to Note 6(c).
- (iii) Please refer to Note 6(s) for the interest rate risk and sensitivity analysis on the financial assets and liabilities of the Group.

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Mandatorily measured at fair value through profit or loss:			
Convertible bonds	\$ 1,332	5,500	5,250
Shares of exchange-listed and OTC-listed companies	6,968	3,258	2,006
Monetary fund	<u>934</u>	<u>891</u>	<u>904</u>
Total	<u><u>\$ 9,234</u></u>	<u><u>9,649</u></u>	<u><u>8,160</u></u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) For information on the Group's hedge on credit, currency and interest rate of its financial instruments, please refer to Note 6(s).

(ii) The above financial assets had not been pledged as collateral for borrowings.

(c) Other financial assets

Other financial assets were as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Current:			
Restricted assets	\$ <u>215,619</u>	<u>119,892</u>	<u>299,011</u>
Non-current:			
Restricted assets	\$ <u>36,538</u>	<u>179,439</u>	<u>65,750</u>

The other financial assets of the Group had been pledged as collateral. Please refer to Note 8.

(d) Investments accounted for using equity method

The components of investments accounted for using equity method at the reporting date were as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Related party	\$ <u>28,641</u>	<u>-</u>	<u>-</u>

(i) Related party

In March 2022, the Group acquired 2,000 thousand ordinary shares of Thermolysis Co., Ltd. with cash of \$30,000 thousand, resulting in a 6.06% shareholding. Under the investment agreement, the Group can assign one member to the Thermolysis Co., Ltd. Board as its representative. Therefore, the Group has a significant influence over Thermolysis Co., Ltd.

(ii) Pledge

As of September 30, 2022, December 31 and September 30, 2021, the above investments accounted for using the equity method of the Group had not been pledged as collateral.

(e) Subsidiaries that have material non-controlling interest

Subsidiaries that have material non-controlling interest were as follows:

<u>Subsidiaries</u>	<u>Country of registration</u>	<u>Percentage of non-controlling interests</u>		
		<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Dancewoods Hotel & Resort	Taiwan	48.48 %	48.48 %	48.48 %

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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The following information on the aforementioned subsidiaries have been prepared in accordance with IFRS endorsed by the FSC. Intra-group transactions were not eliminated in this information.

Dancewoods Hotel & Resort financial information

	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 103,005	117,198	79,161
Non-current assets	3,096,432	3,192,171	3,235,762
Current liabilities	(1,173,782)	(2,831,092)	(965,418)
Non-current liabilities	(1,829,472)	(130,527)	(1,975,229)
Net assets	<u>\$ 196,183</u>	<u>347,750</u>	<u>374,276</u>
Non-controlling interest	<u>\$ 95,110</u>	<u>168,589</u>	<u>181,448</u>

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Operating revenue	<u>\$ 84,443</u>	<u>28,390</u>	<u>181,179</u>	<u>100,659</u>
Profit (loss) from continuing operations	\$ (36,540)	(49,392)	(151,566)	(158,884)
Other comprehensive income	-	-	-	-
Comprehensive income	<u>\$ (36,540)</u>	<u>(49,392)</u>	<u>(151,566)</u>	<u>(158,884)</u>
Net income attribute to non-controlling interest	<u>\$ (17,714)</u>	<u>(23,945)</u>	<u>(73,479)</u>	<u>(76,339)</u>
Comprehensive income attribute to non- controlling interest	<u>\$ (17,714)</u>	<u>(23,945)</u>	<u>(73,479)</u>	<u>(76,339)</u>

	For the nine months ended September 30	
	2022	2021
Net cash flows from operating activities	\$ (13,811)	(73,948)
Net cash flows from investing activities	(6,503)	(11,868)
Net cash flows from financing activities	36,859	99,823
Net increase in cash and cash equivalents	<u>\$ 16,545</u>	<u>14,007</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(f) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Vessel Equipment</u>	<u>Equipment under finance Leases</u>	<u>Other Equipment</u>	<u>Total</u>
Cost or deemed cost:						
Balance on January 1, 2022	\$ 684,976	2,501,692	26,035,562	393,047	668,156	30,283,433
Additions	-	3,194	186,040	-	12,817	202,051
Disposals and retirements	-	-	(65,937)	(415,838)	(4,899)	(486,674)
Prepayments for equipment (reclassification)	-	1,905	1,599	-	1,389	4,893
Reclassifications	-	-	286	-	(286)	-
Effect of change in foreign exchange rates	-	-	3,833,745	22,791	-	3,856,536
Balance on September 30, 2022	<u>\$ 684,976</u>	<u>2,506,791</u>	<u>29,991,295</u>	<u>-</u>	<u>677,177</u>	<u>33,860,239</u>
Balance on January 1, 2021	\$ 684,976	2,496,467	27,337,963	395,621	662,353	31,577,380
Additions	-	9,635	110,526	8,659	2,608	131,428
Disposals and retirements	-	(5,243)	(389,049)	-	(223)	(394,515)
Reclassifications	-	-	54,258	-	6,448	60,706
Effect of change in foreign exchange rates	-	-	(602,296)	(8,819)	-	(611,115)
Balance on September 30, 2021	<u>\$ 684,976</u>	<u>2,500,859</u>	<u>26,511,402</u>	<u>395,461</u>	<u>671,186</u>	<u>30,763,884</u>
Depreciation and impairment loss:						
Balance on January 1, 2022	\$ -	252,170	11,037,580	257,910	358,934	11,906,594
Depreciation for the period	-	41,046	902,530	13,928	56,472	1,013,976
Disposals and retirements	-	-	(63,671)	(286,794)	(3,442)	(353,907)
Effect of change in foreign exchange rates	-	-	1,688,843	14,956	-	1,703,799
Balance on September 30, 2022	<u>\$ -</u>	<u>293,216</u>	<u>13,565,282</u>	<u>-</u>	<u>411,964</u>	<u>14,270,462</u>
Balance on January 1, 2021	\$ -	197,842	10,875,217	243,242	282,147	11,598,448
Depreciation for the period	-	41,018	862,329	16,080	57,817	977,244
Disposals and retirements	-	(359)	(341,258)	-	(112)	(341,729)
Effect of change in foreign exchange rates	-	-	(243,889)	(5,505)	-	(249,394)
Balance on September 30, 2021	<u>\$ -</u>	<u>238,501</u>	<u>11,152,399</u>	<u>253,817</u>	<u>339,852</u>	<u>11,984,569</u>
Carrying value:						
Balance on December 31 and January 1, 2022	<u>\$ 684,976</u>	<u>2,249,522</u>	<u>14,997,982</u>	<u>135,137</u>	<u>309,222</u>	<u>18,376,839</u>
Balance on September 30, 2022	<u>\$ 684,976</u>	<u>2,213,575</u>	<u>16,426,013</u>	<u>-</u>	<u>265,213</u>	<u>19,589,777</u>
Balance on January 1, 2021	<u>\$ 684,976</u>	<u>2,298,625</u>	<u>16,462,746</u>	<u>152,379</u>	<u>380,206</u>	<u>19,978,932</u>
Balance on September 30, 2021	<u>\$ 684,976</u>	<u>2,262,358</u>	<u>15,359,003</u>	<u>141,644</u>	<u>331,334</u>	<u>18,779,315</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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- (i) Operating leases relate to leases of vessel equipment and equipment under finance leases, with lease terms within 25 months and extendable for another 4-15 months. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets upon maturity of the lease.
- (ii) As of September 30, 2022, December 31 and September 30, 2021, the above property, plant and equipment were pledged as collateral. Please refer to Note 8.

(g) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
Carrying value:				
Balance on December 31 and January 1, 2022	\$ <u>300</u>	-	-	<u>300</u>
Balance on September 30, 2022	\$ <u>236</u>	-	<u>1,325</u>	<u>1,561</u>
Balance on January 1, 2021	\$ <u>39</u>	<u>291</u>	-	<u>330</u>
Balance on September 30, 2021	\$ <u>321</u>	-	-	<u>321</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of right-of-use assets for the nine months ended September 30, 2022 and 2021. Please refer to Note 6 (12) of the 2021 annual consolidated financial statements for other related information.

