Stock Code: 2618

EVA AIRWAYS CORP. AND SUBSIDIARIES

Consolidated Financial Statements

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

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Independent Auditors' Review Report

To the Board of Directors of EVA AIRWAYS CORP.:

Introduction

We have reviewed the accompanying consolidated balance sheets of EVA AIRWAYS CORP. and its subsidiaries as of September 30, 2022 and 2021, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2022 and 2021, as well as the changes in equity and cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting"endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in note 6(h), the other equity accounted investments of EVA AIRWAYS CORP. and its subsidiaries in its investee companies of $554,976 thousand and $622,015 thousand as of September 30, 2022 and 2021, respectively, and its equity in net earnings on these investee companies of $4,955 thousand, $11,128 thousand, $21,773 thousand and $22,269 thousand for the three months and nine months then ended respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of EVA AIRWAYS CORP. and its subsidiaries as of September 30, 2022 and 2021, and of its consolidated financial performance for the three months and nine months then ended, as well as its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chia-Chien Tang and Yen-Ta Su.

KPMG

KPMG

Taipei, Taiwan (Republic of China)
November 2, 2022

Notes to Readers

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

Reviewed only, not audited in accordance with generally accepted auditing standards as of September 30, 2022 and 2021

EVA AIRWAYS CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

		2022.9.30		2021.12.31		2021.9.30	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 55,915,381	18	48,256,204	15	46,902,369	15
1110	Financial assets at fair value through profit or loss — current (note 6(b))	729,727	-	1,671,992	1	1,721,137	1
1136	Financial assets at amortized cost — current (note 6(b))	1,035,777	-	615,205	-	1,304,615	-
1140	Contract assets — current (note 6(x))	515,955	-	427,434	-	603,070	-
1150	Notes receivable, net (note 6(d))	22,921	-	6,809	-	3,297	-
1160	Notes receivable — related parties (notes 6(d) and 7)	6,627	-	-	-	-	-
1170	Accounts receivable, net (note 6(d))	11,427,099	4	9,755,180	3	7,818,639	2
1180	Accounts receivable — related parties (notes (d) and 7)	427,826	-	314,623	-	232,662	-
1220	Current tax assets	78,956	-	163,909	-	167,177	-
130x	Inventories (note 6(f))	3,585,304	1	3,248,010	1	3,094,657	1
1460	Non-current assets or disposal group classified as held for sale, net (note 6(g))	-	-	37,437	-	67,575	-
1470	Other current assets (notes 6(e), 6(o) and 7)	767,567	-	685,610	-	1,050,484	-
	Total current assets	74,513,140	23	65,182,413	20	62,965,682	19
	Non-current assets:						
1510	Financial assets at fair value through profit or loss — non-current (notes 6(b) and (p))	3,958	-	21,612	-	-	-
1517	Financial assets at fair value through other comprehensive income — non-current (note 6(b))	3,953,878	1	4,177,826	1	3,784,151	1
1550	Investments accounted for using equity method (notes 6(h) and 7)	2,451,500	1	2,209,782	1	2,109,777	1
1600	Property, plant and equipment (notes 6(k), 7 and 8)	127,224,369	40	136,413,683	42	124,513,350	38
1755	Right-of-use assets (notes 6(l), 6(r) and 7)	85,907,323	27	95,526,179	29	99,464,198	31
1760	Investment property, net (notes 6(m), 6(s), 7 and 8)	1,532,607	1	1,737,340	1	1,672,559	1
1780	Intangible assets (notes 6(n) and 7)	1,248,913	-	1,408,660	-	1,495,510	-
1840	Deferred tax assets	5,547,121	2	4,911,719	2	5,959,005	2
1900	Other non-current assets (notes 6(o), 7, 8 and 9)	16,510,586	5	13,724,836	4	21,983,746	7
	Total non-current assets	244,380,255	77	260,131,637	80	260,982,296	81
	Total assets	**$ 318,893,395**	**100**	**325,314,050**	**100**	**323,947,978**	**100**

		2022.9.30		2021.12.31		2021.9.30	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (notes 6(p) and 8)	$ 300,000	-	-	-	-	-
2126	Financial liabilities for hedging — current (notes 6(c), 6(q) and 7)	13,577,626	4	11,664,825	4	11,685,996	4
2130	Contract liabilities — current (note 6(x))	14,109,396	4	5,099,153	2	5,035,174	1
2160	Notes payable — related parties (note 7)	-	-	826	-	-	-
2170	Notes and accounts payable	5,775,678	2	4,805,799	1	3,329,226	1
2180	Accounts payable — related parties (note 7)	52,061	-	48,204	-	49,030	-
2200	Other payables (notes 6(y), 7 and 9)	7,840,536	2	7,431,463	2	9,281,702	3
2230	Current tax liabilities	1,893,366	1	961,724	-	897,722	-
2280	Lease liabilities — current (notes 6(q) and 7)	334,173	-	342,140	-	369,791	-
2320	Current portion of long-term liabilities (notes 6(p) and 8)	15,011,078	5	14,113,890	4	19,696,855	6
2399	Other current liabilities (note 6(r))	6,064,125	2	2,169,598	1	2,398,735	1
	Total current liabilities	64,958,039	20	46,637,622	14	52,744,231	16
	Non-current liabilities:						
2500	Financial liabilities at fair value through profit or loss — non-current (notes 6(b) and 6(p))	-	-	-	-	6,500	-
2511	Financial liabilities for hedging — non-current (notes 6(c), 6(q) and 7)	62,520,503	20	63,305,090	20	66,602,690	21
2527	Contract liabilities — non-current (note 6(x))	1,095,629	-	1,054,975	1	1,416,422	-
2530	Bonds payable (note 6(p))	773,236	-	3,871,341	1	4,733,656	2
2540	Long-term borrowings (notes 6(p) and 8)	68,072,556	22	88,751,190	27	87,902,343	27
2570	Deferred tax liabilities	297,265	-	1,914,661	1	1,845,904	1
2580	Lease liabilities — non-current (notes 6(q) and 7)	4,167,985	1	4,232,350	1	4,314,947	1
2640	Net defined benefit liabilities — non-current	2,739,380	1	3,182,585	1	3,188,339	1
2670	Other non-current liabilities (note 6(r))	22,107,004	7	19,656,878	6	20,268,483	6
	Total non-current liabilities	161,773,558	51	185,969,070	58	190,279,284	59
	Total liabilities	226,731,597	71	232,606,692	72	243,023,515	75
	Equity (notes 6(b), 6(c), 6(i), 6(p), 6(u) and 6(v)):						
3110	Ordinary share	53,462,260	17	51,385,387	16	51,307,686	16
3140	Advance receipts for share capital	108,307	-	480,312	-	77,701	-
3200	Capital surplus	12,862,695	4	10,678,743	3	8,470,947	3
3300	Retained earnings	17,731,469	5	14,503,880	4	7,429,204	2
3400	Other equity interest	42,693	-	8,608,955	3	8,079,632	2
	Total equity attributable to owners of parent	84,207,424	26	85,657,277	26	75,365,170	23
36XX	**Non-controlling interests (notes 6(i), 6(j) and 6(v))**	7,954,374	3	7,050,081	2	5,559,293	2
	Total equity	92,161,798	29	92,707,358	28	80,924,463	25
	Total liabilities and equity	**$ 318,893,395**	**100**	**325,314,050**	**100**	**323,947,978**	**100**

See accompanying notes to consolidated financial statements.

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

EVA AIRWAYS CORP. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

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

(Expressed in Thousands of New Taiwan Dollars, except Earnings Per Share)

		For the three months ended September 30, 2022		For the three months ended September 30, 2021		For the nine months ended September 30, 2022		For the nine months ended September 30, 2021	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
4000	**Operating revenue (notes 6(s), 6(x) and 7)**	$ 35,205,058	100	25,814,068	100	98,626,887	100	69,655,836	100
5000	**Operating costs (notes 6(e), 6(f), 6(k), 6(l), 6(n), 6(q), 6(t), 6(y), 7 and 9)**	(31,324,792)	(89)	(21,496,379)	(83)	(83,507,014)	(85)	(61,870,458)	(89)
5900	**Gross profit from operations**	3,880,266	11	4,317,689	17	15,119,873	15	7,785,378	11
6000	**Operating expenses (notes 6(d), 6(e), 6(k), 6(l), 6(m), 6(n), 6(q), 6(t), 6(y) and 7)**	(2,622,163)	(8)	(2,007,975)	(8)	(7,190,617)	(7)	(6,436,139)	(9)
6900	**Net operating income (loss)**	1,258,103	3	2,309,714	9	7,929,256	8	1,349,239	2
7000	**Non-operating income and expenses (notes 6(c), 6(h), 6(q), 6(r), 6(z) and 7):**								
7010	Other income	262,126	1	185,288	1	622,764	1	275,848	-
7020	Other gains and losses	1,245,046	4	340,085	1	2,789,147	3	637,754	1
7050	Finance costs	(949,974)	(3)	(980,423)	(4)	(2,864,853)	(3)	(3,029,364)	(4)
7060	Share of profit of associates accounted for using equity method	75,073	-	19,828	-	146,064	-	47,743	-
	Total non-operating income and expenses	632,271	2	(435,222)	(2)	693,122	1	(2,068,019)	(3)
7900	**Profit (loss) before tax**	1,890,374	5	1,874,492	7	8,622,378	9	(718,780)	(1)
7950	**Income tax benefit (expenses) (note 6(u))**	(374,650)	(1)	(358,941)	(1)	(1,701,695)	(2)	132,155	-
8200	**Profit (loss)**	1,515,724	4	1,515,551	6	6,920,683	7	(586,625)	(1)
8300	**Other comprehensive income (notes 6(b), 6(c), 6(h), 6(u) and 6(v)):**								
8310	**Components of other comprehensive income that will not be reclassified to profit or loss:**								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(413,671)	(1)	(876,579)	(3)	(220,614)	-	978,095	2
8320	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	3,373	-	149	-
8349	Income tax benefit (expenses) related to components of other comprehensive income that will not be reclassified to profit or loss	(62)	-	(120)	-	3,576	-	(360)	-
	Components of other comprehensive income that will not be reclassified to profit or loss	(413,733)	(1)	(876,699)	(3)	(213,665)	-	977,884	2
8360	**Components of other comprehensive income that will be reclassified to profit or loss:**								
8361	Exchange differences on translation of foreign financial statements	55,108	-	1,814	-	120,573	-	(22,529)	-
8368	Gains (losses) on hedging instruments	(4,953,375)	(14)	(258,485)	(1)	(10,667,841)	(11)	1,107,790	2
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	22,464	-	(6,682)	-	70,322	-	(21,973)	-
8399	Income tax benefit (expenses) related to components of other comprehensive income that will be reclassified to profit or loss	990,675	3	51,697	-	2,133,568	2	(221,558)	(1)
	Components of other comprehensive income that will be reclassified to profit or loss	(3,885,128)	(11)	(211,656)	(1)	(8,343,378)	(9)	841,730	1
8300	**Other comprehensive income, net of tax**	(4,298,861)	(12)	(1,088,355)	(4)	(8,557,043)	(9)	1,819,614	3
8500	**Total comprehensive income**	**$ (2,783,137)**	**(8)**	**427,196**	**2**	**(1,636,360)**	**(2)**	**1,232,989**	**2**
	Profit (loss), attributable to:								
8610	Owners of parent	$ 1,236,748	3	1,483,575	6	6,388,951	6	(569,819)	(1)
8620	Non-controlling interests	278,976	1	31,976	-	531,732	1	(16,806)	-
		$ 1,515,724	**4**	**1,515,551**	**6**	**6,920,683**	**7**	**(586,625)**	**(1)**
	Comprehensive income attributable to:								
8710	Owners of parent	$ (3,066,807)	(9)	414,327	2	(2,180,045)	(2)	1,232,816	2
8720	Non-controlling interests	283,670	1	12,869	-	543,685	-	173	-
		$ (2,783,137)	**(8)**	**427,196**	**2**	**(1,636,360)**	**(2)**	**1,232,989**	**2**
	Earnings per share (note 6(w))								
9750	**Basic earnings per share (in New Taiwan Dollars)**	**$ 0.23**		**0.29**		**1.21**		**(0.11)**	
9850	**Diluted earnings per share (in New Taiwan Dollars)**	**$ 0.23**		**0.28**		**1.20**		**(0.11)**	

See accompanying notes to consolidated financial statements.

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

EVA AIRWAYS CORP. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Attributable to owners of parent												
				Retained earnings			Other equity interest						
	Ordinary share	Advance receipts for share capital	Capital surplus	Legal reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2021	$ 48,535,695	-	7,985,673	2,574,002	5,253,136	7,827,138	(113,246)	1,113,299	5,448,829	6,448,882	70,797,388	5,862,141	76,659,529
Due to recognition of equity component of convertible bonds issued	-	-	255,744	-	-	-	-	-	-	-	255,744	-	255,744
Profit (loss)	-	-	-	-	(569,819)	(569,819)	-	-	-	-	(569,819)	(16,806)	(586,625)
Other comprehensive income	-	-	-	-	149	149	(39,964)	956,218	886,232	1,802,486	1,802,635	16,979	1,819,614
Total comprehensive income	-	-	-	-	(569,670)	(569,670)	(39,964)	956,218	886,232	1,802,486	1,232,816	173	1,232,989
Conversion of convertible bonds	2,771,991	77,701	229,530	-	-	-	-	-	-	-	3,079,222	-	3,079,222
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(303,021)	(303,021)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	171,736	171,736	-	(171,736)	-	(171,736)	-	-	-
Balance on September 30, 2021	**$ 51,307,686**	**77,701**	**8,470,947**	**2,574,002**	**4,855,202**	**7,429,204**	**(153,210)**	**1,897,781**	**6,335,061**	**8,079,632**	**75,365,170**	**5,559,293**	**80,924,463**
Balance on January 1, 2022	$ 51,385,387	480,312	10,678,743	2,574,002	11,929,878	14,503,880	(148,330)	2,287,702	6,469,583	8,608,955	85,657,277	7,050,081	92,707,358
Due to donated assets received	-	-	32	-	-	-	-	-	-	-	32	-	32
Appropriation of prior year's earnings:													
Legal reserve appropriated	-	-	-	667,674	(667,674)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(3,163,333)	(3,163,333)	-	-	-	-	(3,163,333)	-	(3,163,333)
Profit (loss)	-	-	-	-	6,388,951	6,388,951	-	-	-	-	6,388,951	531,732	6,920,683
Other comprehensive income	-	-	-	-	1,971	1,971	161,491	(198,185)	(8,534,273)	(8,570,967)	(8,568,996)	11,953	(8,557,043)
Total comprehensive income	-	-	-	-	6,390,922	6,390,922	161,491	(198,185)	(8,534,273)	(8,570,967)	(2,180,045)	543,685	(1,636,360)
Conversion of convertible bonds	2,076,873	(372,005)	1,388,701	-	-	-	-	-	-	-	3,093,569	-	3,093,569
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	795,198	-	-	-	-	-	-	-	795,198	636,948	1,432,146
Changes in equity of associates accounted for using equity method	-	-	21	-	-	-	4,705	-	-	4,705	4,726	(4,705)	21
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(271,635)	(271,635)
Balance on September 30, 2022	**$ 53,462,260**	**108,307**	**12,862,695**	**3,241,676**	**14,489,793**	**17,731,469**	**17,866**	**2,089,517**	**(2,064,690)**	**42,693**	**84,207,424**	**7,954,374**	**92,161,798**

See accompanying notes to consolidated financial statements.

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

EVA AIRWAYS CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2022	**2021**
Cash flows from (used in) operating activities:		
Profit (loss) before tax	$ 8,622,378	(718,780)
Adjustments:		
Adjustments to reconcile profit (loss):		
Expected credit loss (gain)	118	(25,017)
Depreciation expense	21,770,213	20,987,449
Amortization expense	254,892	291,106
Net losses (gains) on financial assets or liabilities at fair value through profit or loss	(6,890)	(15,581)
Interest expense	2,864,853	3,029,364
Interest income	(408,499)	(113,687)
Dividend income	(198,598)	(144,897)
Share of profit of associates accounted for using equity method	(146,064)	(47,743)
Losses (gains) on disposal of property, plant and equipment	(20,111)	16,182
Losses (gains) on disposal of non-current assets classified as held for sale	(87,596)	(6,870)
Losses (gains) on disposal of investments	(76,931)	-
Unrealized foreign exchange losses (gains)	1,931,773	(1,074,203)
Others	(223,054)	(285,764)
Total adjustments to reconcile profit (loss)	25,654,106	22,610,339
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	(88,521)	(156,632)
Notes receivable, net	(16,112)	5,327
Notes receivable－related parties	(6,627)	840
Accounts receivable, net	(1,672,038)	(1,527,515)
Accounts receivable－related parties	(112,571)	170,885
Inventories	(337,102)	150,144
Other current assets	(6,393)	(166,598)
Total changes in operating assets	(2,239,364)	(1,523,549)
Changes in operating liabilities:		
Contract liabilities	9,050,473	(715,159)
Notes payable－related parties	(826)	-
Notes and accounts payable	969,836	413,114
Accounts payable－related parties	3,857	(48,361)
Other payables	504,624	1,166,548
Other current liabilities	1,059,317	(334,707)
Net defined benefit liabilities－non-current	(443,205)	(392,079)
Other non-current liabilities	4,672	(567,850)
Total changes in operating liabilities	11,148,748	(478,494)
Total changes in operating assets and liabilities	8,909,384	(2,002,043)
Total adjustments	34,563,490	20,608,296
Cash inflow (outflow) generated from operations	43,185,868	19,889,516
Income taxes paid	(800,754)	(319,734)
Net cash flows from (used in) operating activities	42,385,114	19,569,782

See accompanying notes to consolidated financial statements.

