SEA & LAND INTEGRATED CORP.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2022 AND 2021

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

SEA & LAND INTEGRATED CORP.

DECEMBER 31, 2022 AND 2021 PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Sea & Land Integrated Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Sea & Land Integrated Corp. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

Machinery transportation and hoisting revenue recognition - assessment on the stage of completion

Description

The Company's machinery transportation and hoisting revenue amounted to NT$451,524 thousand, constituting 26.17% of operating revenue for the year ended December 31, 2022. Refer to Note 4(25) for the accounting policy on revenue recognition; Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to revenue recognition and Note 6(16) for details.

The Company's heavy machinery transportation and hoisting revenue is calculated by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs for the construction contract. The aforementioned estimated total costs are assessed based on the estimated construction projects, which are planned for the heavy machinery transportation and hoisting services engaged by the client, and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses.

Given that the estimate of total cost affects the stage of completion and the recognition of revenue, and the complexity of aforementioned total cost estimation usually involves subjective judgement and contains a high degree of uncertainty, we consider the assessment on the stage of completion applied on revenue recognition a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding on the nature of the Company's business and industry, and assessed the consistency of the estimate method and the internal process applied to estimate total cost, including the process for estimating the costs for each construction project (subcontract charges and material and labour expenses) that is planned for the heavy machinery transportation and hoisting services engaged by the client.
2. Assessed and tested the internal controls used by the management to recognise revenue based on the stage of completion, including checking the supporting documents of additional or reduced constructions and significant constructions performed in the period.
3. Performed onsite observations of or inquired into major construction projects still in progress at the year end.
4. Performed substantive procedures relating to the year-end construction profit or loss statement, including sampling and verifying the costs incurred in the period against the appropriate evidence, verifying the additional or reduced constructions in the period against the supporting documents and recalculating and confirming that construction revenue calculated based on the stage of completion had been accounted for appropriately.

Impairment assessment of accounts receivable

Description

The Company's net accounts receivable amounted to NT$260,024 thousand, constituting 10.60% of total assets as at December 31, 2022. Refer to Notes 4(8) and (9) for accounting policies, Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to accounts receivable, Note 6(4) for details.

The Company manages the collections of accounts receivable and overdue accounts and takes on relevant credit risk. The management periodically assesses the credit quality and collection status of customers, and adjusts the credit policies for customers in due course. In addition, impairment assessment of accounts receivable was implemented in accordance with IFRS 9 using the simplified approach to estimate expected credit losses. The management uses the ageing of receivables as of the balance sheet date and the payment history of an individual customer, financial position and economic situation of the customer and many other factors that would affect the payment ability of the customer as well as includes the forward-looking information to assess the default possibility of accounts receivable.

Given that the amount of accounts receivable was material, and the determination of loss rates was subjected to the management's judgement, we consider the estimates of expected credit losses on accounts receivable a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the Company's credit quality control policy in order to evaluate the reasonableness of the Company's expected credit loss provision policies and procedures on accounts receivable.
2. Assessed the appropriateness of provision rate of allowance for accounts receivable through referring to historical loss rate and taking into consideration the forecastability, and obtained and examined relevant data provided by the management.
3. Tested changes in the ageing of accounts receivable and checked the supporting documents relating to due dates of accounts receivable to ascertain the accuracy of the classification for accounts receivable aging.
4. Identified the reasons of past due accounts, examined the subsequent collections and discussed the adequacy of expected credit loss provision policies with the management, in particular for accounts receivable that are overdue and material.

Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates and the information disclosed in Note 13, is based solely on the reports of the other auditors. The balance of these investments accounted for using the equity method amounted to NT$105,150 thousand and NT$110,731 thousand, constituting 4.28% and 3.96% of total assets as at December 31, 2022 and 2021, respectively, and the comprehensive income (loss) recognised from associates and joint ventures accounted for using the equity method amounted to NT($721) thousand and NT($978) thousand, constituting (0.41%) and (0.13%) of total comprehensive income for the years then ended December 31, 2022 and 2021, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including supervisors, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hsu, Ming-Chuan Chih, Ping-Chiun

For and on behalf of PricewaterhouseCoopers, Taiwan

March 15, 2023

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 83,392	3	$ 380,296	14
1120	Financial assets at fair value through other comprehensive income - current	6(2)	19,560	1	24,302	1
1136	Financial assets at amortised cost - current	6(3)	32,529	1	32,500	1
1140	Contract assets - current	6(16)	22,969	1	53,317	2
1150	Notes receivable, net	6(4)	19,488	1	29,311	1
1160	Notes receivable - related parties	7	2,637	-	5,051	-
1170	Accounts receivable, net	6(4)	256,575	11	508,992	18
1180	Accounts receivable - related parties	7	3,449	-	241	-
1210	Other receivables - related parties	7	-	-	19	-
130X	Inventories		2,268	-	2,741	-
1410	Prepayments		40,878	2	52,445	2
1470	Other current assets		1,708	-	1,052	-
11XX	**Total current assets**		485,453	20	1,090,267	39
	Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	6(2)	85,762	4	93,199	3
1550	Investments accounted for using equity method	6(5)	563,760	23	502,938	18
1600	Property, plant and equipment	6(6) and 8	1,247,872	51	995,485	36
1755	Right-of-use assets	6(7) and 7	25,756	1	32,096	1
1780	Intangible assets		134	-	342	-
1840	Deferred income tax assets	6(24)	9,362	-	10,453	-
1900	Other non-current assets	7 and 8	35,987	1	71,685	3
15XX	**Total non-current assets**		1,968,633	80	1,706,198	61
1XXX	**Total assets**		$ 2,454,086	100	$ 2,796,465	100

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SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2022 AMOUNT	%	December 31, 2021 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(9) and 8	$ 50,000	2	$ -	-
2150	Notes payable		108,773	4	215,720	8
2160	Notes payable - related parties	7	20,926	1	49,371	2
2170	Accounts payable		93,561	4	111,927	4
2180	Accounts payable - related parties	7	14,810	1	10,267	-
2200	Other payables	6(10)	79,810	3	126,671	5
2220	Other payables - related parties	7	400	-	7,773	-
2230	Current income tax liabilities		12,492	1	11,732	1
2280	Lease liabilities - current	6(7) and 7	10,685	-	9,672	-
2320	Long-term liabilities, current portion	6(11) and 8	88,875	4	82,164	3
2399	Other current liabilities, others		1,314	-	2,589	-
21XX	**Total current liabilities**		481,646	20	627,886	23
	Non-current liabilities					
2540	Long-term borrowings	6(11) and 8	170,583	7	201,634	7
2570	Deferred income tax liabilities	6(24)	35,285	1	34,804	1
2580	Non-current lease liabilities	6(7) and 7	15,481	1	22,762	1
2600	Other non-current liabilities	6(12)	13,774	-	22,357	1
25XX	**Total non-current liabilities**		235,123	9	281,557	10
2XXX	**Total liabilities**		716,769	29	909,443	33
	Equity					
	Share capital	6(13)				
3110	Common stock		1,048,766	43	806,743	29
	Capital surplus	6(14)				
3200	Capital surplus		83,363	3	86,902	3
	Retained earnings	6(15)				
3310	Legal reserve		218,155	9	144,107	5
3320	Special reserve		66,693	3	66,693	2
3350	Unappropriated retained earnings		405,755	16	840,515	30
	Other equity interest					
3400	Other equity interest		(85,415)	(3)	(57,938)	(2)
3XXX	**Total equity**		1,737,317	71	1,887,022	67
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 2,454,086	100	$ 2,796,465	100

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Year ended December 31			
			2022		2021	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(16) and 7	$ 1,725,599	100	$ 1,821,991	100
5000	Operating costs	6(17)(22)(23) and 7	(1,498,875)	(87)	(1,611,616)	(88)
5900	Net operating margin		226,724	13	210,375	12
	Operating expenses	6(22)(23) and 7				
6100	Selling expenses		(54,492)	(3)	(56,312)	(3)
6200	General and administrative expenses		(77,437)	(5)	(83,419)	(5)
6000	Total operating expenses		(131,929)	(8)	(139,731)	(8)
6900	Operating profit		94,795	5	70,644	4
	Non-operating income and expenses					
7100	Interest income	6(3)(18)	583	-	270	-
7010	Other income	6(19) and 7	14,399	1	7,361	-
7020	Other gains and losses	6(20)	(89)	-	632,361	35
7050	Finance costs	6(21) and 7	(4,665)	-	(6,250)	(1)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	114,745	6	66,740	4
7000	Total non-operating income and expenses		124,973	7	700,482	38
7900	**Profit before income tax**		219,768	12	771,126	42
7950	Income tax expense	6(24)	(21,264)	(1)	(28,534)	(1)
8200	**Profit for the year**		$ 198,504	11	$ 742,592	41
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (loss) on remeasurements of defined benefit plans	6(12)	$ 5,588	1	($ 7,610)	-
8316	Unrealised (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	6(2)	(31,750)	(2)	5,884	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(5)	496	-	388	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(1,118)	-	1,522	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		(26,784)	(1)	184	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		4,985	-	3,547	-
8360	Other comprehensive income that will be reclassified to profit or loss		4,985	-	3,547	-
8300	**Other comprehensive (loss) income for the year**		($ 21,799)	(1)	$ 3,731	-
8500	**Total comprehensive income for the year**		$ 176,705	10	$ 746,323	41
	Basic earnings per share	6(25)				
9750	Basic earnings per share		$	1.89	$	7.08
	Diluted earnings per share	6(25)				
9850	Diluted earnings per share		$	1.88	$	6.99

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings			Other equity interest		
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Year 2021									
Balance at January 1, 2021		$ 783,246	$ 83,668	$ 131,563	$ 69,694	$ 214,397	($ 35,476)	($ 26,186)	$ 1,220,906
Profit for the year		-	-	-	-	742,592	-	-	742,592
Other comprehensive income (loss) for the year		-	-	-	-	(6,088)	3,547	6,272	3,731
Total comprehensive income		-	-	-	-	736,504	3,547	6,272	746,323
Appropriations of 2020 earnings:	6(15)								
Legal reserve		-	-	12,544	-	(12,544)	-	-	-
Cash dividends		-	-	-	-	(78,325)	-	-	(78,325)
Stock dividends		23,497	-	-	-	(23,497)	-	-	-
Disposal of equity instruments at fair value through other comprehensive income	6(2)	-	-	-	-	6,095	-	(6,095)	-
Reversal of special reserve		-	-	-	(3,001)	3,001	-	-	-
Reversal of land revaluation increment		-	-	-	-	(5,116)	-	-	(5,116)
Changes in ownership interests in subsidiaries, associates and joint ventures accounted for using the equity method	6(14)	-	3,234	-	-	-	-	-	3,234
Balance at December 31, 2021		$ 806,743	$ 86,902	$ 144,107	$ 66,693	$ 840,515	($ 31,929)	($ 26,009)	$ 1,887,022
Year 2022									
Balance at January 1, 2022		$ 806,743	$ 86,902	$ 144,107	$ 66,693	$ 840,515	($ 31,929)	($ 26,009)	$ 1,887,022
Profit for the year		-	-	-	-	198,504	-	-	198,504
Other comprehensive income (loss) for the year		-	-	-	-	4,470	4,985	(31,254)	(21,799)
Total comprehensive income (loss)		-	-	-	-	202,974	4,985	(31,254)	176,705
Appropriations of 2021 earnings:	6(15)								
Legal reserve		-	-	74,048	-	(74,048)	-	-	-
Cash dividends		-	-	-	-	(322,697)	-	-	(322,697)
Stock dividends		242,023	-	-	-	(242,023)	-	-	-
Disposal of equity instruments at fair value through other comprehensive income	6(2)	-	-	-	-	1,208	-	(1,208)	-
Changes in ownership interests in subsidiaries, associates and joint ventures accounted for using the equity method	6(14)	-	(3,539)	-	-	(174)	-	-	(3,713)
Balance at December 31, 2022		$ 1,048,766	$ 83,363	$ 218,155	$ 66,693	$ 405,755	($ 26,944)	($ 58,471)	$ 1,737,317