(h) Short-term loans

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Secured bank loans	\$ <u>642,675</u>	<u>914,232</u>	<u>1,113,962</u>
Range of interest rate	<u>1.33%~4.15%</u>	<u>1.33%~1.86%</u>	<u>1.26%~1.95%</u>

(i) Borrowing and repayment

For the nine months ended September 30, 2022 and 2021, the Group borrowed the amounts of \$300,000 thousand and \$50,000 thousand. In addition, the Group repaid the amounts of \$586,604 thousand and \$487,017 thousand, respectively.

(ii) Collateral for bank loan

The Group pledged its assets as collateral for its loans. Please refer to Note 8.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Long-term loans

The details were as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Secured bank loans	\$ 13,713,291	14,866,525	14,923,721
Less: current portion	<u>(4,133,666)</u>	<u>(3,304,866)</u>	<u>(1,103,588)</u>
Total	<u>\$ 9,579,625</u>	<u>11,561,659</u>	<u>13,820,133</u>
Range of interest rate	<u>1.48%~4.37%</u>	<u>1.17%~3.20%</u>	<u>1.16%~3.20%</u>

- (i) In the six months ended June 30, 2017, Dancewoods entered into a syndicated loan agreement with several financial institutions, with a credit line of \$2.3 billion and a credit period of 7 years, starting from the first drawdown, and repayments can be made either in one lump sum upon maturity or in installment basis. As of September 30, 2022, the amount of \$2,161,715 thousand was drawn down and shall be repaid in installment between April 2022 and May 2024. According to the loan agreement, Dancewoods is obligated to maintain the following financial ratios within the contract period:

Financial Ratios:

- 1) The current ratio should not be lower than 100%.
- 2) The debt ratio (total liabilities/tangible assets) should not exceed 300%
- 3) The principal and interest coverage ratio (Net income + Interest expense + Depreciation + Amortization)/(Long-term bank loan repayments + Interest expense) should exceed 100%.
- 4) The net value should not be lower than \$900,000 thousand.

The above financial ratios are based on Dancewoods' annual financial statements, and, except for the principal and interest coverage ratios, which would be reviewed starting from 2019, other financial ratios will be reviewed starting from 2017. If the above criteria for financial ratios are not met, an additional interest rate of 0.05% will be included until Dancewoods meets all of the criteria in the following year. If Dancewoods does not meet the financial ratio requirements for two consecutive years, it will be considered as a breach of contract. The lead bank can, based on the decision made by the majority of the syndicated banks, immediately terminate the credit line, declare the outstanding utilized principal and interest as due, and request for an immediate settlement.

As of September 30, 2022, Dancewoods has submitted to the lead bank an application, which had been approved in May 2022, for exemption from the above criteria for its financial ratios.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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(ii) Borrowing and repayment

For the nine months ended September 30, 2022 and 2021, the Group borrowed the amounts of \$280,010 thousand and \$580,000 thousand, with maturities set in March 2024 and August 2025, respectively. In addition, the Group repaid \$2,991,019 thousand and \$405,048 thousand, respectively.

(iii) Collateral for bank loan

The Group pledged its assets as collateral for its loans; please refer to Note 8.

(j) Short-term notes and bills payable

	September 30, 2022		
	Guarantee or acceptance institution	Range of interest rates(%)	Amount
Commercial paper payable	Mega Bills	2.54%	\$ 40,000
Less: Discount on short-term notes and bills payable			(89)
Total			\$ 39,911

For the nine month ended September 30, 2022, the Group borrowed the amount of \$120,000 thousand, with an interest rate of 2.54% maturing in November 2022. In additions, the Group repaid \$80,000 thousand.

(k) Current provisions

	September 30, 2022	December 31, 2021	September 30, 2021
Litigation provision	\$ 50,800	44,288	44,560

Litigation provision was estimated by the management based on a lawsuit filed by the International Transport Workers Federation (ITF) in 2020. There were no significant changes in provisions for the nine months ended September 30, 2022 and 2021. Please refer to Note 9 for more details.

(l) Lease liabilities

The Group's lease liabilities were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Current	\$ 366	89	88
Non-current	\$ 827	168	168

Please refer to Note 6(s) for maturity analysis.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Interest on lease liabilities	\$ <u>6</u>	<u>1</u>	<u>16</u>	<u>3</u>
Expenses relating to short-term leases	\$ <u>325</u>	<u>155</u>	<u>690</u>	<u>309</u>
(Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets)	\$ <u>102</u>	<u>8</u>	<u>244</u>	<u>113</u>

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

	For the nine months ended September 30	
	2022	2021
Total cash outflow for leases	\$ <u>1,423</u>	<u>809</u>

(i) Real estate leases

The Group leases land, buildings and equipment for its office use, with lease terms ranging from 3 to 4 years.

(ii) Other leases

The Group also has short-term leases or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(m) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim was measured and disclosed according to the actuarial report as of December 31, 2021 and 2020.

The expenses recognized in profit or loss for the Group were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Operating expense	\$ <u>3</u>	<u>3</u>	<u>9</u>	<u>9</u>

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Defined contribution plans

The contributions of the Group to the Bureau of Labor Insurance for the employee pension benefits were as follows:

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Operating costs	636	492	1,817	1,494
Operating expenses	1,283	1,199	3,773	3,426
Total	\$ 1,919	1,691	5,590	4,920

(n) Income tax

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

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Current tax expenses				
Current periods	\$ 29,863	-	111,288	-
Taxes on undistributed surplus earnings	-	-	42	-
	<u>29,863</u>	<u>-</u>	<u>111,330</u>	<u>-</u>
Deferred tax expenses				
Origination and reversal of temporary differences	127,650	(2,070)	347,722	828
Income tax expenses	\$ 157,513	(2,070)	459,052	828

(ii)

Company	Approved year
The Company	2020
Dancewoods Hotel & Resort	2020

(o) Capital and other equity

Except for the following disclosure, there were no significant changes for capital and other equity for the nine months ended September 30, 2022 and 2021. For related information, please refer to Note 16 of the consolidated financial statements for the year ended December 31, 2021.

(i) Issuance of ordinary shares

On August 6, 2021, the Board of Directors resolved to issue no more than 50,000 thousand ordinary shares, at a par value of \$10 per share, with the approval from the Securities and Futures Bureau on September 13, 2021. Furthermore, the Company applied for a 3-month extension for the public offering of its issuance of shares, which had been approved on November 22, 2021. A total of 50,000 thousand shares were issued at the price of \$32.8 per share, with the subscription base date set on December 30, 2021, and the shares were fully paid on the same day. Moreover, the amendment of the registration of the issuance of new ordinary shares had been approved on January 22, 2022 by the Ministry of Economic Affairs, resulting in the fully paid share capital to increase to \$3,292,671 thousand.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

On June 30, 2022, the Board of Directors resolved to issue no more than 40,000 thousand ordinary shares at a par value of \$10 per share. The above-mentioned capital increase was approved by the Securities and Futures Bureau of the FSC on July 28, 2022, and was approved to extend the fund raising period for three months on September 29, 2022. A total of 40,000 thousand shares were issued at the price of \$20 per share in the cash capital increase.

(ii) Capital surplus

The components of the capital surplus were as follows:

	September 30, 2022	December 31, 2021	September 30, 2021
Share capital	\$ 2,182,374	2,182,374	1,042,374
Treasury stock transactions	701	701	701
The difference between consideration received or paid and the carrying amount of subsidiaries' net assets during actual disposal or acquisition	3,603	3,603	3,603
Changes in percentage of ownership interest in subsidiaries	4,361	4,361	4,361
Conversion of bonds	372,267	372,267	372,267
Employee stock options	9,377	9,377	-
Other	69,358	69,358	69,358
	<u>\$ 2,642,041</u>	<u>2,642,041</u>	<u>1,492,664</u>

(iii) Retained earnings

The Company's articles of incorporation require that after-tax earnings shall first be offset against any deficit, and 10% of the remaining balance shall be set aside as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Special reserve may be appropriated for operations or to meet regulations. The remaining earnings, if any, may be appropriated according to the proposal presented in the annual shareholders' meeting by the Board of Directors.