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

EVA AIRWAYS CORP. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (continued)

For the nine months ended September 30, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2022	**2021**
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	238,712
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	3,344	-
Acquisition of financial assets at amortized cost	(628,411)	(501,886)
Proceeds from disposal of financial assets at amortised cost	210,358	-
Acquisition of financial assets at fair value through profit or loss	(50,000)	(330,000)
Proceeds from disposal of financial assets at fair value through profit or loss	995,765	590,298
Acquisition of investments accounted for using equity method	(116,919)	(13,695)
Proceeds from disposal of investments accounted for using equity method	192,984	-
Proceeds from disposal of non-current assets classified as held for sale	338,664	50,709
Acquisition of property, plant and equipment	(359,216)	(1,012,419)
Proceeds from disposal of property, plant and equipment	117,825	21,929
Acquisition of intangible assets	(93,581)	(86,052)
Acquisition of investment properties	(54,393)	(28,507)
Decrease (increase) in other non-current assets	(82,551)	(112,679)
Decrease (increase) in prepayments for business facilities	(2,716,833)	(2,131,117)
Interest received	338,517	112,574
Dividends received	259,427	256,410
Net cash flows from (used in) investing activities	(1,645,020)	(2,945,723)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	300,000	-
Decrease in short-term borrowings	-	(80,000)
Proceeds from issuance of bonds payable	-	4,995,010
Repayments of bonds payable	-	(3,300)
Proceeds from long-term borrowings	12,807,700	8,395,000
Repayments of long-term borrowings	(32,589,146)	(12,640,330)
Payments of lease liabilities	(9,329,069)	(8,543,420)
Increase (decrease) in other non-current liabilities	18,908	27,604
Cash dividends paid	(3,163,333)	-
Disposal of ownership interests in subsidiaries (without losing control)	1,431,840	-
Interest paid	(2,319,494)	(2,437,850)
Changes in non-controlling interests	(271,635)	(302,429)
Other financing activities	32	-
Net cash from (used in) financing activities	(33,114,197)	(10,589,715)
Effect of exchange rate changes on cash and cash equivalents	33,280	(1,165)
Net increase (decrease) in cash and cash equivalents	7,659,177	6,033,179
Cash and cash equivalents at beginning of period	48,256,204	40,869,190
Cash and cash equivalents at end of period	$ **55,915,381**	**46,902,369**

See accompanying notes to consolidated financial statements.

EVA AIRWAYS CORP. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2022 and 2021

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

(1) Company history

EVA Airways Corp. (the "Company") was incorporated on April 7, 1989, as a corporation limited by shares under special permission of the Republic of China (R.O.C.) Ministry of Transportation and Communications. The address of the Company's registered office is No. 376, Sec. 1, Hsin-nan Road, Luchu Dist., Taoyuan City, Taiwan.

The business activities of the Company and its subsidiaries (together referred to as the "Group" and individually as Group "entities") are

(a) civil aviation transportation and general aviation business;

(b) wholesale and retail sale of medical devices;

(c) maintenance, manufacture, processing and sale of aircraft, parts and engine;

(d) ground service at airports;

(e) catering service and food manufacturing;

(f) air cargo entrepot;

(g) to carry out any business which is not forbidden or restricted by the applicable laws and regulations, excluding those requiring licensing.

The details are disclosed in note 14.

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

The consolidated financial statements were authorized for issue by the Company's Board of Directors as of November 2, 2022.

(3) New standards, amendments and interpretations adopted

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

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

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

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

The Group's adoption of the new amendments, effective for annual period beginning on January 1, 2023, are expected to have the following impacts:

(i) Amendments to IAS 1 "Disclosure of Accounting Policies"

The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial statements.

(ii) Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group may need to recognize equal deferred income tax assets and deferred income tax liabilities and is evaluating the impact of its initial adoption of the amendments on its consolidated financial position.

(iii) Other amendments

The following amendments are not expected to have a significant impact on the Group's consolidated financial statements.

- Amendments to IAS 8 "Definition of Accounting Estimates"

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

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

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17
- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IFRS16 "Requirements for Sale and Leaseback Transactions"

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(4) Summary of significant accounting policies

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

(a) Statement of compliance

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

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

Name of Investor	Name of Investee	Principal activity	Shareholding percentage 2022.9.30	2021.12.31	2021.9.30	Note
The Company	Evergreen Aviation Technologies Corp.	Maintenance, manufacture, processing and sale of aircraft, parts and engine	58.44 %	64.90 %	79.42 %	Note 1
The Company	Evergreen Airline Services Corp.	Ground service at airport	56.33 %	56.33 %	56.33 %	Note 3
The Company	Evergreen Sky Catering Corp.	Catering service	49.80 %	49.80 %	49.80 %	Note 2, Note 3
The Company	Evergreen Air Cargo Services Corp.	Air cargo entrepot	60.625 %	60.625 %	60.625 %	Note 3
The Company	Hsiang Li Investment Corp.	Investing business	100.00 %	100.00 %	100.00 %	-
The Company	Sky Castle Investment Ltd.	Investing business	100.00 %	100.00 %	100.00 %	-
The Company	Evergreen Airways Service (Macau) Ltd.	Investing business	99.00 %	99.00 %	99.00 %	-
The Company	PT Perdana Andalan Air Service	Traveling agency	51.00 %	51.00 %	51.00 %	Note 3
The Company	EVA Flight Training Academy	Flight training	100.00 %	100.00 %	100.00 %	-
Evergreen Sky Catering Corp.	Everfamily International Foods Corp.	Food manufacturing	55.00 %	-	-	Note 3, Note 4

Note 1: The release of the shares of EGAT held by the Company was resolved in the shareholders' meeting of the Company on July 16, 2021. Please refers to financial statement note 6(i).

Note 2: The Company did not own more than half of the voting rights of the subsidiaries directly or indirectly. However, the Company has substantive control over the subsidiaries, these subsidiaries are deemed to be a subsidiary of the Company.

Note 3: This is a non-significant subsidiary, its financial statements have not been reviewed by independent auditor.

Note 4: On July 28, 2022, the Board of Directors of Evergreen Sky Catering Corp. resolved to establish a subsidiary, Everfamily International Foods Corp., at a capital of $300,000, with Evergreen Sky Catering Corp. acquired 55% shares in cash for $165,000 in August 2022.

(ii) Subsidiaries excluded the consolidated financial statements: None.

(c) Employee benefits

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

(d) Income taxes

Tax expense in the interim financial statements is measured and disclosed according to paragraph B12 of IAS 34 “Interim Financial Reporting”.

Income tax expense for the period is best estimated by multiplying pretax income for the interim reporting period with the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period. However, the Company incurs a pretax loss for interim reporting period and anticipates having a tax benefit for the full year when the management estimates its effective annual tax rate. An amount of deferred income tax benefit is recognized by multiplying pretax loss for the interim reporting period with the effective annual tax rate. Deferred income tax assets are adjusted relatively.

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

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

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

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

(6) Explanation of significant accounts

Except for the following disclosure, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2021. Please refer to note 6 of the consolidated financial statements for the year ended December 31, 2021.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(a) Cash and cash equivalents

	2022.9.30	2021.12.31	2021.9.30
Cash on hand	$ 81,223	77,343	78,091
Cash in bank	55,834,158	48,178,861	46,824,278
	$ 55,915,381	**48,256,204**	**46,902,369**

Refer to note 6(aa) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

(b) Financial assets and liabilities

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

	2022.9.30	2021.12.31	2021.9.30
Financial assets mandatorily measured at fair value through profit or loss:			
Money market funds	$ 729,727	1,671,992	1,721,137
Convertible bonds with embedded derivatives	3,958	21,612	-
	$ 733,685	**1,693,604**	**1,721,137**

	2022.9.30	2021.12.31	2021.9.30
Financial liabilities mandatorily measured at fair value through profit or loss:			
Convertible bonds with embedded derivatives	**$ -**	**-**	**6,500**

The derivative financial instruments arose from the issuance of convertible bonds of the Group were stated in note 6(p).

(ii) Financial assets at amortized cost－current

	2022.9.30	2021.12.31	2021.9.30
Time deposits over three months	**$ 1,035,777**	**615,205**	**1,304,615**

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

	2022.9.30	2021.12.31	2021.9.30
Equity investments at fair value through other comprehensive income:			
Publicly traded stocks	$ 3,291,507	3,549,775	3,283,388
Non-publicly traded stocks	662,371	628,051	500,763
	$ 3,953,878	**4,177,826**	**3,784,151**

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term for strategic purposes.

In July 2021, the Group has sold its equity securities as at fair value through other comprehensive income. The shares sold had a fair value of $238,712 and the Group recognized a gain of $171,736, which was accounted for as other equity. The gain has been transferred to retained earnings. There was no such transaction for the nine months ended September 30, 2022.

(iv) For credit risk and market risk, please refer to note 6(aa).

(v) The aforementioned financial assets were not pledged.

(c) Financial instruments used for hedging

The details of financial liabilities for hedging were as follows:

	2022.9.30	2021.12.31	2021.9.30
Financial liabilities for hedging:			
Foreign currency component of non-derivative lease liabilities	$ 76,098,129	74,969,915	78,288,686
Current	$ 13,577,626	11,664,825	11,685,996
Non-current	62,520,503	63,305,090	66,602,690
	$ 76,098,129	74,969,915	78,288,686

(i) The foreign currency component of non-derivative lease liabilities

The Group uses the foreign currency component of lease liabilities to hedge foreign currency risk on the cash inflow from operating revenue with a highly probable forecast transaction. As of September 30, 2022, December 31 and September 30, 2021, the cash flow hedged items and non-derivative financial hedging instruments were as follows:

		Lease liabilities of assigned hedging instrument			Period when cash flows are expected to occur	Period when profit or loss is affected
Hedged item	Hedging instrument	2022.9.30	2021.12.31	2021.9.30		
Foreign currency of operating revenue	Foreign currency of lease liabilities	$ 76,098,129	74,969,915	78,288,686	2021~2032	2021~2032

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) The details arising from cash flow hedges for the three months and nine months ended September 30, 2022 and 2021, were as follows:

Account Item	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Recognized in other comprehensive income during the period	$ (4,953,375)	(258,485)	(10,667,841)	1,107,790
Reclassification from equity to exchange losses (gains) for the period	$ (92,210)	(326,331)	(623,860)	(946,299)

There was no ineffective portion of unsettled cash flow hedge recognized in profit or loss.

(d) Notes and accounts receivable

	2022.9.30	2021.12.31	2021.9.30
Notes receivable (including related parties)	$ 29,548	6,809	3,297
Accounts receivable (including related parties)	11,990,772	10,210,743	8,240,128
Less: allowance for impairment	(135,847)	(140,940)	(188,827)
	$ 11,884,473	10,076,612	8,054,598

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward-looking information. The loss allowance provision was determined as follows:

	2022.9.30		
	Notes and accounts receivable (including related parties) carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	$ 11,725,071	0.00%~3.71%	94,461
Overdue within 30 days	257,787	0.00%~72.76%	28,363
Overdue 31~60 days	19,118	0.00%~2.57%	341
Overdue over 60 days but less than one year	8,435	0.00%~100%	1,168
Overdue more than one year	9,909	100%	9,909
	$ 12,020,320		134,242

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	2021.12.31		
	Notes and accounts receivable (including related parties) carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	$ 10,117,726	0.56%	56,381
Overdue within 30 days	78,230	85.24%	66,687
Overdue 31~60 days	8,307	55.17%	4,583
Overdue over 60 days but less than one year	495	100%	495
Overdue more than one year	12,794	100%	12,794
	$ 10,217,552		140,940

	2021.9.30		
	Notes and accounts receivable (including related parties) carrying amount	Weighted-average loss rate	Loss allowance provision
Not overdue	$ 7,984,323	0.00%	35
Overdue within 30 days	193,643	64.41%	124,735
Overdue 31~60 days	33,760	95.85%	32,358
Overdue over 60 days but less than one year	2,035	100%	2,035
Overdue more than one year	29,664	100%	29,664
	$ 8,243,425		188,827

The movements in the allowance for notes and accounts receivable were as follow:

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Balance on January 1	$ 140,940	215,412
Impairment losses recognized (reversed)	118	(25,017)
Amounts written off	(5,211)	(1,568)
Balance on September 30	$ 135,847	188,827

The aforementioned notes and accounts receivable were not pledged. Other credit risk information please refer to note 6(aa).

(e) Other receivables

	2022.9.30	2021.12.31	2021.9.30
Other receivables－related parties	$ 170,910	165,282	304,031
Others	126,292	114,003	321,005
Less: allowance for impairment	(145)	(145)	(145)
	$ **297,057**	**279,140**	**624,891**

For the three months and nine months ended September 30, 2022 and 2021, the Group was awarded government grants amounting to $130,719, $509,879, $726,533 and $1,465,850, respectively, due to COVID-19 pandemic. The grants that compensated the Group for expenses or losses incurred were recognized in profit or loss in the periods in which the expenses or losses were recognized. As of September 30, 2022, December 31 and September 30, 2021, the receivables related to the abovementioned grant amounted to $803, $79,597 and $276,211, respectively.

There was no change on the movement in the allowance for impairment of other receivables for the nine months ended September 30, 2022 and 2021.

The aforementioned other receivables were not pledged. Other credit risk information please refer to note 6(aa).

(f) Inventories

(i) The components were as follows:

	2022.9.30	2021.12.31	2021.9.30
Aircraft spare parts	$ 832,358	707,465	567,947
Consumables for use and merchandise for in-flight sales	907,679	985,044	1,021,520
Aircraft components and others	1,845,267	1,555,501	1,505,190
	$ **3,585,304**	**3,248,010**	**3,094,657**

(ii) Except for cost of goods sold and inventories recognized as expenses, the gains or losses which were recognized as operating costs were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Losses on (gains on reversal) valuation of inventories and obsolescence	$ 8,136	(88,239)	(53,361)	(600,757)
Unallocated fixed manufacturing overhead	50,096	59,291	157,516	185,219
Losses (gains) on inventory count	(5)	(19)	(4)	(15)
Proceeds from disposal of scraps	(1,442)	(1,357)	(4,035)	(3,943)
Total	$ **56,785**	**(30,324)**	**100,116**	**(419,496)**

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The aforementioned gains on reversal valuation of inventories were mainly due to the disposal of inventories which had been recognized as loss on valuation.

As of September 30, 2022, December 31 and September 30, 2021, these inventories were not pledged.

(g) Non-current assets or disposal group classified as held for sale

A part of the office building in Los Angeles was presented as non-current assets or disposal group classified as held for sale following the expectation of the Group's management to sell part of the building. The efforts to sell the disposal group have commenced, and sales are expected to be completed within one year. As of September 30, 2022, December 31 and September 30, 2021, the non-current assets or disposal group classified as held for sale comprised assets and liabilities were as follows:

	2022.9.30	2021.12.31	2021.9.30
Property, plant and equipment	$ -	37,437	67,575

As of September 30, 2022, December 31 and September 30, 2021, the non-recurring fair value measurements for non-current assets or disposal group classified as held for sale of $0, $48,039 and $85,083, respectively (before costs to sell amounted to $0, $2,627 and $4,348, respectively) have been categorized as a Level 2 fair value based on the observable inputs with settled deals.

(h) Investments accounted for using equity method

A summary of the Group's financial information for investments accounted for using the equity method at the reporting date is as follows:

	2022.9.30	2021.12.31	2021.9.30
Associates	$ 2,451,500	2,209,782	2,109,777

In 2021, the Group acquired 49% shares of Spirit Evergreen Aftermarket Solutions Co., Ltd. and 35% shares of Ever Superior Technologies Corporation for $13,695 and $63,000 in cash, respectively, resulting in the Group to have significant influence over the aforementioned companies.

In 2022, the Group subscribed the new shares contributed by Spirit Evergreen Aftermarket Solutions Co., for $97,857 in cash based on the percentage of its shareholding.

In 2022, the Group subscribed the new shares contributed by EverFun Travel Services Corp. for $19,062 in cash, and the shareholding percentage decreased from 26.48% to 25.18%.

