Stock Code:2636

T3EX GLOBAL HOLDINGS CORP.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

With Independent Auditors' Report
For the Years Ended December 31, 2022 and 2021

Address: 12 F, No.563, Sec. 4 Zhougxiao E. Rd., Xinyi Dist., Taipei City, R.O.C.
Telephone: (02)2753-2093

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

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Representation Letter

The entities that are required to be included in the combined financial statements of T3EX Global Holdings Corp. as of and for the year ended December 31, 2022 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 "Consolidated Financial Statements." endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, T3EX Global Holdings Corp. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: T3EX Global Holdings Corp.
Chairman: David Yen
Date: March 9, 2023

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of T3EX Global Holdings Corp.

Opinion

We have audited the consolidated financial statements of T3EX Global Holdings Corp. ("the Company"), and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effects by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a seperate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue recognition

   Please refer to Note 4(m) "Revenue recognition" of consolidated financial statements and Note 6(u) "Revenue from contracts with customers" for the details of operating revenues of consolidated financial statements.

   <u>Description of key audit matter:</u>

   The Group mainly engages in sea and air freight forwarding, and total logistics solution. Therefore, the revenue is a matter to the users of the consolidated financial statements. Consequently, this is one of the key assessment areas in our audit.

How the matter was addressed in our audit:

Understanding the internal control on revenue recognition applied by the management and assessing whether appropriate accounting policy is applied; performing the analysis on revenue from the top ten customers to verify whether or not any unusual transaction has incurred; performing the sampling procedures to verify records and supporting document of the transactions; selecting a period before and after the reporting date to assess whether revenue recognized in the correct period.

2. Goodwill and other intangible assets impairment assessment

Please refer to Notes 4(l) “Impairment of non-financial assets” of the consolidated financial statements, Note 5 for assumptions on the accounting estimates and assumptions on the impairment of goodwill and other intangible assets of consolidated financial statements, and Note 6(j) for the details of the intangible assets in consolidated financial statements.

Description of key audit matter:

The accounting policy applying to the goodwill and other intangible assets arising from acquisition transactions is with the uncertainty estimation. Consequently, this is one of the key assessment areas our audit focus on.

How the matter was addressed in our audit:

Understanding the internal control on the impairment assessment of the goodwill and other intangible assets; selecting significant goodwill and other intangible assets; obtaining impairment assessment reports issued by an external expert engaged by the management; assessing model, parameters and assumptions applying to the financial information forecast; and evaluating whether the assessment for goodwill and other intangible assets was based on the accounting policies.

3. Accounts receivable evaluation

Please refer to Note 4(g) “ impairment of financial assets” of consolidated financial statements, Note 5 “Estimation uncertainty of the impairment of the receivable” of consolidated financial statements and Note 6(d) “impairment of the receivables” of consolidated financial statements.

Description of key audit matter:

The Group deal with its main customers on credit, so Group's receivables are exposed to the credit risk. When the customer defaults, the receivables may be impaired. Since the collectability assessment of receivables depends on management's judgment. Consequently, this is one of the key assessment areas in our audit.

How the matter was addressed in our audit:

Understanding impairment policy applied to the receivables by the management; assessing whether it is based on appropriate accounting policies. Inquiring the management whether there was any receivable with difficulty to collect; performing a sampling procedure to check the correctness of the aging of receivables and to review the collection of receivables in the subsequent period to understand if there were any significant overdue receivables to evaluated the provisions for impairment of receivables are adequate.

Other Matter

T3EX Global Holdings Corp. has prepared its parent-company-only financial statements as of and for the years then ended December 31, 2022 and 2021, on which we have expressed an unqualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' audit report are
Pei-Chi Chen and Chi-Lung Yu.

KPMG

Taipei, Taiwan (Republic of China)
March 9, 2023

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated 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 audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

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

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

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current assets:				
1100	Cash and cash equivalents (notes 6(a) & (z))	$ 9,569,948	54	6,781,308	41
1110	Current financial assets at fair value through profit or loss (notes 6(b) & (z))	116,179	1	969,446	6
1120	Current financial assets at fair value through other comprehensive income (notes 6(c) & (z))	1,796,323	10	717,193	4
1150	Notes receivable, net (note 6(d) & (u))	62,152	-	80,211	1
1170	Accounts receivable, net (note 6(d) & (u))	2,327,507	13	4,886,840	29
1180	Accounts receivable due from related parties, net (notes 6(d) & (u) & 7)	467	-	7,218	-
1470	Other current assets (notes 6(a) & 8)	1,691,538	10	445,100	3
	Current assets	15,564,114	88	13,887,316	84
	Non-current assets:				
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) & (z))	118,844	1	1,283,094	8
1550	Investments accounted for using equity method (note 6(e))	49,303	-	48,690	-
1600	Property, plant and equipment (notes 6(h) & 8)	844,772	5	312,223	2
1755	Right-of-use assets (note 6(i))	366,617	2	282,314	2
1805	Goodwill (note 6(j))	497,851	3	494,667	3
1821	Other intangible assets, net (note 6(j))	53,492	-	62,679	-
1840	Deferred tax assets (note 6(p))	55,095	-	51,055	-
1920	Refundable deposits (note 8)	117,744	1	119,570	1
1995	Other non-current assets, others (note 8)	33,734	-	62,508	-
	Non-current assets	2,137,452	12	2,716,800	16
	Total assets	$ 17,701,566	100	16,604,116	100

	Liabilities and Equity	December 31, 2022 Amount	%	December 31, 2021 Amount	%
	Current liabilities:				
2100	Short-term borrowings (notes 6(k), (z), (ac) & 8)	$ 3,450,585	20	790,715	5
2150	Notes payable	16,521	-	21,439	-
2170	Accounts payable	1,025,752	6	2,257,743	14
2180	Accounts payable to related parties (note 7)	747	-	54	-
2216	Dividends payable	709,176	4	-	-
2219	Other payables	2,001,400	11	2,140,636	13
2230	Current tax liabilities	430,065	2	583,436	3
2280	Current lease liabilities (notes 6(n), (y), (z) & (ac) and 7)	184,473	1	207,618	1
2322	Current portion of long-term borrowings (notes 6(l), (z) & (ac))	210,463	1	1,445	-
2399	Other current liabilities, others (note 6(o))	63,037	-	36,404	-
	Current liabilities	8,092,219	45	6,039,490	36
	Non-Current liabilities:				
2540	Long-term borrowings (notes 6(l), (z) & (ac) & 8)	337,500	2	200,481	1
2570	Total deferred tax liabilities (note 6(p))	205	-	184	-
2580	Non-current lease liabilities (notes 6(n), (y), (z) & (ac) and 7)	190,118	1	82,478	1
2640	Net defined benefit liability, non-current (note 6(o))	50,642	-	68,365	-
2645	Guarantee deposits received	2,950	-	-	-
2670	Other non-current liabilities, others(note)	20,038	-	-	-
	Non-current liabilities	601,453	3	351,508	2
	Total liabilities	8,693,672	48	6,390,998	38
	Equity attributable to owners of parent (notes 6(c), (g), (m) &(q)):				
3110	Ordinary shares	1,433,912	8	1,447,522	9
3200	Capital surplus	2,530,860	15	2,546,036	15
3300	Retained earnings	4,668,663	26	4,612,097	28
3400	Other equity	487,339	3	1,479,163	9
3500	Treasury shares	(397,530)	(2)	(60,560)	-
	Equity attributable to owners of the Company	8,723,244	50	10,024,258	61
36xx	Non-controlling interests	284,650	2	188,860	1
	Total equity	9,007,894	52	10,213,118	62
	Total liabilities and equity	$ 17,701,566	100	16,604,116	100

See accompanying notes to financial statements.

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

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		2022		2021	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenue (notes 6(u) & 7)**	$ 28,218,028	100	36,043,604	100
5000	**Operating costs (notes 6(n), (o), 7 & 12)**	22,619,913	80	27,917,845	78
	Gross profit from operations	5,598,115	20	8,125,759	22
	Operating expenses (notes 6(n), (o), (t), 7 & 12)				
6100	Selling expenses	2,236,590	8	2,582,221	7
6200	Administrative expenses	832,806	3	1,160,378	3
6450	Impairment losses (gain on reversal of impairment) (note 6(d))	(8,834)	-	57,706	-
	Total operating expenses	3,060,562	11	3,800,305	10
	Net operating income	2,537,553	9	4,325,454	12
	Non-operating income and expenses:				
7010	Other income (note 6(v))	514,629	2	20,270	-
7020	Other gains and losses (notes 6(b), (j), (w)& 7)	304,173	1	655,122	2
7060	Shares of profit of associates and joint ventures accounted for using equity method, net(note 6(e))	10,409	-	8,219	-
7100	Total interest income (note 6(x))	90,716	-	23,268	-
7510	Financial costs (notes 6(n), (y) & 7)	(48,333)	-	(34,484)	-
	Total non-operating income and expenses	871,594	3	672,395	2
	Profit before tax	3,409,147	12	4,997,849	14
7950	Less: Income tax expenses (note 6(p))	766,720	3	981,188	3
	Profit	2,642,427	9	4,016,661	11
8300	**Other comprehensive income:**				
8310	**Item that may not be subsequently reclassified to profit or loss**				
8311	Remeasurements of defined benefit plans	6,877	-	(8,516)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(1,238,666)	(4)	1,464,851	4
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	1,375	-	-	-
		(1,233,164)	(4)	1,456,335	4
8360	**Item that may not be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	304,303	1	(28,603)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	304,303	1	(28,603)	-
8300	**Other comprehensive income**	(928,861)	(3)	1,427,732	4
	Total comprehensive income	**$ 1,713,566**	**6**	**5,444,393**	**15**
	Profit attributable to:				
8610	Owners of parent company	$ 2,548,386	9	3,934,872	11
8620	Non-controlling interests	94,041	-	81,789	-
		$ 2,642,427	**9**	**4,016,661**	**11**
	Comprehensive income attributable to:				
8710	Owners of parent company	$ 1,617,776	6	5,377,788	15
8720	Non-controlling interests	95,790	-	66,605	-
		$ 1,713,566	**6**	**5,444,393**	**15**
	Earnings per share (note 6(s))				
9750	**Basic earnings per share (NT dollars)**	**$ 18.03**		**30.03**	
9850	**Diluted earnings per share (NT dollars)**	**$ 18.01**		**30.00**	

See accompanying notes to financial statements.

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

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent company													
				Retained earnings				Total other equity interest						
	Ordinary shares	Capital collected in advance	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent company	Non-controlling interests	Total equity
Balance at January 1, 2021	$ 1,171,575	86,108	830,563	234,269	186,054	646,399	1,066,722	(265,044)	309,363	44,319	(60,560)	3,138,727	164,263	3,302,990
Profit	-	-	-	-	-	3,934,872	3,934,872	-	-	-	-	3,934,872	81,789	4,016,661
Other comprehensive income	-	-	-	-	-	(8,516)	(8,516)	(13,419)	1,464,851	1,451,432	-	1,442,916	(15,184)	1,427,732
Total comprehensive income	-	-	-	-	-	3,926,356	3,926,356	(13,419)	1,464,851	1,451,432	-	5,377,788	66,605	5,444,393
Appropriation and distribution of retained earnings:														
Legal reserve appropriated	-	-	-	56,372	-	(56,372)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	-	(178,938)	178,938	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(397,569)	(397,569)	-	-	-	-	(397,569)	-	(397,569)
Capital increase by cash	200,000	(86,108)	1,494,499	-	-	-	-	-	-	-	-	1,608,391	-	1,608,391
Conversion of convertible bonds	75,947	-	212,616	-	-	-	-	-	-	-	-	288,563	-	288,563
Changes in ownership interests in subsidiaries	-	-	1,307	-	-	-	-	-	-	-	-	1,307	(42,008)	(40,701)
Share-based payment transactions	-	-	7,051	-	-	-	-	-	-	-	-	7,051	-	7,051
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	16,588	16,588	-	(16,588)	(16,588)	-	-	-	-
Balance on December 31, 2021	1,447,522	-	2,546,036	290,641	7,116	4,314,340	4,612,097	(278,463)	1,757,626	1,479,163	(60,560)	10,024,258	188,860	10,213,118
Profit	-	-	-	-	-	2,548,386	2,548,386	-	-	-	-	2,548,386	94,041	2,642,427
Other comprehensive income	-	-	-	-	-	5,502	5,502	302,554	(1,238,666)	(936,112)	-	(930,610)	1,749	(928,861)
Total comprehensive income	-	-	-	-	-	2,553,888	2,553,888	302,554	(1,238,666)	(936,112)	-	1,617,776	95,790	1,713,566
Appropriation and distribution of retained earnings:														
Legal reserve appropriated	-	-	-	599,834	-	(599,834)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	(2,553,034)	(2,553,034)	-	-	-	-	(2,553,034)	-	(2,553,034)
Purchase of treasury share	-	-	-	-	-	-	-	-	-	-	(365,756)	(365,756)	-	(365,756)
Retirement of treasury share	(13,610)	-	(15,176)	-	-	-	-	-	-	-	28,786	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	55,712	55,712	-	(55,712)	(55,712)	-	-	-	-
Balance at December 31, 2022	**$ 1,433,912**	**-**	**2,530,860**	**890,475**	**7,116**	**3,771,072**	**4,668,663**	**24,091**	**463,248**	**487,339**	**(397,530)**	**8,723,244**	**284,650**	**9,007,894**

See accompanying notes to financial statements.