In accordance with the Company's Articles of Incorporation, which were approved during the shareholders' meeting held on June 21, 2022, as the Company distributes all or part of its dividends, or legal reserve, or capital in cash, the Company should hold a Board meeting to pass the resolution by more than half of the directors present at the Board meeting, which requires a quorum of two thirds of all the directors present. Thereafter, the resolution will have to be submitted to the Shareholder's meeting.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

In response to competition in maritime market, the Company's dividend policy is based on the principle of prudence, under which the Company considers its long-term financing structure and operations. Thus, when earnings and funds become sufficient for operations and expansion, cash dividends or stock dividends will be distributed. The distribution of cash dividends should be at least 10% of earnings.

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

In accordance with the rule issued by the FSC, a portion of the current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

Earnings distribution for the years ended December 31, 2021 and 2020 were decided by the resolution adopted at the shareholders' meeting held on June 21, 2022 and August 26, 2021, respectively. No earnings would be appropriated for 2020 due to accumulated deficits. The stockholders' meeting resolved to offset the accumulated deficits against the legal reserve of \$1,422,909 thousand. The 2021 earning was appropriated as follows:

	For the years ended Decembers	
	2021	
	Amount per share (dollars)	Amount
Dividends distributed to ordinary shareholders:		
Cash	2.00 \$	658,534

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

4) OCI accumulated in reserves, net of tax

	Exchange differences on translation of foreign financial statements
Balance on December 31, 2021 and January 1, 2022	\$ (1,143,073)
Exchange differences on foreign operations	<u>1,563,401</u>
Balance on September 30, 2022	<u>\$ 420,328</u>
Balance on January 1, 2021	\$ (958,659)
Exchange differences on foreign operations	<u>(134,040)</u>
Balance on September 30, 2021	<u>\$ (1,092,699)</u>

(p) Earnings per share

The basic earnings per share and diluted earnings per shares were calculated as follows:

(i) Basic earnings per share

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Profit attributable to ordinary shareholders of the company	<u>\$ 603,265</u>	<u>840,318</u>	<u>1,806,163</u>	<u>1,375,669</u>
Weighted-average number of ordinary shares	<u>329,267</u>	<u>279,267</u>	<u>329,267</u>	<u>279,267</u>
	<u>\$ 1.83</u>	<u>3.01</u>	<u>5.49</u>	<u>4.93</u>

(ii) Diluted earnings per share

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Profit attributable to ordinary shareholders of the company	<u>\$ 603,265</u>	<u>840,318</u>	<u>1,806,163</u>	<u>1,375,669</u>
Weighted-average number of ordinary shares	329,267	279,267	329,267	279,267
Employee stock bonus	<u>1,899</u>	<u>514</u>	<u>2,121</u>	<u>514</u>
Weighted-average number of ordinary shares (diluted)	<u>\$ 331,166</u>	<u>279,781</u>	<u>331,388</u>	<u>279,781</u>
	<u>\$ 1.82</u>	<u>3.00</u>	<u>5.45</u>	<u>4.92</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Revenue from contracts with customers

	For the three months ended September 30, 2022		
	Shipping segment	Tourism segment	Total
Primary geographical markets:			
Taiwan	\$ 454	84,206	84,660
Asia	1,569,681	-	1,569,681
Europe	240,626	-	240,626
Other	13,063	-	13,063
	<u>\$ 1,823,824</u>	<u>84,206</u>	<u>1,908,030</u>
Major products/services lines:			
Rental income	\$ 1,823,824	254	1,824,078
Other operating income	-	83,952	83,952
	<u>\$ 1,823,824</u>	<u>84,206</u>	<u>1,908,030</u>
	For the three months ended September 30, 2021		
	Shipping segment	Tourism segment	Total
Primary geographical markets:			
Taiwan	\$ 4,692	28,285	32,977
Asia	1,368,857	-	1,368,857
Europe	235,259	-	235,259
Other	17,843	-	17,843
	<u>\$ 1,626,651</u>	<u>28,285</u>	<u>1,654,936</u>
Major products/services lines:			
Rental income	\$ 1,626,651	118	1,626,769
Other operating income	-	28,167	28,167
	<u>\$ 1,626,651</u>	<u>28,285</u>	<u>1,654,936</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>For the nine months ended September 30, 2022</u>		
	<u>Shipping segment</u>	<u>Tourism segment</u>	<u>Total</u>
Primary geographical markets:			
Taiwan	\$ 23,731	180,813	204,544
Asia	4,431,986	-	4,431,986
Europe	736,492	-	736,492
Other	43,626	-	43,626
	<u>\$ 5,235,835</u>	<u>180,813</u>	<u>5,416,648</u>
Major products/services lines:			
Rental income	\$ 5,235,835	504	5,236,339
Other operating income	-	180,309	180,309
	<u>\$ 5,235,835</u>	<u>180,813</u>	<u>5,416,648</u>
	<u>For the nine months ended September 30, 2021</u>		
	<u>Shipping segment</u>	<u>Tourism segment</u>	<u>Total</u>
Primary geographical markets:			
Taiwan	\$ 70,525	100,278	170,803
Asia	2,913,939	-	2,913,939
Europe	531,194	-	531,194
Other	55,251	-	55,251
	<u>\$ 3,570,909</u>	<u>100,278</u>	<u>3,671,187</u>
Major products/services lines:			
Rental income	\$ 3,570,909	358	3,571,267
Other operating income	-	99,920	99,920
	<u>\$ 3,570,909</u>	<u>100,278</u>	<u>3,671,187</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Remunerations to employees and directors

The Company's articles of incorporation require that earnings shall first be offset against any deficit, then, a minimum of 2% will be distributed as employee remuneration and a maximum of 5% will be allocated as directors' remuneration. Employees who entitled to receive the abovementioned employee remuneration, in shares or cash, include the employees of the subsidiaries of the Company who meet certain specific requirements.

For the three months and the nine months ended September 30, 2022 and 2021, the Company estimated its employee remuneration amounting to \$15,600 thousand, \$30,000 thousand, \$46,440 thousand, and \$30,000 thousand, respectively, and directors' remuneration amounting to \$2,520 thousand, \$6,000 thousand, \$7,560 thousand, and \$6,000 thousand, respectively. The estimated amounts mentioned above were calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating expenses during 2022 and 2021.

For the year ended December 31, 2021, the remunerations to employees and directors amounted to \$49,500 thousand and \$10,000 thousand, respectively. Related information would be available on the Market Observation Post System website. The amounts, as stated in the consolidated financial statements, are identical to the actual distributions for the year ended 2021.

(s) 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 related information, please refer to note 23 of the consolidated financial statements for the year ended December 31, 2021.

(i) Credit risk

1) Credit risk exposure

The carrying amounts of financial assets and contract assets represent the maximum credit risk exposure.

2) Concentration of credit risk

As of September 30, 2022, December 31 and September 30, 2021, the accounts receivable amounted to \$58,180 thousand, \$48,336 thousand and \$56,147 thousand, constituting 0.22%, 0.20% and 0.26%, respectively, of the consolidated total assets. Most of the customers of the Group have good reputation, hence, there is no significant credit risk.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) Accounts receivable of credit risk

As of the reporting date, the amount of the Group's maximum exposure to credit risk, which could cause a financial loss to the Group due to the counterparties' failure to discharge an obligation, was the carrying amount of the financial assets recognized in the consolidated balance sheets.