In 2022, the Group disposed all shares of Evergreen Security Corp. to other related party, with a selling price of $192,984. Therefore, the Group recognized a gain of $76,931, which was included under other gains and losses in the consolidated statements of comprehensive income.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Associate which is material to the Group consisted of the followings:

Name of the associate	Nature of relationship with the Group	Principal place of business or country of incorporation of the associate	The proportion of shareholding and voting rights		
			2022.9.30	2021.12.31	2021.9.30
GE Evergreen Engine Services Corp.	Maintenance, manufacturing, and sales of aircraft, engine and engine components	Taiwan	49.00 %	49.00 %	49.00 %

The summarized financial information of the abovementioned associate which is material to the Group is as follows. The financial information has been prepared in accordance with the IFRS endorsed by the FSC. The amounts included in the IFRS financial statements of the associate have been adjusted to reflect the adjustments made by the entity when using the equity method, such as fair value adjustments made at the time of acquisition and adjustments for differences in accounting policies.

The summarized financial information of GE Evergreen Engine Services Corp. was listed as follows:

	2022.9.30	2021.12.31	2021.9.30
Current assets	$ 6,195,466	4,214,812	3,806,462
Non-current assets	3,426,482	3,549,967	3,570,325
Current liabilities	4,302,754	2,851,231	2,484,127
Non-current liabilities	765,879	738,684	732,815
Net assets	**$ 4,553,315**	**4,174,864**	**4,159,845**
Net assets attributable to the Group	**$ 2,231,123**	**2,045,682**	**2,038,323**

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Operating revenues	**$ 4,762,363**	**4,037,734**	**12,971,631**	**11,132,389**
Profit (loss)	$ 159,166	17,755	292,438	51,988
Other comprehensive income	45,846	(13,637)	150,400	(44,843)
Comprehensive income	**$ 205,012**	**4,118**	**442,838**	**7,145**
Comprehensive income attributable to the Group	**$ 100,456**	**2,018**	**216,991**	**3,501**

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Share of net assets of the associate as of January 1	$ 2,045,682	2,136,830
Comprehensive income attributable to the Group	216,991	3,501
Dividends received from the associate	(31,550)	(102,008)
Share of net assets of the associate as of September 30	2,231,123	2,038,323
Less: downstream transaction unrealized gain	(484,185)	(550,561)
Carrying amount of the associate equity as of September 30	**$ 1,746,938**	**1,487,762**

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

	2022.9.30	2021.12.31	2021.9.30
Carrying amount of individually insignificant associates' equity	**$ 704,562**	**698,067**	**622,015**

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Attributable to the Group:				
Profit (loss)	$ (2,918)	11,128	2,770	22,269
Other comprehensive income	-	-	-	149
Comprehensive income	**$ (2,918)**	**11,128**	**2,770**	**22,418**

(iii) The aforementioned investments accounted for using equity method were not pledged.

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

Except for GE Evergreen Engine Services Corp., Spirit Evergreen Aftermarket Solutions Co., Ltd. and Ever Superior Technologies Corporation, investments were accounted for using equity method, and the share of profit or loss as well as other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed by independent auditor.

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Changes in ownership in subsidiaries

In order to prepare for the listing of the consolidated subsidiary, Evergreen Aviation Technologies Corp., (hereinafter refer to as EGAT), and comply with the "Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings", the release of the shares of EGAT held by the Company was resolved in the shareholders' meeting of the Company on July 16, 2021. The shares shall be subscribed preferentially by all shareholders of the Company on the basis of the percentage of shareholdings, and the number of shares of subscription not fully been subscribed by shareholders of the Company shall be purchased by the specific person's designated by the Chairman. The subscription price, which was referred to the reasonable opinion issued by the professional institution, was set at $62~$63 per share.

For the nine months ended September 30, 2022 and the year ended December 31, 2021, the Company has disposed of 22,796 and 51,204 thousand shares of EGAT with a total selling price of $1,431,840 and $3,202,602, respectively. Therefore, the Company recognized a gain of $802,579 and $1,794,534, respectively, which was accounted for capital surplus.

(j) Subsidiaries with material non-controlling interests

The subsidiaries that have non-controlling interests which are material to the Group were listed as follows:

Name of the subsidiary	Principal place of business or country of incorporation of the subsidiary	The proportion of ownership interests and voting rights held by non-controlling interests 2022.9.30	2021.12.31	2021.9.30
Evergreen Sky Catering Corp. and its subsidiary	Taiwan	50.2 %	50.2 %	50.2 %
Evergreen Aviation Technologies Corp.	Taiwan	41.56 %	35.10 %	20.58 %

The summarized financial information of the abovementioned subsidiaries is as follows. The financial information has been prepared in accordance with the IFRS endorsed by the FSC. The amounts included in the IFRS financial statements of the associate have been adjusted to reflect the adjustments made by the entity when using the equity method, such as fair value adjustments made at the time of acquisition and adjustments for differences in accounting policies. The amounts in the summarized financial information shall be the amounts before the inter-company eliminations.

(i) The summarized financial information of Evergreen Sky Catering Corp. and its subsidiary was listed as follows:

	2022.9.30	2021.12.31	2021.9.30
Current assets	$ 1,162,692	956,278	1,071,340
Non-current assets	5,476,965	5,627,844	5,653,079
Current liabilities	908,380	391,431	342,588
Non-current liabilities	2,223,174	2,488,917	2,550,823
Net assets	**$ 3,508,103**	**3,703,774**	**3,831,008**
Carrying amounts of non-controlling interests	**$ 1,828,298**	**1,859,295**	**1,923,166**

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	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Operating revenues	$ 418,378	171,525	840,146	469,252
Profit (loss)	$ (47,911)	(111,629)	(330,672)	(382,947)
Other comprehensive income	-	-	-	-
Comprehensive income	$ (47,911)	(111,629)	(330,672)	(382,947)
Profit (loss) attributable to non-controlling interests	$ (24,052)	(56,037)	(165,998)	(192,239)
Comprehensive income attributable to non-controlling interests	$ (24,052)	(56,037)	(165,998)	(192,239)

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Cash flows from (used in) operating activities	$ (349,077)	(373,000)
Cash flows from (used in) investing activities	38,451	(4,311)
Cash flows from (used in) financing activities	328,204	257,909
Net increase (decrease) in cash and cash equivalents	$ 17,578	(119,402)
Dividend paid for non-controlling interests	$ -	-

(ii) The summarized financial information of Evergreen Aviation Technologies Corp. was listed as follows:

	2022.9.30	2021.12.31	2021.9.30
Current assets	$ 10,467,491	10,074,863	11,133,304
Non-current assets	12,165,297	12,375,029	12,527,059
Current liabilities	3,913,465	3,522,180	4,327,570
Non-current liabilities	8,186,771	9,198,375	9,803,288
Net assets	$ 10,532,552	9,729,337	9,529,505
Carrying amounts of non-controlling interests	$ 4,377,329	3,414,997	1,961,172

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	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Operating revenues	$ **3,067,373**	**2,514,813**	**8,884,134**	**7,302,767**
Profit (loss)	$ 621,717	220,935	1,435,134	657,805
Other comprehensive income	22,465	(6,682)	73,696	(21,973)
Comprehensive income	$ **644,182**	**214,253**	**1,508,830**	**635,832**
Profit (loss) attributable to non-controlling interests	$ **258,385**	**45,468**	**592,696**	**135,376**
Comprehensive income attributable to non-controlling interests	$ **267,722**	**44,093**	**623,324**	**130,854**

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Cash flows from (used in) operating activities	$ 1,186,066	1,332,653
Cash flows from (used in) investing activities	(172,495)	(116,403)
Cash flows from (used in) financing activities	(2,014,624)	(1,557,028)
Net increase (decrease) in cash and cash equivalents	$ **(1,001,053)**	**(340,778)**
Dividend paid for non-controlling interests	$ **293,235**	**217,853**

(k) Property, plant and equipment

The movements of the Group's property, plant and equipment were as follows:

	Land	Building and structures	Machinery and equipment	Leased improvements	Aircraft	Unfinished construction	Total
Cost:							
Beginning balance as of January 1, 2022	$ 5,037,225	23,573,276	32,131,917	1,629,832	159,312,933	33,291	221,718,474
Additions	-	-	321,086	606	-	10,346	332,038
Disposals	(46,732)	(590)	(887,640)	(147,760)	-	-	(1,082,722)
Reclassification (Note)	-	620	(27,161)	7,123	-	(5,657)	(25,075)
Effect of exchange rate changes	-	51,828	20,341	-	-	3,905	76,074
Balance as of September 30, 2022	$ **4,990,493**	**23,625,134**	**31,558,543**	**1,489,801**	**159,312,933**	**41,885**	**221,018,789**
Beginning balance as of January 1, 2021	$ 5,388,250	23,551,022	31,160,065	1,673,950	145,549,912	570,910	207,894,109
Additions	-	150	873,616	1,928	-	148,692	1,024,386
Disposals	-	(1,160)	(863,378)	(39,685)	-	-	(904,223)
Reclassification (Note)	(351,025)	31,772	(168,947)	-	-	(638,319)	(1,126,519)
Effect of exchange rate changes	-	(8,023)	(3,189)	-	-	(604)	(11,816)
Balance as of September 30, 2021	$ **5,037,225**	**23,573,761**	**30,998,167**	**1,636,193**	**145,549,912**	**80,679**	**206,875,937**

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		Land	Building and structures	Machinery and equipment	Leased improvements	Aircraft	Unfinished construction	Total
Accumulated depreciation:								
Beginning balance as of January 1, 2022	$	-	9,474,601	17,938,917	1,181,078	56,710,195	-	85,304,791
Depreciation expense		-	604,733	1,595,047	91,316	7,164,671	-	9,455,767
Disposals		-	(590)	(836,692)	(147,726)	-	-	(985,008)
Reclassification (Note)		-	-	(2,872)	-	-	-	(2,872)
Effect of exchange rate changes		-	10,424	11,318	-	-	-	21,742
Balance as of September 30, 2022	**$**	**-**	**10,089,168**	**18,705,718**	**1,124,668**	**63,874,866**	**-**	**93,794,420**
Beginning balance as of January 1, 2021	$	-	8,649,536	17,120,788	1,087,141	47,815,225	-	74,672,690
Depreciation expense		-	620,613	1,606,690	105,076	6,619,142	-	8,951,521
Disposals		-	(210)	(826,218)	(39,684)	-	-	(866,112)
Reclassification (Note)		-	-	(392,773)	-	-	-	(392,773)
Effect of exchange rate changes		-	(1,189)	(1,550)	-	-	-	(2,739)
Balance as of September 30, 2021	**$**	**-**	**9,268,750**	**17,506,937**	**1,152,533**	**54,434,367**	**-**	**82,362,587**
Carrying amounts:								
Balance as of January 1, 2022	**$**	**5,037,225**	**14,098,675**	**14,193,000**	**448,754**	**102,602,738**	**33,291**	**136,413,683**
Balance as of September 30, 2022	**$**	**4,990,493**	**13,535,966**	**12,852,825**	**365,133**	**95,438,067**	**41,885**	**127,224,369**
Balance as of January 1, 2021	**$**	**5,388,250**	**14,901,486**	**14,039,277**	**586,809**	**97,734,687**	**570,910**	**133,221,419**
Balance as of September 30, 2021	**$**	**5,037,225**	**14,305,011**	**13,491,230**	**483,660**	**91,115,545**	**80,679**	**124,513,350**

Note: Reclassifications are mainly the transfers of property, plant and equipment to operating costs, operating expenses, investment property and prepayments for business facilities being reclassified to property, plant and equipment.

(i) Leased aircraft

The estimated recovery costs incurred by leasing aircraft are recognized as right-of-use assets, please refer to note 6(l). The related restoration obligations are recognized as other current liabilities and other non-current liabilities and are amortized using interest method. Refer to note 6(r) for the movements of restoration obligations.

(ii) In 2015, the consolidated subsidiary, Evergreen Aviation Technologies Corp., (hereinafter refer to as EGAT), purchased a piece of agricultural land on Puxin, Dayuan Dist., Taoyuan City for car park lot connecting road amounting to $60,558. The purchase was in the name of EGAT' s director. The Group has implemented mortgage right as adequate safeguard procedures for the agricultural land mentioned above.

(iii) Pledge

As of September 30, 2022, December 31 and September 30, 2021, the Group's property, plant and equipment were used as pledge for long-term borrowings and lines of credit, and they are disclosed in note 8.

(iv) For the three months ended and nine months ended September 30, 2022 and 2021, the Group capitalized the interest expenses amounting to $46,601, $32,565, $113,925 and $98,350, respectively. The ranges of the monthly interest rate used for capitalization calculation were 0.12%, 0.07%~0.08%, 0.09%~0.12% and 0.07%~0.08%, respectively.

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(l) Right-of-use assets

The movements in the Group's leases on land, building and structures, as well as aircraft, were as follows:

		Land	Building and structures	Aircraft	Machinery and equipment	Total
Cost:						
Beginning balance as of January 1, 2022	$	5,051,914	1,742,088	141,135,084	114,047	148,043,133
Additions		80,304	307,397	2,224,336	35,135	2,647,172
Decrease		-	(8,728)	-	(12,125)	(20,853)
Effect of exchange rate changes		4,738	-	-	44	4,782
Balance as of September 30, 2022	$	**5,136,956**	**2,040,757**	**143,359,420**	**137,101**	**150,674,234**
Beginning balance as of January 1, 2021	$	4,928,698	1,560,262	140,729,381	105,743	147,324,084
Additions		128,298	166,301	405,703	23,828	724,130
Decrease		(5,082)	(19,806)	-	(11,955)	(36,843)
Effect of exchange rate changes		-	-	-	-	-
Balance as of September 30, 2021	$	**5,051,914**	**1,706,757**	**141,135,084**	**117,616**	**148,011,371**
Accumulated depreciation:						
Beginning balance as of January 1, 2022	$	716,346	1,211,200	50,526,872	62,536	52,516,954
Depreciation expense		184,449	310,669	11,750,991	22,842	12,268,951
Decrease		-	(8,404)	-	(10,614)	(19,018)
Effect of exchange rate changes		23	-	-	1	24
Balance as of September 30, 2022	$	**900,818**	**1,513,465**	**62,277,863**	**74,765**	**64,766,911**
Beginning balance as of January 1, 2021	$	480,850	811,374	35,238,630	52,383	36,583,237
Depreciation expense		179,570	319,721	11,469,586	22,026	11,990,903
Decrease		(3,580)	(13,076)	-	(10,311)	(26,967)
Effect of exchange rate changes		-	-	-	-	-
Balance as of September 30, 2021	$	**656,840**	**1,118,019**	**46,708,216**	**64,098**	**48,547,173**
Carrying amount:						
Balance as of January 1, 2022	$	**4,335,568**	**530,888**	**90,608,212**	**51,511**	**95,526,179**
Balance as of September 30, 2022	$	**4,236,138**	**527,292**	**81,081,557**	**62,336**	**85,907,323**
Balance as of January 1, 2021	$	**4,447,848**	**748,888**	**105,490,751**	**53,360**	**110,740,847**
Balance as of September 30, 2021	$	**4,395,074**	**588,738**	**94,426,868**	**53,518**	**99,464,198**

(m) Investment property

Investment property comprises land and plants that are held for profit from capital appreciation, as well as leases that are leased under operating leases, including properties that are owned by the Group.

The leases of investment properties contain an initial non-cancellable lease term of 10 years. The leases provide the lessees with options to extend at the end of the term. For all investment property leases, the rental income is fixed under the contracts.

(Continued)

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The movements of Group's investment property were as follows:

		Land	Buildings and structures	Total
Cost:				
Beginning balance as of January 1, 2022	$	435,713	1,360,998	1,796,711
Additions		-	54,393	54,393
Transferred to non-current assets classified as held for sale		(26,080)	(199,233)	(225,313)
Balance as of September 30, 2022	**$**	**409,633**	**1,216,158**	**1,625,791**
Beginning balance as of January 1, 2021	$	-	-	-
Additions		-	28,507	28,507
Transfer from property, plant and equipment		354,061	628,396	982,457
Transfer from non-current assets classified as held for sale		86,159	657,898	744,057
Transferred to non-current assets classified as held for sale		(4,507)	(34,430)	(38,937)
Balance as of September 30, 2021	**$**	**435,713**	**1,280,371**	**1,716,084**
Accumulated depreciation:				
Beginning balance as of January 1, 2022	$	-	59,371	59,371
Depreciation expense		-	45,495	45,495
Transferred to non-current assets classified as held for sale		-	(11,682)	(11,682)
Balance as of September 30, 2022	**$**	**-**	**93,184**	**93,184**
Beginning balance as of January 1, 2021	$	-	-	-
Depreciation expense		-	45,025	45,025
Transferred to non-current assets classified as held for sale		-	(1,500)	(1,500)
Balance as of September 30, 2021	**$**	**-**	**43,525**	**43,525**
Carrying amounts:				
Balance as of January 1, 2022	**$**	**435,713**	**1,301,627**	**1,737,340**
Balance as of September 30, 2022	**$**	**409,633**	**1,122,974**	**1,532,607**
Balance as of January 1, 2021	**$**	**-**	**-**	**-**
Balance as of September 30, 2021	**$**	**435,713**	**1,236,846**	**1,672,559**
Fair value amount:				
Balance as of January 1, 2022			**$**	**2,241,800**
Balance as of September 30, 2022			**$**	**2,165,419**
Balance as of January 1, 2021			**$**	**-**
Balance as of September 30, 2021			**$**	**2,229,683**

(Continued)

The fair value of investment properties was based on a valuation conducted by a qualified independent appraiser who has recent valuation experience within the location and category of the investment property being valued or using both cost method and comparative method. The inputs of levels of fair value hierarchy in determining the fair value had been classified to Level 3.