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

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		2022	2021
Cash flows from operating activities:			
Profit before tax	$	3,409,147	4,997,849
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expenses		287,528	248,599
Amortization expenses		16,469	25,712
Expected credit profit or loss		(8,834)	57,706
Net losses (gains) on financial assets or liabilities at fair value through profit or loss		(17,690)	(459,563)
Interest expenses		48,333	34,484
Interest income		(90,716)	(23,268)
Dividend income		(507,095)	(20,270)
Share-based payment transactions		-	7,051
Gains of profit of associates and joint ventures accounted for using equity method		(10,409)	(8,219)
Gains from disposal of property, plant and equipment		(1,494)	(3,742)
Gains on disposal of investments		-	(289,521)
Impairment losses on non-financial assets		-	40,814
(Gains) losses from lease modification		(22)	826
Total adjustments to reconcile profit (loss)		(283,930)	(389,391)
Changes in operating assets and liabilities:			
Changes in operating assets:			
Notes receivable		18,059	(37,503)
Accounts receivable		2,564,760	(2,230,444)
Accounts receivable due from related parties		6,751	101
Other current assets		(1,265,512)	15,694
Other operating assets		28,774	9,057
Total changes in operating assets		1,352,832	(2,243,095)
Changes in operating liabilities:			
Notes payable		(4,918)	9,615
Accounts payable		(1,231,991)	1,023,490
Accounts payable to related parties		693	(385)
Other payables		(532,519)	1,484,263
Other current liabilities		29,569	13,793
Net defined benefit liability		(10,846)	(25,078)
Increase (decrease) in other operating liabilities		20,038	-
Total changes in operating liabilities		(1,729,974)	2,505,698
Total changes in operating assets and liabilities		(377,142)	262,603
Total adjustments		(661,072)	(126,788)
Cash inflow generated from operations		2,748,075	4,871,061
Interest received		89,246	23,268
Interest paid		(48,086)	(32,530)
Income taxes paid		(536,493)	(491,336)
Net cash flows from operating activities		2,252,742	4,370,463
Cash flows used in investing activities:			
Acquisition of financial assets at fair value through other comprehensive income		(1,295,957)	(19,658)
Proceeds from disposal of financial assets at fair value through other comprehensive income		119,519	25,402
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		24,000	-
Acquisition of financial assets at fair value through profit or loss		(240,817)	(597,938)
Proceeds from disposal of financial assets at fair value through profit or loss		1,162,530	403,186
Net cash flows used in acquisition of subsidiaries (less cash acquired)		-	(3,500)
Acquisition of property, plant and equipment		(594,467)	(69,355)
Proceeds from disposal of property, plant and equipment		12,376	6,687
Increase (decrease) in refundable deposits		1,826	(15,842)
Acquisition of intangible asset		(4,565)	(8,340)
Increase in other prepayments		(30,356)	-
Dividends received		516,494	24,405
Net cash flows used in investing activities		(329,417)	(254,953)
Cash flows from (used in) financing activities:			
Increase (decrease) in short-term loans		2,660,195	(696,180)
Proceeds from long-term loans		350,000	200,000
Repayments of long-term borrowings		(3,866)	(201,534)
Increase in guarantee deposits received		2,950	-
Payment of lease liabilities		(233,953)	(223,252)
Cash dividends paid		(1,843,858)	(397,569)
Capital increase by cash		-	1,608,391
Cost of increase in treasury stock		(365,756)	-
Contribution by non-controlling interests		-	(40,701)
Net cash flows from financing activities		565,712	249,155
Effect of exchange rate changes on cash and cash equivalents		299,603	(12,700)
Net increase in cash and cash equivalents		2,788,640	4,351,965
Cash and cash equivalents at beginning of period		6,781,308	2,429,343
Cash and cash equivalents at end of period	$	**9,569,948**	**6,781,308**

See accompanying notes to financial statements.

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

T3EX GLOBAL HOLDINGS CORP.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2022 and 2021

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

1. Company history

T3EX Global Holdings Corp. (the "Company") was incorporated on February 4, 1987, as a company registered with the Ministry of Economic Affairs, R.O.C. The address of the Company's registered office is 12F, No. 563, Sec. 4, Zhongxiao E. Rd., Xinyi Dist., Taipei City, R.O.C. The Company and its subsidiaries (the Group) mainly engage in sea and air freight forwarding, distribution, packing, warehousing, logistics, and customs clearance.

2. Approval date and procedures of the consolidated financial statements:

The consolidated financial statements for the year ended December 31,2022 and 2021 were authorized for issuance by the board of directors on March 9, 2023 .

3. New standards, amendments and interpretations adopted:

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

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

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

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

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

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

(Continued)

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

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

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement for at least 12 months after the reporting date. The amendments has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance. The amendments clarify how a company classifies a liability that can be settled in its own shares – e.g. convertible debt.	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	After reconsidering certain aspects of the 2020 amendments1, new IAS 1 amendments clarify that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability' s classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.	January 1, 2024

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

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

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 " Insurance Contracts" and amendments to IFRS 17 " Insurance Contracts"

(Continued)

- IFRS16 “Requirements for Sale and Leaseback Transactions”

4. Summary of significant accounting policies:

The significant accounting policies presented in the consolidated financial statements are summarized below, except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Goverming the Preparation of Financial Report by Securities Issuers (“the Regulation”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretaions endorsed and issued into effect by the Financial Supervisory Commission R.O.C..

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

1) Financial instruments fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value;

3) The defined benefit liability (asset) are measured at fair value of the plan assets less the present value of the defined benefit obligation.

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan dollars, which is the Company’s functional currency. All financial information presented in New Taiwan dollars has been rounded to the nearest thousand.

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(ii) List of subsidiaries included in the consolidated financial statements

			Percentage of shares held		
Name of investor	**Name of subsidiary**	**Principal activity**	**December 31, 2022**	**December 31, 2021**	**Remark**
The Company	T.H.I. Group Ltd. (in B.V.I.)	Offshore settlement center	100 %	100 %	
The Company	GREATLINE INTERNATIONAL LIMITED (GREATLINE)	Offshore holding company	100 %	100 %	
The Company	T.H.I. GROUP VIETNAM CO., LTD.	Air & sea freight forwarding and packaging	99 %	99 %	
The Company	T.H.I. GROUP (BANGKOK) COMPANY LIMITED	Air & sea freight forwarding and packaging	49 %	49 %	
The Company	Taiwan Express Logistics Co., Ltd. (TEC)	Air & sea freight forwarding and customs clearance	100 %	100 %	
The Company	T.H.I. Logistics Ltd.	Air & sea freight forwarding	100 %	100 %	
The Company	T.H.I. GROUP (CAMBODIA) Co., Ltd.	Air & sea freight forwarding	100 %	100 %	
The Company	T.H.I. GROUP SINGAPORE PTE. LTD.	Air & sea freight forwarding	91.4 %	91.4 %	
The Company	T.H.I. Japan Co., Ltd.	Air & sea freight forwarding	51 %	51 %	Note (c)
The Company	T.H.I. Logistics (Malaysia) SDN.BHD	Air & sea freight forwarding	90 %	90 %	
The Company	Fresh Beauty Enterprises Ltd. (Fresh Beauty)	Offshore holding company	66 %	66 %	
The Company	T.H.I. LOGISTICS PHILIPPINES CORP.	Air & Sea freight forwarding	99.94 %	99.94 %	
The Company	T.H.I. Logistics (Hong Kong) Co., Limited	Air & Sea freight forwarding	100 %	- %	Note (f)
Fresh Beauty	Eastern Union Holding Limited (Eastern Union)	Offshore holding Company	100 %	100 %	
Eastern Union	T-Cube Global Logistics Co., Ltd.	Warehousing and distribution	100 %	100 %	
T-Cube Global Logistics Co., Ltd.	T-Cube (suzhou) Global Logistic Co., Ltd.	Warehousing and distribution	100 %	100 %	
T-Cube Global Logistics Co., Ltd.	T-HL (Shanghai) Global Supply Chain Management Co., Ltd	Warehousing and distribution	100 %	100 %	Note (a)
T-Cube Global Logistics Co., Ltd.	Lianhua (Shanghai) Logistics Co., Ltd.	Warehousing and distribution	100 %	- %	Note (e)
GREATLINE	T.H.I. GROUP LIMITED (in HK)	Air & sea freight forwarding	100 %	100 %	

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Percentage of shares held December 31, 2022	Percentage of shares held December 31, 2021	Remark
T.H.I. GROUP LIMITED (in HK)	T.H.I. Group (Shanghai) Ltd. (T.H.I. Shanghai)	Air & sea freight forwarding and customs clearance	100 %	100 %	
T.H.I. GROUP LIMITED (in HK)	Shanghai Yaohwa International Forwarder Co., Ltd. (Shanghai Yaohwa)	Air & sea freight forwarding and customs clearance	100 %	100 %	
T.H.I. Shanghai	EXer Logistics Co., Ltd.	Express logistics company	93.51 %	93.51 %	
T.H.I. Shanghai	Shanghai Moorluk International Shipping Co., Ltd.	Freight forwarding, customs clearance, and distribution	65 %	65 %	
T.H.I. Shanghai	T-SC Factoring Co., Ltd.	Commercial service	100 %	100 %	
Shanghai Yaohwa	T-SC Trading Co., Ltd.	Supply Chain management, import export Trade	100 %	100 %	
Taiwan Express	Taiwan Express (HK) Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	
Taiwan Express	Taiwan Express (USA) INC.	Freight forwarding, customs clearance, and distribution	100 %	100 %	
Taiwan Express	TEC Logistic Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	
Taiwan Express	TEC LOGISTICS (USA), INC	Freight forwarding, customs clearance, and distribution	100 %	100 %	
Taiwan Express	Hiview Logistics Co., Ltd.	Freight forwarding, customs clearance, and distribution	97.51 %	97.51 %	
Taiwan Express	TEC LOGISTICS VIETNAM COMPANY LIMITED	Freight forwarding and Warehousing	100 %	100 %	
Taiwan Express	TEC Motion Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	Note (b)
Taiwan Express (HK)	TEC Logistics (Shenzhen) Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	
Taiwan Express (HK)	Air Tropolis Express (S) Pte Ltd.	Freight forwarding	88 %	88 %	Note (d)

Note (a) In order to develop its warehousing service in China, the Group established T-HL (Shanghai) Global Supply Chain Management Co., Ltd in September, 2021. As of December 31, 2022, the relerant requistration procedures had been completed, whereas the capital has yet to be remitted.

Note (b) In order to develop its transportation business in Taiwan, the Group acquired 100% ownership of TEC Motion Co., Ltd. on August 4, 2021.

Note (c) T.H.I. & Maruzen Co., Ltd. was renamed as T.H.I. Japan Co., Ltd. in the third quarter of 2021.

Note (d) The Group acquired shares of non-controlling interest in subsidiary, Air Tropolis Express (S) Pte Ltd. on December 6, 2021, and the percentage of shares held increased from 65% to 88%.

Note (e) In order to develop its warehouse business in China, the Group established Lianhua (Shanghai) Logistics Co., Ltd. on May 16, 2022. As of December 31, 2022, the relevant registration procedures had been completed, whereas the capital has yet to be remitted.

Note (f) In order to develop its transportation business in Hong Kong, the Group established T.H.I. Logistics (Hong Kong) Co., Limited in November, 2022. As of December 31, 2022, the relerant registration preocedures and capital injection had been completed.