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 219,768	$ 771,126
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(6)(7)(22)	90,923	89,539
Amortisation expense	6(22)	440	672
Interest expense	6(21)	4,665	6,250
Interest income	6(18)	(583)	(270)
Dividend income	6(19)	(10,084)	(4,988)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	(114,745)	(66,740)
Gains on disposals of property, plant and equipment	6(20)	(6,308)	(632,494)
Gains arising from lease modification	6(20)	(7)	(1)
Losses on disposals of investments	6(20)	3,976	-
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets - current		30,348	26,232
Notes receivable, net		9,823	1,381
Notes receivable - related parties		2,414	(2,353)
Accounts receivable		252,417	(246,890)
Accounts receivable - related parties		(3,208)	1,605
Other receivables - related parties		19	(13)
Inventories		473	(207)
Prepayments		11,567	(12,734)
Other current assets		(614)	1,066
Other non-current assets		-	2,581
Changes in operating liabilities			
Notes payable		(107,879)	61,425
Notes payable - related parties		(28,445)	30,982
Accounts payable		(18,366)	(19,152)
Accounts payable - related parties		4,543	9,730
Other payables		(47,638)	67,233
Other payables - related parties		(7,373)	(73)
Other current liabilities		(1,275)	(1,744)
Other non-current liabilities		(589)	(627)
Net defined benefit liabilities		(2,404)	(10,723)
Cash inflow generated from operations		281,858	70,813
Interest received		540	231
Dividends received		34,071	99,238
Interest paid		(4,562)	(6,400)
Income taxes paid		(20,050)	(37,737)
Net cash flows from operating activities		291,857	126,145

(Continued)

SEA & LAND INTEGRATED CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income - non-current	6(2)	($ 34,935)	($ 54,056)
Proceeds from disposal of financial assets at fair value through other comprehensive income		15,364	19,596
Acquisition of financial assets at amortised cost - current		(29)	(32,500)
Acquisition of investments accounted for using equity method	6(5)	-	(36,688)
Proceeds from capital reduction of investments accounted for using equity method	6(5)	28,133	-
Acquisition of property, plant and equipment	6(26)	(338,329)	(178,060)
Proceeds from disposal of property, plant and equipment		13,171	766,306
Decrease (increase) in refundable deposits		3,254	(2,271)
Acquisition of intangible assets		(232)	(735)
Decrease in other non-current assets		2,580	480
Decrease (increase) in prepayments for business facilities		29,864	(28,664)
Net cash flows (used in) from investing activities		(281,159)	453,408
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(27)	50,000	-
Decrease in short-term borrowings	6(27)	-	(100,000)
Proceeds from long-term borrowings	6(27)	85,000	111,000
Repayments of long-term borrowings	6(27)	(109,340)	(194,912)
Decrease in guarantee deposits received	6(27)	(2)	-
Lease principal repayment	6(27)	(10,563)	(8,706)
Cash dividends paid	6(15)	(322,697)	(78,325)
Net cash flows used in financing activities		(307,602)	(270,943)
Net (decrease) increase in cash and cash equivalents		(296,904)	308,610
Cash and cash equivalents at beginning of year		380,296	71,686
Cash and cash equivalents at end of year		$ 83,392	$ 380,296

The accompanying notes are an integral part of these parent company only financial statements.

SEA & LAND INTEGRATED CORP.

NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

Sea & Land Integrated Corp. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company is primarily engaged in the container transportation, ship transportation, warehousing business, hoist and forklift installation, crane and hoist services, petrol and liquefied petroleum gas (LPG) station business, etc.

2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation

These parent company only financial statements were authorised for issuance by the Board of Directors on March 15, 2023.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC and became effective from 2022 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts - cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

4. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through other comprehensive income measured at fair value.

(b) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash and cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6) Financial assets at fair value through other comprehensive income

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(a) The objective of the Company’s business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets’ contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value:

(a) The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognised in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

(7) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Company’s business model is achieved by collecting contractual cash flows.

(b) The assets’ contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Company’s time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(8) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost including accounts receivable or contract assets that have a significant financing component and lease receivables, at each reporting date, the Company recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(11) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(13) Investments accounted for using equity method - subsidiaries, associates and joint ventures

A. Subsidiaries are all entities controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Inter-company transactions, balances and unrealised gains or losses on transactions between the Company and subsidiaries are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

C. The Company’s share of its subsidiaries’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company’s share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognise the losses in proportion to the ownership.

D. If changes in the Company’s shares in subsidiaries do not result in loss in control (transactions with non-controlling interest), transactions shall be considered as equity transactions, which are transactions between owners. Difference of adjustment of non-controlling interest and fair value of consideration paid or received is recognised in equity.

E. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Company loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

F. Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

G. The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

H. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Company's ownership percentage of the associate, the Company recognises the Company's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.

I. Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

J. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

K. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

L. The Company accounts for its interest in a joint venture using equity method. Unrealised profits and losses arising from the transactions between the Company and its joint venture are eliminated to the extent of the Company's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, all such losses shall be recognised immediately. When the Company's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

M. Pursuant to the Rules Governing the Preparation of Financial Statements by Securities Issuers, profit (loss) and other comprehensive income of the current period in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and

Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	10 ~ 60 years
Machinery and equipment	4 ~ 11 years
Transportation equipment	2 ~ 16 years
Renatl assets	9 ~ 16 years
Other equipment	4 ~ 8 years
Office equipment	4 ~ 9 years

(15) Leasing arrangements (lessee) - right-of-use assets/lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(16) Intangible assets

Intangible assets, mainly computer software, are stated at cost and amortised on a straight-line basis over its estimated useful life of 2 to 3 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(18) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(19) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(21) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(22) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

(23) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(24) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(25) Revenue recognition

A. Sales of goods

The Company sells liquefied petroleum gas and related products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

B. Sales of services

(a) The Company provides machinery transportation and hoisting services. Revenue is calculated based on the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a contract is measured by the proportion of costs incurred for work performed to date to the estimated total costs for the construction contract. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(b) The Company provides container transportation services. If the outcome of a service transaction can be estimated reliably, revenue shall be recognised based on the stage of completion of the transaction at the balance sheet date. Service revenue is recognised based on the proportion of the services performed to the total services to be performed according to the project nature. At the end of the year, the accumulated service revenue is calculated based on the proportion of the actual services performed, and the service revenue to be recognised for the current period is the accumulated service revenue after deducting the accumulated service revenue from the previous period.

(26) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises expenses for the related costs for which the grants are intended to compensate.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year ; and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

A. Revenue recognition

Machinery transportation and hoisting revenue is calculated by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. The stage of completion of a construction contract is measured by the proportion of contract costs incurred for the construction performed as of the financial reporting date to the estimated total costs for the construction contract. The aforementioned estimated total costs are assessed based on the estimated construction projects planned for the heavy machinery transportation and hoisting services engaged by the client and the price fluctuations in the market to estimate the costs for each construction activity such as estimated subcontract charges and material and labour expenses. The estimate of total cost affects the stage of completion and the recognition of revenue, and the complexity of aforementioned total cost estimation usually involves subjective judgement and contains a high degree of uncertainty.

B. Impairment assessment of accounts receivable

Impairment assessment of accounts receivable was implemented in accordance with IFRS 9 using the expected credit loss model. The management uses the ageing of receivables as of the balance sheet date and the payment history of an individual customer, financial position and economic situation of the customer and many other factors that would affect the payment ability of the customer as well as includes the forward-looking information to assess the default possibility of accounts receivable and to assess whether accounts receivable would be considered impaired.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand and revolving funds	$ 4,703	$ 4,157
Checking accounts	339	209
Demand deposits	67,744	325,930
Time deposits	10,606	50,000
	$ 83,392	$ 380,296

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through other comprehensive income

Items	December 31, 2022	December 31, 2021
Current items:		
Equity instruments		
Listed stocks	$ 38,290	$ 17,511
Valuation adjustment	(18,730)	6,791
	19,560	24,302
Non-current items:		
Equity instruments		
Unlisted stocks	126,387	126,387
Valuation adjustment	(40,625)	(33,188)
	85,762	93,199
	$ 105,322	$ 117,501

A. The Company has elected to classify listed stocks, unlisted stocks and emerging stocks investments that are considered to be steady dividend income as financial assets at fair value through other comprehensive income. The fair value of current and non-current investments amounted to $19,560, $85,762, $24,302 and $93,199 as at December 31, 2022 and 2021, respectively.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Year ended December 31	
	2022	2021
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	($ 31,750)	$ 5,884
Cumulative gains reclassified to retained earnings due to derecognition	$ 1,208	($ 6,095)
Dividend income recognised in profit or loss		
Held at end of period	$ 10,084	$ 4,988

C. In December, September and February 2021, the Company invested $7,500, $7,500 and $7,500, respectively, in Elite Transport Co. Ltd., and has completed the transfer of stocks.

D. In September 2021, the Company invested $15,000 in Sheng He Energy Co., Ltd., and has completed the transfer of stocks.

E. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(3) Financial assets at amortised cost

Items	December 31, 2022	December 31, 2021
Current items:		
Pledged time deposits mature in excess of three months	$ 32,529	$ 32,500

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Year ended December 31	
	2022	2021
Interest income	$ 38	$ 19

B. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Company was $32,529 and $32,500, respectively.

C. Details of the Company’s financial assets at amortised cost pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(3). The counterparties of the Company’s investments in certificates of deposits are financial institutions with high credit quality, so the Company expects that the probability of counterparty default is remote.

(4) Notes and accounts receivable

	December 31, 2022	December 31, 2021
Notes receivable	$ 19,488	$ 29,311
Accounts receivable	256,575	509,316
	276,063	538,627
Less: Allowance for uncollectible accounts	-	(324)
	$ 276,063	$ 538,303

A. As of December 31, 2022 and 2021, the ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	December 31, 2022		December 31, 2021	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 255,877	$ 19,488	$ 505,781	$ 29,311
Up to 30 days	586	-	2,470	-
31 to ~ 90 days	82	-	736	-
91 to ~ 180 days	25	-	5	-
Over 180 days	5	-	324	-
	$ 256,575	$ 19,488	$ 509,316	$ 29,311

The above ageing analysis was based on past due date.

B. As of December 31, 2022 and 2021, and January 1, 2021, the balances of receivables (including notes receivable) from contracts with customers amounted to $275,502, $537,555, and $287,696, respectively.