As of September 30, 2022 and December 31 and September 30, 2021, the Group' s investment property was not pledged.

(n) Intangible assets

The movements of Group's intangible assets were as follows:

	Operating concession	Computer software	Total
Cost:			
Beginning balance as of January 1, 2022	$ 3,423,792	1,075,647	4,499,439
Additions	-	93,581	93,581
Disposals	-	(92,796)	(92,796)
Reclassification	-	1,564	1,564
Balance as of September 30, 2022	**$ 3,423,792**	**1,077,996**	**4,501,788**
Beginning balance as of January 1, 2021	$ 3,423,792	1,317,420	4,741,212
Additions	-	86,052	86,052
Disposals	-	(247,978)	(247,978)
Balance as of September 30, 2021	**$ 3,423,792**	**1,155,494**	**4,579,286**
Accumulated amortization:			
Beginning balance as of January 1, 2022	$ 2,472,675	618,104	3,090,779
Amortization expense	91,267	163,625	254,892
Disposals	-	(92,796)	(92,796)
Balance as of September 30, 2022	**$ 2,563,942**	**688,933**	**3,252,875**
Beginning balance as of January 1, 2021	$ 2,338,378	702,270	3,040,648
Amortization expense	100,722	190,384	291,106
Disposals	-	(247,978)	(247,978)
Balance as of September 30, 2021	**$ 2,439,100**	**644,676**	**3,083,776**
Carrying amounts:			
Balance as of January 1, 2022	**$ 951,117**	**457,543**	**1,408,660**
Balance as of September 30, 2022	**$ 859,850**	**389,063**	**1,248,913**
Balance as of January 1, 2021	**$ 1,085,414**	**615,150**	**1,700,564**
Balance as of September 30, 2021	**$ 984,692**	**510,818**	**1,495,510**

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(i) Amortization

For the nine months ended September 30, 2022 and 2021, the amortization of intangible assets is included under operating costs and operating expenses in the consolidated statements of comprehensive income.

(ii) Pledge

The aforementioned intangible assets were not pledged.

(o) Other current assets and other non-current assets

The details of the Group's other current assets were as follows:

	2022.9.30	2021.12.31	2021.9.30
Prepaid expense	$ 341,564	288,957	334,472
Other receivables (including related parties)	297,057	279,140	624,891
Others	128,946	117,513	91,121
Total	**$ 767,567**	**685,610**	**1,050,484**

The details of the Group's other non-current assets were as follows:

	2022.9.30	2021.12.31	2021.9.30
Prepayments for business facilities	$ 15,017,868	12,313,485	20,402,781
Refundable deposits	1,141,163	1,072,531	1,075,844
Pledged time deposits	342,592	326,186	493,518
Others	8,963	12,634	11,603
Total	**$ 16,510,586**	**13,724,836**	**21,983,746**

(p) Short-term borrowings, long-term borrowings and bonds payable

The details, conditions and terms of the Group's short-term borrowings, long-term borrowings and bonds payable were as follows:

	2022.9.30			
	Currency	Interest rate	Maturity date	Amount
Secured short-term loans	TWD	1.10%~1.20%	2022/12/15	**$ 300,000**
Unsecured convertible bonds	TWD	-	2026/09/01	$ 773,236
Less: Current portion (included in current portion of long-term liabilities)				-
Total				**$ 773,236**
Unsecured loans	TWD	0.93%~1.68%	2022/10/01~2027/06/20	$ 22,606,853
Secured loans	TWD	0.97%~1.74%	2022/10/17~2037/04/25	60,476,781
Subtotal				83,083,634
Less: Current portion				(15,011,078)
Total				**$ 68,072,556**

(Continued)

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	2021.12.31			
	Currency	**Interest rate**	**Maturity date**	**Amount**
Unsecured convertible bonds	TWD	-	2026/09/01	$ 3,871,341
Less: Current portion (included in current portion of long-term liabilities)				-
Total				**$ 3,871,341**
Unsecured loans	TWD	0.90%~1.20%	2022/01/01~2026/12/14	$ 43,960,674
Secured loans	TWD	0.97%~1.18%	2022/01/17~2034/10/31	58,904,406
Subtotal				102,865,080
Less: Current portion				(14,113,890)
Total				**$ 88,751,190**

	2021.9.30			
	Currency	**Interest rate**	**Maturity date**	**Amount**
Secured bonds payable	TWD	1.07%	2021/12/29	$ 4,250,000
Unsecured convertible bonds	TWD	-	2026/09/01	4,733,656
Subtotal				8,983,656
Less: Current portion (included in current portion of long-term liabilities)				(4,250,000)
Total				**$ 4,733,656**
Unsecured loans	TWD	0.90%~1.20%	2021/10/01~2026/07/29	$ 42,683,653
Secured loans	TWD	0.97%~1.18%	2021/10/17~2034/10/31	60,665,545
Subtotal				103,349,198
Less: Current portion				(15,446,855)
Total				**$ 87,902,343**

The details of convertible bonds were as follows:

	2022.9.30	**2021.12.31**	**2021.9.30**
Total convertible bonds issued	$ 5,000,000	15,000,000	15,000,000
Less: Unamortized discounted bonds payable	(34,464)	(206,459)	(266,344)
Cumulative converted amount	(4,192,300)	(4,602,900)	(3,680,700)
Cumulative put/call amount	-	(6,319,300)	(6,319,300)
Convertible bonds issued balance	**$ 773,236**	**3,871,341**	**4,733,656**
Embedded derivatives－put/call options (included in financial assets /(liabilities) at fair value through profit or loss)	**$ 3,958**	**21,612**	**(6,500)**
Equity components－conversion options (included in capital surplus－share options)	**$ 405,027**	**572,289**	**619,458**

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Please refer to note 6(z) for the valuation loss/profit of embedded derivatives－put/call options, which were recognized in net gains/losses on financial assets and liabilities at fair value through profit or loss, and the related interest expenses for the convertible bonds.

Except for the following disclosure, there was no significant change for the liability instruments of the unsecured domestic convertible bonds for the nine months ended September 30, 2022 and 2021. For the related information, please refer to note 6(p) of the consolidated financial statements for the year ended December 31, 2021.

The liability instrument of the third unsecured domestic convertible bonds was issued on October 27, 2017, and was measured at an initial effective rate of 1.23%. In August 2021, the Company exercised redemption rights and terminated OTC trading of the third domestic unsecured convertible bonds, the conversion prices amounted to $13.4 per share, with the face values of $682,200, had been converted into 48,075 thousand ordinary shares. In addition, the convertible bonds had been converted and put/call amounting to $6,317,800.

The liability instrument of the fourth unsecured domestic convertible bonds was issued on October 21, 2020, and was measured at an initial effective rate of 1.04%. In August 2021, the Company exercised redemption rights and terminated OTC trading of the fourth domestic unsecured convertible bonds, the conversion prices amounted to $11.2 per share, with the face values of $2,998,500, had been converted into 267,723 thousand ordinary shares. In addition, the convertible bonds had been converted and call amounting to $1,500.

The liability instrument of the fifth unsecured domestic convertible bonds was issued on September 1, 2021, and was measured at an initial effective rate of 1.12%. As of September 30, 2022, December 31 and September 30, 2021, the conversion prices amounted to $18.9, $19.2 and $19.2 per share, respectively. As of September 30, 2022, December 31 and September 30, 2021, the corporate bonds, with the face values of $4,192,300, $922,200 and $0, had been converted into 218,518, 48,031 and 0 thousand ordinary shares, respectively.

As of September 30, 2022, the details of the future repayment periods and amounts of the Group’s long-term borrowings and bonds payable were as follows:

Year due	Amount
2022.10.1~2023.9.30	$ 15,011,078
2023.10.1~2027.9.30	51,114,801
2027.10.1 and thereafter	17,730,991
	$ 83,856,870

Information on the Group’s exposure to interest rate risk and liquidity risk is disclosed in note 6(aa).

(i) Pledge for borrowings

The pledge for borrowings is disclosed in note 8.

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(ii) Unused lines of credit

As of September 30, 2022, December 31 and September 30, 2021, the unused credit lines for short-term and long-term borrowings amounted to $7,359,955, $16,411,342 and $19,076,427, respectively.

(iii) Guarantee from the government for loans

As of September 30, 2022, December 31 and September 30, 2021, the Group applied to different financial institutions for its project loans amounting to $3,275,900, $33,280,000 and $33,280,000, respectively, which were guaranteed by the government in accordance with the "Regulations on Relief and Revitalization Measures for Industries and Enterprises Affected by Severe Pneumonia with Novel Pathogens" endorsed by the Ministry of Transportation and Communications and by the Ministry of Economic Affairs, wherein the outstanding credit lines amounting to $3,275,900, $24,900,000 and $21,900,000, respectively. The guarantee loans shall be repaid within two to five years from their initial withdrawal. Among them, an application for an extension of two more years for the guarantee loans endorsed by the Ministry of Transportation and Communications had been filed.

(q) Lease liabilities

The components of lease liabilities were as follow:

	2022.9.30	2021.12.31	2021.9.30
Financial liabilities for hedging－current	$ 13,577,626	11,664,825	11,685,996
Financial liabilities for hedging－non-current	$ 62,520,503	63,305,090	66,602,690
Lease liabilities－current	$ 334,173	342,140	369,791
Lease liabilities－non-current	$ 4,167,985	4,232,350	4,314,947

For the maturity analysis, please refer to note 6(aa).

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Interest on lease liabilities	$ 471,909	557,547	1,476,073	1,732,707
Variable lease payments not included in the measurement of lease liabilities	$ 2,452	2,454	7,212	7,173
Revenue of subleasing right-of-use assets	$ 11	13	36	42
Expenses relating to short-term leases	$ 34,484	31,659	107,107	89,240
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 1,552	1,092	4,445	4,096
COVID-19-related rent concessions	$ 46,993	54,959	151,447	211,429

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EVA AIRWAYS CORP. AND SUBSIDIARIES
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The amounts recognized in the statement of cash flows were as follows:

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Total cash outflow for leases	$ **10,909,932**	**10,357,688**

The Group leases land, building and structures as well as aircraft for its office space and operating needs. The leases of building and structures typically run for a period of 1 to 10 years, and of aircraft for 12 years. The Group's lease contracts include an option to renew the lease for an additional period of the same duration after the end of the contract term or extension options. These leases are negotiated and monitored by the local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors, in which the leases are not reasonably certain to be used as an optional extended lease term. Payments associated with the optional period are not included within lease liabilities.

The Group also leases its offices and vehicles equipment with lease terms ranging from 1 to 5 years. These leases are short-term leases or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(r) Restoration obligations

The movements of the restoration obligations were as follows:

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Beginning balance as of January 1	$ 21,326,586	21,900,283
Additions	2,790,190	1,030,845
Decreases	(1,852,965)	(1,274,725)
Effect of exchange rate changes	2,558,151	(127,905)
Balance as of September 30	$ **24,821,962**	**21,528,498**

The estimated recovery costs are incurred through the lease of aircraft. The Group's restoration obligations are based on necessary maintenance expenses under the lease contracts of the aircraft, in which the Group expects all of the maintenance expenses to be reimbursed when the Group returns back all its rented aircraft. The amounts are estimated by gauging the maintenance experiences of similar types of aircraft, the actual maintenance expenses in the past, and the historical information on the usage of the aircraft. The Group's restoration obligations are included in other current liabilities and other non-current liabilities.

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EVA AIRWAYS CORP. AND SUBSIDIARIES
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(s) Operating leases

The investment properties leased out by the Group were classified as operating leases because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets. Please refer to note 6(m) for investment property.

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

		2022.9.30	2021.12.31	2021.9.30
Less than one year	$	19,240	16,649	16,710
One to two years		19,433	16,816	16,877
Two to three years		19,627	16,984	17,046
Three to four years		19,823	17,154	17,216
Four to five years		20,022	17,325	17,388
More than five years		294,540	269,889	275,923
Total undiscounted lease payments	$	**392,685**	**354,817**	**361,160**

The rent revenue from investment property were as follow:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Rent revenue	$ **4,521**	**4,183**	**13,052**	**5,577**

(t) Employee benefits

(i) Defined benefit plans

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

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

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Operating costs and expenses	$ **60,038**	**61,751**	**180,116**	**184,970**

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(ii) Defined contribution plans

The Group's expenses under the pension plan cost to the Bureau of Labor Insurance were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Operating costs and expenses	$ 180,596	179,409	543,959	546,745

(u) Income tax

(i) The amounts of income tax benefit (expenses) were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Income tax benefit (expenses)	$ (374,650)	(358,941)	(1,701,695)	132,155

(ii) The amounts of income tax benefit (expenses) recognized in other comprehensive income were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Components of other comprehensive income that will not be reclassified to profit or loss:				
Unrealized gains or losses from investments in equity instruments measured at fair value through other comprehensive income	$ (62)	(120)	3,576	(360)
Components of other comprehensive income that will be reclassified to profit or loss:				
Gains or losses on hedging instruments	$ 990,675	51,697	2,133,568	(221,558)

(iii) The Company's income tax returns for all years through 2020 were assessed by the local tax authorities.

(v) Capital and other equity

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

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(i) Ordinary shares

For the nine months ended September 30, 2022 and 2021, convertible bonds issued by the Company amounting to $1,704,868 and $2,849,692, were converted into 170,487 and 284,969 thousand shares of ordinary shares. Part of the conversion of convertible bonds was recorded as advance receipts for share capital amounting to $108,307 and $77,701 because the registration process has yet to be completed.

(ii) Capital surplus

The details of capital surplus were as follows:

	2022.9.30	**2021.12.31**	**2021.9.30**
Cash subscription in excess of par value of shares	$ 5,118,825	5,118,825	5,118,825
Stock options granted to employees	697,600	697,600	697,600
Additional paid-in capital from bond conversion	3,939,252	2,383,289	1,940,322
Additional paid-in capital from conversion option	405,027	572,289	619,458
Changes in equity of associates accounted for using equity method	3,091	3,070	3,757
Difference between actual acquiring or disposing subsidiary's equity and carrying amount	2,664,139	1,868,941	90,985
Due to donated assets received	34,761	34,729	-
	$ 12,862,695	**10,678,743**	**8,470,947**

(iii) Retained earnings

According to the Company's Articles of Incorporation, if the Company reports a surplus at the year end, after clearing taxes, the Company shall first offset accumulated losses (if any), then set aside 10% of the balance as the statutory surplus reserve, where such legal reserve amounts to the total paid-in capital, this provision shall not apply. And the Company shall also set aside or reverse special surplus reserve per the provisions. After that, the Board of Directors shall propose a surplus distribution plan of the balance plus the retained earnings accrued from prior years, submit the distribution plan to the shareholders' meeting for approval, and then distribute it. The dividends can be distributed wholly or partly in cash only after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Where the special surplus reserve set aside in the preceding paragraph belongs to a part not fully set aside accrued from prior years, the same amount thereof shall be set aside for the special surplus reserve from the retained earnings accrued from prior years. If the special surplus reserve is still insufficient, the amount from the net income after taxes for the current period plus the items other than the net income after taxes for the current period shall be included in the amount of the retained earnings for the current period to be set aside for such a purpose.

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EVA AIRWAYS CORP. AND SUBSIDIARIES
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The dividends may be distributed either in full in cash, or in the combination of cash and stocks, however the cash dividends shall not be less than 10% of the total amount of dividends.

(iv) Earnings distribution

The appropriation of 2021 earnings was approved at the Board meeting on March 14, 2022. The cash dividends were amounting to $3,163,333, and the dividend per share is $0.5916945.

Based on the corporate sustainability principle, a resolution was passed during the shareholders' meeting on July 16, 2021, in which the Company retained all its distributable earnings in 2020 for future operation needs. Therefore, the Company did not appropriate retained earnings.