(iii) Subsidiaries which are not included in the consolidated financial statements: None.

(Continued)

(d) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

1) an investment in equity securities designated as at fair value through other comprehensive income;

2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or

3) qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation curency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(Continued)

(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting date;

(iv) The assets is cash or a cash equivalent (as defined in IAS 7), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reportong period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non current.

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reportong period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(Continued)

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at amortized cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. Trade receivables that the Group intends to sell immediately or in the near term are measured at FVTPL; however, they are included in the ‘trade receivables’ line item. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and accounts receivables, other receivable, leases receivable, guarantee deposit paid and other financial assets), debt investments measured at FVOCI and contract assets.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group’s historical experience and informed credit assessment as well as forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

(Continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

· significant financial difficulty of the borrower or issuer;

· a breach of contract such as a default or being more than 90 days past due;

· the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

· it is probable that the borrower will enter bankruptcy or other financial reorganization; or

· the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

5) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(Continued)

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is recognized in capital surplus or retained earnings (if the capital suplus is not sufficient to be written down).

4) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible bonds denominated in NTD that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

(Continued)

5) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

6) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

7) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Investment in as sociates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group' s share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group's interests in the associate.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost with includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straightline basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	buildings	5～50 years
2)	plant and equipment	5～7 years
3)	fixtures and fittings	2～6 years

Depreciation methods, useful lives and residual values are reviewed at each annual reporting date and adjusted if appropriate.

(j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including in-substance fixed payments

— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

— amounts expected to be payable under a residual value guarantee; and

— payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

— there is a change in future lease payments arising from the change in an index or rate; or

— there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or

— there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or

— there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or

— there is any lease modifications

(Continued)

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of office equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated usefal lives for the current and comparative periods are 3~10 years.

The residual value, useful lives, and amortization method are reviewed at each reporting date and adjusted if appraise.

(l) Impairment of non financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than contract assets, deferred tax assets and assets that provide benefits to employees) to determine whether there is any indication of impairment. If any such indication exists, then the asset' s recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(m) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring services to customers. The Group recognizes revenue when it satisfies a performance obligation by transferring control of services to customers. The accounting policies for the Group's main types of revenue are explained below.

(i) Sea & air freight forwarding service, customs clearance and delivery service

The Group provides Sea & air freight forwarding service, customs clearance and delivery service. Revenue of the Group is mainly generated from providing logistic services. Revenue is recognized when service is rendered. Cost are recognized with revenue when they occur. Expenses are recognized as incurred on an accrual basis.

(ii) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the group does not adjust any of the transaction prices for the time value of money.

(iii) Incremental costs of obtaining a contract

The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Group applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

(iv) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all the following criteria:

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations(or partially satisfied performance obligations), the Group recognizes these costs as expenses when incurred.

(n) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Group's net obligation in respect of the defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods; discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential assets for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability (asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(o) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

Grant date of a share-based payment award is the date which the board of directors authorized the price and number of a new award.

(p) Income tax

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

(Continued)

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates, enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

    1) the same taxable entity; or

    2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(q) Business combination

The Group accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of the consideration transferred (which is generally measured at fair value) and the amount of non-controlling interest in the acquire, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Group recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all the assets acquired and all the liabilities assumed.

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any noncontrolling interests in the acquiree either at fair value or at the noncontrolling interest' s proportionate share of the acquiree' s identifiable net assets, if the noncontrolling interests are present ownership interests and entitle their holders to a proportionate share of the acquire' s net assets in the event of liquidation. Other components of noncontrolling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRSs endorsed by the FSC.

(r) Earnings per share

The Group discloses the Group' s basic and diluted earnings per share attributable to ordinary shareholders of the Group. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Group divided by the weighted-average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Group divided by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as convertible bonds and employee compensation.

(s) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these consolidated financial statements, management has made 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 management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

(Continued)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, please refer to note 6(d) Note and accounts receivables (including amount due from related parties)and note 6 (j) Intangible assets.

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

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

The Group holds 30% of the outstanding voting shares of PT. Dexter Eurekatama and is the single largest shareholder of the investee. Although the remaining 70% of PT. Dexter Eurekatama's shares are not concentrated within specific shareholders, the Group still cannot obtain more than half of the total number of PT. Dexter Eurekatama's directors, and it also cannot obtain more than half of the voting rights at a shareholders' meeting. Therefore, it is determined that the Group has significant influence on PT. Dexter Eurekatama.

6. Explanation of significant accounts:

(a) Cash and cash equivalents

	December 31, 2022	December 31, 2021
Cash on hand	$ 5,308	20,616
Demand deposits	5,272,898	6,007,288
Time deposits	4,291,742	753,404
	$ 9,569,948	**6,781,308**

The Group's time deposit, maturing over three months, amounting to $1,228,952 thousand and $96,146 thousand as of December 31, 2022 and 2021, respectively, were recognized as other current assets.

Refer to note 6(z) for the sensitivity analysis of the financial assets and liabilities of the Group.

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

	December 31, 2022	December 31, 2021
Mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Forward exchange contracts	$ -	1,850
Non-derivative financial assets		
Fund	-	7,234
Stock listed on domestic market	116,179	960,362
Total	**$ 116,179**	**969,446**

(i) For the years ended December 31, 2022 and 2021, the net gain from financial assets at fair value were recorded as other gains and losses.

(Continued)

(ii) Derivative financial instruments not designated as hedging instruments:

The Group uses derivative financial instruments to hedge the certain foreign exchange and interest risk the Group is exposed to, arising from its operating activities. The following derivative instruments on December 31, 2021, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss financial assets :

	December 31, 2021		
	Amount (thousands)	**Currency**	**Maturity dates**
Forward exchange	$ 19,500	USD to CNY	2022.1.12~2022.4.14

For the net gain or loss on fair value on financial instrument as FVTPL for the years ended December 31, 2021, please refer to note 6(w).

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

	December 31, 2022	**December 31, 2021**
Equity investments at fair value through other comprehensive income :		
Current		
Domestic Company-Soonest express Co., Ltd.	$ 67,930	51,624
Domestic Company-Yang Ming Marine Transport Corp.	1,329,688	665,569
Domestic Company-Evergreen Aviation Technologies Corp.	116,850	-
Domestic Company-Evergreen Marine Corporation(Taiwan) Ltd.	260,800	-
Domestic Company-EVA Airways Corporation.	14,075	-
Domestic Company-Dimerco Express Corp.	6,980	-
Total	**$ 1,796,323**	**717,193**
Non-current		
Domestic Company Private placement stocks-Yang Ming Marine Transport Corp.	$ -	1,166,500
Domestic Non-public stocks-Central Taiwan Science Park Logistics Co., Ltd.	118,844	116,594
Total	**$ 118,844**	**1,283,094**

The Group held private placement stocks-Yang Ming Marine of $1,166,500 thousand on December 31, 2021, which had been reclassified to current account after the evaluation adjustment at the end of the current period.

The Group designated the investments shown above as equity securities 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.

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In 2022 and 2021, the Group has sold its partial shares in order to adjust its investment strategy. The shares sold had a fair value of $119,519 thousand and $25,402 thousand, respectively. The Group realized a gain of $55,712 thousand and $16,588 thousand, which was reclassified from other comprehensive income to retained earnings.

The financial assets above had not been pledged as collateral for borrowing.

(d) Notes and accounts receivable (including amount due from related parties)

	December 31, 2022	December 31, 2021
Notes receivable from operating activities	$ 62,152	80,211
Accounts receivable (including balance due from related parties) –measured as amortized cost	2,379,799	4,953,567
Less: Loss allowance	(51,825)	(59,509)
	$ 2,390,126	**4,974,269**

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

	December 31, 2022		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 1,850,763	0.1%	1,848
Less than 60 day past due	523,447	0.1%	523
61~90 days past due	26,112	1%-50%	9,661
More than 90 days past due	41,629	90%-100%	39,793
	$ 2,441,951		**51,825**

	December 31, 2021		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance provision**
Current	$ 3,836,244	0.1%	3,836
Less than 60 days past due	1,096,283	0.1%	1,096
61~90 days past due	41,766	0.1%	42
More than 90 days past due	59,485	90%~100%	54,535
	$ 5,033,778		**59,509**

(Continued)

The movement in the allowance for notes and accounts receivable were as follows:

		2022	2021
Balance at January 1 2022 and 2021	$	59,509	10,732
Impairment losses recognized (reversed)		(8,834)	57,706
Amounts written off		(2,492)	(8,742)
Exchange rate effects and others		3,642	(187)
Balance at December 31, 2022 and 2021	$	**51,825**	**59,509**

The aforementioned financial assets of the Group were not pledged as collateral.

(e) Investments accounted for using equity method

(i) A summary of the Group' s financial information for equity-accounted investees at the reporting date is as follows:

		December 31, 2022	December 31, 2021
Associates	$	**49,303**	**48,690**

No publicly quoted prices available for the above associates.

The Group's share of profit of associaes in 2022 and 2021 is summarized as follows:

		2022	2021
The Group's share of profit of associates	$	**10,409**	**8,219**

		December 31, 2022	December 31, 2021
The equity of the non-significant associates	$	**156,719**	**141,475**

The Group does not share any contingent liabilities of an associate incurred jointly with other investors. The Group also does not have any contingent liabilities because the Group is severally liable for all or part of the liabilities of the associate.

There are no significant restictions on the ability of associates to transfer funds to the Group.

(ii) Guarantees

As of December 31, 2022 and 2021, there was no equity-accounted investment had been pledged as collateral.

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(f) Acquisition of subsidiaries

In August 2021, the Group acquired 100% ownership of TEC Motion Co., Ltd. whose main business is road transportation in order to develop its transportation business in Taiwan.

(i) The acquisition-date fair value of consideration transferred is $8,500 thousand.

(ii) The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Cash and cash equivalents	$	5,000
Intangible assets		3,047
Total identifiable net assets acquired	**$**	**8,047**

(iii) Goodwill

Goodwill arising from the acquisition has been recognized as follows:

Consideration transferred	$	8,500
Less: Fair value of identifiable net assets		(8,047)
Goodwill	**$**	**453**

(g) Changes in a parent's ownership interest in a subsidiary

On December 6, 2021, the Group acquired an additional 23% interest in Air Tropolis Express(s) Pte. Ltd. in cash, increasing its ownership from 65% to 88%,. The capital surplus of the Group increased $1,307 thousand after this transaction.

(h) Property, plant and equipment

The costs, amortization, and impairment loss of the property, plant and equipment of the Group for the years ended December 31, 2022 and 2021, were as follows:

		Land	Buildings	Transportation Equipment	Office and Other Equipment	Total
Cost or deemed cost：						
Balance on January 1, 2022	$	132,594	54,925	168,582	216,168	572,269
Additions		447,420	48,415	68,625	30,007	594,467
Disposals		-	-	(19,924)	(35,214)	(55,138)
Effect of movement in exchange rates and others		-	-	3,189	8,806	11,995
Balance on December 31, 2022	**$**	**580,014**	**103,340**	**220,472**	**219,767**	**1,123,593**
Balance on January 1, 2021	$	132,594	54,925	163,725	197,629	548,873
Additions		-	-	16,877	52,478	69,355
Disposals		-	-	(11,753)	(32,700)	(44,453)
Effect of movement in exchange rates and others		-	-	(267)	(1,239)	(1,506)
Balance on December 31, 2021	**$**	**132,594**	**54,925**	**168,582**	**216,168**	**572,269**

(Continued)

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		Land	Buildings	Transportation Equipment	Office and Other Equipment	Total
Depreciation and impairment loss：						
Balance on January 1, 2022	$	-	15,770	115,838	128,438	260,046
Depreciation		-	1,921	14,817	38,070	54,808
Disposals		-	-	(10,111)	(34,145)	(44,256)
Effect of movement in exchange rates and others		-	-	2,532	5,691	8,223
Balance on December 31, 2022	**$**	**-**	**17,691**	**123,076**	**138,054**	**278,821**
Balance on January 1, 2021	$	-	14,569	117,045	131,553	263,167
Depreciation		-	1,201	9,008	29,794	40,003
Disposals		-	-	(10,594)	(30,914)	(41,508)
Effect of movement in exchange rates and others		-	-	379	(1,995)	(1,616)
Balance on December 31, 2021	**$**	**-**	**15,770**	**115,838**	**128,438**	**260,046**
Net book value:：						
At December 31, 2022	**$**	**580,014**	**85,649**	**97,396**	**81,713**	**844,772**
At December 31, 2021	**$**	**132,594**	**39,155**	**52,744**	**87,730**	**312,223**
At January 1, 2021	**$**	**132,594**	**40,356**	**46,680**	**66,076**	**285,706**

A summary of pledged assets of December 31, 2022 and 2021, please refer to note 8.