C. The Group has no notes receivable and accounts receivable pledged to others as collateral.

D. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(3).

(5) Investments accounted for using the equity method

A. Details of the Company’s investment in subsidiaries, associates and joint ventures are as follow:

	December 31, 2022		December 31, 2021	
Investees	Ownership	Book value	Ownership	Book value
Subsidiaries				
Eternal Full Enterprise Ltd. (Eternal Full)	100.00%	$ 117,737	100.00%	$ 137,498
New An-Ho Gas Co., Ltd. (New An-Ho)	100.00%	90,331	100.00%	90,337
Jui Shan Co., Ltd. (Jui Shan)	0.00%	-	82.76%	4,804

Investees	December 31, 2022 Ownership	Book value	December 31, 2021 Ownership	Book value
Sea & Land Wine & Spirits Incorporation (Sea & Land Wine)	55.23%	76,588	55.23%	58,056
Sea & Land Sinogreenergy Inc. (Sea & Land Sino)	75.00%	17,268	75.00%	18,831
Chiayi New Energy Co., Ltd. (Chiayi)	77.27%	14,517	77.27%	14,983
Subtotal		316,441		324,509
Associates				
Giant Heavy Machinery Service Corp. (Giant Heavy Machinery)	31.92%	247,017	32.59%	177,822
Joint ventures				
Denzai Sea & Land Corporation (Denzai Sea & Land)	50.00%	302	50.00%	607
Total		$ 563,760		$ 502,938

B. For the years ended December 31, 2022 and 2021, share of (loss) profit of subsidiaries, associates and joint ventures accounted for using equity method is as follows:

Investees	Year ended December 31 2022	2021
Subsidiaries		
Eternal Full	$ 2,560	($ 2,132)
New An-Ho	50	62
Jui Shan	-	(86)
Sea & Land Wine	22,556	4,469
Sea & Land Sino	(1,211)	391
Chiayi	(466)	(512)
	23,489	2,192
Associates		
Giant Heavy Machinery	91,561	64,990
Joint ventures		
Denzai Sea & Land	(305)	(442)
	$ 114,745	$ 66,740

C. Subsidiaries:

(a) Details of the Company's subsidiaries are provided in Note 4(3) in the consolidated financial statements as of and for the year ended December 31, 2022.

(b) In September 2022 and March 2022, Eternal Full decreased its capital amounting to $7,698 and $19,607, respectively, and shares were fully reacquired in proportion to its ownership by the Company.

(c) On June 30, 2021, a special shareholders' meeting of Jui Shan approved dissolution plan, for the purpose of the organisational restructuring. The dissolution had been approved by the authorities on July 2, 2021. The liquidation was completed by the court on May 10, 2022. The Company received cash from liquidation amounting to $828.

(d) In June 2021, the Board of Directors of Sea & Land Sino resolved to increase its share capital at a total of $5,000. The Company subscribed shares in proportion to its ownership amounting to $3,750.

D. Associates

(a) The basic information of the Company's associates is as follows:

Company name	Principal place of business	Ownership (%)		Nature of relationship	Methods of measurement
		December 31, 2022	December 31, 2022		
Giant Heavy Machinery	Taiwan	31.92%	32.59%	Strategy investments	Equity method

i. On March 23, 2021, a meeting of the Board of Directors of Giant Heavy Machinery resolved the appropriation of 2020 earnings and issuing new shares through capitalisation of employee compensation amounting to 7,033 thousand shares. In addition, the effective date was set on September 1, 2021. The capital increase had been approved by the competent authority and was completed on September 17, 2020. After the capital increase, the Company's shareholding ratio has declined from 34.50% to 33.75%.

ii. On September 22, 2021, a meeting of the Board of Directors of Giant Heavy Machinery resolved to increase its share capital amounting to $45,920 in cash with a par value of $10 (in dollars), and the issuance price was $25 (in dollars) per share. The record date for the capital increase was set on November 1, 2021. Giant Heavy Machinery reserved 15% of new shares for employee subscription in accordance with laws, and the Company acquired 1,318 thousand shares amounting to $32,938. After the capital increase, the Company's shareholding ratio declined from 33.75% to 32.59%.

iii. On June 9, 2022, a meeting of the Board of Directors of Giant Heavy Machinery resolved the appropriation of 2021 earnings and issuing new shares through capitalisation of employee compensation amounting to 7,565 thousand shares. In addition, the effective date was set on July 10, 2022. The capital increase had been approved by the competent authority and was completed on August 2, 2022. After the capital increase, the Company's shareholding ratio has declined from 32.59% to 31.92%.

(b) The summarised financial information of the Company's associates to is as follows:

Balance sheet

	Giant Heavy Machinery	
	December 31, 2022	December 31, 2021
Current assets	$ 734,974	$ 626,434
Non-current assets	516,676	398,880
Current liabilities	(364,682)	(348,615)
Non-current liabilities	(109,615)	(126,402)
Total net assets	$ 777,353	$ 550,297
Share in associate's net assets	$ 248,131	$ 179,342

Statement of comprehensive income

	Giant Heavy Machinery	
	Year ended December 31	
	2022	2021
Revenue	$ 1,027,651	$ 788,828
Profit for the year from continuing operations	283,428	145,470
Other comprehensive income, net of tax	1,554	1,193
Total comprehensive income	$ 284,982	$ 146,663
Dividends received from associates	$ 19,555	$ 17,336

(c) The abovementioned investment accounted for using equity method was measured based on the financial reports audited by the associates' auditors.

(d) The Company is the single largest shareholder of Giant Heavy Machinery with a 31.92% equity interest. Given that other two large shareholders (not related parties) hold more shares than the Company and there is no agreement among shareholders to consult with each other or to make decisions collectively, which indicates that the Company has no current ability to direct the relevant activities of Giant Heavy Machinery, the Company has no control, but only has significant influence, over the investee.

E. Joint venture

The carrying amount of the Company's interests in immaterial joint ventures and the Company's share of the operating results are as follows:

As of December 31, 2022 and 2021, the carrying amount of the Company's immaterial joint ventures amounted to $302 and $607, respectively.

	Denzai Sea & Land	
	Year ended December 31	
	2022	2021
Revenue	$ -	$ 4,623
Loss for the year from continuing operations	(610)	(883)
Other comprehensive income, net of tax	-	-
Total comprehensive loss	($ 610)	($ 883)

F. As of December 31, 2022 and 2021, investments accounted for using equity method of certain investees are recognised based on investees' financial statements audited by other auditors. For the years ended December 31, 2022 and 2021, share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method amounted to ($721) and ($978), respectively. As of December 31, 2022 and 2021, the investments balance of certain investees accounted for using equity method amounted to $105,150 and $110,731, respectively.

G. For the years ended December 31, 2022 and 2021, none of investees accounted for using equity method had public market quotations.

(6) Property, plant and equipment

	2022								
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Rental assets	Office equipment	Others	Unfinished construction and equipment under acceptance	Total
At January 1									
Cost	$ 363,510	$ 280,106	$ 9,450	$ 761,664	$ 137,142	$ 13,046	$ 9,090	$ -	$ 1,574,008
Accumulated depreciation	-	(130,205)	(9,085)	(400,445)	(20,624)	(12,044)	(6,120)	-	(578,523)
	$ 363,510	$ 149,901	$ 365	$ 361,219	$ 116,518	$ 1,002	$ 2,970	$ -	$ 995,485
Opening net book amount as at January 1	$ 363,510	$ 149,901	$ 365	$ 361,219	$ 116,518	$ 1,002	$ 2,970	$ -	$ 995,485
Additions	-	5,525	-	240,356	-	2,709	1,111	90,234	339,935
Disposal - cost	-	(19,055)	-	(63,761)	-	(654)	(1,895)	-	(85,365)
Disposal - accumulated depreciation	-	13,176	-	62,371	-	654	1,895	-	78,096
Depreciation charge	-	(6,554)	(365)	(63,516)	(8,603)	(519)	(722)	-	(80,279)
Closing net book amount as at December 31	$ 363,510	$ 142,993	$ -	$ 536,669	$ 107,915	$ 3,192	$ 3,359	$ 90,234	$ 1,247,872
At December 31									
Cost	$ 363,510	$ 266,576	$ 9,450	$ 938,259	$ 137,142	$ 15,101	$ 8,306	$ 90,234	$ 1,828,578
Accumulated depreciation	-	(123,583)	(9,450)	(401,590)	(29,227)	(11,909)	(4,947)	-	(580,706)
	$ 363,510	$ 142,993	$ -	$ 536,669	$ 107,915	$ 3,192	$ 3,359	$ 90,234	$ 1,247,872

	2021							
	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Rental assets	Office equipment	Others	Total
At January 1								
Cost	$ 423,675	$ 266,007	$ 9,450	$ 726,743	$ 137,142	$ 12,868	$ 8,268	$ 1,584,153
Accumulated depreciation	-	(144,734)	(8,435)	(364,841)	(12,022)	(11,962)	(7,033)	(549,027)
	$ 423,675	$ 121,273	$ 1,015	$ 361,902	$ 125,120	$ 906	$ 1,235	$ 1,035,126
Opening net book amount as at January 1	$ 423,675	$ 121,273	$ 1,015	$ 361,902	$ 125,120	$ 906	$ 1,235	$ 1,035,126
Additions	55,780	50,576	-	69,037	-	492	2,375	178,260
Disposal - cost	(115,945)	(36,477)	-	(34,117)	-	(314)	(1,553)	(188,406)
Disposal - accumulated depreciation	-	20,517	-	28,963	-	314	1,528	51,322
Depreciation charge	-	(5,988)	(650)	(64,566)	(8,602)	(396)	(615)	(80,817)
Closing net book amount as at December 31	$ 363,510	$ 149,901	$ 365	$ 361,219	$ 116,518	$ 1,002	$ 2,970	$ 995,485
At December 31								
Cost	$ 363,510	$ 280,106	$ 9,450	$ 761,664	$ 137,142	$ 13,046	$ 9,090	$ 1,574,008
Accumulated depreciation	-	(130,205)	(9,085)	(400,445)	(20,624)	(12,044)	(6,120)	(578,523)
	$ 363,510	$ 149,901	$ 365	$ 361,219	$ 116,518	$ 1,002	$ 2,970	$ 995,485

A. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8

B. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	Year ended December 31	
	2022	2021
Amount capitalised	$ 370	$ -
Range of the interest rates for capitalisation	1.60%~1.95%	-

C. In August 2021, the Company disposed land, buildings and structures, and the disposal proceeds amounted to $749,233.

(7) Leasing arrangements - lessee

A. The Company leases various assets including land, buildings and business vehicles. Rental contracts are typically expired between 2011 and 2027. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	2022			
	Land	Buildings and structures	Transportation equipment	Total
At January 1				
Cost	$ 30,690	$ 5,254	$ 6,983	$ 42,927
Accumulated depreciation	(9,608)	(365)	(858)	(10,831)
	$ 21,082	$ 4,889	$ 6,125	$ 32,096
Opening net book amount as at January 1	$ 21,082	$ 4,889	$ 6,125	$ 32,096
Additions	3,235	-	1,781	5,016
Disposal - cost	(3,092)	-	(1,684)	(4,776)
Disposal - accumulated depreciation	3,092	-	972	4,064
Depreciation charge	(7,520)	(876)	(2,248)	(10,644)
Closing net book amount as at December 31	$ 16,797	$ 4,013	$ 4,946	$ 25,756
At December 31				
Cost	$ 30,833	$ 5,254	$ 7,080	$ 43,167
Accumulated depreciation	(14,036)	(1,241)	(2,134)	(17,411)
	$ 16,797	$ 4,013	$ 4,946	$ 25,756