(ii) Liquidity risk

The following are the contractual maturities of financial liabilities, including the interest payment and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>within 6 months</u>	<u>6-12months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>More than 5 years</u>
September 30, 2022							
Non-derivative financial liabilities							
Secured bank loans	\$14,355,966	15,260,459	2,579,989	2,639,831	6,602,364	3,427,871	10,404
Short-term notes and bills payable	39,911	40,000	40,000	-	-	-	-
Non-interest bearing liabilities	785,226	785,226	785,226	-	-	-	-
Lease liabilities	1,193	1,315	44	351	613	307	-
	<u>\$15,182,296</u>	<u>16,087,000</u>	<u>3,405,259</u>	<u>2,640,182</u>	<u>6,602,977</u>	<u>3,428,178</u>	<u>10,404</u>
December 31, 2021							
Non-derivative financial liabilities							
Secured bank loans	\$15,780,757	16,290,855	1,721,894	1,381,544	5,283,899	7,161,510	742,008
Non-interest bearing liabilities	798,997	798,997	704,608	-	94,389	-	-
Lease liabilities	257	264	-	88	88	88	-
	<u>\$16,580,011</u>	<u>17,090,116</u>	<u>2,426,502</u>	<u>1,381,632</u>	<u>5,378,376</u>	<u>7,161,598</u>	<u>742,008</u>
September 30, 2021							
Non-derivative financial liabilities							
Secured bank loans	\$16,037,683	16,652,842	1,339,659	1,570,503	4,782,969	8,183,390	776,321
Non-interest bearing liabilities	843,345	843,345	717,519	-	125,826	-	-
Lease liabilities	256	264	-	88	88	88	-
	<u>\$16,881,284</u>	<u>17,496,451</u>	<u>2,057,178</u>	<u>1,570,591</u>	<u>4,908,883</u>	<u>8,183,478</u>	<u>776,321</u>

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

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(iii) Market risk

1) Currency risk

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

	September 30, 2022			December 31, 2021			September 30, 2021		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>									
<u>Monetary items</u>									
USD:NTD	\$ 1,800	31.7500	57,154	11,758	27.6800	325,464	1,756	27.8500	48,898
JPY:USD	33,866	0.0069	7,454	5,659	0.0087	1,361	16,623	0.0089	4,139
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD:NTD	33,496	31.7500	1,011,879	35,496	27.6800	982,535	34,846	27.8500	970,467
USD:JPY	41,384	0.0069	9,109	40,623	0.0087	9,770	42,639	0.0089	10,617

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivable, loans and trade and other payables that are denominated in foreign currency. A strengthening (weakening) of 1% of the NTD against the USD for the nine months ended September 30, 2022 and 2021 would have (increased) decreased the net profit after tax by \$7,651 thousand and \$7,424 thousand, respectively. This analysis was based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for both periods.

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 the nine months ended September 30, 2022 and 2021, the foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$(132,280) thousand, \$198 thousand, \$(270,642) thousand and \$31,810 thousand, respectively.

2) 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 on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets 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 the management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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If the interest rate had increased or decreased by 0.5% basis points, the Group's interest expenses would have increased or decreased by \$43,068 thousand and \$48,113 thousand for the nine months ended September 30, 2022 and 2021, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing at variable rates.

(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 lease liabilities, disclosure of fair value information is not required:

	September 30, 2022				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non derivative financial assets mandatorily measured at fair value through profit or loss	\$ 9,234	9,234	-	-	9,234
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 5,571,997	-	-	-	-
Accounts receivable	58,180	-	-	-	-
Other financial assets-current and non-current	252,157	-	-	-	-
Subtotal	<u>\$ 5,882,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortized cost					
Bank loans	\$ 14,355,966	-	-	-	-
Short-term notes and bills payable	39,911	-	-	-	-
Notes payable and accounts payable	185,133	-	-	-	-
Other payables (include related parties)	600,093	-	-	-	-
Lease liabilities	<u>1,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>\$ 15,182,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2021				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non derivative financial assets mandatorily measured at fair value through profit or loss	\$ 9,649	9,649	-	-	9,649
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 5,082,169	-	-	-	-
Accounts receivable	48,336	-	-	-	-
Other financial assets-current and non-current	299,331	-	-	-	-
Subtotal	<u>\$ 5,429,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortized cost					
Bank loans	\$ 15,780,757	-	-	-	-
Notes payable and accounts payable	155,094	-	-	-	-
Other payables (include related parties)	643,903	-	-	-	-
Lease liabilities	<u>257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>\$ 16,580,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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	September 30, 2021				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non derivative financial assets mandatorily measured at fair value through profit or loss	\$ 8,160	8,160	-	-	8,160
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 2,263,722	-	-	-	-
Accounts receivable	56,147	-	-	-	-
Other financial assets-current and non-current	364,761	-	-	-	-
Subtotal	<u>\$ 2,684,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortized cost					
Bank loans	\$ 16,037,683	-	-	-	-
Notes payable and accounts payable	180,259	-	-	-	-
Other payables (include related parties)	663,086	-	-	-	-
Lease liabilities	<u>256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>\$ 16,881,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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 and financial liabilities measured at amortized cost

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

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) Valuation techniques for financial instruments measured at fair value

3.1) Non-derivative financial instruments

Financial instruments traded in active markets are based on quoted market prices. Market prices quoted from main exchanges and over-the-counter are the basis of fair value of equity instruments and credit instrument traded in active markets.

If the quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of non-active market.

The Group's financial instruments, such as stock of listed companies and beneficiary certificates, are trade in active markets, and the fair value is based on quoted market prices.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date.

4) There were no transfers from each level for the nine months ended September 30, 2022 and 2021.

(t) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 23(d) of the consolidated financial statements for the year ended December 31, 2021.

(u) Capital management

Management believes that there were no changes in the Group's approach to the targets, policies and procedures in capital management as disclosed in the consolidated financial statements for the year ended December 31, 2021. Also, they believe that for the nine months ended September 30, 2022, there were also no changes in the Group's capital management information. For other related information, please refer to Note 22 of the consolidated financial statements for the year ended December 31, 2021.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(7) Related-party transactions

(a) Names and relationship with related parties

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

<u>Name of related party</u>	<u>Relationship with the Group</u>
Benefit Transport S.A.	Entities controlled by the Company's chairman or his/her family
Wisdom Marine Agency Co., Ltd.	Entities controlled by the Company's chairman or his/her family
Genius Star Management Consulting Co., Ltd.	Entities controlled by the Company's chairman or his/her family
Pei Lin Investment Corp.	Entities controlled by the Company's chairman or his/her family
Luo Pan Investment Corp.	Entities controlled by the Company's chairman or his/her family
Liang Yu Investment Corp.	Entities controlled by the Company's chairman or his/her family
Fei Yuan Investment Corp.	Entities controlled by the Company's chairman or his/her family
Wisdom Shipping Agency Co., Ltd.	Entities controlled by the Company's chairman or his/her family
Huo Da Investment Corp.	Entities controlled by the Company's chairman or his/her family
Oceanlance Maritime S.A. Panama	Entities controlled by the Company's chairman or his/her family
Dancewood Manor Co., Ltd.	Entities controlled by the Company's chairman or his/her family
Da Si Management Consulting Co., Ltd.	Entities controlled by the Company's chairman or his/her family
Kun Lun Construction Co., Ltd.	Entities controlled by the Company's chairman or his/her family

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Significant transactions with related parties

(i) Operating revenue

The amounts of significant sales by the Group to related parties were as follows:

<u>Account</u>	<u>Relationship</u>	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Other operating income	Entities controlled by the Company's chairman or his/her family	\$ <u>96</u>	<u>19</u>	<u>436</u>	<u>123</u>

Other operating revenue incurred from providing related parties with catering services.