On March 8, 2022, the Group' s Board of Directors passed a resolution of purchasing property, which will purchase land and buildings in Xinyi District, Taipei City. The total costs of the contract was $498,000 thousand and the Group had registered for transfer on May 26, 2022.

The Group rented out part of its office to others and had no intention to obtain long-term capital appreciation or earn any rent, so the Group did not classify this asset as investment property. The book value on December 31, 2022 was $494,883 thousand. For the information of rents, please refer to note 6(v).

(i) Right-of-use assets

Information about leases of buildings and vehicles for which the Group as a lessee were as follows:

		Buildings	Vehicles	Total
Cost:				
Balance at January 1, 2022	$	592,694	21,435	614,129
Additions		306,075	1,956	308,031
Deductions		(289,648)	(3,598)	(293,246)
Effect of changes in foreign exchange rates		19,579	2,945	22,524
Balance at December 31, 2022	**$**	**628,700**	**22,738**	**651,438**
Balance at January 1, 2021	$	748,944	15,580	764,524
Additions		165,713	11,210	176,923
Deductions		(320,794)	(5,284)	(326,078)
Effect of changes in foreign exchange rates		(1,169)	(71)	(1,240)
Balance at December 31, 2021	**$**	**592,694**	**21,435**	**614,129**

(Continued)

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		Buildings	Vehicles	Total
Accumulated deprecitaion:				
Balance at January 1, 2022	$	322,863	8,952	331,815
Depreciation		224,776	7,944	232,720
Deductions		(287,385)	(3,598)	(290,983)
Effect of changes in foreign exchange rates		10,208	1,061	11,269
Balance at December 31, 2022	$	**270,462**	**14,359**	**284,821**
Balance at January 1, 2021	$	441,458	7,997	449,455
Depreciation		202,153	6,443	208,596
Deductions		(319,325)	(5,284)	(324,609)
Effect of changes in foreign exchange rates		(1,423)	(204)	(1,627)
Balance at December 31, 2021	$	**322,863**	**8,952**	**331,815**
Carrying amount:				
Balance at December 31, 2022	$	**358,238**	**8,379**	**366,617**
Balance at January 1, 2021	$	**307,486**	**7,583**	**315,069**
Balance at December 31, 2021	$	**269,831**	**12,483**	**282,314**

(j) Intangible assets

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

		Goodwill	Other intangible assets	Total
Cost:				
Balance at January 1, 2022	$	590,473	257,299	847,772
Additions		-	4,565	4,565
Effect of movement in exchange rates		4,678	5,203	9,881
Balance at December 31, 2022	$	**595,151**	**267,067**	**862,218**
Balance at January 1, 2021	$	589,815	246,543	836,358
Additions		-	8,340	8,340
Addition through acquisition		453	3,047	3,500
Effect of movement in exchange rates		205	(631)	(426)
Balance at December 31, 2021	$	**590,473**	**257,299**	**847,772**
Amortization and impairment loss:				
Balance at January 1, 2022	$	95,806	194,620	290,426
Amortization		-	16,469	16,469
Effect of movement in exchange rates		1,494	2,486	3,980
Balance at December 31, 2022	$	**97,300**	**213,575**	**310,875**

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

		Goodwill	Other intangible assets	Total
Balance at January 1, 2021	$	62,020	162,441	224,461
Amortization		-	24,620	24,620
Impairment		32,981	7,833	40,814
Effect of movement in exchange rates		805	(274)	531
Balance at December 31, 2021	$	**95,806**	**194,620**	**290,426**
Carrying value:				
Balance at December 31, 2022	$	**497,851**	**53,492**	**551,343**
Balance at January 1, 2021	$	**527,795**	**84,102**	**611,897**
Balance at December 31, 2021	$	**494,667**	**62,679**	**557,346**

Amortization expenses for the years ended December 31, 2022 and 2021 are recorded as operating expenses of the consolidated statements of comprehensive income.

For the year ended December 31, 2021, the operation scale of Exer Logistics Co., Ltd. was expected to decrease due to intense market competition, resulting in the Group recognized the impairment losses of goodwill and intangible assets amounting to $32,981 thousand and $7,833 thousand, respectively, based on the valuation report issued by the external expert.

(k) Short-term borrowing

		December 31, 2022	December 31, 2021
Unsecured bank loans	$	**3,450,585**	**790,715**
Unused credit facilities	$	**2,670,626**	**3,821,798**
Interest rate		**0.8%~2.50%**	**0.80%~1.27%**

Please refer to note 8 for further information on assets pledged as collateral.

(l) Long-term borrowing

Long-term borrowings were as follows:

		December 31, 2022	December 31, 2021
Unsecured bank loans	$	307,963	201,926
Secured bank loans		240,000	-
Less: Current portion		(210,463)	(1,445)
Total	$	**337,500**	**200,481**
Unused credit facilities	$	**-**	**-**
Interest rate		**0.25%~1.67%**	**0.80%~1.05%**

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Issue and repayment of borrowings

For the year ended December 31, 2022, the Company's proceeds from long-term borrowings amounted to $350,000 thousand with an interest rate of 1.67%. The long-term borrowings are due in July 2027.

For the year ended December 31, 2021, the Company's proceeds from long-term borrowings amounted to $200,000 thousand with an interest rate of 1.05%. The long-term borrowings are due in October 2023.

For the years ended December 31, 2022 and 2021, the repayment amounted to $3,866 thousand and $201,534 thousand, respectively.

(ii) Collaterals of bank loans

Please refer to note 8 for further information on assests pledged as collateral.

(m) Bonds payable

(i) The information of the Group issued the 4th domestic unsecured convertible bonds was as follows:

		December 31, 2021
Total convertible corporate bonds issued	$	300,000
Less: cumulative converted amount		300,000
Bonds payable on ending balance	**$**	**-**

The Group issued the 4th domestic unsecured convertible bonds and recognized conversion options and the liability component as equity and liability, respectively. The related information was as follows:

		The fourth time unsecured convertible bonds
The present value of the conversion bonds at the time of issuance	$	287,280
The embedded derivative instrument-redemption options at the time of issuance		(149)
The equity component at the time of issuance		25,138
Total amount of bonds at the time of issuance	**$**	**312,269**

The Company issued the 4th domestic unsecured convertible bonds on December 2, 2020, with face value amounting to $300,000. The terms and conditions of the bonds were as follows:

1) Issuance price: 105.09% of the par value

2) Corupon rate: 0%.

3) Issue period: 3 years (December 2, 2020 to December 3, 2023)

4) The Group's right redemption:

At any time during the period from March 3, 2021 to October 23, 2023, when the closing price of the Company's common shares is equal to or greater than the conversion price by 30% for 30 consecutive trading days, or the outstanding balance of the bonds is less than 10% of total initial issue amount, the Company may redeem the bonds in cash at face value.

(ii) Bondholders' put option

The holders' of the No.4 domestic unsecured convertible bonds have no right to request the Company to repurchase the convertible bond.

(iii) Terms of conversion

1) The bondholders may request conversion of the bond to the Company's common stock at any time during the period from March 3, 2021 to December 2,2023.

2) Terms of conversion price

The conversion price was set at $39.5 at the time of issue. When the number of common shares of the Company changes, or other convertible bonds are issued with a conversion price lower than the market price, the conversion price will be adjusted based on a formula in accordance with the terms of issue.

(n) Lease liabilities

The Group's lease liabilities were as follow:

	December 31, 2022	December 31, 2021
Current	$ 184,473	207,618
Non-current	$ 190,118	82,478

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

The amounts recognized in profit or loss were as follows:

	For the years ended December 31, 2021	For the years ended December 31, 2021
Interest on lease liabilities	$ 14,858	15,001
Expenses relating to short-term leases	$ 30,752	22,948
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 7,690	4,771

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the years ended December 31, 2022	For the years ended December 31, 2021
Total cash outflow for leases	$ 287,253	265,972

(i) Real estate leases

The Group leases land and buildings for its office and warehouse as of December 31, 2021. The leases of office and warehouse typically run for a period of one to three years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

(ii) Other leases

The Group leases office equipments with lease terms of one to three years. The leases are short-term and leases of low-value items. The Group has elected not to recongnized right-of-use assets and leasing liabilities for these leases.

(o) Employee benefits

(i) Defined benefit plan

	December 31, 2022	December 31, 2021
Total present value of defined benefit obligations	$ (136,214)	(144,181)
Fair value of plan assets	85,572	75,816
Net defined benefit liability	$ (50,642)	(68,365)

The Group employee benefits liabilities:

	December 31, 2022	December 31, 2021
Paid vacation liabilities-current (recognized in other current liabilities-others)	$ 2,936	2,936

The Group makes defined benefit plan contributions to the pension fund account at Bank of Taiwan and to the manager pension fund account that provides pensions for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive an annual payment based on years of service and average salary for the six months prior to retirement.

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

1) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Labor Pension Fund Supervisory Committee. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

As of December 31, 2022, the pension fund account balance at Bank of Taiwan and the manager pension fund balance amounted to $34,488 thousand and $51,084 thousand, respectively. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Labor Fund, Ministy of Labor.

2) Movements in the present value of defined benefit obligation

The movements in the present value of the defined benefit obligation Group were as follows:

		2022	2021
Defined benefit obligation at January 1	$	144,181	133,039
Current service costs and interest		3,271	2,893
Remeasurements loss (gain)		(4,936)	8,831
Plan benefits paids		(6,302)	(582)
Defined benefit obligation at December 31	**$**	**136,214**	**144,181**

3) Movements in the fair value of plan assets

The movements in the fair value of the plan assets for the years ended December 31, 2022 and 2021 were as follows:

		2022	2021
Fair value of plan assets at January 1	$	75,816	48,112
Net remeasurements of defined benefit liabilities			
—Return on plan assets (excluding the amounts included in net interest expense)		436	140
Contributions to the plan		13,681	27,831
Remeasurements loss (gain)		1,941	315
Benefits paid		(6,302)	(582)
Fair value of plan assets at December 31	**$**	**85,572**	**75,816**

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

4) Expenses recognized in profit or loss

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

		2022	2021
Current service cost	$	2,519	2,312
Net interest on the net defined benefit liabilities		316	241
Others		-	200
	$	**2,835**	**2,753**

5) Remeasurement of net defined benefit liability recognized in other comprehensive income

The Group' s Remeasurement of net defined benefit liability recognized in other comprehensive income for the years ended December 31, 2022 and 2021 were as follows:

		2022	2021
Cumulative amount, January 1	$	(31,749)	(23,233)
Recognized during the year		6,877	(8,516)
Cumulative amount, December 31	**$**	**(24,872)**	**(31,749)**

6) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follow:

	December 31, 2022	December 31, 2021
Discount rate	1.125%~1.750%	0.625%
Future salary increasing rate	2.75%~3%	2.5%-3%

The expected allocation payment to be made by the Group to the defined benefit plans for the one-year period after the reporting date is $2,829 thousand.

The weighted average lifetime of the defined benefit plans is 6.4~15.6 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Effects to the defined benefit obligation	
	Increase by 0.25%	**Decrease by0.25%**
December 31, 2022		
Discount rate	$ (2,353)	2,424
Future salary increasing rate	2,350	(2,289)
December 31, 2021		
Discount rate	(2,774)	2,768
Future salary increasing rate	2,768	(2,687)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2022 and 2021.

(ii) Defined contribution plan

The Group's expenses under the pension plan had already been contributed to the Bureau of Labor Insurance. Other subsidiaries contributed their pension expense according to the labor law of their registered countries.