	2021			
	Land	Buildings and structures	Transportation equipment	Total
At January 1				
Cost	$ 21,053	$ -	$ 4,256	$ 25,309
Accumulated depreciation	(7,007)	-	(2,430)	(9,437)
	$ 14,046	$ -	$ 1,826	$ 15,872
Opening net book amount as at January 1	$ 14,046	$ -	$ 1,826	$ 15,872
Additions	13,222	5,254	6,519	24,995
Disposal-cost	(3,585)	-	(3,792)	(7,377)
Disposal-accumulated depreciation	3,536	-	3,792	7,328
Depreciation charge	(6,137)	(365)	(2,220)	(8,722)
Closing net book amount as at December 31	$ 21,082	$ 4,889	$ 6,125	$ 32,096
At December 31				
Cost	$ 30,690	$ 5,254	$ 6,983	$ 42,927
Accumulated depreciation	(9,608)	(365)	(858)	(10,831)
	$ 21,082	$ 4,889	$ 6,125	$ 32,096

C. The information on lease liability relating to lease contracts is as follows:

	December 31, 2022	December 31, 2021
Total lease liability	$ 26,166	$ 32,434
Less: Current portion (shown as 'lease liabilities - current')	(10,685)	(9,672)
	$ 15,481	$ 22,762

D. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31	
	2022	2021
Items affecting profit or loss		
Interest expense on lease liabilities	$ 484	$ 384
Expense on short-term lease contracts	1,840	1,403
Expense on leases of low-value assets	79	89
Gains arising from lease modification	7	1

E. For the years ended December 31, 2022 and 2021, the Company's total cash outflow for leases were $12,490 and $11,021, respectively.

(8) Leasing arrangements – lessor

A. The Company leases various assets including land, buildings and machinery and equipment. Rental contracts are typically expired between 2010 and 2035. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may not be used as security for borrowing purposes.

B. For the years ended December 31, 2022 and 2021, the Company recognised rent income in the amounts of $27,635 and $27,415, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2022		December 31, 2021
2023	$ 26,340	2022	$ 24,036
2024	24,467	2023	22,242
2025	19,202	2024	22,048
2026	13,431	2025	17,472
2027	1,722	2026	11,796
After 2028	2,119	After 2027	2,796
	$ 87,281		$ 100,390

(9) Short-term borrowing

Type of borrowings	Collateral	December 31, 2022	December 31, 2021
Bank borrowings			
Unsecured borrowings	-	$ 50,000	$ -
Secured borrowings	Property, plant and equipment	-	-
		$ 50,000	$ -
Interest rate range		1.875%	

Details of assets pledged as collateral for short-term borrowings are provided in Note 8.

(10) Other payables

	December 31, 2022	December 31, 2021
Wages and salaries payable	$ 67,723	$ 107,335
Accrued expenses	10,525	10,758
Other payables	887	8,578
Payable on machinery and equipment	675	-
	$ 79,810	$ 126,671

(11) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2022
Long-term bank borrowings				
Secured borrowings	Borrowing period is from November 14, 2022 to November 14, 2024; interest is repayable monthly; principal is repayable at maturity.	1.79%	Property, plant and equipment	$ 30,000
Installment borrowings				
Secured borrowings	Borrowing period is from June 28, 2019 to July 27, 2036; interest is repayable monthly; principal is repayable in installments from July 28, 2019.	1.85%~ 1.951%	Property, plant and equipment	229,458
Less: Current portion (shown as 'other current liabilities')				(88,875)
				$ 170,583

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2021
Installment borrowings				
Secured borrowings	Borrowing period is from June 28, 2019 to July 27, 2036; interest is repayable monthly; principal is repayable in installments from July 28, 2019.	1.24%~ 1.45%	Property, plant and equipment	$ 283,798
Less: Current portion (shown as 'other current liabilities')				(82,164)
				$ 201,634

Details of assets pledged as collateral for long-term borrowings are provided in Note 8.

(12) Pensions (shown as 'other non-current liabilities')

A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 8% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	($ 76,174)	($ 77,160)
Fair value of plan assets	70,531	63,525
Net defined benefit liability	($ 5,643)	($ 13,635)

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2022			
At January 1	($ 77,160)	$ 63,525	($ 13,635)
Current service cost	(671)	-	(671)
Interest (expense) income	(463)	415	(48)
	(78,294)	63,940	(14,354)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	5,075	5,075
Change in financial assumptions	1,789	-	1,789
Experience adjustments	(1,276)	-	(1,276)
	513	5,075	5,588
Pension fund contribution	-	3,123	3,123
Paid pension	1,607	(1,607)	-
At December 31	($ 76,174)	$ 70,531	($ 5,643)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2021			
At January 1	($ 74,937)	$ 58,189	($ 16,748)
Current service cost	(739)	-	(739)
Interest (expense) income	(450)	395	(55)
	(76,126)	58,584	(17,542)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	574	574
Experience adjustments	(8,184)	-	(8,184)
	(8,184)	574	(7,610)
Pension fund contribution	-	11,158	11,158
Paid pension	7,150	(6,791)	359
At December 31	($ 77,160)	$ 63,525	($ 13,635)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2022	2021
Discount rate	1.250%	0.600%
Future salary increases	1.125%	1.125%

Assumptions regarding future mortality experience are set based on the 6th Taiwan Standard Ordinary Experience Mortality Table for the years ended December 31, 2022 and 2021, respectively.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 1.00%	Decrease 1.00%
December 31, 2022				
Effect on present value of defined benefit obligation	($ 669)	$ 688	$ 2,890	($ 2,653)
December 31, 2021				
Effect on present value of defined benefit obligation	($ 908)	$ 933	$ 3,843	($ 3,506)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2023 amount to $0.

(g) As of December 31, 2022, the weighted average duration of the retirement plan is 7.5 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$ 69,523
2-5 years	6,510
5-10 years	1,178
	$ 77,211

(h) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2022 and 2021, were $719 and $794, respectively.

B. (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2022 and 2021, were $10,665 and $9,416, respectively.

(13) Share capital

A. As of December 31, 2022, the Company's authorised capital was $1,230,000, consisting of 123,000 thousand shares of ordinary stock, and the paid-in capital was $1,048,766 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares (units: thousand shares) outstanding are as follows:

	2022	2021
At January 1	$ 80,674	$ 78,324
Surplus profit distributed in the form of new shares	24,203	2,350
At December 31	$ 104,877	$ 80,674

B. On July 23, 2021, the shareholders' meeting of the Company resolved to issue new shares amounting to 2,350 thousand shares from undistributed earnings of $23,497, which was approved by the competence authority. On September 9, 2021, the Board of Directors resolved that the record date for ex-rights was October 4, 2021, and the registration for the change was completed on October 26, 2021.

C. On June 27, 2022, the shareholders' meeting of the Company resolved to issue new shares amounting to 24,203 thousand shares from undistributed earnings of $242,023, which was approved by the competence authority. On August 12, 2022, the Board of Directors resolved that the record date for ex-rights was September 4, 2022, and the registration for the change was completed on September 30, 2022.

(14) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2022				
	Share premium	Treasury share transactions	Changes in equity of associates and joint venture accounted for using equity method	Others	Total
At January 1	$ 62,214	$ 15,659	$ 3,539	$ 5,490	$ 86,902
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	(3,539)	-	(3,539)
At December 31	$ 62,214	$ 15,659	$ -	$ 5,490	$ 83,363

	2021				
	Share premium	Treasury share transactions	Changes in equity of associates and joint venture accounted for using equity method	Others	Total
At January 1	$ 62,214	$ 15,659	$ 305	$ 5,490	$ 83,668
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	3,234	-	3,234
At December 31	$ 62,214	$ 15,659	$ 3,539	$ 5,490	$ 86,902

(15) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, except for be used to pay all taxes and offset prior year's operating losses, 10% of the remaining amount shall first be set aside as legal reserve until the legal reserve equals the total capital stock balance and setting aside or reversal for special reserve in accordance with related laws or Authority’s rule. The remaining earnings, if any, plus prior year’s accumulated unappropriated earnings were accumulated distributable earnings. For the accumulated distributable earnings mentioned above, the Board of Directors shall consider the funds required for the growth of the enterprise and propose an earnings distribution to the shareholders for obtaining approval. The Company is in the business growth stage, and the dividend distribution policy must be based on the company’s current and future investment environment, capital needs, market competition and capital budget factors, taking into account shareholders’ interests, balanced dividends and the Company’s long-term financial plan. The appropriation is proposed by the Board of Directors and then reported to the shareholders. Distribution of dividends to shareholders, of which cash dividends should be 20%~100% of the total dividends, and the rest should be stock dividends.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

D. The appropriations of 2020 earnings had been approved by the shareholders during their meeting on July 23, 2021 is as follows:

	Year ended December 31, 2020		
	Amount		Dividends per share (in dollars)
Legal reserve	$	12,545	
Cash dividends		78,325	1
Stock dividends		23,497	0.30
	$	114,367	

E. The appropriations of 2021 earnings had been approved by the shareholders during their meeting on June 27, 2022 is as follows:

	Year ended December 31, 2021		
	Amount		Dividends per share (in dollars)
Legal reserve	$	74,048	
Cash dividends		322,697	4
Stock dividends		242,023	3
	$	638,768	

F. The appropriations of 2022 earnings had been proposed by the Board of Directors on March 15, 2023. Details are summarised below:

	Year ended December 31, 2022	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 20,401	
Special reserve	18,722	
Cash dividends	104,877	1
	$ 144,000	

The aforementioned appropriations of 2022 earnings has not yet been resolved at the stockholders' meeting.