(v) Other equity interest (net of taxes)

		Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	Non-controlling interests	Total
Balance as of January 1, 2022	$	(148,330)	2,287,702	6,469,583	3,056	8,612,011
Exchange differences on translation of foreign financial statements		120,395	-	-	178	120,573
Exchange differences on associates accounted for using equity method		41,096	-	-	29,226	70,322
Disposal of shares in subsidiary		4,705	-	-	(4,705)	-
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		-	(198,185)	-	(18,853)	(217,038)
Changes in fair value of hedging instrument		-	-	(8,035,185)	-	(8,035,185)
Changes in fair value of hedging instrument reclassified to profit or loss		-	-	(499,088)	-	(499,088)
Balance as of September 30, 2022	**$**	**17,866**	**2,089,517**	**(2,064,690)**	**8,902**	**51,595**
Balance as of January 1, 2021	$	(113,246)	1,113,299	5,448,829	(6,967)	6,441,915
Exchange differences on translation of foreign financial statements		(22,513)	-	-	(16)	(22,529)
Exchange differences on associates accounted for using equity method		(17,451)	-	-	(4,522)	(21,973)
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		-	956,218	-	21,517	977,735
Disposal of investments in equity instruments designated at fair value through other comprehensive income		-	(171,736)	-	-	(171,736)
Changes in fair value of hedging instrument		-	-	1,643,271	-	1,643,271
Changes in fair value of hedging instrument reclassified to profit or loss		-	-	(757,039)	-	(757,039)
Balance as of September 30, 2021	**$**	**(153,210)**	**1,897,781**	**6,335,061**	**10,012**	**8,089,644**

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Notes to the Consolidated Financial Statements

(w) Earnings per share ("EPS")

The calculation of earnings per share is based on the profit (loss) attributable to the ordinary equity holders of the Company. The Group's earnings per share were calculated as follows:

	For the three months ended September 30, 2022		
	Amount net of tax	Weighted-average number of shares outstanding during the period (thousand shares)	Earnings per share (in dollars)
Basic earnings per share:			
Profit attributable to ordinary equity holders	$ 1,236,748	5,348,724	$ 0.23
Diluted earnings per share:			
Profit attributable to ordinary equity holders	$ 1,236,748	5,348,724	
Effect of the potentially dilutive ordinary shares			
Effect of employee compensation	$ -	11,094	
Effect of conversion of convertible bonds	3,137	42,736	
Profit attributable to ordinary equity holders after adjusting the potential dilutive ordinary shares	$ 1,239,885	5,402,554	$ 0.23

	For the three months ended September 30, 2021		
	Amount net of tax	Weighted-average number of shares outstanding during the period (thousand shares)	Earnings per share (in dollars)
Basic earnings per share:			
Profit attributable to ordinary equity holders	$ 1,483,575	5,126,540	$ 0.29
Diluted earnings per share:			
Profit attributable to ordinary equity holders	$ 1,483,575	5,126,540	
Effect of the potentially dilutive ordinary shares			
Effect of conversion of convertible bonds	712	84,919	
Profit attributable to ordinary equity holders after adjusting the potential dilutive ordinary shares	$ 1,484,287	5,211,459	$ 0.28

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	For the nine months ended September 30, 2022		
	Amount net of tax	Weighted-average number of shares outstanding during the period (thousand shares)	Earnings per share (in dollars)
Basic earnings per share:			
Profit attributable to ordinary equity holders	$ 6,388,951	5,291,154	$ 1.21
Diluted earnings per share:			
Profit attributable to ordinary equity holders	$ 6,388,951	5,291,154	
Effect of the potentially dilutive ordinary shares			
Effect of employee compensation	$ -	14,936	
Effect of conversion of convertible bonds	10,495	42,735	
Profit attributable to ordinary equity holders after adjusting the potential dilutive ordinary shares	$ 6,399,446	5,348,825	$ 1.20

	For the nine months ended September 30, 2021		
	Amount net of tax	Weighted-average number of shares outstanding during the period (thousand shares)	Earnings per share (in dollars)
Basic earnings per share:			
Loss attributable to ordinary equity holders	$ (569,819)	5,013,451	$ (0.11)
Diluted earnings per share:			
Loss attributable to ordinary equity holders	$ (569,819)	5,013,451	$ (0.11)

For the nine months ended September 30, 2021, 28,617 thousand shares of conversion of all convertible bonds have an anti-dilutive effect, and hence they are not included in the calculation of the weighted average number of shares (diluted).

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(x) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended September 30, 2022				
	Aviation transportation segment	**Aircraft maintenance and manufacture segment**	**Sky catering and food manufacture segment**	**Other segments**	**Total**
Primary geographical markets:					
Taiwan	$ 9,643,255	343,615	88,855	491,820	10,567,545
Asia	13,947,100	369,018	-	-	14,316,118
Europe	1,588,191	437,380	-	-	2,025,571
North America	7,025,756	1,152,805	-	1,042	8,179,603
Others	116,161	60	-	-	116,221
	$ 32,320,463	2,302,878	88,855	492,862	35,205,058
Major products / services lines:					
Aviation transportation revenue	$ 31,003,030	-	-	-	31,003,030
Services revenue	-	1,695,423	-	461,381	2,156,804
Others	1,317,433	607,455	88,855	31,481	2,045,224
	$ 32,320,463	2,302,878	88,855	492,862	35,205,058

	For the three months ended September 30, 2021				
	Aviation transportation segment	**Aircraft maintenance and manufacture segment**	**Sky catering and food manufacture segment**	**Other segments**	**Total**
Primary geographical markets:					
Taiwan	$ 7,576,845	246,011	62,410	385,961	8,271,227
Asia	12,925,268	375,871	316	-	13,301,455
Europe	327,812	166,241	-	-	494,053
North America	2,638,828	1,038,815	49	80	3,677,772
Others	60,361	9,200	-	-	69,561
	$ 23,529,114	1,836,138	62,775	386,041	25,814,068
Major products / services lines:					
Aviation transportation revenue	$ 23,056,149	-	-	-	23,056,149
Services revenue	-	1,341,493	-	352,983	1,694,476
Others	472,965	494,645	62,775	33,058	1,063,443
	$ 23,529,114	1,836,138	62,775	386,041	25,814,068

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	For the nine months ended September 30, 2022				
	Aviation transportation segment	Aircraft maintenance and manufacture segment	Sky catering and food manufacture segment	Other segments	Total
Primary geographical markets:					
Taiwan	$ 25,876,566	971,351	256,193	1,447,581	28,551,691
Asia	45,931,488	1,324,883	469	-	47,256,840
Europe	2,914,028	794,169	-	-	3,708,197
North America	15,189,755	3,560,655	-	2,154	18,752,564
Others	280,624	76,971	-	-	357,595
	$ 90,192,461	6,728,029	256,662	1,449,735	98,626,887
Major products / services lines:					
Aviation transportation revenue	$ 87,456,162	-	-	-	87,456,162
Services revenue	-	4,905,806	-	1,352,958	6,258,764
Others	2,736,299	1,822,223	256,662	96,777	4,911,961
	$ 90,192,461	6,728,029	256,662	1,449,735	98,626,887

	For the nine months ended September 30, 2021				
	Aviation transportation segment	Aircraft maintenance and manufacture segment	Sky catering and food manufacture segment	Other segments	Total
Primary geographical markets:					
Taiwan	$ 19,374,538	754,620	152,139	1,075,527	21,356,824
Asia	34,884,968	1,338,226	932	-	36,224,126
Europe	1,187,036	294,022	-	-	1,481,058
North America	7,469,487	2,924,628	73	489	10,394,677
Others	183,107	16,044	-	-	199,151
	$ 63,099,136	5,327,540	153,144	1,076,016	69,655,836
Major products / services lines:					
Aviation transportation revenue	$ 61,314,064	-	-	-	61,314,064
Services revenue	-	4,107,090	-	988,161	5,095,251
Others	1,785,072	1,220,450	153,144	87,855	3,246,521
	$ 63,099,136	5,327,540	153,144	1,076,016	69,655,836

(ii) Contract balances

	2022.9.30	2021.12.31	2021.9.30
Contract assets-maintenance services	$ 515,955	427,434	603,070
Contract liabilities-tickets services, customer loyalty programs, etc.	$ 15,205,025	6,154,128	6,451,596

The amounts of revenue recognized for the nine months ended September 30, 2022 and 2021 that were included in the contract liabilities balances at the beginning of the period were $1,825,985 and $1,374,810, respectively.

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The contract liabilities primarily relate to deferred recognition of revenue relating to ticket services and customer loyalty programs, for which revenue is recognized when the ticket sales for passengers and award points are redeemed or when they expire.

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received. Other significant changes during the period are as follows:

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
	Contract liabilities	**Contract liabilities**
Changes in an estimate of the transaction price	$ 434,394	(384,856)

(y) Remuneration to employees and directors

According to the Company's Articles of Incorporation, once the Company incurs profit in a fiscal year, a minimum of 1% will be distributed as employees' remuneration and a maximum of 2% will be allotted for directors' remuneration. However, if the Company has accumulated losses, the earnings shall first be offset against any deficit.

The definition of annual earnings, as described in the above-mentioned paragraph, is the Company's profit before tax, excluding the amount of the employees' remuneration, and the directors' remuneration.

For the three months and nine months ended September 30, 2022, the Company accrued and recognized its employees' remuneration of $167,137 and $312,863, respectively, and the directors' remuneration of $2,067 and $6,817, respectively. These remunerations were included in the operating costs and operating expenses. For the three months and nine months ended September 30, 2021, the Company did not accrue or recognize its employees' and directors' remuneration.

The differences between the actual distributed amounts as determined by the Board of Directors and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year.

For the years ended December 31, 2021 and 2020, the Company recognized its employee's remuneration of $453,180 and $0, respectively, and directors' remuneration of $9,118 and $0, respectively. There was no difference between the actual distributed amounts as determined by the Board of Directors and those recognized in the Company's parent-company-only financial statements of the years ended December 31, 2021 and 2020. The related information can be found on Market Observation Post System website.

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(z) Non-operating income and expenses

(i) Other income

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Dividend income	$ 64	141,335	193,665	141,335
Interest income				
Interest income from bank deposits	252,844	35,247	403,781	109,681
Other interest	2,234	1,915	4,718	4,006
Total interest income	255,078	37,162	408,499	113,687
Others	6,984	6,791	20,600	20,826
	$ 262,126	185,288	622,764	275,848

(ii) Other gains and losses

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Gains (losses) on disposal of property, plant and equipment	$ 2,656	(3,924)	20,111	(16,182)
Gains (losses) on disposal of investments	-	-	76,931	-
Foreign exchange gains (losses)	1,132,999	266,359	2,400,673	468,838
Gains (losses) on financial assets (liabilities) at fair value through profit or loss	(49)	4,338	6,890	15,581
Gains on disposal of non-current assets classified as held for sale	14,006	6,870	87,596	6,870
Others gains and losses	95,434	66,442	196,946	162,647
	$ 1,245,046	340,085	2,789,147	637,754

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(iii) Finance costs

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Interest expense				
Bank borrowings	$ 309,424	217,620	857,730	673,664
Bonds Payable	2,548	16,105	16,508	49,678
Lease liabilities	471,909	557,547	1,476,073	1,732,707
Others	212,694	221,716	628,467	671,665
Less: capitalized interest	(46,601)	(32,565)	(113,925)	(98,350)
	$ 949,974	980,423	2,864,853	3,029,364

(aa) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to note 6(aa) of the consolidated financial statements for the year ended December 31, 2021.

(i) Credit risk

1) Credit risk exposure

The maximum exposure to credit risk is mainly from the carrying amount of financial assets and contract assets.

2) Circumstances of concentration of credit risk

Accounts receivable were due from many customers and regional distributions were decentralized. Therefore, there was no concentration of credit risk. In order to reduce the credit risk of accounts receivable, the Group continually evaluates each customer's financial situation and requires customers to be a member of IATA clearing house. Otherwise, the customer will have to provide bank guarantees or collaterals.

3) Credit risk of receivables

For credit risk exposure of notes and accounts receivable, please refer to note 6(d). Other financial assets at amortized cost includes other receivables and time deposits. For the details on loss allowance, please refer to notes 6(b), 6(e) and 6(o).

All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(g) of the consolidated financial statements for the year ended December 31, 2021.

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(ii) Liquidity risk

The followings were the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying amount	Contractual cash flows	Within 1 year	1-5 years	Over 5 years
As of September 30, 2022					
Non-derivative financial liabilities					
Short-term and long-term borrowings (including current portion of long-term liabilities)	$ 83,383,634	87,497,013	16,466,580	52,706,512	18,323,921
Bonds payable	773,236	807,700	-	807,700	-
Lease liabilities and financial liabilities for hedging	80,600,287	87,020,517	15,716,754	49,560,749	21,743,014
Notes and accounts payable (including related parties)	5,827,739	5,827,739	5,827,739	-	-
Other payables (including related parties)	7,840,536	7,840,536	7,840,536	-	-
Total	**$ 178,425,432**	**188,993,505**	**45,851,609**	**103,074,961**	**40,066,935**
As of December 31, 2021					
Non-derivative financial liabilities					
Long-term borrowings (including current portion of long-term liabilities)	$ 102,865,080	106,380,081	15,153,733	72,198,546	19,027,802
Bonds payable	3,871,341	4,077,800	-	4,077,800	-
Lease liabilities and financial liabilities for hedging	79,544,405	86,563,209	13,827,572	46,109,794	26,625,843
Notes and accounts payable (including related parties)	4,854,829	4,854,829	4,854,829	-	-
Other payables (including related parties)	7,431,463	7,431,463	7,431,463	-	-
Total	**$ 198,567,118**	**209,307,382**	**41,267,597**	**122,386,140**	**45,653,645**
As of September 30, 2021					
Non-derivative financial liabilities					
Long-term borrowings (including current portion of long-term liabilities)	$ 103,349,198	106,994,727	16,484,573	70,293,692	20,216,462
Bonds payable	8,983,656	9,295,475	4,295,475	5,000,000	-
Lease liabilities and financial liabilities for hedging	82,973,424	90,520,090	13,973,911	47,347,495	29,198,684
Notes and accounts payable (including related parties)	3,378,256	3,378,256	3,378,256	-	-
Other payables (including related parties)	9,281,702	9,281,702	9,281,702	-	-
Subtotal	207,966,236	219,470,250	47,413,917	122,641,187	49,415,146
Derivative financial liabilities					
Convertible bonds with embedded derivatives	6,500	-	-	-	-
Total	**$ 207,972,736**	**219,470,250**	**47,413,917**	**122,641,187**	**49,415,146**

The Group is not expecting that the cash flows including the maturity analysis could occur significantly earlier or at significantly different amounts.

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(iii) Currency risk

1) Exposure to currency risk

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

	2022.9.30				2021.12.31				2021.9.30			
	Foreign Currency	Exchange rate		TWD	Foreign Currency	Exchange rate		TWD	Foreign Currency	Exchange rate		TWD
Financial assets												
Monetary items												
USD	$ 1,248,801	USD/TWD=	31.75	39,649,420	$ 966,269	USD/TWD=	27.68	26,746,332	$ 866,063	USD/TWD=	27.85	24,119,861
EUR	12,269	EUR/TWD=	31.26	383,527	1,210	EUR/TWD=	31.32	37,896	884	EUR/TWD=	32.32	28,565
JPY	978,593	JPY/TWD=	0.2201	215,388	867,237	JPY/TWD=	0.2405	208,571	633,679	JPY/TWD=	0.2490	157,786
HKD	167,519	HKD/TWD=	4.0440	677,445	295,216	HKD/TWD=	3.5490	1,047,720	169,723	HKD/TWD=	3.5760	606,928
CNY	270,516	CNY/TWD=	4.4730	1,210,018	322,254	CNY/TWD=	4.3440	1,399,871	240,764	CNY/TWD=	4.3050	1,036,488
				$ 42,135,798				$ 29,440,390				$ 25,949,628
Non-monetary items												
USD	$ 93,092	USD/TWD=	31.75	2,955,670	$ 94,407	USD/TWD=	27.68	2,613,173	$ 92,800	USD/TWD=	27.85	2,584,489
CNY	84,832	USD/CNY=	7.0981	435,260	80,350	USD/CNY=	6.3720	396,399	78,878	USD/CNY=	6.4692	386,853
IDR	10,281,773	IDR/TWD=	0.0020	20,564	9,226,508	IDR/TWD=	0.0020	18,453	8,022,356	IDR/TWD=	0.0020	16,045
MOP	22,224	USD/MOP=	8.0853	87,270	27,797	USD/MOP=	8.0312	95,804	23,526	USD/MOP=	8.0166	84,735
				$ 3,498,764				$ 3,123,829				$ 3,072,122
Financial liabilities												
Monetary items												
USD	$ 3,049,817	USD/TWD=	31.75	96,831,692	$ 3,353,086	USD/TWD=	27.68	92,813,419	$ 3,456,836	USD/TWD=	27.85	96,272,893
EUR	14,151	EUR/TWD=	31.26	442,361	6,069	EUR/TWD=	31.32	190,080	6,101	EUR/TWD=	32.32	197,187
JPY	852,686	JPY/TWD=	0.2201	187,676	1,438,243	JPY/TWD=	0.2405	345,897	1,884,528	JPY/TWD=	0.2490	469,247
HKD	20,409	HKD/TWD=	4.0440	82,534	27,596	HKD/TWD=	3.5490	97,938	21,088	HKD/TWD=	3.5760	75,412
CNY	200,387	CNY/TWD=	4.4730	896,330	144,313	CNY/TWD=	4.3440	626,896	166,241	CNY/TWD=	4.3050	715,666
				$ 98,440,593				$ 94,074,230				$ 97,730,405

2) Sensitivity analysis

The Group’s monetary items exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, financial assets at amortized cost, notes and accounts receivable (including related parties), refundable deposits (included in other non-current assets), notes and accounts payable (including related parties), other payables (including related parties), lease liabilities and restoration obligations (included in other current liabilities and other non-current liabilities) that are denominated in foreign currency. A strengthening (weakening) of 1% of the TWD against the USD, EUR, JPY, HKD and CNY as of September 30, 2022 and 2021, would have changed the profit (loss) before tax by $197,336 and $64,043 and the equity by $759,975 and $781,851 due to cash flow hedges, respectively. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2022 and 2021.