The Company allocates 6% of each employee’s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to $92,567 and $81,934 for the years ended December 31, 2022 and 2021, respectively.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(p) Income tax

(i) Income tax expense

The components of income tax for 2022 and 2021 were as follows:

	For the years ended December 31	
	2022	**2021**
Current income tas expense	772,114	979,582
Deferred income tax benefit	(5,394)	1,606
	766,720	**981,188**

Reconciliation of income tax expense and profit before tax for the years ended December 31, 2022 and 2021 were as follows:

	2022	**2021**
Profit before income tax	$ 3,409,147	4,997,849
Income tax using the Company's tax rate	681,829	999,570
Effect of domestic tax rate in foreign jurisdiction	14,598	107,440
Changes in unrecognized temporary differences	7,060	6,904
Gains that does not affect income tax expense	(82,655)	(138,590)
The income basic tax	60,325	-
Additional tax on undistributed earnings	82,436	-
Tax free income tax impact and others	3,127	5,864
	$ 766,720	**981,188**

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets and liabilities

The consolidated entity is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2022 and 2021. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details are as follows:

	December 31, 2022	**December 31, 2021**
Unrecognized deferred tax assets	**$ 3,022**	**4,666**

	December 31, 2022	**December 31, 2021**
Unrecognized deferred tax liabilities	**$ 1,523,981**	**1,135,877**

2) Recognized deferred tax assets and liabilities

The movements in deferred tax assets and liabilities for the years ended December 31, 2022 and 2021 were as follows:

		Defined benefit plans	Accrued expense	Others	Total
Deferred tax assets:					
Balance, January 1, 2021	$	6,915	39,883	4,257	51,055
Debited (credited) to profit or loss		9,139	(5,327)	1,603	5,415
Credited to other comprensive income		(1,375)	-	-	(1,375)
Balance, December 31, 2021	$	**14,679**	**34,556**	**5,860**	**55,095**
Balance, January 1, 2022	$	6,915	41,428	4,257	52,600
Debited to profit or loss		-	(1,545)	-	(1,545)
Balance, December 31, 2022	$	**6,915**	**39,883**	**4,257**	**51,055**

		Defined benefit plans
Deferred tax liabilities:		
Balance at January 1, 2022	$	184
Debited to profit or loss		21
Balance at December 31, 2022	$	**205**
Balance at January 1, 2021	$	123
Debited to profit or loss		61
Balance at December 31, 2021	$	**184**

(iii) Examination and approval

The Company's income tax returns for the years 2019 had been examined and approved by the Tax Authority.

(q) Share capital and other equity

(i) Ordinary shares

As of December 31, 2022 and 2021, the authorized capital of the Company consisted of $2,000,000 thousand, of which $80,000 thousand were reserved for employee share options, with a par value of $10 per share, with 120,000 thousand shares. As of December 31, 2022 and 2021, the issued capital were 143,391 thousand shares and 144,752 thousand shares, respectively. All issued ordinary shares were paid up upon issuance.

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A resolution was approved during the Board of Directors meeting held on July 16, 2021 to increase the cash capital of the Company by issuing 10,000 thousand new shares, with a par value of $10 per share, amounting to $100,000 thousand. The aforementioned cash increase was issued at a premium of $140 per share. All funds for the issued shares have been collected and the related legal registration procedures have been completed.

As of December 31, 2021, the convertible bonds issued by the Company were converted into 7,594 thousand shares amounting to $75,947 thousand. The related legal registration procedures have been completed.

Reconciliation of shares outstanding for the years ended December 31, 2022 and 2021 were as follows:

	2022	2021
Beginning balance, January 1	144,752	117,158
Capital increase by cash	-	20,000
Convertible bond conversion	-	7,594
Retirement of treasury stock	(1,361)	-
Ending balance, December 31	**143,391**	**144,752**

(ii) Capital surplus

The components of capital surplus were as follows:

	December 31, 2022	December 31, 2021
Paid-in capital derived from premium on issuance of common shares	$ 1,986,579	2,005,494
Surplus arising from bond conversion option	483,419	483,419
Surplus arising from long-term equity investments－donated surplus and others	13,699	13,699
Surplus arising from premium from merger	2,912	2,912
Surplus arising from stock options	40,512	40,512
Treasury stock trading	3,739	-
	$ 2,530,860	**2,546,036**

In accordance with the R.O.C. Company Act realized capital reserve can only be reclassified as share capital or distributed as cash dividends after offsetting losses. The aforementioned realized capital reserve includes share premiums and donation. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital reserve to be reclassified under share capital shall not exceed 10 percent of the actual share capital amount.

(iii) Retained earnings

According to the Company's articles of incorporation amended on May 24, 2022, if the Company incurred profit during the semi-annual period, the profit shall be first utilized for paying taxes and offsetting losses of the previous years. Thereafter, 10% of the annual net earnings (net of incomes taxes) must be set aside as legal reserve until the accumulated legal reserve equals the Company's total capital. In addition, a special reserve shall be set aside in accordance with the Company's operational needs, as well as applicable laws and regulations.

Any remainder, together with any undistributed retained earnings, shall be distributed according to the distribution plan proposed and approved by the Board of Directors. The proposal of earnings distribution, through issuance of new shares, shall be executed according to Article 240 of the Company Act; while the proposal of earnings distribution, by cash, shall be resolved during the stockholders' meeting.

If the Company incurred profit in the fiscal year, the profit shall be first utilized for paying taxes and offsetting losses of the previous years; and the remainder, if any, shall be distributed as follows:

A. 10% of the annual net earnings (net of incomes taxes) must be set aside as legal reserve until the accumulated legal reserve equals the Company's total capital.

B. If necessary, a special reserve shall be set aside in accordance with the applicable laws and regulations.

C. Any remainder, together with any undistributed retained earnings, shall be distributed according to the distribution plan proposed by the Board of Directors. The proposal of earnings distribution, through issuance of new shares, shall be during the stockholders' meeting; while the proposal of earnings distribution, by cash, shall be resolved during the board meeting, approved by more than half of the directors, with two thirds of directors in attendance; thereafter, to be submitted in the shareholders' meeting of the Company.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

By choosing to apply exemptions granted under IFRS 1 " First-time Adoption of International Financial Reporting Standards" during the Company's first-time adoption of the International Financial Reporting Standards (IFRSs) endorsed by the Financial Supervisory Commission, cumulative translation adjustments (gains) shall be reclassified as retained earnings. The net increase in retained earnings due to the first-time adoption of IFRSs amounted to $7,116 thousands. In accordance with Ruling No. 1010012865 issued by the Financial Supervisory Commission on April 6, 2012, an increase in retained earnings due to the first-time adoption of IFRSs shall be reclassified as special earnings reserve during earnings distribution, and when the relevant asset is used, disposed of, or reclassified, this special earnings reserve shall be reversed as distributable earnings proportionately. The carrying amount of special earnings reserve was $7,116 thousands on December 31, 2022 and 2021.

In accordance with the guidelines of the above Ruling, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of special earnings reserve resulting from the first-time adoption of IFRSs and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods due to the first-time adoption of IFRSs. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
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3) Earnings distribution

Earnings distribution for 2021 and 2020 was resolved in the general meeting of shareholders held on May 24, 2022 and August 17, 2021, respectively. The relevant dividend distributions to shareholders were as follows:

	January 1, 2022		2020	
	Amount per share (NT dollars)	**Total amount**	**Amount per share (NT dollars)**	**Total amount**
Dividends distributed to common shareholders:				
Cash	$ 13.00	1,843,858	3.20	397,569

On November 3, 2022, the Company's Board of Directors resolved to appropriate the earnings for the first half of 2022 as follows:

	The first half of 2022	
	Amount per share (NT dollars)	**Total amount**
Dividends distributed to common shareholders:		
Cash	$ 5.18	709,176

On March 9, 2023, the Company's Board of Directors proposed to appropriate the earnings for the second half of 2022 as follows:

	The second half of 2022	
	Amount per share (NT dollars)	**Total amount**
Dividends distributed to common shareholders:		
Cash	$ 5.00	684,806

(iv) Treasury stock

For the years ended December 31, 2022 and 2021 the movements of the treasury stock were as below.

Item	January 1, 2022	Increase	Decrease	December 31, 2022
Treasury stock acquired－shares (in thousands)	2,917	4,874	(1,361)	6,430
Treasury stock acquired－amount	$ 60,560	365,756	(28,786)	397,530

Item	January 1, 2021	Increase	Decrease	December 31, 2021
Treasury stock acquired－shares (in thousands)	2,917	-	-	2,917
Treasury stock acquired－amount	$ 60,560	-	-	60,560

As of December 31, 2022 and 2021, a total of 6,430 thousand and 2,917 thousand shares, respectively have not yet to be cancelled.

In accordance with the Securities and Exchange Act requirements, the number of shares repurchased should not exceed 10 percent of all shares outstanding. Also, the value of the repurchased shares should not exceed the sum of the Company's retained earnings, share premium, and realized capital reserves. As of December 31, 2022, the balance of treasury stock was in compliance with the requirement.

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company cannot be pledged and do not have any shareholders' rights before their transfer.

(r) Share-based payment

The Group's share-based payment arrangements were as follows:

	Cash capital incresse reserved for employee subscription
Grant date	September 8, 2021
Number of shares granted	501 thousand shares
Recipients	Employees of the Group
Vesting conditions	Vested immediately

For the year ended December 31, 2021, the number of shares granted for employees of the Group was 501 thousand shares. The cost of the above share-based payments transactions amounting to $7,051 thousand was recorded as operating expenses.

(s) Earnings per share

(i) Basic earnings per share

Earnings per share for the years ended December 31, 2022 and 2021, were calculated on the basis of profit attributable to common shareholders and the weighted-average number of outstanding common shares. Calculations were as follows:

1) Profit attributable to ordinary shareholders of the Company

	2022	**2021**
Profit attributable to ordinary sharholders of the Company	$ **2,548,386**	**3,934,872**

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
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2) Weighted-average number of outstanding common shares

		2022	2021
Common shares as of January 1	$	144,752	117,158
Effect of treasury stock		(3,446)	(2,917)
Effect of conversion of convertible bonds		-	4,397
Effect of capital increase by cash		-	12,383
Weighted-average number of outstanding common shares on December 31	**$**	**141,306**	**131,021**

(ii) Diluted earnings per share

The diluted earnings per share for the years ended December 31, 2022 and 2021 were calculated on the basis of profit attributable to common shareholders and the weighted-average number of outstanding common shares, with all potential common shares retroactively adjusted. Calculations were as follows:

1) Profit attributable to common shareholders (diluted)

		2022	2021
Profit attributable to common shareholders (basic)	$	2,548,386	3,934,872
Interest on convertible bonds		-	1,955
Gains on revaluation of put and call options of convertible bonds measured at fair value		-	(674)
	$	**2,548,386**	**3,936,153**

2) Weighted-average number of outstanding common shares (diluted)

		2022	2021
Weighted-average number of outstanding common shares (basic)	$	141,306	131,021
Effect of conversion of convertible bonds		-	15
Effect of employee stock dividends		222	158
Weighted-average number of outstanding common shares on December 31 (diluted)	**$**	**141,528**	**131,194**

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(t) Employees compensation and director's remuneration

In accordance with the articles of incorporation, the Company should contribute no less than 0.5% of the profit as employee compensation and more than 3% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the Board of Directors. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

For the years ended December 31, 2022 and 2021, the Company estimated its employee remuneration at $15,000 thousand and $19,951 thousand, and directors' and supervisors' remuneration at $13,750 thousand and $19,352 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration of to employees, directors and supervisors as specified in the Company's Articles. These remunerations were expensed under operating costs or operating expenses. Related information would be available at the Market Observation Post System website. The differences between the actual compensation and the amount stated in the financial statements, if any, are accounted for as changes in accounting estimates and recognized as profit or loss in next year.

For the years ended December 31, 2022 and 2021, the difference between the actual compensation and the recognized amount in the financial report of the employees' bonus and the board of directors remuneration are as follow:

	2021		
	Board of Directors resolution on actual compensation	**Recognized amount in financial report**	**Difference**
Employees' remuneration	$ 19,951	19,951	-
Directors' remuneration	19,352	19,352	-

	2020		
	Board of Directors resolution on actual compensation	**Recognized amount in financial report**	**Difference**
Employees' remuneration	$ 2,796	2,796	-
Directors' remuneration	11,080	11,080	-

The information can be assessed on the "Martet Observation Post System" website.