(16) Operating revenue

	Year ended December 31	
	2022	2021
Revenue from contracts with customers	$ 1,694,275	$ 1,778,622
Rental revenue	27,635	27,415
Warehousing revenue	3,689	15,954
	$ 1,725,599	$ 1,821,991

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

Year ended December 31, 2022	Transportation segment	Machinery transportation and hoisting segment	LPG station segment	Total
Total segment revenue	$ 1,048,718	$ 451,524	$ 194,033	$ 1,694,275
Timing of revenue				
At a point in time	$ -	$ -	$ 194,033	$ 194,033
Over time	1,048,718	451,524	-	1,500,242
	$ 1,048,718	$ 451,524	$ 194,033	$ 1,694,275

Year ended December 31, 2021	Transportation segment	Machinery transportation and hoisting segment	LPG station segment	Total
Total segment revenue	$ 1,068,375	$ 531,585	$ 178,662	$ 1,778,622
Timing of revenue				
At a point in time	$ -	$ -	$ 178,662	$ 178,662
Over time	1,068,375	531,585	-	1,599,960
	$ 1,068,375	$ 531,585	$ 178,662	$ 1,778,622

B. Contract assets

The Company has recognised the following revenue-related contract assets:

	December 31, 2022	December 31, 2021	January 1,2021
Contract assets:			
Contract assets relating to - heavy machinery contracts	$ 22,969	$ 53,317	$ 79,549

(17) Operating cost

	Year ended December 31,	
	2022	2021
Cost of transportation sales	$ 906,175	$ 954,247
Cost of machinery transportation and hoisting sales	403,341	471,544
Cost of goods sold	172,928	157,615
Cost of warehousing sales	5,225	17,482
Cost of rental sales	11,206	10,728
	$ 1,498,875	$ 1,611,616

(18) Interest income

	Year ended December 31,	
	2022	2021
Interest income from bank deposits	$ 410	$ 34
Interest income from financial assets measured at amortised cost	38	19
Other interest income	135	217
	$ 583	$ 270

(19) Other income

	Year ended December 31,	
	2022	2021
Dividend income	$ 10,084	$ 4,988
Other income	4,315	2,373
	$ 14,399	$ 7,361

(20) Other gains and losses

	Year ended December 31, 2022	Year ended December 31, 2021
Gains on disposals of property, plant and equipment	$ 6,308	$ 632,494
Compensation losses	(1,000)	(38)
Net foreign exchange gains	73	4
Disposal of investments accounted for using equity method - loss from subsidiaries	(3,976)	-
Gains arising from lease modification	7	1
Other losses	(1,501)	(100)
	($ 89)	$ 632,361

(21) Finance costs

	Year ended December 31, 2022	Year ended December 31, 2021
Interest expense - bank borrowings	$ 4,551	$ 5,866
Interest expense - lease liabilities	484	384
Less: Capitalized borrowing costs	(370)	-
	$ 4,665	$ 6,250

(22) Expenses by nature

	Year ended December 31, 2022	Year ended December 31, 2021
Freight	$ 523,879	$ 639,863
Employee benefit expense	290,801	316,304
Other cost of machinery transportation and hoisting sales	194,695	217,657
Cost of merchandise sold	172,928	157,615
Diesel fee	137,036	124,899
Depreciation expense	90,922	89,539
Repairs and maintenance expense	41,636	33,207
Stevedorage & cargo charges	22,382	51,891
Tire charges	13,924	15,236
Amortization expense	440	672
Others	142,161	104,464
Operating costs and expenses	$ 1,630,804	$ 1,751,347

(23) Employee benefit expense

	Year ended December 31,	
	2022	2021
Wages and salaries	$ 248,758	$ 279,276
Labour and health insurance fees	22,998	20,270
Pension costs	11,384	10,210
Other personnel expenses	7,661	6,548
	$ 290,801	$ 316,304

A. Information on the provisions of distribution of earnings in the Company's Articles of Incorporation is provided in Note 6(15). A ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 5% for employees' compensation and shall not be higher than 5% for directors' remuneration.

B. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at $12,209 and $41,682, respectively; while directors' remuneration was accrued at $12,209 and $20,842, respectively. The aforementioned amounts were recognised in salary expenses.

C. Employees' compensation and directors' remuneration of 2021 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2021 financial statements. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31,	
	2022	2021
Current tax:		
Current tax on profits for the year	$ 19,460	$ 12,524
Land value increment tax	-	35,389
Prior year income tax underestimation	1,350	85
Total current tax	20,810	47,998
Deferred tax:		
Origination and reversal of temporary differences	454	2,154
Provision for land increment tax	-	(21,618)
Total deferred tax	454	(19,464)
Income tax expense	$ 21,264	$ 28,534

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31,	
	2022	2021
Remeasurement of defined benefit obligations	($ 1,118)	$ 1,522

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31,	
	2022	2021
Tax calculated based on profit before tax and statutory tax rate	$ 43,954	$ 151,471
Expenses disallowed by tax regulation	424	26
Tax exempt income by tax regulation	(23,659)	(135,610)
Temporary difference not recognised as deferred tax assets	(512)	469
Prior year income tax underestimation	1,350	85
Change in assessment of realisation of deferred tax assets	(293)	12,093
Income tax expense	$ 21,264	$ 28,534

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2022			
Deferred income tax assets:	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
- Temporary differences:				
Deferred gains	$ 305	($ 82)	$ -	$ 223
Actuarial losses (gains) on defined benefit plan	10,148	-	(1,118)	9,030
Unrealized exchange losses	-	109	-	109
	$ 10,453	$ 27	($ 1,118)	$ 9,362
- Deferred tax liabilities:				
Excess of pension contributions over pension expenses	(4,667)	(481)	-	(5,148)
Provision for land increment tax	(30,137)	-	-	(30,137)
	(34,804)	(481)	-	(35,285)
	($ 24,351)	($ 454)	($ 1,118)	($ 25,923)

	2021			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Deferred income tax assets:				
- Temporary differences:				
Deferred gains	$ 386	($ 81)	$ -	$ 305
Actuarial losses on defined benefit plan	8,626	-	1,522	10,148
	$ 9,012	($ 81)	$ 1,522	$ 10,453
- Deferred tax liabilities:				
Excess of pension contributions over pension expenses	(2,594)	(2,073)	-	(4,667)
Provision for land increment tax	(51,755)	21,618	-	(30,137)
	(54,349)	19,545	-	(34,804)
	($ 45,337)	$ 19,464	$ 1,522	($ 24,351)

D. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows:

	December 31, 2022	December 31, 2021
Share of profit or loss of subsidiaries accounted for using equity method	$ 116,524	$ 119,083
Exchange differences on translation of foreign financial statements	26,944	31,929
	$ 143,468	$ 151,012

E. The Company’s income tax returns through 2020 have been assessed and approved by the Tax Authority.

(25) Earnings per share

On June 27, 2022 and July 23, 2021, the shareholders’ meeting of the Company approved 2021 and 2020 surplus profit distributed in the form of new shares. On August 12, 2022 and September 9, 2021, the distribution was resolved by the Board of Directors. The record date was set on September 4, 2022 and October 4, 2021, respectively. Earnings per share were retrospectively adjusted for the effect of stock dividends. The information was as follows:

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 198,504	104,877	$ 1.89
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 198,504	104,877	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	554	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 198,504	105,431	$ 1.88

	Year ended December 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders	$ 742,592	104,877	$ 7.08
Diluted earnings per share			
Profit attributable to ordinary shareholders	$ 742,592	104,877	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,294	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	$ 742,592	106,171	$ 6.99

(26) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Year ended December 31, 2022	Year ended December 31, 2021
Purchase of property, plant and equipment	$ 339,935	$ 178,260
Add: Opening balance of notes payable on equipment	200	-
Less: Ending balance of payable on equipment	(675)	-
Less: Ending balance of notes payable on equipment	(1,131)	(200)
Cash paid during the year	$ 338,329	$ 178,060

(27) Changes in liabilities from financing activities

2022	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities (including current portion)	Guarantee deposits received	Liabilities from financing activities gross
At January 1	$ -	$ 283,798	$ 32,434	$ 3,732	$ 319,964
Changes in cash flow from financing activities	50,000	(24,340)	(10,563)	(2)	15,095
Changes in other non-cash items	-	-	4,295	-	4,295
At December 31	$ 50,000	$ 259,458	$ 26,166	$ 3,730	$ 339,354

2021	Short-term borrowings	Long-term borrowings (including current portion)	Lease liabilities (including current portion)	Guarantee deposits received	Liabilities from financing activities gross
At January 1	$ 100,000	$ 367,710	$ 16,194	$ 3,732	$ 487,636
Changes in cash flow from financing activities	(100,000)	(83,912)	(8,706)	-	(192,618)
Changes in other non-cash items	-	-	24,946	-	24,946
At December 31	$ -	$ 283,798	$ 32,434	$ 3,732	$ 319,964

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
Ever Glory Transportation Inc. (Ever Glory)	Other related party (this company's major shareholder was the Company's chairman)
Champion Shipping Agency Co., Ltd. (Champion)	Other related party (this company's chairman was the same as the Company's chairman)
Li Fung Transportation Enterprise Co., Ltd. (Li Fung)	Other related party (this company's major shareholder was the Company's director)
Deluxe Wine & Spirits Inc. (Deluxe Wine)	Other related party (this company's chairman was the same as the Company's chairman)
Peace King Enterprise Co., Ltd. (Peace King)	Second-tier subsidiary
Cty Tnhh Sea And Land Formosa (Formosa)	〃
New An-Ho Gas Co., Ltd. (New An-Ho)	Subsidiary
Chiayi New Energy Co., Ltd. (Chiayi)	〃
Sea & Land Sinogreenergy Inc. (Sea & Land Sino)	〃
Sea & Land Wine & Spirits Incorporation (Sea & Land Wine)	〃
Giant Heavy Machinery Service Corp. (Giant Heavy Machinery)	Associate (investee accounted for using equity method by the Company)
Giant Heavy Machinery Transportation Service Corp. (Giant Heavy Machinery Transportation)	Associate (subsidiary of the investee accounted for using equity method by the Company)
Denzai Sea & Land Corporation (Denzai Sea & Land)	Joint venture (investee accounted for using equity method by the Company)

(2) Significant related party transactions

A. Sales of services and goods

	Year ended December 31,	
	2022	2021
Sales of services:		
Subsidiaries	$ 166	$ 241
Joint ventures		
Denzai Sea & Land	81	305
Associates		
Giant Heavy Machinery	44,103	2,932
Other related parties	693	1,112
Rental revenue:		
Subsidiaries	48	274
Associates		
Giant Heavy Machinery	9,822	9,777
Giant Heavy Machinery Transportation	2,095	1,838
Other related parties	72	72
	$ 57,080	$ 16,551

Selling prices and collection terms to subsidiaries, joint ventures, associates and other related parties are comparable to those provided to non-related parties. The collection terms are monthly billings by issuing 2~3-month notes.

B. Purchase of services and other operating costs

	Year ended December 31,	
	2022	2021
Purchases of services:		
Associates		
Giant Heavy Machinery	$ 100,799	$ 108,806
Giant Heavy Machinery Transportation	4,124	5,109
Other related parties	3,342	3,725
	$ 108,265	$ 117,640

The prices for services purchased from certain other related parties are higher than normal suppliers due to its special nature. The payment term is 30~45 days after monthly billings, slightly shorter days than normal suppliers. Purchase prices and payment terms to associates and other related parties are comparable to those provided by non-related parties. The payment terms are monthly billings paid by issuing 2~3-month notes.

C. Receivables from related parties:

	December 31, 2022	December 31, 2021
Notes receivable:		
Associates		
Giant Heavy Machinery	$ -	$ 2,470
Giant Heavy Machinery Transportation	2,581	2,581
Other related parties	56	-
	2,637	5,051
Accounts receivable:		
Subsidiaries	22	42
Associates		
Giant Heavy Machinery	3,135	126
Giant Heavy Machinery Transportation	240	-
Joint ventures		
Denzai Sea & Land	-	10
Other related parties	52	63
	3,449	241
Other receivables:		
Associates	-	19
	-	19
Long-term notes receivable (shown as "other non-current assets")		
Associates		
Giant Heavy Machinery Transportation	4,732	7,314
	$ 10,818	$ 12,625

Other receivables due to subsidiaries of the Company are primarily generated from providing services and payments on behalf of subsidiaries.