Due to the variety of the Group’s functional currency, the Group discloses its exchange gains and losses of monetary items collectively. For the three months and nine months ended September 30, 2022 and 2021, the Group’s foreign exchange gains (losses), net (including realized and unrealized of monetary items) amounted to $1,132,999, $266,359, $2,400,673 and $468,838, respectively.

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(iv) Interest rate risk

The interest rate exposure of the Group's financial liabilities are illustrated in note 6(aa) liquidity risk.

The following sensitivity analysis is based on the exposure to interest rate risk of the non-derivative financial instruments on the reporting date. For variable-rate instruments, the sensitivity analysis assumes the variable-rate liabilities are outstanding for the whole year on the reporting date. The Group's internal department reported the increases/decreases in the interest rates and the exposure to changes in interest rates by 1% to the Group's key management so as to allow key management to assess the reasonableness of the changes in the interest rates.

If the interest rate increases (decreases) by 1% with all other variable factors that remain constant, the profit (loss) before tax of the Group would have changed $625,377 and $775,119 for the nine months ended September 30, 2022 and 2021, respectively due to the Group's floating-interest borrowings.

(v) Fair value

1) Categories and fair values of financial instruments

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for hedging, and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	2022.9.30				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Money market funds	$ 729,727	729,727	-	-	729,727
Convertible bonds with embedded derivatives	3,958	-	3,958	-	3,958
Subtotal	733,685	729,727	3,958	-	733,685
Financial assets at fair value through other comprehensive income					
Publicly traded stock	3,291,507	3,291,507	-	-	3,291,507
Non-publicly traded stock	662,371	-	-	662,371	662,371
Subtotal	3,953,878	3,291,507	-	662,371	3,953,878
Financial assets measured at amortized cost					
Cash and cash equivalents	55,915,381	-	-	-	-
Time deposits over three months	1,035,777	-	-	-	-
Notes and accounts receivable, and other receivables (including related parties)	12,181,530	-	-	-	-
Other non-current assets	1,483,755	-	-	-	-
Subtotal	70,616,443	-	-	-	-
Total	**$ 75,304,006**	**4,021,234**	**3,958**	**662,371**	**4,687,563**

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	2022.9.30				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities for hedging－non-derivatives	$ 76,098,129	-	-	-	-
Financial liabilities measured at amortized cost					
Short-term and long-term borrowings (including current portion of long-term liabilities)	83,383,634	-	83,383,634	-	83,383,634
Bonds payable	773,236	-	741,872	-	741,872
Lease liabilities	4,502,158	-	-	-	-
Notes and accounts payable (including related parties)	5,827,739	-	-	-	-
Other payables (including related parties)	7,840,536	-	-	-	-
Subtotal	102,327,303	-	84,125,506	-	84,125,506
Total	**$ 178,425,432**	**-**	**84,125,506**	**-**	**84,125,506**

	2021.12.31				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Money market funds	$ 1,671,992	1,671,992	-	-	1,671,992
Convertible bonds with embedded derivatives	21,612	-	21,612	-	21,612
Subtotal	1,693,604	1,671,992	21,612	-	1,693,604
Financial assets at fair value through other comprehensive income					
Publicly traded stock	3,549,775	3,549,775	-	-	3,549,775
Non-publicly traded stock	628,051	-	-	628,051	628,051
Subtotal	4,177,826	3,549,775	-	628,051	4,177,826
Financial assets measured at amortized cost					
Cash and cash equivalents	48,256,204	-	-	-	-
Time deposits over three months	615,205	-	-	-	-
Notes and accounts receivable, and other receivables (including related parties)	10,355,752	-	-	-	-
Other non-current assets	1,398,717	-	-	-	-
Subtotal	60,625,878	-	-	-	-
Total	**$ 66,497,308**	**5,221,767**	**21,612**	**628,051**	**5,871,430**
Financial liabilities for hedging－non-derivatives	$ 74,969,915	-	-	-	-
Financial liabilities measured at amortized cost					
Long-term borrowings (including current portion of long-term liabilities)	102,865,080	-	102,865,080	-	102,865,080
Bonds payable	3,871,341	-	3,842,511	-	3,842,511
Lease liabilities	4,574,490	-	-	-	-
Notes and accounts payable (including related parties)	4,854,829	-	-	-	-
Other payables (including related parties)	7,431,463	-	-	-	-
Subtotal	123,597,203	-	106,707,591	-	106,707,591
Total	**$ 198,567,118**	**-**	**106,707,591**	**-**	**106,707,591**

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	2021.9.30				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Money market funds	$ 1,721,137	1,721,137	-	-	1,721,137
Financial assets at fair value through other comprehensive income					
Publicly traded stock	3,283,388	3,283,388	-	-	3,283,388
Not-publicly traded stock	500,763	-	-	500,763	500,763
Subtotal	3,784,151	3,283,388	-	500,763	3,784,151
Financial assets measured at amortized cost					
Cash and cash equivalents	46,902,369	-	-	-	-
Time deposits over three months	1,304,615	-	-	-	-
Notes and accounts receivable, and other receivables (including related parties)	8,679,489	-	-	-	-
Other non-current assets	1,569,362	-	-	-	-
Subtotal	58,455,835	-	-	-	-
Total	**$ 63,961,123**	**5,004,525**	**-**	**500,763**	**5,505,288**
Financial liabilities at fair value through profit or loss					
Convertible bonds with embedded derivatives	$ 6,500	-	6,500	-	6,500
Financial liabilities for hedging－non-derivatives	$ 78,288,686	-	-	-	-
Financial liabilities measured at amortized cost					
Long-term borrowings (including current portion of long-term liabilities)	103,349,198	-	103,349,198	-	103,349,198
Bonds payable	8,983,656	-	8,998,973	-	8,998,973
Lease liabilities	4,684,738	-	-	-	-
Notes and accounts payable (including related parties)	3,378,256	-	-	-	-
Other payables (including related parties)	9,281,702	-	-	-	-
Subtotal	129,677,550	-	112,348,171	-	112,348,171
Total	**$ 207,972,736**	**-**	**112,354,671**	**-**	**112,354,671**

2) Valuation techniques and assumptions used in fair value determination

a) Non-derivative financial instruments

The fair value of financial instruments traded in an active market is based on the quoted market prices. The quotations, which is published by the main exchange center or that which was deemed to be a public bond by the Treasury Bureau of Central Bank, is included in the fair value of the listed securities instruments and the debt instruments in active markets with open bid.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm' s-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument. Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

For financial instruments traded in active markets, their fair values are listed below by types and attributes:

● The stocks of publicly traded companies are financial assets which are traded in active markets under standard terms and conditions. The fair value of the abovementioned stocks is based on quoted market prices.

Measurements of fair value of financial instruments without an active market are based on a valuation technique. Fair value measured by a valuation technique can be extrapolated from the fair value of similar financial instruments, the discounted cash flow method, or other valuation technique.

For financial instruments not traded in active markets, their fair values are listed below by types and attributes:

● Equity instruments with no quoted market prices: the Group takes the quote market prices and the price-book ratios of similar publicly traded companies into consideration by using the market comparison approach. The estimates had been adjusted by the depreciation from lack of market liquidity.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow and option pricing models. Fair value of forward currency is usually determined by the forward currency exchange rate.

3) Transfers between Level 1 and Level 3

The Group hold an investment in equity shares of Evergreen Steel Corporation, which was classified as fair value through other comprehensive income. In April 2021, Evergreen Steel Corporation listed its shares on the exchange, and currently, the shares were actively traded in the market. Since the equity shares currently have a published price quotation in an active market, the fair value measurement was transfer from Level 3 to Level 1 of the fair value hierarch. For the nine months ended September 30, 2022, the fair value hierarchy levels of financial instruments were not transferred.

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4) Movements in fair value measurements of financial assets in Level 3

The following table shows the reconciliation from the beginning balance to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

		Fair value through other comprehensive income
		Unquoted equity instruments
Balance as of January 1, 2022	$	628,051
Total gains or losses:		
Recognized in other comprehensive income		34,320
Balance as of September 30, 2022	**$**	**662,371**
Balance as of January 1, 2021	$	1,728,203
Total gains or losses:		
Recognized in other comprehensive income		142,088
Transfer out		(1,369,528)
Balance as of September 30, 2021	**$**	**500,763**

The amounts of total gains or losses for the periods were recognized in unrealized gains (losses) from financial assets measured at fair value through other comprehensive income. As of September 30, 2022 and 2021, the assets which were still held by the Group were as follows:

		For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Other comprehensive income (including in unrealized gains (losses) on financial assets measured at fair value through other comprehensive income)	$	34,320	(32,875)

5) Quantitative information about the significant unobservable inputs used in the fair value measurements categorized within Level 3

The Group classified a partial of its financial assets at fair value through other comprehensive income investment in equity securities that do not have a quoted market price in an active market as Level 3 of the fair value hierarchy.

Most of the fair value measurements categorized within Level 3 use the significant unobservable inputs. The significant unobservable inputs are independent to each other.

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The significant unobservable inputs were as follows:

Items	Valuation techniques	Significant unobservable inputs	Relationship between significant unobservable inputs and fair value
Financial assets at fair value through other comprehensive income	Market approach—relevant information generated by publicly companies	• Price-book ratio (as of September 30, 2022, December 31 and September 30, 2021 were 0.76~4.46, 0.87~3.39 and 0.76~3.49, respectively) • Market liquidity discount rate (as of September 30, 2022, December 31 and September 30, 2021 were 80% of market price)	• The higher the price-book ratio, the higher the fair value • The higher the market liquidity discount rate, the lower the fair value

6) Sensitivity analysis for fair value measurements categorized within Level 3 of the fair value hierarchy

The fair value measurements of the Group' s financial instruments are reasonable. However, changes in the use of valuation models or valuation variables may affect the estimations. As of September 30, 2022, December 31 and September 30, 2021, for fair value measurements in Level 3, a fluctuation in the valuation variable by 5% would have the following effects:

		Effects of changes in fair value on other comprehensive income					
	Increase	Favorable			Unfavorable		
Inputs	(decrease)	2022.9.30	2021.12.31	2021.9.30	2022.9.30	2021.12.31	2021.9.30
Price-book ratio	5%	33,794	27,868	22,173	(31,889)	(34,001)	(26,786)
Market liquidity discount rate	5%	33,794	27,868	22,173	(31,889)	(34,001)	(26,786)

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the inter-relationships with another input.

(ab) Management of financial risk

There were no significant changes in the objectives and policies concerning the financial risk that the Group was exposed to. For the related information, please refer to note 6(ab) of the consolidated financial statements for the year ended December 31, 2021.

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(ac) Capital management

The Group' s objectives, policies and processes of capital management were the same as those disclosed in the consolidated financial statements for the year ended December 31, 2021. For the related information, please refer to note 6(ac) of the consolidated financial statements for the year ended December 31, 2021.

(ad) Financing activities not affecting current cash flow

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

			Non-cash changes			
	2022.1.1	**Cash flows**	**Interest expense**	**Foreign exchange movement**	**Other**	**2022.9.30**
Short-term borrowings	$ -	300,000	-	-	-	300,000
Bonds payable	3,871,341	-	16,508	-	(3,114,613)	773,236
Long-term borrowings	102,865,080	(19,781,446)	-	-	-	83,083,634
Lease liabilities and financial liabilities for hedging	79,544,405	(10,791,168)	1,476,073	(623,860)	10,994,837	80,600,287
Total liabilities from financing activities	**$ 186,280,826**	**(30,272,614)**	**1,492,581**	**(623,860)**	**7,880,224**	**164,757,157**

			Non-cash changes			
	2021.1.1	**Cash flows**	**Interest expense**	**Foreign exchange movement**	**Other**	**2021.9.30**
Short-term borrowings	$ 80,000	(80,000)	-	-	-	-
Bonds payable	7,332,941	4,991,710	15,571	-	(3,356,566)	8,983,656
Long-term borrowings	107,594,362	(4,245,330)	166	-	-	103,349,198
Lease liabilities and financial liabilities for hedging	93,452,920	(10,257,179)	1,732,707	(946,299)	(1,008,725)	82,973,424
Total liabilities from financing activities	**$ 208,460,223**	**(9,590,799)**	**1,748,444**	**(946,299)**	**(4,365,291)**	**195,306,278**

(7) Related-party transactions

(a) Names and relationship with the Group

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

Names of related parties	Relationship with the Group
GE Evergreen Engine Services Corp.	Associates
EverFun Travel Services Corp.	Associates
Arport Air Cargo Terminal (Xiamen) Co., Ltd.	Associates
Arport Air Cargo Service (Xiamen) Co., Ltd.	Associates
Spirit Evergreen Aftermarket Solutions Co., Ltd.	Associates
Ever Superior Technologies Corporation	Associates

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Names of related parties	Relationship with the Group
Evergreen Security Corp. (Note)	Other related parties
Evergreen International S.A.	Other related parties
Evergreen International Corp.	Other related parties
Evergreen Marine Corp. (Taiwan) Ltd.	Other related parties
Evergreen International Storage & Transport Corp.	Other related parties
Evergreen Logistics Corp.	Other related parties
UNI Airways Corp.	Other related parties
Ever Accord Construction Corp.	Other related parties
Evergreen Steel Corp.	Other related parties
Evergreen Shipping Agency (Europe) GMBH SP. Z O.O.	Other related parties
Ever Shine (Shenzhen) Enterprise Management Consulting Co., Ltd.	Other related parties
Ever Shine (Shanghai) Enterprise Management Consulting Co., Ltd.	Other related parties
Evergreen Shipping Agency (Japan) Corporation	Other related parties
Evergreen Insurance Company Limited	Other related parties
SATS Ltd.	Other related parties
SATS Catering Private Limited	Other related parties
SATS Airport Services Pte. Ltd.	Other related parties
Chang Yung-Fa Foundation	Other related parties
Chang Yung-Fa Charity Foundation	Other related parties
Central Reinsurance Corporation	Other related parties
Taiwan Terminal Services Corporation Ltd.	Other related parties
Trade-Van Information Services Co.	Other related parties
Chung Hwa Express Corp.	Other related parties
Hsin Yung Enterprise Corporation	Other related parties
Super Max Engineering Enterprise Co., Ltd.	Other related parties
Ever Ecove Corporation	Other related parties
STARLUX Airlines Co., Ltd.	Other related parties

(Note) In 2022, the Group disposed all shares of Evergreen Security Corp. Since the date of disposal , the Group lost significant influence on Evergreen Security Corp., and hence it becomes other related parties of the Group. For the related information, please refer to note 6(h).

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(b) Significant transactions with related parties

(i) Operating revenue

Significant sales to related parties of the Group were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Associates	$ 146,446	74,428	339,379	369,060
Other related parties	718,906	359,662	1,913,128	1,489,260
	$ 865,352	**434,090**	**2,252,507**	**1,858,320**

Related parties leased aircraft from the Group. The rental is charged by actual flight hours and recorded under operating revenue.

The Group provided aviation transportation services. The transportation services and ticket prices provided to related party, which is travel agency, were the same as those provided to general travel agencies. The Group received collateralized notes for receivables from aforementioned related party. No expected credit loss was required after the assessment by the management.

The Group provided maintenance and other services to related parties. The transactions with related parties that were made have no significant differences from those of the non-related parties.

The Group leased out plants and parcels of land to its related parties, with monthly rentals based on the market price in the neighboring areas.

The prices for sales to related parties are not materially different from those of the third-parties sales. The payment terms are usually within 1~3 months, which do not materially differ from those of third-party transactions. Besides aforementioned collateralized notes, receivables from related parties were uncollateralized, and no expected credit loss was required after the assessment by the management.