(ii) Operating cost

<u>Relationship</u>	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Entities controlled by the Company's chairman or his/her family	\$ <u>6,821</u>	<u>991</u>	<u>9,511</u>	<u>2,994</u>

(iii) Receivables from related parties

<u>Account</u>	<u>Relationship</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Account receivable	Entities controlled by the Company's chairman or his/her family	\$ <u>4</u>	<u>14</u>	<u>6</u>
Other receivables (classified as other current assets)	Entities controlled by the Company's chairman or his/her family	\$ <u>3</u>	<u>-</u>	<u>-</u>

(iv) Payables to related parties

<u>Account</u>	<u>Relationship</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Account payable	Entities controlled by the Company's chairman or his/her family	\$ <u>135</u>	<u>208</u>	<u>4,818</u>

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Acquisitions of property and equipment

Relationship	For the nine months ended September 30	
	2022	2021
Entities controlled by the Company's chairman or his/her family	\$ -	26,125

(vi) Other

Account	Relationship	For the three months ended September 30		For the nine months ended September 30	
		2022	2021	2022	2021
Interest expense	Entities controlled by the Company's chairman or his/her family	\$ -	-	-	2
Rental Expense	Entities controlled by the Company's chairman or his/her family	200	180	560	300
Service fee	Entities controlled by the Company's chairman or his/her family	476	-	476	-

(vii) Loans from related parties

Related party name	September 30, 2022	December 31, 2021	September 30, 2021
Pei Lin Investment Corp.	\$ 180,133	180,133	180,133
Huo Da Investment Corp.	128,000	128,000	128,000
Liang Yu Investment Corp.	-	-	7,000
	\$ 308,133	308,133	315,133

The interests payable on loans from related parties (classified as other payables to related parties) were \$536 thousand, \$615 thousand and \$1,224 thousand as of September 30, 2022, December 31, 2021 and September 30, 2021, respectively; and the related interest expenses were \$5,416 thousand and \$8,388 thousand for the nine months ended September 30, 2022 and 2021, respectively. The loans from Benefit Transport S.A. have been fully repaid in July 2021.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(viii) Lease payables (classified as other payables to related parties and other long-term payables to related parties)

<u>Related party name</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Benefit Transport S.A.			
Not later than one year	\$ -	-	16,042
Later than one year and not later than five years	-	94,389	125,826
	<u>\$ -</u>	<u>94,389</u>	<u>141,868</u>

In September and November 2016, the Group entered into separate sale and purchase agreements with a related party, Benefit Transport S.A., to dispose its vessels at an amount of \$1,307,738 thousand. Consequently, the Group also entered into lease agreements to lease back its vessels from the related party, with lease terms ranging from October 2016 to September 2021 and December 2016 to November 2021, respectively. Furthermore, the Group planned to repurchase the above vessels upon their maturity. The Group deposited the amount of US\$18,550 thousand as collateral in accordance with the agreements.

In October 2017, the Group entered a sale and purchase agreement with its related party, Benefit Transport S.A., to dispose its vessel at an amount of \$181,536 thousand. Consequently, the Group also entered into a lease agreement to lease back its vessel from its related party, with a lease term which runs from the period between October 2017 and November 2022. Furthermore, the Group planned to repurchase the above vessel upon its maturity. The Group deposited the amount of US\$1,000 thousand as collateral in accordance with the agreements.

In March 2020, the Group entered into a sale and purchase agreement with its related party, Benefit Transport S.A., to dispose its vessel at an amount of \$178,630 thousand. Consequently, the Group also entered into a lease agreement to lease back its vessel from its related party, with a lease term which runs from the period between April 2020 and May 2023. Furthermore, the Group planned to repurchase the above vessel upon its maturity. The Group deposited the amount of US\$3,410 thousand as collateral in accordance with the agreements.

In order to dispose six of the above vessels, the Group entered into an agreement with Benefit Transport S.A., who was requested by the Group to sell the vessels to different designated third parties on behalf of the Group in August 2022, February 2021, July and February 2020, March 2018, and October 2017. Consequently, the Group cancelled its lease agreements before their maturity, as well as its plan to repurchase the above vessels. Instead, the Group settled the remaining lease payables of \$210,266 thousand, \$232,327 thousand, \$171,808 thousand, \$94,484 thousand, \$452,855 thousand and \$135,030 thousand and deposits of \$99,862 thousand, \$120,724 thousand, \$123,900 thousand, \$29,995 thousand, \$256,476 thousand and \$39,725 thousand, respectively, with Benefit Transport S.A.

For the abovementioned lease transactions, with the interests payable amounting to \$36 thousand, had been classified as other payables to related parties as of September 30, 2021. For the nine month ended September 30, 2021, the interest expense amounted to \$1,388 thousand.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ix) Other transactions with related parties

<u>Relationship</u>	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Entities controlled by the Company's chairman or his/her family	\$ <u>17</u>	<u>17</u>	<u>51</u>	<u>51</u>

The rental prices offered to related parties are based on the market prices.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	\$ 6,721	1,174	19,812	3,442
Post-employment benefits	<u>56</u>	<u>52</u>	<u>157</u>	<u>149</u>
	<u>\$ 6,777</u>	<u>1,226</u>	<u>19,969</u>	<u>3,591</u>

(8) Assets pledged as security:

The carrying amounts of assets pledged as security were as follows:

<u>Assets pledged as security</u>	<u>Liabilities secured by pledge</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Other financial assets-current and non-current	Bank loans	\$ 252,157	299,331	364,761
Other assets-non current	Loans from related parties and deposits	-	113,339	118,419
Property, plant and equipment	Bank loans	18,316,338	17,806,956	17,916,616
		<u>\$ 18,568,495</u>	<u>18,219,626</u>	<u>18,399,796</u>

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(9) Significant commitments and contingencies

- (a) The Group's subsidiary, Forever Pescadores S.A. Panama, was investigated by the International Transport Workers' Federation (ITF) in March 2019, wherein ITF believed that some of the crew members' salaries were lower than the standard wage. In October 2020, the Group's subsidiary had reached a settlement with ITF and signed a non-disclosure agreement. Furthermore, certain subsidiaries of the Group were also randomly investigated by ITF, and the investigation is still in progress. The Group recognized the related provisions as of September 30, 2022 due to a possible obligation that may require an outflow of resources of economic benefits. Please refer to Note 6(k).
- (b) The contractors, FUT-AI Construction Co., Ltd. and Taiwan Shinryo Co., Ltd. (Shinryo), were in a dispute with Dancewoods due to the refusal of Dancewoods to pay the additional charges to both contractors for its hotel construction. In November 2019, the Chinese Arbitration Association, Taipei (CAA) requested Dancewoods to pay Shinryo the additional amount of \$23,920 thousand. Instead, Dancewoods requested Shinryo to drop the case made to CAA in December 2019, and suggested Shinryo to settle the matter between both of them, in which Shinryo agreed. Thereafter, Dancewoods commissioned a lawyer to propose a settlement; and on June 25, 2021, both parties reached a settlement agreement wherein Dancewoods have to pay Shinryo the amount of \$20,332 thousand. The payments were made on June 25, September 24 and December 24, 2021. Dancewoods has fully received its security deposit amounting to \$6,450 thousand on July 14, 2022.

(10) Losses due to major disasters: None

(11) Subsequent events: None

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(12) Other

(a) A summary of employee benefits, depreciation, and amortization, by function, is as follows:

By item	By function	For the three months ended September 30					
		2022			2021		
		Cost of sale	Operating expense	Total	Cost of sale	Operating expense	Total
Employee benefits							
Salary		255,054	45,612	300,666	214,253	55,403	269,656
Labor and health insurance		1,361	2,563	3,924	1,031	2,402	3,433
Pension		636	1,286	1,922	493	1,201	1,694
Others		13,451	1,216	14,667	26,635	825	27,460
Depreciation		348,563	1,203	349,766	322,833	925	323,758
Depletion		-	-	-	-	-	-
Amortization		-	238	238	-	217	217

By item	By function	For the nine months ended September 30					
		2022			2021		
		Cost of sale	Operating expense	Total	Cost of sale	Operating expense	Total
Employee benefits							
Salary		761,705	134,971	896,676	566,698	98,388	665,086
Labor and health insurance		3,880	7,733	11,613	3,146	6,706	9,852
Pension		1,817	3,782	5,599	1,494	3,435	4,929
Others		46,627	4,530	51,157	77,267	3,128	80,395
Depreciation		1,011,076	3,284	1,014,360	974,542	3,053	977,595
Depletion		-	-	-	-	-	-
Amortization		-	715	715	-	567	567

(b) Seasonality of operation

The Group's operations were not affected by seasonal or cyclical factors.