Long-term notes receivable due from associates of the Company is rent from renting transportation equipment to associates. All of notes agreed in the contract had been collected at once and turned into cash monthly.

D. Payables to related parties:

	December 31, 2022	December 31, 2021
Notes payable:		
Subsidiaries	$ 86	$ 36
Associates		
Giant Heavy Machinery	19,010	47,188
Giant Heavy Machinery Transportation	210	210
Other related parties	1,620	1,937
	$ 20,926	$ 49,371

	December 31, 2022	December 31, 2021
Accounts payable:		
Associates		
Giant Heavy Machinery	$ 14,326	$ 9,320
Giant Heavy Machinery Transportation	-	499
Other related parties	484	448
	14,810	10,267
Other payables:		
Subsidiaries	27	55
Second-tier subsidiary		
Peace King	-	7,338
Other related parties	373	380
	400	7,773
	$ 36,136	$ 67,411

E. Property transactions:

Acquisition of financial assets:

	Accounts	No. of shares	Objects	Year ended December 31, 2021 Consideration
Giant Heavy Machinery	Investments accounted for using equity method	1,318 thousand shares	Stock	$ 32,938

F. Lease transactions－lessee

(a) The Company leased lands from related parties. Rental contracts are typically expired between 2021 and 2026. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets could not be used as security for borrowing purposes and could not transfer to others in the forms of business transfer, merger and other ways.

(b) Acquisition of right-of-use assets:

	Year ended December 31	
	2022	2021
Other related parties	$ -	$ 4,803

(c) Lease liabilities

i. Outstanding balance

	December 31, 2022	December 31, 2021
Total lease liabilities	$ 3,253	$ 4,034
Less: Current portion (shown "current lease liabilities")	(794)	(781)
	$ 2,459	$ 3,253

ii. Interest expense

	Year ended December 31,	
	2022	2021
Other related parties	$ 59	$ 71

G. Other income

	Year ended December 31,	
	2022	2021
Service income:		
Subsidiaries	$ 153	$ 289
Other related parties	690	690
	$ 843	$ 979

H. Other expenses

	Year ended December 31,	
	2022	2021
Services expense:		
Subsidiaries	$ 1,276	$ 1,229
Other related parties		
Li Fung	4,091	5,533
Deluxe Wine	1,800	-
	$ 7,167	$ 6,762

(3) Key management compensation

	Year ended December 31,	
	2022	2021
Salaries and other short-term employee benefits	$ 18,024	$ 30,603

8. Pledged Assets

The Company's assets pledged as collateral are as follows:

Items	Nature	Book value December 31, 2022	Book value December 31, 2021
Other current assets			
Financial assets at amortised cost - current	Performance bond and deposits	$ 32,529	$ 32,500
Other non-current assets			
Time deposits	Business guarantee	1,064	1,056
Refundable deposits	Performance bond and deposits	13,732	16,993
		14,796	18,049
Property, plant and equipment			
Land, buildings and structures and transportation equipment	Long-term and short-term borrowings and business guarantee	737,019	598,622
		$ 784,344	$ 649,171

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Commitments

A. Operating lease commitments

Please refer to Notes 6(7) and (8) for details.

B. As of December 31, 2022 and 2021, the Company entered into a significant construction contract with related suppliers for machine transportation and hoisting business at a price of $152,000 and $152,000, and the Company had paid $126,077 and $118,231, respectively. The remaining would be paid gradually according to the construction progress.

C. As of December 31, 2022 and 2021, the Company entered into a purchase contract with CPC Corporation, Taiwan for oil products and liquefied petroleum gas. According to the contract, the amount of guaranteed notes payable issued by the Company was $30,000 and $16,000, respectively. The guarantee amount which was provided by banks for purchasing oil products and liquefied petroleum gas on accounts all was $16,000. Additionally, the Company issued guaranteed notes payable to guarantee banks all in the amount of $16,000.

D. As of December 31, 2022 and 2021, the Company entered into a significant construction contract with related suppliers for operational needs at a price of $290,300 and $236,304, and the Company had paid $187,177 and $57,742, respectively.

(2) Significant litigation

The Company's employee incurred a traffic accident with other road users. The Company was accused of joint responsibility for compensation through the court. On March 15, 2022, the Company reached a settlement with aforementioned road users. The final compensation amount was $1,300 in total. On October 31, 2022, the Company made an agreement with its employees on the compensation amount, of which $1,000 was paid by the Company and the remaining $300 was paid by the Company's employees.

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

The distribution of earnings was approved by the Company's Board of Directors on March 15, 2023. Please refer to Note 6(15) for more details in relation to the distribution of earnings.

12. Others

(1) The impact of the COVID-19 pandemic

In response to the outbreak of Covid-19, the Company had adopted related pandemic prevention measures and follows pandemic prevention measures promoted by the government. After assessment, for the year ended December 31, 2022, the pandemic had no significant effects on operating and business activities, ability of going concern, impairment of assets and financing risk.

(2) Capital risk management

Since the Company should maintain massive amount of capital to support the needs for purchasing equipment. The Company's objectives when managing capital are to secure necessary financial resources and operating plans to meet the needs of operating funds for the next 12 months, capital expenditure, debt repayment and dividend payment.

(3) Financial instruments

A. Financial instruments by category

	December 31, 2022	December 31, 2021
Financial assets		
Financial asset measured at fair value through other comprehensive income - current		
Designation of equity instrument	$ 19,560	$ 24,302
Financial asset measured at fair value through other comprehensive income - non-current		
Designation of equity instrument	85,762	93,199

	December 31, 2022	December 31, 2021
Financial assets at amortised cost		
Cash and cash equivalents	83,392	380,296
Notes receivable (including related parties)	22,125	34,362
Accounts receivable (including related parties)	260,024	509,233
Other receivables (including related parties)	-	19
Guarantee deposits paid	14,796	18,049
Long term notes receivable (shown as other non-current assets)	4,732	7,314
Other financial assets (shown as other non-current financial assets)	1,920	1,920
	$ 492,311	$ 1,068,694
Financial liabilities		
Financial liabilities at amortised cost		
Short-term borrowings	$ 50,000	$ -
Notes payable (including related parties)	129,699	265,091
Accounts payable (including related parties)	108,371	122,194
Other accounts payable (including related parties)	80,210	134,444
Long-term borrowings (including current portion)	259,458	283,798
Guarantee deposits received	3,730	3,732
	$ 631,468	$ 809,259
Lease liabilities (including current portion)	$ 26,166	$ 32,434

B. Financial risk management policies

(a) The Company’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, are used to hedge certain exchange rate risk, and interest rate swaps are used to fix variable future cash flows. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(b) The Company’s significant financial activities are reviewed by the Board of Directors in accordance with related regulations and internal control system. In the period of executing financial plan, the Company should follow related financial operational procedures in relation to whole financial risk management and separation of rights and responsibilities.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2022		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 1,000	30.71	$ 30,710

	December 31, 2021		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 1,000	27.68	$ 27,680

ii. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2022 and 2021, amounted to $73 and $4, respectively.

iii. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2022	
	Sensitivity analysis	
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss (NTD)
Financial assets		
Monetary items		
USD:NTD	1%	$ 307

	Year ended December 31, 2021	
	Sensitivity analysis	
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss (NTD)
Financial assets		
Monetary items		
USD:NTD	1%	$ 277

Price risk

i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise shares issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased all were $0, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $1,053 and $1,175, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Company's interest rate risk arises from short-term and long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During 2022 and 2021, the Company's borrowings at variable rate were mainly denominated in New Taiwan dollars.

ii. For borrowings held by the Company at floating rates which was not expected to have significant changes, there were no significant risks in floating rates.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Company manages their credit risk taking into consideration the entire company's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Company adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. If the credit rating grade of an investment target degrades two scales, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The Company adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

vi. The Company classifies customer's accounts receivable in accordance with credit risk on trade. The Company applies the modified approach using a provision matrix to estimate the expected credit loss.

vii. The Company used the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of notes receivable, accounts receivable and contract assets. On December 31, 2022 and 2021, the loss rate methodology is as follows:

	Individual	Group	Total
December 31, 2022			
Expected loss rate	100%	0.08%~74.87%	
Total book value	$ -	$ 299,032	$ 299,032
Loss allowance	$ -	$ -	$ -

	Individual	Group	Total
December 31, 2021			
Expected loss rate	100%	0.05%~61.17%	
Total book value	$ 324	$ 591,620	$ 591,944
Loss allowance	$ 324	$ -	$ 324

viii. Movements in relation to the Company applying the modified approach to provide loss allowance for accounts receivable are as follows:

	2022
	Accounts receivable
At January 1	$ 324
Amounts written off due to irrecoverability	(324)
At December 31	$ -

	2021
	Accounts receivable
At January 1/December 31	$ 324

The Company's impairment loss of accounts receivable all arose from customers' contract.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by the Company treasury. The Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets.

ii. The Company has the following undrawn borrowing facilities:

	December 31, 2022	December 31, 2021
Expiring within one year	$ 284,000	$ 384,000
Expiring beyond one year	-	-
	$ 284,000	$ 384,000

iii. The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities.

December 31, 2022	Less than one year	Over one year	Total
Non-derivative financial liabilities:			
Short-term borrowings	$ 50,000	$ -	$ 50,000
Notes and accounts payable (including related parties)	238,070	-	238,070
Other payables (including related parties)	80,210	-	80,210
Lease liabilities (including current portion)	11,037	15,792	26,829
Long-term borrowings (including current portion)	93,016	181,415	274,431
Guarantee deposits received	3,730	-	3,730

December 31, 2021	Less than one year	Over one year	Total
Non-derivative financial liabilities:			
Notes and accounts payable (including related parties)	$ 387,282	$ 3	$ 387,285
Other payables (including related parties)	127,106	7,338	134,444
Lease liabilities (including current portion)	10,123	23,357	33,480
Long-term borrowings (including current portion)	85,528	209,187	294,715
Guarantee deposits received	3,732	-	3,732

iv. The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(4) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks and beneficiary certificates is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market is included in Level 3.

B. The carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable (including related parties), accounts receivable (including related parties), other receivables (including related parties), long-term notes receivable (including related parties), guarantee deposits paid, other financial assets, short-term borrowings, notes payable (including related parties), accounts payable (including related parties) and other payables (including related parties), lease liabilities (including current portion), long-term borrowings (including current portion) and guarantee deposits received) approximate to their fair values.

C. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets at December 31, 2022 and 2021 are as follows:

(a) The related information of natures of the assets is as follows:

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 19,560	$ -	$ 85,762	$ 105,322
	$ 19,560	$ -	$ 85,762	$ 105,322

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 24,302	$ -	$ 93,199	$ 117,501
	$ 24,302	$ -	$ 93,199	$ 117,501

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions.

v. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

vi. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vii. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

D. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.