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
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(u) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the years ended December 31, 2022			
	Sea forwarding	Air forwarding	Freight and other segments	Total
Primary geographical markets				
Hong Kong and China	$ 13,835,349	3,292,954	1,710,708	18,839,011
Taiwan	4,207,140	1,001,463	520,266	5,728,869
Eastern Asia and others	2,558,480	609,018	316,388	3,483,886
U.S.A.	122,099	29,064	15,099	166,262
	$ 20,723,068	**4,932,499**	**2,562,461**	**28,218,028**
Primary service:				
Export forwarding	$ 19,646,948	3,689,796	-	23,336,744
Import forwarding	1,076,120	1,242,703	-	2,318,823
Warehouse and declaration	-	-	2,562,461	2,562,461
	$ 20,723,068	**4,932,499**	**2,562,461**	**28,218,028**

	For the years ended December 31, 2021			
	Sea forwarding	Air forwarding	Freight and other segments	Total
Primary geographical markets				
Hong Kong and China	$ 19,979,091	4,811,483	1,586,667	26,377,241
Taiwan	4,193,486	1,010,020	333,071	5,536,577
Eastern Asia and others	3,127,962	753,383	248,441	4,129,786
	$ 27,300,539	**6,574,886**	**2,168,179**	**36,043,604**
Primary service:				
Export forwarding	$ 26,247,044	5,350,819	-	31,597,863
Import forwarding	1,053,495	1,224,067	-	2,277,562
Warehouse and declaration	-	-	2,168,179	2,168,179
	$ 27,300,539	**6,574,886**	**2,168,179**	**36,043,604**

(Continued)

(ii) Contract balances

	December 31 2022	December 31, 2021	January 1, 2021
Contract liabilities	$ **43,184**	**3,246**	**13,228**

For details of notes receivable, accounts receivable and allowance for impairment, please refer to note 6(d).

(v) Other income

The detail of the Group's other income were as follows:

	2022	2021
Rent income	$ 7,534	-
Dividend income	507,095	20,270
	$ **514,629**	**20,270**

(w) Other gains and losses

The detail of the Group's other gains or losses were as follows:

	For the years ended December 31	
	2022	2021
Foreign exchange gain (loss)	$ 233,557	(76,110)
Net gain (losses) of financial instrument at fair value through profit or loss	$ 17,690	749,084
Gains on disposals of property, plant and equipment	1,494	3,742
Impairment loss on goodwill	-	(32,981)
Impairment loss on intangible assets	-	(7,833)
Other	51,432	19,220
	$ **304,173**	**655,122**

(x) Interest income

	For the years ended December 31	
	2022	2021
Interest income from bank deposits	$ **90,716**	**23,268**

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(y) Finance costs

The detail of the Group's finance costs of 2022 and 2021 were as follows:

		2022	2021
Interest expense			
Bank borrowings	$	33,475	17,529
Amortization of the convertible bonds discount		-	1,954
Amortization of lease liabilities		14,858	15,001
	$	**48,333**	**34,484**

(z) Financial instruments

(i) Credit risk

1) Exposure to credit risk

The carrying amount of financial assets represents the Group' s maximum credit exposure.

2) Concentration of credit risk

Based on the characteristic of the industry, the Group has no significant transactions with any single customer.

For the year ended December 31, 2022 and 2021, there was no significant concentration of credit risk from the sales of the Group.

(ii) Liquidity risk

Except for notes payable, accounts payable (including related party) and other payable,the following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the import of netting agreements.

	Carrying amount	Contractual cash flow	Within 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
December 31, 2022							
Non-derivative financial liabilities							
Bank borrowings (including long-term loans and long-term loans due within one year)	$ 3,998,548	(4,042,353)	(3,347,459)	(328,975)	(5,236)	(360,683)	-
Lease liabilities	374,591	(396,218)	(115,180)	(82,379)	(149,277)	(49,065)	(317)
	$ 4,373,139	**(4,438,571)**	**(3,462,639)**	**(411,354)**	**(154,513)**	**(409,748)**	**(317)**
December 31, 2021							
Non-derivative financial liabilities							
Bank borrowings (including long-term loans and long-term loans due within one year)	$ 992,641	(1,006,506)	(796,602)	(5,947)	(203,957)	-	-
Lease liabilities	290,096	(301,084)	(114,298)	(82,554)	(79,830)	(24,368)	(34)
	$ 1,282,737	**(1,307,590)**	**(910,900)**	**(88,501)**	**(283,787)**	**(24,368)**	**(34)**

(Continued)

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

(iii) Currency risk

1) Exposure to foreign currency risk

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

Unit: thousand

	December 31, 2022		
	Foreign currency	Exchange rate	TWD
Financial assets			
Monetary items			
USD	$ 8,035	USD：TWD 30.72	246,835
	911	USD：VND 23,570	27,986
	11,341	USD：HKD 7.7965	348,396
	55,561	USD：CNY 6.9646	1,709,599
	2,549	USD：SGD 1.3400	78,305
	1,028	USD：MYR 4.4135	31,580
HKD	2,221	HKD：TWD 3.9402	8,751
	50	HKD：USD 0.1282	197
	1,915	HKD：CNY 0.8933	7,545
CNY	13,708	CNY：TWD 4.4109	60,465
	8,446	CNY：USD 0.1436	37,254
	65	CNY：HKD 1.1057	287
TWD	1,606	TWD：CNY 0.2267	1,606
Non-Monetary items			
IDR	$ 18,620,913	TWD：IDR 0.00198	36,869
Financial liabilities			
Monetary items			
USD	539	USD：TWD 30.72	16,558
	32	USD：HKD 7.7965	983
	17,148	USD：CNY 6.9646	526,787
HKD	1,504	HKD：CNY 0.8933	5,926
CNY	86	CNY：TWD 4.4109	379
TWD	586	TWD：HKD 0.2267	2,309

(Continued)

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	December 31, 2021		
	Foreign currency	Exchange rate	TWD
Financial assets			
Monetary items			
USD	$ 3,627	USD：TWD 27.69	100,432
	6,505	USD：VND 22,760	180,123
	18,468	USD：HKD 7.7981	511,379
	155,843	USD：CNY 6.3757	4,315,293
HKD	1,789	CNY：HKD 3.5509	6,553
	50	CNY：HKD 0.1282	6,253
	1,462	CNY：HKD 0.8176	178
CNY	9,847	CNY：HKD 4.3431	5,191
	490	CNY：HKD 1.2231	42,767
	8,260	CNY：USD 0.1568	2,128
TWD	18,563	TWD：HKD 0.2816	18,563
	681	TWD：HKD 0.2303	681
Non-Monetary items			
IDR	18,505,681	IDR：TWD 0.00198	36,641
Financial liabilities			
Monetary items			
USD	$ 2,539	USD：TWD 27.69	70,305
	118	USD：VND 22,760	3,267
	100	USD：HKD 7.7981	2,769
	46,859	USD：CNY 6.3757	1,297,526
HKD	1,809	HKD：CNY 0.8176	6,424
CNY	1,028	CNY：HKD 1.2231	4,465
	117	CNY：TWD 4.3431	508
TWD	332	TWD：CNY 0.2303	332
	542	TWD：HKD 0.2816	542

(Continued)

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the foreign currency exchange gains and losses on the translation of cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable, and other payables that are denominated in foreign currency. A 1% depreciation or appreciation of the functional currency against the foreign currency as of December 31, 2022 and 2021 would increase or decrease the net income before tax by $20,166 thousand and $38,034 thousand, respectively. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for both periods.

Due to the variety of the Group's functional currency, the Group discloses its exchange gains and losses of monetary items collectively. For the year ended December 31, 2022 and 2021, the Group' s foreign exchange gains (losses), net (including realized and unrealized of monetary items) amounted to $233,557 thousand $(76,110) thousand, respectively.

(iv) Interest rate analysis

The following sensitivity analysis is based on the exposure to interest rate risk for derivative and 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.

If the interest rate had increased/decreased by 1%, the Group's net income before tax would have decreased/increased by $39,985 thousand and $9,926 thousand for the years ended December 31, 2022 and 2021, respectively, assuming all other variable factors had remained constant. This is mainly due to the Group's variable-rate borrowing.

(v) Fair value of financial instruments

1) Categories and fair value of financial instruments

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:

(Continued)

	December 31, 2022				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:					
Financial assets designated at fair value through profit or loss	$ 116,179	116,179	-	-	116,179
Financial assets at fair value through other comprehensive income:					
Stock of listed companies	$ 1,796,323	1,796,323	-	-	1,796,323
Stock of private companies	118,844	-	-	118,844	118,844

	December 31, 2021				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:					
Financial assets designated as fair value through profit or loss	$ 969,446	967,597	1,849	-	969,446
Financial assets at fair value through other comprehensive income:					
Stock of listed companies	$ 1,883,693	717,193	1,166,500	-	1,883,693
Stock of private companies	116,594	-	-	116,594	116,594

2) Valuation techniques for financial instruments not measured at fair value

Financial instruments of the Group not measured at fair value are financial assets and liabilities valued at amortized cost. Measurement of fair value of these financial instruments is based on recent transaction prices. When market price is unavailable, valuation is based on discounted cash flow.

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

Fair value measurement of financial instruments is based on quoted market prices if these prices are available in an active market. Quoted prices on stock exchanges are regarded as the fair value of equity instruments in a listed market.

A financial instrument is regarded as being quoted in an active market if quoted market 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. If these conditions cannot be met, then the market is considered as non-active. In general, a market with low trading volume or high bid-ask spreads is an indication of a non-active market.

The fair value of financial assets and liabilities with standard terms and conditions and trading in active markets is based on quoted market prices. These include investments in stocks of listed entities.

The measurements of fair value of equity instruments without an active market are based on the market comparable listed company approach, which assumes that the fair value is measured by the book value per share of the investee and the price-book ratio of market comparable listed companies. The estimation of the fair value of equity instruments has been adjusted due to the effect of the discount arising from the lack of marketability.

b) Derivative financial instruments

The fair value is based on quoted prices. When quoted prices are unavailable, the fair value is in accordance with third-party pricing information. Fair value of forward currency is usually determined by the forward currency exchange rate.

The group' s convertible bonds adopted the binomial three model to evaluate the fair value.

3) Movement between Level l and Level 2

Expect for the private placement stocks-Yang Ming Marine held by the Company transferred in 2022, there were no movements between Level 1 and Level 2 for the years ended December 31, 2022 and 2021.

4) Changes in Level 3

		Financial assets designed as fair value through other comprehensive income
Balance on January 1, 2022	$	**116,594**
Recognized in other comprehensive income		2,250
Balance on December 31, 2022	$	**118,844**
Balance on January 1, 2021	$	**108,407**
Recognized in other comprehensive income		8,187
Balance on December 31, 2021	$	**116,594**

(aa) Financial risk management

(i) Overview

The Group have exposure to the following risks from its financial instruments.

1) Credit risk

2) Liquidity risk

3) Market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risk's exposures, please refer to the respective notes in the accompanying consolidated financial statements

(ii) Structure of risk-management

The board of directors has overall responsibility for the establishment and oversight of the risk management framework.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors oversees how management monitors the risks, which should be in compliance with the Group’ s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation of the risks faced by the Group. Internal Audit undertakes regular reviews of the risk management controls and procedures and exception management, the results of which are reported to the Board of Directors.

(iii) Credit risk

Credit risk means the potential loss to the Group if the client or the counterparty involved in a financial instrument transaction defaults. The primary potential credit risk is from the accounts receivable and investments of the Group.

1) Accounts receivable and other receivables

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group’ s standard payment and delivery terms and conditions are offered. The Group’s review includes external ratings, when available, and in some cases bank references. These limits are reviewed periodically.

To monitor credit risk, clients are grouped by their credit characteristics, including the amounts of accounts receivable, the period of aging, and the margin contribution for the Group. The major customers of the Group are concentrated in overseas agencies and large clients. Clients with high credit risk after evaluation would be placed on the restricted client list and be monitored by the board. Transactions with such clients would only be in cash in the future.

The Group establishes an impairment allowance that represents its estimate of incurred losses in respect of trade receivables, other receivables, and investment. The components of this impairment allowance are a specific loss component that relates to individually significant exposure and a collective loss component for which a loss was incurred but not identified. The collective component is based on historical payment experience of similar financial assets.

2) Investments

The credit risk exposure of the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the Group’s finance department. As the Group deals with banks and other external parties with good credit standing and financial institutions, corporate organizations, and government agencies which are graded above investment level, the management believes that the Group does not have any compliance issues, and therefore, there is no significant credit risk.

3) Guarantees

The Group has determined that financial guarantees can only be provided to the following companies:

a) Companies with a transaction relationship with the Group.

b) Companies in which the Group has more than 50% of the voting shares.

c) Companies which directly or indirectly hold more than 50% of the voting shares of T3EX Global Holdings Corp.