(ii) Operating costs

Significant operating costs from transactions with related parties were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Associates	$ 2,285	33,274	39,133	97,342
Other related parties	167,358	106,912	447,455	315,890
	$ 169,643	**140,186**	**486,588**	**413,232**

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The prices for related parties transactions are not materially different from those of the third-party vendors. The payment terms are usually within 1~3 months, which do not materially differ from those of third-party transactions.

(iii) Operating expenses

Significant operating expenses from transactions with related parties were as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Associates	$ 1,648	20,272	22,557	65,599
Other related parties	56,363	43,333	149,174	123,300
	$ 58,011	**63,605**	**171,731**	**188,899**

The prices for related parties transactions are not materially different from those of the third-party vendors. The payment terms are usually within 1~3 months, which do not materially differ from those of third-party transactions.

(iv) Property transaction

1) Purchases of property, plant and equipment

The prices of property, plant and equipment purchased from related parties were summarized as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Associates	$ -	357	302	2,030
Other related parties	5,707	2,192	18,598	4,154
	$ 5,707	**2,549**	**18,900**	**6,184**

2) Disposals of property, plant and equipment

The disposals of property, plant and equipment to related parties were summarized as follows:

	For the three months ended September 30, 2022		For the three months ended September 30, 2021		For the nine months ended September 30, 2022		For the nine months ended September 30, 2021	
	Disposal price	**Gain from disposal**	**Disposal price**	**Gain from disposal**	**Disposal price**	**Gain from disposal**	**Disposal price**	**Gain from disposal**
Associates	$ 29,284	6,405	-	-	29,284	6,405	-	-
Other related parties	-	-	-	-	-	-	20	-
	$ 29,284	**6,405**	**-**	**-**	**29,284**	**6,405**	**20**	**-**

3) Acquisitions of other assets

The prices of intangible assets purchased from related parties were summarized as follows:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Other related parties	$ 296	520	892	1,047

4) Disposals of other assets

The disposals of shares to related parties were summarized as follows:

Relationship with the Company	Object	Number of shares	Disposal price	Gain/Loss from Disposal
Other related parties	Equity	6,336,000	$ 192,984	$ 76,931

5) Others

Significant deferred gains from disposal from transactions with related parties were as follows:

	Deferred gains from disposal		
	2022.9.30	2021.12.31	2021.9.30
GE Evergreen Engine Services Corp.	$ 484,185	533,967	550,561

(v) Construction commitment

In October 2019, EGAT, the consolidated subsidiary, entered into a contract with Ever Accord Construction Corp. amounting to $370,700 for the purpose of the construction of its component repair shop. The amount of contract price was corrected to $680,613 due to the electromechanical system demand in May 2022. As of September 30, 2022, December 31 and September 30, 2021, EGAT has paid the price of $680,613, $634,719 and $574,584, respectively.

(vi) Leases

The Group rented its offices from other related enterprise. For the three months and nine months ended September 30, 2022 and 2021, the Group recognized the amount of $442, $367, $1,028 and $1,221, respectively, as interest expense. As of September 30, 2022, December 31 and September 30, 2021, the balance of lease liabilities amounted to $79,381, $57,327 and $59,208, respectively.

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vii) Receivables from related parties

Receivables from related parties of the Group were as follows:

Account	Class of related parties	2022.9.30	2021.12.31	2021.9.30
Notes receivable	EverFun Travel Service Corp.	$ 6,627	-	-
Accounts receivable	Associates	102,833	55,552	39,129
Accounts receivable	Other related parties	324,993	259,071	193,533
Subtotal		434,453	314,623	232,662
	Associates			
Other receivables	GE Evergreen Engine Services Corp.	4,170	7,174	186,994
Other receivables	Other associates	9,789	7	1
	Other related parties			
Other receivables	UNI Airways Corp.	123,018	130,489	103,583
Other receivables	Evergreen Insurance Company Limited	33,903	27,602	13,438
Other receivables	Other related parties	30	10	15
Subtotal		170,910	165,282	304,031
Total		$ **605,363**	**479,905**	**536,693**

(viii) Payables to related parties

Payables to related parties of the Group were as follows:

Account	Class of related parties	2022.9.30	2021.12.31	2021.9.30
Notes payable	Trade-Van Information Services Co.	$ -	826	-
Accounts payable	Associates	631	15,203	15,692
Accounts payable	Other related parties	51,430	33,001	33,338
Subtotal		52,061	49,030	49,030
Other payables	Associates	675	20,805	12,951
Other payables	Other related parties	35,416	43,296	43,891
Subtotal		36,091	64,101	56,842
Total		$ **88,152**	**113,131**	**105,872**

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(c) Key management personnel compensation

Key management personnel compensation comprised the following:

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the nine months ended September 30, 2022	For the nine months ended September 30, 2021
Short-term employee benefits	$ 37,384	32,920	113,342	101,114
Post-employment benefits	1,364	1,629	4,089	4,374
	$ 38,748	**34,549**	**117,431**	**105,488**

(8) Pledged assets

The carrying amounts of the pledged assets were as follows:

Pledged assets	Object	2022.9.30	2021.12.31	2021.9.30
Property, plant, and equipment	Short-term and long-term borrowings	$ 92,717,684	89,391,700	91,205,239
Investment property	Long-term borrowings	1,086,876	-	-
Time deposits－included in other non-current assets	Letters of credit, and contract performance guarantees, etc.	342,592	326,186	493,518
		$ 94,147,152	**89,717,886**	**91,698,757**

(9) Significant contingent liabilities and unrecognized commitments

(a) Significant contingent liabilities: None.

(b) Significant commitments:

(i) In November 2015, the Company entered into aircraft purchase contracts with Boeing Company for eighteen Boeing 787-10 aircraft. In August 2020, the Company made amendments to the contracts and changed seven Boeing 787-10 aircraft (not yet delivered) into four Boeing 787-9 aircraft and three Boeing 777 freighters. In May 2022, the Company entered into an additional aircraft purchase contract with Boeing Company for one Boeing 777 freighter. The total contract price is US$6,861,000. As of September 30, 2022, twelve Boeing aircraft had not yet been delivered by Boeing Company. The Company has partially prepaid the price of $12,532,601, which was included in other non-current assets.

(ii) In March 2022, the Company entered into a contract with Israel Aerospace Industries Ltd. for the conversion of three 777-300ER passenger aircraft into freighters at a total contract price of US$120,000. As of September 30, 2022, three converted freighters had not yet been delivered by Israel Aerospace Industries Ltd. The Company has partially prepaid the price of $286,381, which was included in other non-current assets.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Unused letters of credit for the Group were as follows:

	2022.9.30	2021.12.31	2021.9.30
Unused letters of credit	$ 2,537,991	2,252,485	2,262,885

(iv) The consolidated subsidiary, Evergreen Air Cargo Services Corp. (hereinafter referred to as EGAC), entered into a contract－Contract of Building and Operating Phase II Air Cargo Terminal－ with Civil Aeronautics Administration, Ministry of Transportation and Communications (hereinafter referred to as CAA) in 1999 to obtain the right to build and operate phase II of air cargo terminal at Taoyuan International Airport (hereinafter referred to as terminal) during the concession period and to run the business of warehousing of air cargo. Some details of this contract are as follows:

1) Concession period

a) Building period is less than 3 years starting from the date (i.e. April 1, 2000) when CAA delivered the terminal land to EGAC.

b) Operating period is 30 years starting from the initial date of operation (i.e. February 26, 2002) approved by CAA.

2) Right to build and operate

a) EGAC should complete building terminal and acquire necessary licenses to start operation after obtaining approval from CAA. EGAC has acquired the right to operate since the date of approval of operation and is not allowed to transfer the running of all the business to third-party. However, the running of part of the business can be transferred to third-party if CAA approves.

b) EGAC acquired an air cargo entrepot license issued by CAA on February 26, 2002 to obtain the right to operate terminal and start operations officially.

3) Royalty

EGAC should pay CAA royalties with the amount of a certain percentage (originally set at 6.00% before being adjusted to 6.10% on July 1, 2005 and adjusted subsequently to 6.00% in October 2008 until December 2023) of operating revenue, plus business tax, for each two-month period during the operating period. At the end of each accounting year, the adjustments will be made based on the differences between the amount of royalties EGAC has to pay, which is calculated as the total revenue (inclusive of operating revenue and non-operating income but exclusive of rental income from subletting operating facilities to Fedex) disclosed in the financial statements audited by the certified public accountants and multiplied by the aforementioned percentage, and adjusted by the amount of royalties EGAC has already paid during the same period. EGAC has to make up for the difference if the amount of royalties EGAC has to pay is more than those already paid; the difference will be deducted from the amount EGAC has to pay in the following period if the situation is the opposite.

(Continued)

4) Transfer of assets at the end of concession period

At the end of concession period, the lease agreement of the land is terminated and the land has to be returned to the government. EGAC is allowed to transfer with remuneration to the government the operating assets, in their status quo at the end of concession period, whose addition has been approved by CAA during the 5-year period before the expiration of concession period. The operating assets (in their status quo at the end of concession period, and acquired prior to the 5-year period before the expiration of concession period) have to be transferred without remuneration to the government, unless otherwise agreed. The transferred object consists of all the operating assets as well as other assets necessary to operations which were acquired by building and operating in accordance with the concession contract during the concession period.

5) Taoyuan International Airport of Civil Aeronautics Administration of the Ministry of transportation and Communications had been reorganized into Taoyuan International Airport Corporation (hereinafter refer to as TIAC) on November 1, 2010. The contracts that EGAC signed with CAA had been received by TIAC since the establishment. The royalty, penalty, and the commercial paper of land rent of the counterparty had been changed to TIAC. For the nine months ended September 30, 2022, the estimated royalty amounted to $89,375, which was recorded as operating costs.

Besides, as of September 30, 2022, the promissory notes for the performance of the concession contract issued by EGAC amounted to $751,963.

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

(12) Other

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

By function / By item	For the three months ended September 30, 2022			For the three months ended September 30, 2021		
	Operating costs	**Operating expenses**	**Total**	**Operating costs**	**Operating expenses**	**Total**
Personnel expenses						
Salaries	3,309,939	1,487,885	4,797,824	2,721,099	1,107,201	3,828,300
Labor and health insurance	231,785	88,627	320,412	228,604	90,165	318,769
Pension	174,871	65,763	240,634	176,034	65,126	241,160
Remuneration of directors	-	11,162	11,162	-	7,244	7,244
Others	585,187	111,234	696,421	428,151	111,052	539,203
Depreciation (Note)	7,143,861	254,631	7,398,492	6,668,249	285,695	6,953,944
Amortization	24,447	54,443	78,890	34,106	58,687	92,793

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
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By function / By item	For the nine months ended September 30, 2022			For the nine months ended September 30, 2021		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel expenses						
Salaries	9,540,808	3,885,517	13,426,325	8,350,556	3,436,830	11,787,386
Labor and health insurance	697,914	274,536	972,450	694,399	271,620	966,019
Pension	523,179	200,896	724,075	530,100	201,615	731,715
Remuneration of directors	-	34,317	34,317	-	22,793	22,793
Others	1,442,629	301,994	1,744,623	1,120,159	348,883	1,469,042
Depreciation (Note)	20,844,585	761,934	21,606,519	19,962,033	801,741	20,763,774
Amortization	92,460	162,432	254,892	105,906	185,200	291,106

Note: For the three months and nine months ended September 30, 2022 and 2021, the depreciation expenses recognized were \$7,449,568, \$7,012,985, \$21,770,213 and \$20,987,449, respectively, less deferred gains of \$4,083, \$4,082, \$12,247 and \$12,246, respectively, and subsidy and rent concession of \$46,993, \$54,959, \$151,447 and \$211,429, respectively.

(b) Seasonality or cyclicality of interim operations:

The Group' s aviation transportation segment is subject to seasonal fluctuations as a result of consecutive holidays and summer vacations. The third quarter typically results in higher revenues performing outcome for this segment.

(c) COVID-19 outbreak since early 2020 has brought about additional uncertainties in the Group' s operating environment at each destinations around the globe and has impacted the Group' s operations, including cancellation or restriction of flights. Facing the impact of the pandemic, the Group continuously reviews its flight status, implements flight suspensions and raises the daily utilization rates of its freighters, in order to maximize its operating revenue. Meanwhile, the Group simplified its service and selling process, reduced personnel cost, postponed unnecessary capital expenditures, as well as performed other cost-controlling activities. The Group has applied for operating and interest subsidies from the government. Notably, the Group has received a government bailout loan amounting to \$33.28 billion. In addition, the Group has also acquired additional loans from banks, and will raise fund timely from capital market, in order to meet the future demand of working capital. For the information of the guarantee from the government for loans and the outstanding credit lines, please refer to note 6(p).

(13) Other disclosures

(a) Information on significant transactions

The followings were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the nine months ended September 30, 2022:

(i) Financings provided: None.

(ii) Guarantee and Endorsement provided: None.

(iii) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Please see Table 1 attached.

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iv) Accumulated buying/selling of the same marketable securities for which the dollar amount at least $300 million or 20% of paid-in capital: Please see Table 2 attached.

(v) Acquisition of real estate for which the dollar amount at least $300 million or 20% of paid-in capital: None.

(vi) Disposition of real estate for which the dollar amount at least $300 million or 20% of paid-in capital: Please see Table 3 attached.

(vii) Total purchases from or sales to related parties with the dollar amount at least $100 million or 20% of paid-in capital: Please see Table 4 attached.

(viii) Accounts receivable from related parties for which the dollar amount at least $100 million or 20% of paid-in capital: Please see Table 5 attached.

(ix) Derivative transactions: None.

(x) Business relationships and significant inter-company transactions: Please see Table 6 attached.

(b) Information on investees:

The followings are the information on investees for the nine months ended September 30, 2022 (excluding investees in Mainland China): Please see Table 7 attached.

(c) Information on investment in Mainland China : Please see Table 8 attached.

(d) Major shareholders:

(in shares)

Shareholding / Shareholder's Name	Shares	Percentage
Evergreen Marine Corp. (Taiwan) Ltd.	776,541,111	14.49 %
Evergreen International Corp.	712,296,304	13.30 %
Falcon Investment Services Ltd.	480,386,482	8.97 %

(14) Segment information

The Group has three reportable segments: aviation transportation segment, the aircraft maintenance, manufacture segment and the catering and food manufacture segment. Aviation transportation segment is involved in aviation transportation of passengers and cargo. The aircraft maintenance and manufacture segment is involved in maintenance, manufacture, processing and sale of aircraft, parts and engine. Catering and food manufacture segment is involved in catering services and food manufacturing.

Other operating segments are mainly involved in ground handling services, travel agency, air cargo service, investment, and flight training. For the nine months ended September 30, 2022 and 2021, the above segments do not meet the quantitative thresholds to be reportable.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
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The Group's operating segment information and reconciliation are as follows:

	Aviation transportation segment	Aircraft maintenance and manufacture segment	Sky catering and food manufacture segment	Other segments	Reconciliation and elimination	Total
For the three months ended September 30, 2022						
Revenue:						
Revenue from external customers	$ 32,320,463	2,302,878	88,855	497,343	(4,481)	35,205,058
Intersegment revenue	19,384	764,495	329,523	537,279	(1,650,681)	-
Total revenue	**$ 32,339,847**	**3,067,373**	**418,378**	**1,034,622**	**(1,655,162)**	**35,205,058**
Reportable segment profit or loss	**$ 742,778**	**452,090**	**(57,794)**	**124,488**	**(3,459)**	**1,258,103**

	Aviation transportation segment	Aircraft maintenance and manufacture segment	Sky catering and food manufacture segment	Other segments	Reconciliation and elimination	Total
For the three months ended September 30, 2021						
Revenue:						
Revenue from external customers	$ 23,529,114	1,836,138	62,775	401,080	(15,039)	25,814,068
Intersegment revenue	15,535	678,675	108,750	471,489	(1,274,449)	-
Total revenue	**$ 23,544,649**	**2,514,813**	**171,525**	**872,569**	**(1,289,488)**	**25,814,068**
Reportable segment profit or loss	**$ 2,112,953**	**266,567**	**(152,476)**	**92,908**	**(10,238)**	**2,309,714**

	Aviation transportation segment	Aircraft maintenance and manufacture segment	Sky catering and food manufacture segment	Other segments	Reconciliation and elimination	Total
For the nine months ended September 30, 2022						
Revenue:						
Revenue from external customers	$ 90,192,461	6,728,029	256,662	1,477,527	(27,792)	98,626,887
Intersegment revenue	52,165	2,156,105	583,484	1,571,743	(4,363,497)	-
Total revenue	**$ 90,244,626**	**8,884,134**	**840,146**	**3,049,270**	**(4,391,289)**	**98,626,887**
Reportable segment profit or loss	**$ 6,851,612**	**1,207,260**	**(412,409)**	**298,225**	**(15,432)**	**7,929,256**

	Aviation transportation segment	Aircraft maintenance and manufacture segment	Sky catering and food manufacture segment	Other segments	Reconciliation and elimination	Total
For the nine months ended September 30, 2021						
Revenue:						
Revenue from external customers	$ 63,099,136	5,327,540	153,144	1,108,106	(32,090)	69,655,836
Intersegment revenue	41,078	1,975,227	316,108	1,394,613	(3,727,026)	-
Total revenue	**$ 63,140,214**	**7,302,767**	**469,252**	**2,502,719**	**(3,759,116)**	**69,655,836**
Reportable segment profit or loss	**$ 949,261**	**884,036**	**(509,107)**	**42,961**	**(17,912)**	**1,349,239**

For the three months and nine months ended September 30, 2022 and 2021, reportable segment profit or loss excludes non-operating income and expenses.