E. The following chart is the movement of Level 3 for the years ended December 31, 2022 and 2021:

	2022
	Equity instruments at fair value through other comprehensive income
At January 1	$ 93,199
Gains and losses recognised in other comprehensive income	
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	(7,437)
At December 31	$ 85,762

	2021
	Equity instruments at fair value through other comprehensive income
At January 1	$ 63,589
Gains and losses recognised in other comprehensive income	
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	(6,255)
Acquired in the year	37,500
Sold in the year	(1,635)
At December 31	$ 93,199

F. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

G. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2022		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	6,000	Market comparable companies	Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares		79,762	Discounted cash flow	Weighted average cost of capital	4.16%	The higher the weighted average cost of capital, the lower the fair value
				Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value

	Fair value at December 31, 2021		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	13,437	Market comparable companies	Discount for lack of marketability	30%~50%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares		79,762	Discounted cash flow	Weighted average cost of capital	4.74%	The higher the weighted average cost of capital, the lower the fair value
				Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value

H. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2022	
			Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability, weighted average cost of capital	±1	$ 858	($ 858)

			December 31, 2021	
			Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change
Financial assets				
Equity instruments	Discount for lack of marketability, weighted average cost of capital	±1	$ 932	($ 932)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: None.

I. Trading in derivative instruments undertaken during the reporting periods:

The transaction nature and contract information of derivative instruments held by the subsidiary, Sea & Land Wine, are as follows:

Items	December 31, 2022
Current items:	
Financial assets at fair value through profit or loss	$ 2

(a) For the year ended December 31, 2022, Sea & Land Wine had recognised net profit or loss in financial assets held for trading in the amount of $0.

(b) The nature of derivative instruments transaction and contract information are as follows:

	December 31, 2022	
Financial instruments	Contract amount (Notional principal)	Expiry date
Forward foreign exchange contracts	GBP 205 thousand	2023.02.02

Sea & Land Wine entered into forward foreign exchange contracts to buy foreign currency (sell NTD buy EUR/GBP) to hedge exchange rate risk of import proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

J. Significant inter-company transactions during the reporting periods: The amount was not significant.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China)：Please refer to table 4.

(3) Information on investments in Mainland China

None.

(4) Major shareholders information: Please refer to table 5.

14. Operating Segment Information

Not applicable.

SEA & LAND INTEGRATED CORP.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	
Cash on hand		$	1,443
Revolving funds			3,260
Bank deposits			
－Checking deposits			339
－Time deposits	USD 330 thousand, exchange rate 32.14		10,606
－Demand deposit	Included USD 95 thousand, exchange rate 30.71 EUR 2 thousand, exchange rate 32.72		67,744
		$	83,392

SEA & LAND INTEGRATED CORP.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Client name	Description	Amount	Note
Jing Ming Transportation Co., Ltd.		$ 36,022	
China Cosco Shipping Co., Ltd. (Taiwan)		28,828	
Ctci Corporation		23,420	
Hapag-Lloyd (Taiwan) Ltd		22,763	
Auo Corporation		14,485	
Others		131,057	The balance of each customer has not exceeded 5% of accounts receivable.
Subtotal		256,575	
Less: Allowance for doubtful accounts		-	
Accounts receivable, net		$ 256,575	

SEA & LAND INTEGRATED CORP.
STATEMENT OF ACCOUNTS RECEIVABLE - RELATED PARTIES
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Client name	Description	Amount	Note
Giant Heavy Machinery Service Corp.		$ 3,135	
Giant Heavy Machinery Transportation Service Corp.		240	
Ever Glory Transportation Inc.		52	
Sea & Land Wine & Spirits Incorporation		20	
Others		2	The balance of each related party has not exceeded 5% of accounts receivable - related parties.
		$ 3,449	

SEA & LAND INTEGRATED CORP.
STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

	Beginning balance		Addition		Decrease		Ending balance			Market value or net assets value			
Name	Number of shares	Amount	Number of shares	Amount (Note)	Number of shares	Amount (Note)	Number of shares	Percentage of ownership	Amount	Price (in NTD)	Total price	Evaluation basis	Collateral
Eternal Full Enterprise Ltd.	-	$ 137,498	-	$ 7,544	-	($ 27,305)	-	100.00	$ 117,737	$ -	$ 117,737	Equity method	None
New An-Ho Gas Co., Ltd.	7,800	90,337	-	50	-	(56)	7,800	100.00	90,331	11.58	90,331	〃	〃
Jui Shan Co., Ltd.	83	4,804	-	-	(83)	(4,804)	-	0.00	-	-	-	〃	〃
Sea & Land Wine & Spirits Incorporation	4,418	58,056	-	22,556	-	(4,024)	4,418	55.23	76,588	17.34	76,588	〃	〃
Sea & Land Sinogreenergy Inc.	1,604	18,831	-	-	-	(1,563)	1,604	75.00	17,268	10.77	17,268	〃	〃
Chiayi New Energy Co., Ltd.	1,955	14,983	-	-	-	(466)	1,955	77.27	14,517	7.43	14,517	〃	〃
Giant Heavy Machinery Service Corp	6,518	177,822	2,282	91,561	-	(22,366)	8,800	31.92	247,017	28.07	247,017	〃	〃
Denzai Sea & Land Corporation	100	607	-	-	-	(305)	100	50.00	302	3.02	302	〃	〃
		$ 502,938		$ 121,711		($ 60,889)			$ 563,760		$ 563,760		

Note: The amount includes the shares of profits and losses of subsidiaries, associates and joint ventures accounted for using equity method, exchange differences on translation of foreign financial statements, increase or decrease in investment costs, dividends received, changes in the proportion of long-term equity investment,

SEA & LAND INTEGRATED CORP.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Beginning balance	Addition	Decrease	Ending balance	Collateral	Note
Land	$ 363,510	$ -	$ -	$ 363,510	Details are provided in Note 8	
Buildings and structures	280,106	5,525	(19,055)	266,576	〃	
Machinery and equipment	9,450	-	-	9,450	〃	
Transportation equipment	761,664	240,356	(63,761)	938,259	〃	
Rental assets	137,142	-		137,142	〃	
Office equipment	13,046	2,709	(654)	15,101	〃	
Others	9,090	1,111	(1,895)	8,306	〃	
Unfinished construction and equipment under acceptance	-	90,234	-	90,234	〃	
	$ 1,574,008	$ 339,935	($ 85,365)	$ 1,828,578		

SEA & LAND INTEGRATED CORP.
STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Beginning balance	Addition	Decrease	Ending balance	Note
Buildings and structures	$ 130,205	$ 6,554	($ 13,176)	$ 123,583	Details are provided in Note 8
Machinery and equipment	9,085	365	-	9,450	〃
Transportation equipment	400,445	63,516	(62,371)	401,590	〃
Rental assets	20,624	8,603		29,227	〃
Office equipment	12,044	519	(654)	11,909	〃
Others	6,120	722	(1,895)	4,947	〃
	$ 578,523	$ 80,279	($ 78,096)	$ 580,706	

SEA & LAND INTEGRATED CORP.
STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Nature	Description	Ending balance	Contract period	Interest rate	Credit line	Collateral	Note
Unsecured borrowings	First Commercial Bank Xizhi Branch	$ 50,000	2022/12/29-2023/2/24	1.875%	$ 100,000	Line of credit	

SEA & LAND INTEGRATED CORP.
STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Creditor	Description	Ending balance: Current portion	Ending balance: Non-current portion	Ending balance: Total	Contract period	Interest rate	Collateral	Note
Long-term bank borrowings								
Hua Nan Commercial Bank, Ltd.	Secured bank loans	$ -	$ 30,000	$ 30,000	2022/11/14-2024/11/14	1.79%	Property, plant and equipment	
Installment borrowings								
Bank of Taiwan	Secured bank loans	12,000	9,000	21,000	2019/08/08-2024/08/08	1.9027%	Property, plant and equipment	
Bank of Taiwan	Secured bank loans	7,800	19,500	27,300	2021/04/12-2026/04/12	1.9503%	〃	
Taiwan Cooperative Bank	Secured bank loans	45,000	-	45,000	2020/03/20-2025/03/20	1.951%	〃	
First Commercial Bank Xizhi Branch	Secured bank loans	4,800	61,200	66,000	2021/07/27-2036/07/27	1.865%	〃	
Land Bank of Taiwan	Secured bank loans	11,435	5,803	17,238	2019/06/28-2024/06/28	1.85%	〃	
Hua Nan Commercial Bank, Ltd.	Secured bank loans	7,840	45,080	52,920	2022/07/05-2029/07/05	1.90%	〃	
		$ 88,875	$ 170,583	$ 259,458				

SEA & LAND INTEGRATED CORP.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Net sales revenue	7,651,874 liters	$ 194,033	
Net rental revenue		27,635	
Warehousing revenue		3,689	
Less: Discount and allowance on warehousing revenue		-	
Net warehousing revenue		3,689	
Transportation revenue		1,060,923	
Less: Discount and allowance on transportation revenue		(12,205)	
Net transportation revenue		1,048,718	
Machinery transportation and hoisting revenue		451,524	
Less: Discount and allowance on machinery transportation and hoisting revenue		-	
Net machinery transportation and hoisting revenue		451,524	
		$ 1,725,599	

SEA & LAND INTEGRATED CORP.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Description	Amount	Note
Cost of goods sold			
Beginning inventories		$ 2,741	
Add: inventories purchased for the year		172,455	
Less: Ending inventories		(2,268)	
Cost of goods sold		172,928	
Cost of rental sales			
Depreciation expense		9,943	
Others		1,263	
		11,206	
Cost of warehousing sales			
Wages and salaries		1,713	
Depreciation expense		1,815	
Others		1,697	
		5,225	
Cost of transportation sales			
Freight		492,485	
Wages and salaries		126,098	
Diesel fee		137,036	
Depreciation expense		55,526	
Others		95,030	
		906,175	
Cost of machinery transportation and hoisting sales			
Cost of engineering sales		202,427	
Stevedorage & cargo charges		20,088	
Freight		31,285	
Wages and salaries		49,184	
Depreciation expense		15,599	
Customs clearance fee		16,697	
Cost of hoisting sales		15,472	
Others		52,589	
		403,341	
Total operating cost		$ 1,498,875	

SEA & LAND INTEGRATED CORP.
STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(Expressed in thousands of New Taiwan dollars)

Item	Selling expenses	General and administrative expenses	Total
Wages and salaries	$ 26,832	$ 44,932	$ 71,764
Service expense	-	5,940	5,940
Depreciation expense	4,181	3,858	8,039
Entertainment expense	1,154	5,831	6,985
Insurance expense	2,618	4,317	6,935
Other expenses	19,707	12,559	32,266
Total	$ 54,492	$ 77,437	$ 131,929

SEA & LAND INTEGRATED CORP.