4) Liquidity risk

Liquidity risk is a risk that the Group is unable to meet the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as much as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group actively expands its business to generate operating cash flow while it simultaneously manages the accounts receivable in a strict manner and controls its expenditure. In addition, the Group keeps good relationships with banks to obtain a sufficient credit limit for necessary cash demands in the operating cycle. Generally, the Group ensures that there is sufficient cash to cover expected operating expenditure, but excluding the potential influence of unexpected extreme conditions (i.e. nature disasters). The total amount of unused credit as of December 31, 2022 and 2021, were $2,670,626 thousand and $3,821,798 thousand, respectively.

5) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The types of financial assets at fair value through profit or loss held by the Group are open-end funds and convertible bonds which are measured at fair value. Therefore, the Group is exposed to the risk of price changes in the beneficiary certificate market. The Group engages a professional agent to manage its financial assets. Parts of bank deposits, accounts receivable, and accounts payable are evaluated for foreign currency exposure. To manage the currency risk, the Group maintains its foreign currency net position within a certain limit. The convertible bonds held and issued by the Group are measured at fair value. This results in exposure to the risk of price changes in the equity and bond markets.

(Continued)

a) Currency risk

The Group is exposed to currency risk on sales, purchases, and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the New Taiwan Dollar (TWD), Chinese Yuan (CNY), US Dollar (USD), Hong Kong Dollar (HKD), Vietnam Dong (VND), and Thai Baht (THB).

The Group designates the spot element of forward foreign exchange contracts to hedge its currency risk and applies a hedge ratio of 1:1. Most of these contracts have a maturity of less than one year from the reporting date. The forward elements of forward exchange contracts are excluded from designation as the hedging instrument and are separately accounted for as a cost of hedging, which is recognized in equity in a cost of hedging reserve. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the forward foreign exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

b) Interest rate risk

Except for bank loans, there are no financial assets or financial liabilities with floating interest rates. The Group negotiates the price case by case to control the interest rate risk.

c) Other market risk

The Group signs contracts with large customers and vendors to keep sales and sources of supply stable. To maintain stable sales prices, the contents of contracts are reviewed every year in light of international economic conditions and market change.

(ab) Capital management

The board's policy is to maintain a strong capital base in order to maintain investor, creditor, and market confidence and to sustain future development of the business. Capital consists of common shares, capital surplus, retained earnings, and non-controlling interests of the Group. The board of directors monitors the level of dividends to common shareholders.

The distribution of dividends of the Group follows the earnings of the year and is on a sustainable basis. When the board of directors drafts a proposal on appropriation and distribution of retained earnings, the dividend distribution shall not be lower than 50% of current earnings or unappropriated earnings, whichever is lower. However, the cash dividend shall not be lower than 10% of the total distribution of dividends.

The Group's debt-to-equity ratios at the end of the reporting periods were as follows.

		December 31, 2022	**December 31, 2021**
Total liabilities	$	8,693,672	6,390,998
Less: cash and cash equivalents		(9,569,948)	(6,781,308)
Net debt	**$**	**(876,276)**	**(390,310)**
Total equity	$	9,007,894	10,213,118
Less: amounts accumulated in equity relating to cash flow hedges		-	-
Adjusted capital	**$**	**9,007,894**	**10,213,118**
Debt-to-equity ratio		**- %**	**- %**

From time to time, the Group purchases its own shares on the market; the timing of these purchases depends on market prices. Primarily, the shares are intended to be used for issuing shares under the Group's share option scheme for employees. The purchase of treasury stock did not impact the Group's capital management.

There were no changes in the Group's approach to capital management during the year.

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

The Group's investing and financing activities which did not affect the current cash flow in the years ended December 31, 2022 and 2021, were as follows:

(i) For acquisition of right-to-use assets, please refer to note 6(i).

(ii) For conversion of convertible bonds to ordinary shares, please refer to note 6(m) &(q).

(iii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2022	Cash flows		Non-cash changes	December 31, 2022
Long-term borrowings (including current portion)	$ 201,926	346,134		(97)	547,963
Short-term borrowings	790,715	2,660,195		(325)	3,450,585
Lease liabilities	290,096	(233,953)	Note	318,448	374,591
Total liabilities from financing activities	**$ 1,282,737**	**2,772,376**		**318,026**	**4,373,139**

	January 1, 2021	Cash flows		Non-cash changes	December 31, 2021
Long-term borrowings (including current portion)	$ 203,815	(1,534)		(335)	201,946
Short-term borrowings	1,488,400	(696,180)		(1,505)	790,715
Lease liabilities	322,952	(223,252)	Note	190,396	290,096
Total liabilities from financing activities	**$ 2,015,167**	**(920,966)**		**188,556**	**1,282,757**

Note: Interest expense were accounted as operating activities.

7. Related-party transactions:

(a) Name and relationships with related parties:

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

Names of related-party	Relationships with the Group
PT. Dexter Eurekatama	Investment under equity method
LOGI International Co., Ltd.	Investment under equity method
Orient Air General Sales Agent Co., LTD.	Investment under equity method
Fu Ju Co., Ltd.	The same representative of the subsidiary

(b) Other related-party transactions

(i) Revenue

The amounts of revenue and accounts receivable by the Group to related parties were as follows:

	Revenue		Accounts receivable	
	2022	2021	2022	2021
Associates	$ 41,234	42,372	467	7,218

Trading terms of the above transactions require payments within 30 to 60 days or depending on the funding needs, while the credit term for routine sales transactions was within 30 to 60 days.

(ii) Cost

The amounts of cost and account payable by the Group to related parties were as follows:

	Cost		Accounts payable	
	2022	2021	2022	2021
Associates	$ 13,261	10,968	747	54

Trading terms of the above transactions require payment within 30 to 60 days or depending on funding needs, while the payment terms for routine transactions was within 30 to 60 days.

(iii) Lease

The Group rented buildings and land from its related parties since 2021. A three-years lease contract was signed in which the rental fee is determined based on nearby office rental rates. The total value of the contract was $10,688 thousands, wherein the Group paid the rent of $5,400 thousands and $900 thousand, and recognized $74 thousands and $17 thousands as interest expense, respectively in 2022 and 2021.

The balance of lease liabilities amounted to $4,479 thousands and $9,806 thousands as of December 31, 2022 and 2021, respectively.

(c) Transactions with key management personnel

Key management personnel compensation comprised:

	For the years ended December 31	
	2022	**2021**
Short-term employee benefits	$ 69,351	67,549
Post-employment benefits	2,095	2,067
	$ 71,446	**69,616**

8. Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	**Object**	**December 31, 2022**	**December 31, 2021**
Property, plant, and equipment	Credit facility	$ 665,663	171,749
Other financial assets－current (account as other current assets)	Forward exchange guarantees and credit facility/logistics-related guarantees	75,237	19,469
Refundable deposits	Logistics-related guarantees	117,744	119,570
Other financial assets－non-current (account as other non-current assets)	Logistics-related guarantees	4,852	29,168
		$ 863,496	**339,956**

9. Commitments and contingencies:

(1) Guarantees issued by financial institutions for the Group for freight forwarding services were as follows:

	December 31, 2022	**December 31, 2021**
Unused guarantees	$ 203,383	74,650

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(2) In order to improve the quality of customer service, decrease operating costs, and to stay competitive in the industry, the Group entered into separate annual agreements with different American-line sea cargo companies based on their required volume of containers.

(3) Promissory notes issued to the bank as collateral for short-term bank borrowings, logistics business, etc., were as follows:

	December 31, 2022	December 31, 2021
Promissory notes	$ 3,795,522	427,880

10. Losses Due to Major Disasters: None.

11. Subsequent Events: None.

12. Others:

A summary of employee benefits, depreciation and amortization expenses, by function, is as follows.

	2022			2021		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel cost						
Salaries	199,847	2,111,072	2,310,919	153,595	2,967,157	3,120,752
Labor and health insurance	6,824	108,660	115,484	21,845	77,167	99,012
Pension	5,598	89,804	95,402	9,015	75,672	84,687
Others	3,711	89,673	93,384	7,981	130,957	138,938
Depreciation expenses	124,309	163,219	287,528	106,734	141,865	248,599
Amortization expenses	-	16,469	16,469	371	25,341	25,712

(Continued)

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13. Other disclosures:

(a) Information on significant transactions:

The following were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the years ended December 31, 2022:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	Taiwan Express Logistic Co., Ltd	Other receivables-related parties	Yes	350,000	350,000	-	Monthly changing interest rates	2	-	Trading turnover	-		-	1,744,648	3,489,297
0	The Company	T.H.I. Group Limited (HK)	Other receivables-related parties	Yes	84,120	-	-	Monthly changing interest rates	2	-	Trading turnover	-		-	1,744,648	3,489,297
0	The Company	T.H.I. Logistics Co. Ltd.	Other receivables-related parties	Yes	80,000	80,000	-	Monthly changing interest rates	2	-	Trading turnover	-		-	1,744,648	3,489,297
1	T.H.I. Logistics Co. Ltd.	Taiwan Express Logistic Co., Ltd	Other receivables-related parties	Yes	50,000	50,000	50,000	Seasonally changing interest rate	2	-	Trading turnover	-		-	68,650	137,301
2	T.H.I. Group Limited (HK)	Taiwan Express (HK) Co.,	Other receivables-related parties	Yes	64,400	36,864	36,864	Seasonally changing interest rate	2	-	Trading turnover	-		-	1,302,701	2,605,402
2	T.H.I. GroupLimited(HK)	T3EX GLOBAL HOLDINGS CORP.	Other receivables-related parties	Yes	636,200	-	-	Seasonally changing interest rate	2	-	Trading turnover	-		-	1,302,701	2,605,402
3	T.H.I. Group (Shanghai) Ltd.	T-SC Factoring Co., Ltd.	Other receivables-related parties	Yes	327,069	277,887	30,876	4.35%	2	-	Trading turnover	-		-	901,027	1,802,054
3	T.H.I. Group (Shanghai) Ltd.	Shanghai Moorluk International Shipping Co.,Ltd.	Other receivables-related parties	Yes	22,402	13,233	-	4.35%	2	-	Trading turnover	-		-	901,027	1,802,054
3	T.H.I. Group (Shanghai) Ltd.	T Cube Global Logistics Co., Ltd.	Other receivables-related parties	Yes	44,804	22,055	-	4.35%	2	-	Trading turnover	-		-	901,027	1,802,054
4	Shanghai Yaohwa International Forwarder Co., Ltd.	Shanghai Moorluk International Shipping Co.,Ltd.	Other receivables-related patties	Yes	22,518	13,233	-	4.35%	2	-	Trading turnover	-		-	29,921	59,843

Note 1: The numbers indicated above represent the following: 0 for investor, subsidiaries are numbered sequentially starting from 1.

Note 2: Nature of lending: 1 for counterparties with transactions, and 2 for short-term operating capital.

Note 3: The ceiling on total loans granted by the Company to all parties is 40% of the net assets in the financial statements; the ceiling on total loans granted by the Company to each entity is 20% of the net assets in the financial statements.

Note 4: Ending facility balance approved by BOD.

Note 5: The above transactions have been reversed in this financial report.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Taiwan Express (HK) Co.,	2	1,744,648	182,940	122,880	-	-	1.41 %	3,489,297	Y	N	N
0	The Company	T.H.I. Group Limited (H.K.)	2	1,744,648	149,700	61,440	-	-	0.70 %	3,489,297	Y	N	N
0	The Company	Shanghai Yaohwa International Forwarder Co., Ltd.	2	1,744,648	26,579	13,233	-	-	0.15 %	3,489,297	Y	N	Y
0	The Company	T.H.I. Group (Shanghai) Ltd.	2	1,744,648	1,048,818	555,461	-	-	6.37 %	3,489,297	Y	N	Y
0	The Company	T Cube Global Logistics Co., Ltd.	2	1,744,648	116,654	70,574	19,006	-	0.81 %	3,489,297	Y	N	Y
1	T.H.I. Group Limited(HK)	T3EX GLOBAL HOLDINGS CORP.	3	1,302,701	708,400	675,840	-	-	10.38 %	2,605,402	N	Y	N
2	Shanghai Yaohwa International Forwarder Co., Ltd.	T.H.I. Group (Shanghai) Ltd.	4	14,960	3,153	3,088	1,297	-	2.06 %	59,843	N	N	Y
3	Taiwan Express Logistic Co.,Ltd	AIR TROPOLIS EXPRESS (S)PTE LTD.	2	182,389	45,596	45,704	45,704	-	5.01 %	364,779	N	N	N

Note 1: The numbers indicated above represent the following: 0 for investor, Subsidiaries are numbered sequentially starting from 1.