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 1 Marketable Securities Held (excluding investments in subsidiaries, associates and joint ventures)

(September 30, 2022)

(in shares)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	September 30, 2022				Notes
				Shares/Units	Book value	Percentage of ownership	Fair value	
The Company	Jih Sun Money Market Fund	None	Financial assets at fair value through profit or loss－current	45,187,711	679,397	-	679,397	
〃	Taishin 1699 Money Market Fund	None	Financial assets at fair value through profit or loss－current	3,666,549	50,330	-	50,330	
					729,727		**729,727**	
The Company	Shares of Everest Investment Holdings Ltd.	None	Financial assets at fair value through other comprehensive income－non-current	231,580	3,581	2.11	3,581	
〃	Shares of Trade-Van Information Services Co.	Other related party	Financial assets at fair value through other comprehensive income－non-current	8,502,418	584,116	5.67	584,116	
〃	Shares of Central Reinsurance Corporation	Other related party	Financial assets at fair value through other comprehensive income－non-current	28,630,008	578,326	4.85	578,326	
〃	Shares of UNI Airways Corp.	Other related party	Financial assets at fair value through other comprehensive income－non-current	37,606,277	604,333	9.98	604,333	
〃	Shares of Evergreen Steel Corp.	Other related party	Financial assets at fair value through other comprehensive income－non-current	38,201,625	2,036,147	9.16	2,036,147	
〃	Shares of Chung Hwa Express Corp.	Other related party	Financial assets at fair value through other comprehensive income－non-current	1,000,000	47,840	10.00	47,840	
〃	Star Alliance Services Gmbh	None	Financial assets at fair value through other comprehensive income－non-current	1	6,539	4.55	6,539	
Evergreen Airline Services Corp.	Shares of Evergreen Marine Corp. (Taiwan) Ltd.	Other related party	Financial assets at fair value through other comprehensive income－non-current	222,939	32,549	0.01	32,549	
〃	Shares of Evergreen International Storage & Transport Corp.	Other related party	Financial assets at fair value through other comprehensive income－non-current	158,800	5,010	0.01	5,010	
Hsiang Li Investment Corp.	Shares of Central Reinsurance Corporation	Other related party	Financial assets at fair value through other comprehensive income－non-current	2,740,542	55,359	0.46	55,359	
Evergreen Airways Service (Macau) Ltd.	Shares of Air Macau Co., Ltd.	None	Financial assets at fair value through other comprehensive income－non-current	500	78	0.0024	78	
					3,953,878		**3,953,878**	

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 2 Accumulated buying/selling of the same marketable securities for which the dollar amount at least $300 million or 20% of paid-in capital (September 30, 2022)

(in shares)

Company Name	Marketable Securities Type	Marketable Securities Name	Financial Statement Account	Counter-party	Relationship with the Company	Beginning Balance		Acquisition		Disposal					Ending Balance	
						Shares/ Units	Amount	Shares/ Units	Amount	Shares/ Units	Amount	Book value	Gain/ Loss on Disposal	Other adjustments	Shares/ Units	Amount
The Company	Equity	Evergreen Aviation Technologies Corp.	Investments accounted for using equity method	Specific person	-	228,985,241	6,166,878	-	-	22,796,000	1,431,840	632,050	802,579 (Note 1)	(481,781) (Note 2)	206,189,241	6,016,609
The Company	Fund	FSITC Money Market Fund	Financial assets at fair value thorugh profit or loss－current	First Securities Investment Trust Co., Ltd.	-	2,564,182	462,109	-	-	2,564,182	462,479	460,023	2,456	-	-	-

Note 1: Gain/loss on disposal is recognized as capital surplus.

Note 2: Exchange differences on subsidiaries and associates accounted for using equity method, share of profit or loss of subsidiaries accounted for using equity method and remeasurements of the defined benefit plans, etc.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 3 Disposition of real estate for which the dollar amount at least $300 million or 20% of paid-in capital

(September 30, 2022)

Company Name	Types of Property	Transaction Date	Acquisition Date	Book Value	Transaction Amount	Proceed Term	Gain (losses) on Disposal of PPE	Counter-party	Nature of Relationships	Purpose of Disposal	Price Reference	Other Terms
The Company	Office building of Los Angeles	2022.2.11~ 2022.4.7	2019.12.18	325,044	424,125 (note)	100%	99,081	(1)Wei Zheng (2)Craig Hertz (3)Kaye Capital Management (4)El Segundo Investments 2, LLC (5)Welcome El Segundo 3, LLC (6)Scott P. Schomer	Non-related party	The flexible application of Assets	Appraisal report	None

Note: The transaction amount is based on its contract price deduct relevant transaction costs and fees.

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 4 Total purchases from or sales to related parties with the dollar amount at least $100 million or 20% of paid-in capital

(September 30, 2022)

			Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		
Company Name	Related Party	Relationship	Purchases/Sales	Amount	Percentage of Total Purchases/Sales	Payment Terms	Unit Price	Payment Terms	Balance	Percentage of Total Accounts/ Notes Receivable (Payable)	Notes
The Company	UNI Airways Corp.	Other related party	Sales	1,059,254	1.17	60 days	-		161,738	1.69	
〃	Evergreen Logistics Corp.	Other related party	Sales	343,798	0.38	60 days	-		15,430	0.16	
〃	Evergreen Airline Services Corp.	The Company's subsidiary	Purchases	1,132,695	1.47	60 days	-		(254,146)	4.34	(Note)
〃	Evergreen Sky Catering Corp.	The Company's subsidiary	Purchases	473,031	0.61	60 days	-		(197,897)	3.38	(Note)
〃	Evergreen Aviation Technologies Corp.	The Company's subsidiary	Purchases	2,133,013	2.77	60 days	-		(510,089)	8.71	(Note)
〃	Evergreen Air Cargo Services Corp.	The Company's subsidiary	Purchases	315,916	0.41	60 days	-		(65,122)	1.11	(Note)
Evergreen Airline Services Corp.	The Company	Parent company	Sales	1,132,695	79.77	60 days	-		264,139	80.34	(Note)
〃	UNI Airways Corp.	Other related party	Sales	155,434	10.95	60 days	-		39,833	12.12	
Evergreen Aviation Technologies Corp.	The Company	Parent company	Sales	2,155,975	24.27	60 days	-		516,957	19.76	(Note)
〃	GE Evergreen Engine Services Corp.	Associates	Sales	283,876	3.20	30 days	-		53,197	2.03	
〃	UNI Airways Corp.	Other related party	Sales	237,499	2.67	60 days	-		80,200	3.07	
Evergreen Sky Catering Corp.	The Company	Parent company	Sales	473,031	56.30	60 days	-		211,116	74.70	(Note)
Evergreen Air Cargo Services Corp.	The Company	Parent company	Sales	315,916	20.71	60 days	-		68,985	41.42	(Note)

Note : The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 5 Accounts receivable from related parties for which the dollar amount at least $100 million or 20% of paid-in capital

(September 30, 2022)

Company Name	Related Party	Relationship	Balance of Receivables from Related Party	Turnover Rate	Past - due Receivables from Related Party		Amounts Received in Subsequent Period	Allowances for Impairment Loss
					Amount	Action taken		
The Company	UNI Airways Corp.	Other releted party	284,147	(Note 1)	-		204,805	-
Evergreen Airline Services Corp.	The Company	Parent company	274,188	5.23 (Note 2)	-		273,962	-
Evergreen Sky Catering Corp.	The Company	Parent company	211,237	4.99 (Note 2)	-		98,406	-
Evergreen Aviation Technologies Corp.	The Company	Parent company	517,753	5.84 (Note 2)	-		517,753	-

Note1：Accounts receivable and revenue were not directly correlated because of the particular industry characteristics, and therefore, the turnover rate was not applicable.

Note2：The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 6 Business relationships and significant inter-company transactions

(September 30, 2022)

Number	Trader	Company Name	Nature of Relationship	Transaction Details			
				Financial Statements Item	Amount	Transaction Terms	Percentage of the Consolidated Net Revenue or Total Assets
0	The Company	Evergreen Airline Services Corp.	1	Operating costs	1,132,695	as general transactions	1.15
0	〃	Evergreen Sky Catering Corp.	1	Operating costs	473,031	as general transactions	0.48
0	〃	Evergreen Aviation Technologies Corp.	1	Operating costs	2,133,013	as general transactions	2.16
0	〃	Evergreen Air Cargo Services Corp.	1	Operating costs	315,916	as general transactions	0.32
0	〃	Evergreen Airline Services Corp.	1	Accounts payable－related parties	254,146	as general transactions	0.08
0	〃	Evergreen Sky Catering Corp.	1	Accounts payable－related parties	197,897	as general transactions	0.06
0	〃	Evergreen Aviation Technologies Corp.	1	Accounts payable—related parties	510,089	as general transactions	0.16

Note 1:The number is filled in as follows:

1.0 represents the parent company.

2.Subsidiaries are numbered sequentially by the number 1 according to the company.

Note 2:The types of relationships with the company are as follows:

1.Parent company to subsidiary.

2.Subsidiary to parent company.

3.Subsidiary to subsidiary.

Note 3: The section only discloses the information of parent company to subsidiaries transactions. The counter party is not disclosed due to duplicate.

(Continued)

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Notes to the Consolidated Financial Statements

Table 7 Information on investees (excluding investees in Mainland China)

(For the nine months ended September 30, 2022)

(in shares)

Name of investor	Name of investee	Location	Main Businesses and Products	Initial Investment Amount		Ending Balance			Net Income (Losses) of Investee	Share of Profit (Losses) of Investee	Notes
				September 30, 2022	December 31, 2021	Shares	Ratio of Shares	Book Value			
The Company	Sky Castle Investment Ltd.	Maystar Chambers, P.O. Box 3269, Apia, Samoa	Investment business	179,173	179,173	5,500,000	100.00 %	436,220	21,139	21,139	(Note 1)
The Company	Evergreen Airways Service (Macau) Ltd.	398 Alameda Dr. Carlos D' Assumpcao.Edif CNAC 3 Andar K-M Macau	Investment business	327	327	None	99.00 %	125,178	6,171	6,110	(Note 1)
The Company	PT Perdana Andalan Air Service	10/F, Gedung Mega Plaza Jl. H.R Rasuna Said Kav. C-3 Jakarta 12920 Indonesia	Traveling agency	5,086	5,086	40,800	51.00 %	20,564	4,137	2,110	(Note 1)
The Company	EVA Flight Training Academy	3745 Whitehead Street Mather, CA, 95655, USA	Flight training school	932,050	932,050	10,000,000	100.00 %	647,334	(40,369)	(40,369)	(Note 1)
The Company	Evergreen Aviation Technologies Corp.	No.6 Hangzhan S.Rd., Dayuan Dist., Taoyuan City, Taiwan	Maintenance, manufacturing, processing and sales of aircraft, parts and engine	-	-	206,189,241	58.44 %	6,016,609	1,435,134	842,438	(Note 1)
The Company	Evergreen Airline Services Corp.	No.608 Hangzhan N.Rd., Dayuan Dist., Taoyuan City, Taiwan	Aviation ground service	111,181	111,181	36,183,106	56.33 %	830,785	(99,383)	(55,982)	(Note 1)
The Company	Evergreen Sky Catering Corp.	No.3, Hangqin N. Rd., Dayuan Dist., Taoyuan City, Taiwan	The provision of in-flight meals in sky catering and the sales of food	498,000	498,000	76,557,790	49.80 %	1,679,805	(330,672)	(164,674)	(Note 1)
The Company	Evergreen Air Cargo Services Corp.	No.8-1, Hangqin N. Rd., Dayuan Dist., Taoyuan City, Taiwan	Air cargo entrepot	740,348	740,348	72,750,000	60.625 %	1,668,487	371,669	225,324	(Note 1)
The Company	Hsiang Li Investment Corp.	1F, No. 117, Sec. 2, Chang An E. Rd., Taipei 104 Taiwan	Investment business	448,280	448,280	2,680,000	100.00 %	67,589	4,872	4,872	(Note 1)
The Company	Evergreen Security Corp.	4-5F., No. 111, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan	Security services	-	25,000	-	-	-	(Note 4)	2,969	(Note 2)
The Company	EverFun Travel Services Corp.	3F., No. 100, Sec. 2, Chang An E. Rd., Zhongshan Dist., Taipei City 104, Taiwan(R.O.C)	Traveling agency	74,123	55,061	4,110,374	25.18 %	32,446	(34,399)	(8,988)	(Note 2)
Evergreen Aviation Technologies Corp.	GE Evergreen Engine Services Corp.	No.8 Hangzhan S.Rd., Dayuan Dist., Taoyuan City, Taiwan	Maintenance, manufacturing, and sales of aircraft, engine and engine components	2,032,845	2,032,845	203,284,545	49.00 %	1,746,938	292,438	143,294	(Note 3)
Evergreen Aviation Technologies Corp.	Spirit Evergreen Aftermarket Solutions Co., Ltd.	3F., No. 528 Chenggong Rd. Sec, 1, Guanyin Dist., Taoyuan City, Taiwan	Maintenance, manufacturing, and sales of aircraft, engine and parts	111,552	13,695	11,155,180	49.00 %	104,158	(12,270)	(6,012)	(Note 3)
Evergreen Aviation Technologies Corp.	Ever Superior Technologies Corporation	2F., No. 528 Chenggong Rd. Sec, 1, Guanyin Dist., Taoyuan City, Taiwan	Metal surface chemical treatment business	63,000	63,000	6,300,000	35.00 %	45,428	(37,118)	(12,991)	(Note 3)
Evergreen Airways Service (Macau) Ltd.	Menzies Macau Airport Services Ltd.	Airport Logistic Business Center Room 52 Macau International Airport Avenida do Aeroporto, Taipa, Macau	Ground handling	8,032	8,032	None	20.00 %	87,270	45,576	6,483	(Note 3)
Evergreen Sky Catering Corp.	Everfamily International Foods Corp.	No.63 Changxing Rd. Sec, 4. Luzhu Dist., Taoyuan City,Taiwan	Food manufacturing	165,000	-	16,500,000	55.00 %	165,000	-	-	(Note 1)

Note 1: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.
Note 2: Investments were accounted for using equity method.
Note 3: Investments of subsidiaries of the Company were accounted for using equity method.
Note 4: In 2022, the Group disposed all shares of Evergreen Security Corp. For the related information, please refer to note 6(h).

(Continued)

EVA AIRWAYS CORP. AND SUBSIDIARIES
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Table 8 Information on investment in Mainland China
(September 30, 2022)

1. Information on Investment in Mainland China:

Investee Company	Main Business and Products	Total Amount of Paid-in Capital (CNY in Thousands)	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2022	Net Income (Losses) of investee	Direct/Indirect Shareholding (%) by the Company	Share of Profits/Losses (Note 2)	Carrying Amount as of September 30, 2022	Accumulated Inward Remittance of Earnings as of September 30, 2022
					Outflow	Inflow						
Arport Air Cargo Terminal (Xiamen) Co., Ltd.	Forwarding and storage of air cargo	CNY 254,480	2	138,784	-	-	138,784	60,831	14.00 %	8,516	275,610	106,670
Arport Air Cargo Service (Xiamen) Co., Ltd.	Forwarding and storage of air cargo, truck freight transportation, other transportation auxiliary industry	CNY 14,000	2	61,418	-	-	61,418	91,381	14.00 %	12,793	159,650	58,498

(Note 1) Ways to Invest in Mainland China:
1.Investment in Mainland China companies by remittance through a third region.
2.Investment in Mainland China companies through a company invested and established in a third region.
3.Investment in Mainland China companies through an existing company established in a third region.
4.Direct investment in Mainland China.
5.Other methods of investing in Mainland China. EX：Entrusted investment.

(Note 2) The financial statements of the investee company were not reviewed by independent auditors.
The Company recognized share of profit of associates accounted for using equity method by shareholding percentage.

2. Limitation on investment in Mainland China:

Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2022 (USD in Thousands)	Investment Amounts Authorized by Investment Commission, MOEA (Note) (USD in Thousands)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
NTD 200,202 (USD 6,083)	NTD 207,330 (USD 6,295)	55,297,078

Note：Investment amounts in Mainland China were translated to TWD at the exchange rates of the dates of the remittance;
investment amounts authorized by Investment Commission, MOEA were translated to TWD at the exchange rates of the dates of the authorization.

3. Significant transactions：None.