SUMMARY STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION, AMORTIZATION EXPENSES BY FUNCTION

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars)

Function / Nature	2022			2021		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expense						
Wages and salaries	$ 176,995	$ 63,742	$ 240,737	$ 191,136	$ 71,930	$ 263,066
Labour and health insurance fees	16,307	6,691	22,998	15,139	5,131	20,270
Pension costs	9,270	2,114	11,384	8,208	2,002	10,210
Directors' remuneration	-	8,396	8,396	-	16,630	16,630
Other personnel expenses	4,142	3,144	7,286	3,343	2,785	6,128
Depreciation expense	82,883	8,039	90,922	82,563	6,976	89,539
Amortisation expense	-	440	440	-	672	672

Note:

1. As at December 31, 2022 and 2021, the number of the Company's employees were 278 and 262, including 7 and 2 non-employee directors, respectively.
2. For the entity that its shares are listed on the Taiwan Stock Exchange or traded in the Taipei Exchange, the following additional disclosures are required:
   (1) The average employee benefit expense for the current year was $1,042 thousand (‘total employee benefit expense for the current year – total directors’ remuneration / ‘the number of employees in the current year – the number of non-employee directors).
   The average employee benefit expense for the previous year was $1,153 thousand (‘total employee benefit expense for the previous year – total directors’ remuneration’ / ‘the number of employees in the previous year – the number of non-employee directors).
   (2) The average employee salaries and wages for the current year was $888 thousand (total salaries and wages for the current year / ‘the number of employees in the current year - the number of non-employee directors’).
   The average employee salaries and wages for the previous year was $1,012 thousand (total salaries and wages for the previous year /‘the number of employees in the previous year - the number of non-employee directors.
   (3) The variation in the adjustments of the average employee salaries and wages was (12.25%). (‘the average employee salaries and wages for the current year - the average employee salaries and wages for the previous year’ / 'the average employee salaries and wages for the previous year').
3. Remuneration of the supervisors in current year was $4,161 thousand. Remuneration of the supervisors in previous year was $4,575 thousand.

SEA & LAND INTEGRATED CORP.
SUMMARY STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION, AMORTIZATION EXPENSES BY FUNCTION (CONTINUE)
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

4. Please disclose the company's remuneration policy (including directors, managers and employees)

(1) Directors' remuneration

In accordance with the Article 31 of Incorporation of the Company, if the Company has any profit for the current year, the Company shall distribute no higher than 5% as directors' remuneration.

(2) The general manager's, vice general manager's and manager's emoluments

In accordance with the Company's salary assignment, the salary is determined based on the duties and responsibilities for the employees and would be reviewed and adjusted in time by taking into consideration the employees' contribution to the Company and the Company's operating results.

(3) General employees' compensation

For tractor drivers, as the salary was paid mainly based on the "pay by trips", the calculation of drivers' allowance is based on the relevant standards and would be reviewed and adjusted in time by taking into consideration the impacts of changes in the working environment, the Company's operating results and the benchmark of the industry.

In accordance with the Company's salary assignment, the salary is determined based on the duties and workload for the employees and would be reviewed and adjusted in time by taking into consideration the employees' contribution to the Company and the Company's operating results.

(4) Year-end bonus and employees' compensation

Year-end bonus: Monthly contributed 16% to 21% for year-end bonus, then reviewed whether the bonus should be adjusted based on the operating performance and financial situation quarterly or at the end of the year. Year-end bonus is paid in accordance with the segments' performance and the employees' performance assessment.

Employees' compensation (bonus): In accordance with the Company's Article of Incorporation, if the Company has any profit for the current year, the Company shall distribute 5% as employees' compensation and the target are the general manager, vice general manager and managers. For the general employees, the compensation is paid in accordance with the method of employee compensation approved by the Remuneration Committee.

Sea & Land Integrated Corp.

Loans to others

Year ended December 31, 2022

(Expressed in thousands of NTD, except as otherwise indicated)

Table 1

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2022 (Note 5)	Balance at December 31, 2022 (Note 6)	Actual amount drawn down	Interest rate (Note 7)	Nature of loan (Note 2)	Amount of transactions with the borrower (Note 2)	Reason for short-term financing (Note 3)	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
1	Eternal Full Enterprise Limited	CTY TNHH Sea and Land Formosa	Other receivables - related parties	Yes	21,497	-	-	3%	2	-	Repayment of loans	-	-	-	173,732	347,463	
1	Eternal Full Enterprise Limited	CTY TNHH Sea and Land Formosa	Other receivables - related parties	Yes	1,170	-	-	3%	2	-	Working capita	-	-	-	173,732	347,463	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: The column of ‘Nature of loan’ shall fill in ‘Business transaction or ‘Short-term financing’.

(1) Business transaction.

(2) Short-term financing.

Note 3: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 4: Limit on loans granted to a single party:

(1) Where an inter-company or inter-firm short-term financing facility is necessary, the ceiling on total loans granted by the Company to others is 20% of the Company’s net asset value based on the most recent financial statements. (The ceiling: 1,737,317x20%=347,463)

(2) The limit on loans granted by the Company to a single party is 10% of the Company’s net asset value based on the most recent financial statements. (1,737,317x10%=173,732)

Note 5: As approved by the Board of Directors, the limit on loans granted by ETERNAL FULL ENTERPRISE LIMITED to CTY TNHH Sea and Land Formosa is USD 738 thousand (equivalent to NTD 22,667 thousand).

The quota of USD 700 thousand (equivalent to NTD 21,497 thousand) expired in February 2022, and the quota of US$38 thousand (equivalent to NTD 1,170 thousand) expired in September 2022.The actual drawn down amount at the end of the period were all $0 thousand.

Note 6: The loans approved in foreign currencies by the Board of Directors were translated at the closing exchange rate at the balance sheet date.

Note 7: It was based on the average interest rate at which the Company borrowed from financial institutions.

Sea & Land Integrated Corp.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2022

(Expressed in thousands of NTD, except as otherwise indicated)

Table 2

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2022: Number of shares	Book value (Note 3)	Ownership (%)	Fair value	Footnote (Note 4)
Sea & Land Integrated Corp.	Stocks of Mozido, Inc.	None	Financial assets at fair value through profit or loss - current	14,561	$ -	-	$ -	
Sea & Land Integrated Corp.	Stocks of Loyalty Alliance Enterprise	None	"	75,000	-	-	-	
Sea & Land Integrated Corp.	Stocks of InfoValue Computing, Inc.	None	"	260,000	-	1.33	-	
	Subtotal				-		$ -	
	Valuation adjustment				-			
					$ -			
Sea & Land Integrated Corp.	Stocks of Evergreen Marine Corp. (Taiwan) Ltd.	None	Financial assets at fair value through profit or loss - current	120,000	38,290	-	19,560	
	Subtotal				38,290		$ 19,560	
	Valuation adjustment				(18,730)			
	Total				$ 19,560			
Sea & Land Integrated Corp.	Stocks of Elite Transport Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	3,300,000	$ 33,000	15.00	$ 33,000	
Sea & Land Integrated Corp.	Stocks of Irso Precision Co., Ltd.	None	"	2,756,000	40,625	13.59	-	
Sea & Land Integrated Corp.	Stocks of Tiantai Optoelectronics Co., Ltd.	None	"	3,176,174	31,762	10.55	31,762	
Sea & Land Integrated Corp.	Stocks of Century Heavy Industry International Co., Ltd.	None	"	600,000	6,000	10.00	6,000	
Sea & Land Integrated Corp.	Sheng He Energy Co., Ltd.	None	"	1,500,000	15,000	1.50	15,000	
	Subtotal				126,387		$ 85,762	
	Valuation adjustment				(40,625)			
	Total				$ 85,762			
Sea & Land Integrated Corp.	Stocks of SinoGreenergy Consultancy Co., Ltd.	None	Financial assets at fair value through other comprehensive income - current	23,500	$ 120	4.70	$ 120	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities in accordance with IFRS 9'Financial Instruments'.
Note 2: Leave the column blank if the issuer of marketable securities is non-related party.
Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.
Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Sea & Land Integrated Corp.

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2022

(Expressed in thousands of NTD, except as otherwise indicated)

Table 3

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Sea & Land Integrated Corp.	Giant Heavy Machinery Service Corp.	Substantial related party	Purchases	$ 100,799	6.72%	Notes due within 2~3 months	Negotiated prices	Notes due within 2~3 months	($ 33,336)	14.00%	

Note 1: The nature of services rendered by Giant Heavy Machinery Service Corp. is the same as those by third parties. However, the price is slightly lower than third parties as it is a associate.
The payment term is 60 ~ 90 days, which is the same as third parties.

Sea & Land Integrated Corp.

Information on investees (not including investee company of Mainland China)

Year ended December 31, 2022

(Expressed in thousands of NTD, except as otherwise indicated)

Table 4

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount: Balance as at December 31, 2022	Initial investment amount: Balance as at December 31, 2021	Shares held as at December 31, 2022: Number of shares	Shares held as at December 31, 2022: Ownership (%)	Shares held as at December 31, 2022: Book value	Net profit (loss) of the investee for the year ended December 31, 2022 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 2(3))	Footnote
Sea & Land Integrated Corp.	Eternal Full Enterprise Ltd.	Seychelles	Investment holding company	225,717	253,022	-	100.00	$ 117,737	$ 2,560	$ 2,560	Subsidiary
Sea & Land Integrated Corp.	New An-Ho Gas Co., Ltd.	Taiwan	Real estate leases	104,765	104,765	7,800,000	100.00	90,331	50	50	Subsidiary
Sea & Land Integrated Corp.	Jui Shan Co., Ltd.	Taiwan	Real estate leases	-	828	-	82.76	-	-	-	Subsidiary
Sea & Land Integrated Corp.	Sea & Land Wine & Spirits Incorporation	Taiwan	Imports and exports of foreign wine and spirits	27,501	27,501	4,418,463	55.23	76,588	40,840	22,556	Subsidiary
Sea & Land Integrated Corp.	Sea & Land Sinogreenergy Inc.	Taiwan	Non-utility electricity generation and energy technical services	9,982	9,982	1,603,453	75.00	17,268	(1,614)	(1,211)	Subsidiary
Sea & Land Integrated Corp.	Chiayi New Energy Co., Ltd.	Taiwan	Renewable-energy-based electricity generation	19,550	19,550	1,955,000	77.27	14,517	(604)	(466)	Subsidiary
Sea & Land Integrated Corp.	Denzai Sea & Land Corporation	Taiwan	Crane and hoist services and installations	1,000	1,000	100,000	50.00	302	(610)	(305)	Investee accounted for using equity method
Sea & Land Integrated Corp.	Giant Heavy Machinery Service Corp.	Taiwan	Crane and hoist services and installations	79,233	79,233	8,799,807	31.92	247,017	283,428	91,561	Investee accounted for using equity method
Eternal Full Enterprise Ltd.	Peace King Enterprise Co., Ltd.	Seychelles	Transportation and hoist equipment leasing	46,649	54,347	-	100.00	30,174	594	594	Second-tier subsidiary of the Company
Eternal Full Enterprise Ltd.	Glory Base Group Ltd.	Seychelles	Crane and hoist services, planning, etc.	158,617	158,617	-	100.00	85,363	3,609	3,609	Second-tier subsidiary of the Company
Glory Base Group Ltd.	CTY TNHH Sea and Land Formosa	Vietnam	Transportation and hoist equipment design, manufacturing and installments, etc.	148,752	120,921	-	100.00	84,736	3,648	3,648	Third-tier subsidiary of the Company

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1)The columns of 'Investee', 'Location', 'Main business activities', Initial investment amount' and 'Shares held as at December 31, 2022' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column..

(2)The 'Net profit (loss) of the investee for the year ended December 31, 2022' column should fill in amount of net profit (loss) of the investee for this period.

(3)The 'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Sea & Land Integrated Corp.

Major shareholders information

December 31, 2022

Table 5

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Ying-Jin Ho	11,115,162	10.59
HSBC takes custody of BNP Paribas Singapore Branch	6,751,950	6.43
Chun-Ying Ho	6,578,634	6.27