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SHIH WEI NAVIGATION CO., 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”:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	DONG LIEN MARITIME S.A. PANAMA	FOREVER PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,400	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	ETERNITY PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,400	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	UNICORN BRILLIANT S.A. PANAMA	Other receivables from related parties	Yes	15,875	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	VALOR PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	TRUMP PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	WISE PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	FAIR PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	GALLANT PESCADORES S.A.	Other receivables from related parties	Yes	15,875	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	VIGOR PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	PATRIOT PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	MOON BRIGHT SHIPPING CORPORATION	Other receivables from related parties	Yes	25,400	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	FOURSEAS PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	FEDERAL PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,400	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	DONG LIEN MARITIME S.A. PANAMA	MODEST PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	31,750	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	PENGHU PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	31,750	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	SKYHIGH PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	DANCEWOOD PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	DANCEFLORA PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	31,750	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	STAMINA PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	BRAVE PESCADORES S.A.	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	GENIUS PESCADORES S.A. (PANAMA)	Other receivables from related parties	Yes	25,400	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	SPINNAKER PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	ENDURANCE PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	SUMMIT PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	31,750	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	INDIGO PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	AUDREY PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	WONDERFUL PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	HUGE PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	15,875	15,875	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	ELEGANT PESCADORES S.A. (PANAMA)	Other receivables from related parties	Yes	25,400	25,400	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	DONG LIEN MARITIME S.A. PANAMA	FORTUNATE MARITIME S.A. PANAMA	Other receivables from related parties	Yes	31,750	31,750	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	The company	Other receivables from related parties	Yes	1,333,500	1,111,250	1,063,505	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	11,840,218	11,840,218
1	DONG LIEN MARITIME S.A. PANAMA	Dancewoods Hotel & Resort	Other receivables from related parties	Yes	285,750	222,250	221,440	1.75 %	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	3,552,065	4,736,087

Note 1: Limitation of financing was based on 30% of the lending company's net equity on September 30, 2022; if the loan to overseas company whose voting shares are 100% owned directly or indirectly by the lender or lending to parent, the limitation of financing would have been based on 100% of the lending company's net equity on September 30, 2022.

Note 2: Limitation of financing was based on 40% of the lending company's net equity on September 30, 2022, if the loan to overseas company whose voting shares are 100% owned directly or indirectly by the lender or lending to parent, the limitation of financing would have been based on 100% of the lending company's net equity on September 30, 2022.

Note 3: The amounts of the actual borrowings at the end of the period had been eliminated during the preparation of the consolidated financial statements.

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The company	DONG LIEN MARITIME S.A. PANAMA	1	9,562,296	1,317,649	1,002,099	906,849	-	10.48 %	57,373,776	Yes	No	No
0	The company	UNICORN BRILLIANT S.A. PANAMA	1	9,562,296	581,215	-	-	-	- %	57,373,776	Yes	No	No
0	The company	ELEGANT PESCADORES S.A. (PANAMA)	1	9,562,296	631,721	593,202	593,202	-	6.20 %	57,373,776	Yes	No	No
0	The company	BRAVE PESCADORES S.A.	1	9,562,296	507,333	479,711	479,711	4,187	5.02 %	57,373,776	Yes	No	No
0	The company	GENIUS PESCADORES S.A. (PANAMA)	1	9,562,296	712,290	681,807	681,807	4,621	7.13 %	57,373,776	Yes	No	No
0	The company	MOON BRIGHT SHIPPING CORPORATION	1	9,562,296	633,692	596,179	596,179	-	6.23 %	57,373,776	Yes	No	No
0	The company	GALLANT PESCADORES S.A.	1	9,562,296	263,473	-	-	-	- %	57,373,776	Yes	No	No
0	The company	VALOR PESCADORES S.A. PANAMA	1	9,562,296	104,340	88,291	88,291	-	0.92 %	57,373,776	Yes	No	No
0	The company	VIGOR PESCADORES S.A. PANAMA	1	9,562,296	316,438	290,642	290,642	-	3.04 %	57,373,776	Yes	No	No
0	The company	FORTUNATE MARITIME S.A. PANAMA	1	9,562,296	686,929	-	-	-	- %	57,373,776	Yes	No	No
0	The company	HUGE PESCADORES S.A. PANAMA	1	9,562,296	176,380	168,314	168,314	-	1.76 %	57,373,776	Yes	No	No
0	The company	FAIR PESCADORES S.A. PANAMA	1	9,562,296	159,983	-	-	-	- %	57,373,776	Yes	No	No

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The company	FOREVER PESCADORES S.A. PANAMA	1	9,562,296	441,062	407,803	407,803	-	4.26 %	57,373,776	Yes	No	No
0	The company	ETERNITY PESCADORES S.A. PANAMA	1	9,562,296	502,069	468,045	468,045	-	4.89 %	57,373,776	Yes	No	No
0	The company	FEDERAL PESCADORES S.A. PANAMA	1	9,562,296	674,959	632,150	632,150	-	6.61 %	57,373,776	Yes	No	No
0	The company	WISE PESCADORES S.A. PANAMA	1	9,562,296	273,666	107,793	107,793	-	1.13 %	57,373,776	Yes	No	No
0	The company	MODEST PESCADORES S.A. PANAMA	1	9,562,296	858,606	834,724	834,724	-	8.73 %	57,373,776	Yes	No	No
0	The company	PATRIOT PESCADORES S.A. PANAMA	1	9,562,296	257,503	-	-	-	- %	57,373,776	Yes	No	No
0	The company	PENGHU PESCADORES S.A. PANAMA	1	9,562,296	900,315	849,641	849,641	-	8.89 %	57,373,776	Yes	No	No
0	The company	SKYHIGH PESCADORES S.A. PANAMA	1	9,562,296	376,157	364,712	364,712	-	3.81 %	57,373,776	Yes	No	No
0	The company	DANCEWOOD PESCADORES S.A. PANAMA	1	9,562,296	479,047	455,468	455,468	7,140	4.76 %	57,373,776	Yes	No	No
0	The company	DANCEFLORA PESCADORES S.A. PANAMA	1	9,562,296	246,449	217,874	217,874	-	2.28 %	57,373,776	Yes	No	No
0	The company	STAMINA PESCADORES S.A. PANAMA	1	9,562,296	315,722	271,324	271,324	-	2.84 %	57,373,776	Yes	No	No
0	The company	SPINNAKER PESCADORES S.A. PANAMA	1	9,562,296	379,965	369,659	369,659	-	3.87 %	57,373,776	Yes	No	No
0	The company	ENDURANCE PESCADORES S.A. PANAMA	1	9,562,296	657,876	630,253	630,253	8,364	6.59 %	57,373,776	Yes	No	No
0	The company	INDIGO PESCADORES S.A. PANAMA	1	9,562,296	498,634	477,203	477,203	-	4.99 %	57,373,776	Yes	No	No
0	The company	SUMMIT PESCADORES S.A. PANAMA	1	9,562,296	352,650	322,170	322,170	-	3.37 %	57,373,776	Yes	No	No
0	The company	AUDREY PESCADORES S.A. PANAMA	1	9,562,296	446,778	426,299	426,299	3,105	4.46 %	57,373,776	Yes	No	No
0	The company	WONDERFUL PESCADORES S.A. PANAMA	1	9,562,296	457,017	436,538	436,538	6,201	4.57 %	57,373,776	Yes	No	No
0	The company	Dancewoods Hotel & Resort	1	9,562,296	2,496,965	2,496,965	2,386,965	-	26.11 %	57,373,776	Yes	No	No

Note 1:1. Subsidiaries in which the Company directly or indirectly holds more than 50% of its total outstanding ordinary shares.

2. The parent company which directly or indirectly holds more than 50% of its voting rights

Note 2:Limit on endorsement/guarantee given to a single entity was 100% of the net equity on September 30, 2022.

Note 3:Limit on endorsement/guarantee given to a single entity was 600% of the net equity on September 30, 2022.

(iii) Securities held as of September 30, 2022 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The company	Convertible bond of Taiwan Kolin Co., Ltd	-	Financial assets at fair value through profit or loss - current	40	-	- %	-	
The company	Convertible bond of Merry Electronics Co., Ltd.	-	"	13,000	1,332	- %	1,332	

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The company	Tai Twue Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	7,000	139	- %	139	
The company	Wisdom Marine International Inc.	-	"	70,000	3,619	- %	3,619	
The company	China Steel Co.	-	"	11,000	294	- %	294	
The company	Evergreen Marine Co.	-	"	4,000	584	- %	584	
The company	Sincere Navigation C.	-	"	2,000	36	- %	36	
The company	I-Chiun Precision Industry Co., Ltd.	-	"	109	2	- %	2	
The company	Yulon Motor Co., Ltd.	-	"	35,000	1,437	- %	1,437	
The company	Fubon 3-Y Maturity Asia USD Bd Fd A USD	-	"	100,000	934	- %	934	
Dancewoods Hotel & Resort	Dancewoods Suao Co., Ltd	-	"	1,140,000	-	19.00 %	-	
Dancewoods Hotel & Resort	Chang Hwa Commercial Bank, Ltd.	-	"	50,000	857	- %	857	

- (iv) Individual securities acquired or disposed with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount
The Company	Dong Lien Maritime S.A. Panama	Investments accounted for using equity method	Dong Lien Maritime S.A. Panama	Parent-Subsidiary	42,912,775	1,362,481 (USD42,913)	43,480,000	1,380,490 (USD43,480)	-	-	-	-	86,392,775	2,742,971 (USD86,393)
The Company	Fortunate Maritime S.A. Panama	Investments accounted for using equity method	Fortunate Maritime S.A. Panama	Parent-Subsidiary	17,150	54,451 (USD1,715)	181,100	574,993 (USD18,110)	-	-	-	-	198,250	629,444 (USD19,825)
Dong Lien Maritime S.A. Panama	Unicorn Brilliant S.A. Panama	Investments accounted for using equity method	Unicorn Brilliant S.A. Panama	Parent-Subsidiary	110,000	349,250 (USD11,000)	181,818	577,272 (USD18,182)	-	-	-	-	291,818	926,522 (USD29,182)

Note: Exchange rate of the NTD against the USD for September 30, 2022 is \$31.750.

- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Dong Lien Maritime S.A. Panama and subsidiaries	Subsidiary	Sale	(148,792)	(95) %	Net 30-90 days	-	-	-	- %	
Dong Lien Maritime S.A. Panama and subsidiaries	The Company	Parent Company	Purchase	148,792	6 %	Net 30-90 days	-	-	-	- %	

Note: The amount of the transaction and the ending balance had been offset in the consolidated financial statements.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None
- (ix) Trading in derivative instruments: None
- (x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The company	Dong Lien Maritime S.A. Panama and subsidiaries	1	Operating revenue	148,792	Receive in net 30-90 days	3%
0	The company	Dong Lien Maritime S.A. Panama and subsidiaries	1	Other revenue	17,611	Receive in net 30-90 days	-%
0	The company	Dancewoods Hotel & Resort	2	Operating revenue	45	Receive in net 30-90 days	-%
0	The company	Dancewoods Hotel & Resort	2	Other payable to related parties	398	Receive in net 30-90 days	1.00%
0	The company	Dancewoods Hotel & Resort	2	Other revenue	3,803	Receive in net 30-90 days	-%
0	The company	Fortunate Maritime S.A. Panama	2	Operating revenue	8,214	Receive in net 30-90 days	-%
0	The company	Fortunate Maritime S.A. Panama	2	Other revenue	169	Receive in net 30-90 days	-%
1	Dancewoods Hotel & Resort	The company	2	Operating revenue	366	Receive in net 30-90 days	-%
2	Dong Lien Maritime S.A. Panama and subsidiaries	The company	1	Other payable to related parties	1,063,505	Receive in accordance with the agreements	4.00%
2	Dong Lien Maritime S.A. Panama and subsidiaries	Dancewoods Hotel & Resort	3	Interest revenue	2,694	Receive in net 30-90 days	-%
2	Dong Lien Maritime S.A. Panama and subsidiaries	Dancewoods Hotel & Resort	3	Other payable to related parties	221,759	Receive in accordance with the agreements	1.00%

Note 1: Company numbering as follows:

1. Parent company-0
2. Subsidiaries starts from 1

Note 2: The numbering of the relationship between transaction parties as follows:

1. Parent company to subsidiary
2. Subsidiary to parent company
3. Subsidiary to subsidiary

- (b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2022 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2022			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2022	December 31, 2021	Shares (thousands)	Percentage of ownership	Carrying value			
The company	Dong Lien Maritime S.A. Panama	Panama	Cargo shipping services and shipping agency	2,742,971	1,187,826	86,392,775	100.00 %	11,840,218	2,371,454	2,371,454	Subsidiary (Note 1 and 3)
The company	Fortunate Maritime S.A. Panama	Panama	"	629,444	47,471	198,250	100.00 %	1,042,824	191,594	191,594	"
The company	Dancewoods Hotel & Resort	Taiwan	Resort hotels service and recreational grounds and facilities	772,257	772,257	46,636,927	51.52 %	101,074	(151,566)	(78,087)	"
The company	Thermolysis Co., Ltd	Taiwan	Pollution prevention equipment manufacturing and retail	30,000	-	2,000,000	6.06 %	28,641	(28,356)	(1,359)	Related Party (Note 2)
Dong Lien Maritime S.A. Panama	Audrey Pescadores S.A. Panama	Panama	Cargo shipping services and shipping agency	158,750	138,400	50,000	100.00 %	388,388	72,983	-	Sub-subsidiary (Note 1 and 3)
Dong Lien Maritime S.A. Panama	Brave Pescadores S.A.	Panama	"	111,125	96,880	35,000	100.00 %	351,484	79,555	-	"
Dong Lien Maritime S.A. Panama	Bright Pescadores S.A. Panama	Panama	"	63,500	55,360	20,000	100.00 %	244,680	(535)	-	"

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2022			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2022	December 31, 2021	Shares (thousands)	Percentage of ownership	Carrying value			
Dong Lien Maritime S.A. Panama	Brilliant Pescadores S.A.	Panama	Cargo shipping services and shipping agency	31,750	27,680	10,000	100.00 %	98,108	(196)	-	Sub-subsidiary (Note 1 and 3)
Dong Lien Maritime S.A. Panama	Danceflora Pescadores S.A. Panama	Panama	"	349,250	304,480	110,000	100.00 %	378,033	86,949	-	"
Dong Lien Maritime S.A. Panama	Dancewood Pescadores S.A. Panama	Panama	"	254,000	221,440	8,000,000	100.00 %	367,148	63,927	-	"
Dong Lien Maritime S.A. Panama	Elegant Pescadores S.A. (Panama)	Panama	"	349,250	304,480	110,000	100.00 %	342,551	116,268	-	"
Dong Lien Maritime S.A. Panama	Endurance Pescadores S.A. Panama	Panama	"	158,750	138,400	50,000	100.00 %	336,172	102,114	-	"
Dong Lien Maritime S.A. Panama	Eternity Pescadores S.A. Panama	Panama	"	238,125	207,600	75,000	100.00 %	392,690	113,054	-	"
Dong Lien Maritime S.A. Panama	Excellent Pescadores S.A. (Panama)	Panama	"	63,500	55,360	20,000	100.00 %	143,695	(111)	-	"
Dong Lien Maritime S.A. Panama	Fair Pescadores S.A. Panama	Panama	"	285,579	110,720	89,946	100.00 %	294,440	18,404	-	"
Dong Lien Maritime S.A. Panama	Federal Pescadores S.A. Panama	Panama	"	254,000	221,440	80,000	100.00 %	381,772	37,555	-	"
Dong Lien Maritime S.A. Panama	Forever Pescadores S.A. Panama	Panama	"	317,500	276,800	100,000	100.00 %	443,528	103,662	-	"
Dong Lien Maritime S.A. Panama	Fourseas Pescadores S.A. Panama	Panama	"	317,500	276,800	100,000	100.00 %	472,417	113,640	-	"
Dong Lien Maritime S.A. Panama	Gallant Pescadores S.A.	Panama	"	262,715	277	82,745	100.00 %	382,135	14,712	-	"
Dong Lien Maritime S.A. Panama	Genius Pescadores S.A. (Panama)	Panama	"	318	277	100	100.00 %	625,220	136,312	-	"
Dong Lien Maritime S.A. Panama	Glaring Pescadores S.A. Panama	Panama	"	174,625	152,240	55,000	100.00 %	106,537	(181)	-	"
Dong Lien Maritime S.A. Panama	Grand Pescadores S.A. (Panama)	Panama	"	318	277	100	100.00 %	65,453	(16)	-	"
Dong Lien Maritime S.A. Panama	Honor Pescadores S.A. Panama	Panama	Cargo shipping services and shipping agency	63,500	55,360	20,000	100.00 %	296,606	(2,647)	-	"
Dong Lien Maritime S.A. Panama	Huge Pescadores S.A. Panama	Panama	"	95,250	83,040	30,000	100.00 %	113,316	22,876	-	"
Dong Lien Maritime S.A. Panama	Indigo Pescadores S.A. Panama	Panama	"	63,500	55,360	20,000	100.00 %	387,865	158,132	-	"
Dong Lien Maritime S.A. Panama	Leader Pescadores S.A. Panama	Panama	"	95,250	83,040	30,000	100.00 %	139,721	632	-	"
Dong Lien Maritime S.A. Panama	Modest Pescadores S.A. Panama	Panama	"	269,875	235,280	85,000	100.00 %	239,625	9,504	-	"
Dong Lien Maritime S.A. Panama	Moon Bright Shipping Corporation	Panama	"	269,875	235,280	85,000	100.00 %	209,058	87,603	-	"
Dong Lien Maritime S.A. Panama	Patriot Pescadores S.A. Panama	Panama	"	477,803	193,760	150,489	100.00 %	282,237	(4,553)	-	"
Dong Lien Maritime S.A. Panama	Penghu Pescadores S.A. Panama	Panama	"	349,250	304,480	110,000	100.00 %	257,074	47,276	-	"
Dong Lien Maritime S.A. Panama	Pharos Pescadores S.A. Panama	Panama	"	127,000	110,720	40,000	100.00 %	129,079	(16)	-	"
Dong Lien Maritime S.A. Panama	Poseidon Pescadores S.A. Panama	Panama	"	127,000	110,720	40,000	100.00 %	201,017	(16)	-	"
Dong Lien Maritime S.A. Panama	Shining Pescadores S.A. (Panama)	Panama	"	318	277	100	100.00 %	139,081	(13)	-	"
Dong Lien Maritime S.A. Panama	Skyhigh Pescadores S.A. Panama	Panama	"	190,500	166,080	60,000	100.00 %	97,565	39,230	-	"

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2022			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2022	December 31, 2021	Shares (thousands)	Percentage of ownership	Carrying value			
Dong Lien Maritime S.A. Panama	Spinnaker Pescadores S.A. Panama	Panama	Cargo shipping services and shipping agency	222,250	193,760	70,000	100.00 %	412,398	97,732	-	"
Dong Lien Maritime S.A. Panama	Stamina Pescadores S.A. Panama	Panama	"	301,625	262,960	95,000	100.00 %	204,381	88,042	-	"
Dong Lien Maritime S.A. Panama	Summit Pescadores S.A. Panama	Panama	"	95,250	83,040	30,000	100.00 %	417,003	116,418	-	"
Dong Lien Maritime S.A. Panama	Superior Pescadores S.A. Panama	Panama	"	79,375	69,200	25,000	100.00 %	159,320	(251)	-	"
Dong Lien Maritime S.A. Panama	Trump Pescadores S.A. Panama	Panama	"	190,500	166,080	60,000	100.00 %	264,916	39,917	-	"
Dong Lien Maritime S.A. Panama	Unicorn Brilliant S.A. Panama	Panama	"	926,522	304,480	291,818	100.00 %	935,689	103,844	-	"
Dong Lien Maritime S.A. Panama	Valor Pescadores S.A. Panama	Panama	"	95,250	83,040	30,000	100.00 %	428,676	43,486	-	"
Dong Lien Maritime S.A. Panama	Vigor Pescadores S.A. Panama	Panama	"	63,500	55,360	20,000	100.00 %	533,492	114,913	-	"
Dong Lien Maritime S.A. Panama	Well Pescadores S.A. Panama	Panama	"	95,250	83,040	30,000	100.00 %	126,997	(16)	-	"
Dong Lien Maritime S.A. Panama	Wise Pescadores S.A. Panama	Panama	"	348,939	193,760	109,902	100.00 %	218,433	33,046	-	"
Dong Lien Maritime S.A. Panama	Wonderful Pescadores S.A. Panama	Panama	"	158,750	138,400	50,000	100.00 %	387,428	109,929	-	"

Note 1: It is calculated based on financial statements reviewed by an accountant.

Note 2: It is calculated based on their own financial statements which is not reviewed by an accountant.

Note 3: In preparing the consolidated financial statements, the transactions have been eliminated.

- (c) Information on investment in mainland China: None
- (d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
Luo Pan Investment Corp.		30,441,267	9.24 %

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information:

The two operating segments of the Group are categorized as Real Estate Transaction Group and Construction Group. These two groups have different market and marketing strategy, which are described as follows:

- (a) Shipping segment: engages in the business of cargo shipping services and shipping agency
- (b) Tourism segment: engages in the business of resort hotels service and recreational grounds and facilities

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

	<u>Shipping segment</u>	<u>Tourism segment</u>	<u>Adjustment and eliminations</u>	<u>Total</u>
For the three months ended September 30, 2022				
Revenue:				
Revenue from external customers	\$ 1,823,824	84,206	-	1,908,030
Intersegment revenues	<u>15</u>	<u>237</u>	<u>(252)</u>	<u>-</u>
Total revenue	<u>\$ 1,823,839</u>	<u>84,443</u>	<u>(252)</u>	<u>1,908,030</u>
Reportable segment profit or loss	<u>\$ 603,295</u>	<u>(36,540)</u>	<u>18,796</u>	<u>585,551</u>
For the three months ended September 30, 2021				
Revenue:				
Revenue from external customers	\$ 1,626,651	28,285	-	1,654,936
Intersegment revenues	<u>15</u>	<u>657</u>	<u>(672)</u>	<u>-</u>
Total revenue	<u>\$ 1,626,666</u>	<u>28,942</u>	<u>(672)</u>	<u>1,654,936</u>
Reportable segment profit or loss	<u>\$ 840,346</u>	<u>(49,392)</u>	<u>25,419</u>	<u>816,373</u>
For the nine months ended September 30, 2022				
Revenue:				
Revenue from external customers	\$ 5,235,835	180,813	-	5,416,648
Intersegment revenues	<u>45</u>	<u>366</u>	<u>(411)</u>	<u>-</u>
Total revenue	<u>\$ 5,235,880</u>	<u>181,179</u>	<u>(411)</u>	<u>5,416,648</u>
Reportable segment profit or loss	<u>\$ 1,806,163</u>	<u>(151,566)</u>	<u>78,087</u>	<u>1,732,684</u>
For the nine months ended September 30, 2021				
Revenue:				
Revenue from external customers	\$ 3,570,909	100,278	-	3,671,187
Intersegment revenues	<u>45</u>	<u>381</u>	<u>(426)</u>	<u>-</u>
Total revenue	<u>\$ 3,570,954</u>	<u>100,659</u>	<u>(426)</u>	<u>3,671,187</u>
Reportable segment profit or loss	<u>\$ 1,375,669</u>	<u>(158,884)</u>	<u>82,545</u>	<u>1,299,330</u>