Note 2: The relationship between the guarantee provider and the receiver is as follows:

(1) The Company has transactions with its counterparties.

(2) The Company holds more than 50% of common shares of its subsidiary.

(3) The Company and its subsidiaries hold more than 50% of common shares of the investee company.

(4) The parent company holds more than 90% of its outstanding common shares (directly or indirectly) through a subsidiary.

(5) Companies within the same architectural field have signed a contractual agreement to provide mutual endorsements/ guarantees for the need of a specific construction project.

(6) The shareholders provide endorsements and/or guarantees for their mutually invested company in proportion to their shareholding percentage.

(7) Within the trade performance guarantees for preconstruction-sales contract in accordance with the Consumer Protection Law is jointly guaranteed.

Note 3: (1)Total guarantees amount should not exceed 40% of the Company’s net assets in the financial statements if the following conditions are met:

Ownership of the Company should exceed 50%:

Guarantee amount should not exceed 20% of the Company’s net assets

Ownership of the Company should not exceed 50%:

Guarantee amount should not exceed 10% of the Company’s net assets

The net assets stated above refer to the net assets from the Company’s most recently audited financial statements.

(2) Apart from the conditions listed above, guarantees for the purpose of business relations should not exceed the total amount of business transactions between the two parties, whichever is lower. The definition of business transactions could either be purchases or sales, whichever is higher.

(iii) Securities held as of December 31, 2022 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars/shares)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest	Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	Percentage of ownership	
The Company	Stock WPG Holdings Limited	-	Financial assets at fair value through profit or loss－current	1,000,000	48,100	0.05 %	48,100	-	
The Company	Stock Soonest Express Co., Ltd.	-	Financial assets at fair value through other comprehensive income-current	998,972	67,930	3.33 %	67,930	-	
The Company	Stock Yang Ming Marine Transport Corp.	-	Financial assets at fair value through other comprehensive income-current	20,300,577	1,329,688	0.58 %	1,329,688	-	

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest	Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	Percentage of ownership	
The Company	Stock Evergreen Aviation Technologies Corp.	-	Financial assets at fair value through other comprehensive income-current	1,500,000	116,850	0.43 %	116,850	-	
The Company	Stock Evergreen Marine Corporation	-	Financial assets at fair value through other comprehensive income-current	1,600,000	260,800	0.08 %	260,800	-	
The Company	Stock Dimerco Express Corporation	-	Financial assets at fair value through other comprehensive income-current	100,000	6,980	0.07 %	6,980	-	
The Company	Stock EVA AIRWAYS CORPORATION	-	Financial assets at fair value through other comprehensive income-current	500,000	14,075	0.01 %	14,075	-	
Taiwan Express Logistic Co., Ltd	Stock Central Taiwan Science Park Logistics Co., Ltd.	-	Financial assets at fair value through other comprehensive income-non-current	3,880,000	118,844	12.93	118,844	-	
T.H.I. Group (Shanghai) Ltd	Stock COSCO Shipping Holdings Co., Ltd.	-	Financial assets at fair value through profit or loss-current	1,500,014	68,079	0.01 %	68,079	-	

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

(In Thousands of New Taiwan Dollars/thousand shares)

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance		Note
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount	
The Company	Stock Evergreen Marine Corporation	Financial assets at fair value through profit or loss —current	-	-	3,405	485,212	300	41,400	3,705	574,530	526,612	47,918	-	-	Note 3
The Company	Stock Yang Ming Marine Corporation	Financial assets at fair value through profit or loss —current	-	-	3,000	363,000	300	34,350	3,300	420,149	397,350	22,799	-	-	Note 3
The Company	Stock Yang Ming Marine Corporation	Financial assets at fair value through other comprehensive income current			5,501	665,570	5,300	581,619	500	65,359	5,506	59,853	10,301	674,688	Note 1、3
The Company	Stock Evergreen Marine Corporation	Financial assets at fair value through other comprehensive income current			-	-	4,000	519,422	-	-	-	-	1,600	260,800	Note 2

Note 1: Private placement stock is not included. The amount at the end of the period includes evaluation adjustment for the current period.

Note 2: The amount at the end of the period includes the repayment of capital reduction and evaluation adjustments for the current period.

Note 3: Gain (loss) on disposal included evaulation adjustments for the current period.

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Name of property	Transaction date	Transaction amount	Status of payment	Counter-party	Relationship with the Company	If the counter-party is a related party, disclose the previous transfer information				References for determining price	Purpose of acquisition and current condition	Others
							Owner	Relationship with the Company	Date of transfer	Amount			
T3EX Global Holdings Corp.	Buildings	2022/3/18	498,000	Paid	FIDELITAS INTERNATIONAL CORPORATION	-	-	-	-	-	Parity and bargain	Operating use	-

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
T.H.I Group Vietnam Co., Ltd.	T.H.I Group (Shanghai) Ltd.	Affiliates	Sales	(132,486)	(10.03)%	Not significantly different from those of the third parties.	-	-	2,254	6.24%	
T.H.I Group (Shanghai) Ltd.	T.H.I. Logistics Ltd..	Affiliates	Sales	(186,802)	(1.20)%	Not significantly different from those of the third parties.	-	-	6,326	0.71%	
T.H.I Group (Shanghai) Ltd.	T.H.I. GROUP Limited (in HK)	Subsidiary	Sales	(176,395)	(1.13)%	Not significantly different from those of the third parties.	-	-	13,300	1.50%	
TEC Logistics (Shenzhen) Co., Ltd.	Taiwan Express Logistics Co., Ltd.	Subsidiary	Sales	(332,579)	(31.88)%	Not significantly different from those of the third parties.	-	-	22,094	14.02%	
Taiwan Express (HK) Co.,	Taiwan Express Logistics Co., Ltd.	Subsidiary	Sales	(113,223)	(10.85)%	Not significantly different from those of the third parties.	-	-	7,191	4.56%	
TEC Logistics(USA) Inc.	Taiwan Express Logistic Co., Ltd.	Subsidiary	Sales	(107,723)	(10.33)%	Not significantlydifferent fromthose of thethird parties.	-	-	12,400	7.87%	

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

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance (Note 1)	Turnover rate	Overdue		Amounts received in subsequent period (Note 2)	Allowance for bad debts
					Amount	Action taken		
T.H.I. Group (Shanghai) Ltd.	T.H.I. Group Limited (in HK)	Subsidiary	Other receivables 370,875	-	-		370,875	-
T.H.I. Group Limited (in HK)	T.H.I. Group (Shanghai) Ltd.	Subsidiary	Other receivables 232,971	-	-		232,971	-

Note 1: The aforementioned transactions have been eliminated in this financial report.

Note 2: As of Feburary 20, 2023 the amount of account receivables has been recovered.

(ix) Trading in derivative instruments:

Please refer to Note 6(2).

(x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	The Company	T.H.I. Group (Shanghai) Ltd.	3	Other receivables	132,486	Loans to others	-%
2	T.H.I. Group (Shanghai) Ltd.	T.H.I. Logistics Co., Ltd.	3	Other receivables	186,802	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	0.01%
2	T.H.I. Group (Shanghai) Ltd.	T.H.I GROUP Limited (in HK)	2	Other receivables	370,875	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	0.01%
2	T.H.I. Group (Shanghai) Ltd.	T.H.I GROUP Limited (in HK)	2	Operating income	176,395	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	0.01%
3	T.H.I GROUP Limited (in HK)	T.H.I. Group (Shanghai) Ltd.	1	Other receivables	232,971	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	0.02%
4	TEC Logistics (Shenzhen) Co., Ltd.	Taiwan Express Logistic Co., Ltd.	2	Operating income	332,579	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	0.01%

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions: Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
5	Taiwan Express (HK) Co.,	Taiwan Express Logistic Co., Ltd.	2	Operating income	113,223	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	-%
6	TEC Logistics(USA) Inc.	Taiwan Express Logistic Co., Ltd.	2	Operating income	107,723	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	-%

Note 1: The numbers indicated above represent the following: 0 for the Parent company. Subsidiaries are numbered sequentially starting from 1.

Note 2: The relations of the transactions represent the following:

1. The Parent company to its subsidiaries.
2. Subsidiaries to the Parent company.
3. Subsidiaries to subsidiaries.

Note 3: This chart will disclose sales, accounts and notes receivable, other receivables, purchases, accounts and notes payable, and other payables.

Note 4: The above transactions have been eliminated in this financial report.

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2022 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars/shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: December 31, 2022	December 31, 2021	Balance as of December 31, 2022: Shares (thousands)	Highest percentage of ownership	Carrying value	Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
The Company	T.H.I. Group Ltd.(in B.V.I.)	British Virgin Islands	Offshore settlement center	35,000 (1,000USD)	35,000 (1,000USD)	1,000,000	100.00 %	141,109	100.00 %	13,503	13,503	Subsidiaries
The Company	GREATLINE INTERNATIONAL LIMITED(GREATLINE)	British Virgin Islands	Offshore holding company	134,428 (4,050USD)	134,428 (4,050USD)	4,050,000	100.00 %	6,518,249	100.00 %	1,555,282	1,555,282	Subsidiaries
The Company	T.H.I GROUP VIETNAM CO., LTD.	Vietnam	Air & sea freight forwarding and packaging	8,362 (275USD)	8,362 (275USD)	4,950,000,000	99.00 %	544,977	99.00 %	154,692	153,145	Subsidiaries
The Company	T.H.I GROUP (BANGKOK) COMPANY LIMITED	Thailand	Air & sea freight forwarding and packaging	2,372 (72USD)	2,372 (72USD)	-	49.00 %	94,380	49.00 %	77,785	38,115	Subsidiaries
The Company	T.H.I. Japan Co., Ltd	Japan	Air & sea freight forwarding	10,365 (31,130JPY)	10,365 (31,130JPY)	3,060	51.00 %	45,656	51.00 %	32,083	16,361	Subsidiaries
The Company	Taiwan Express Logistic Co., Ltd. (TEC)	Taiwan	Air & sea freight forwarding	704,200	704,200	35,958,400	100.00 %	1,139,932	100.00 %	211,365	211,365	Subsidiaries
The Company	T.H.I. Logistics Co. Ltd.	Taiwan	Air & sea freight forwarding	130,000	130,000	13,000,000	100.00 %	343,254	100.00 %	168,485	168,485	Subsidiaries
The Company	T.H.I. GROUP (CAMBODIA) Co., Ltd.	Cambodia	Air & sea freight forwarding	4,462 (150USD)	4,462 (150USD)	-	100.00 %	68,719	100.00 %	4,283	4,283	Subsidiaries
The Company	PT. Dexter Eurekatama	Indonesia	Air & sea freight forwarding	47,381 (1,598USD)	47,381 (1,598USD)	12,000	30.00 %	36,870	30.00 %	13,824	1,023	Investment under equity method
The Company	T.H.I. GROUP SINGAPORE PTE. LTD	Singapore	Air & sea freight forwarding	19,032 (850SGD)	19,032 (850SGD)	850,000	91.40 %	5,279	91.40 %	(108)	(99)	Subsidiaries
The Company	LOGI International Co., Ltd.	Korea	Air & sea freight forwarding	9,666 (300USD)	9,666 (300USD)	16,285	30.00 %	8,405	30.00 %	24,126	7,238	Investment under equity method
The Company	Fresh Beauty Enterprises Ltd. (Fresh Beauty)	Samoa	Offshore holding company	307,353 (60,979CNY)	307,353 (60,979CNY)	66	66.00 %	368,600	66.00 %	73,447	46,168	Subsidiaries
The Company	T.H.I. Logistics (Malaysia) SDN. BHD	Malaysia	Air & sea freight forwarding	10,381 (315USD)	10,381 (315USD)	180,000	90.00 %	50,777	90.00 %	17,315	15,584	Subsidiaries
The Company	T.H.I. LOGISTICS PHILIPPINES CORP.	Philippines	Air & sea freight forwarding	38,860 (1,322USD)	16,467 (551USD)	419,750	99.94 %	62,667	99.94 %	23,578	23,564	Subsidiaries
The Company	T.H.I. Logistics (Hong Kong) Co., Limited	Hong Kong	Air & sea freight forwarding	197,239 (50,000HKD)	0	50,000,000	100.00 %	197,010	100.00 %	-	-	Subsidiaries
GREATLINE INTERNATIONAL LIMITED	T.H.I. GROUPLIMITED (in HK)	Hong Kong	Offshore holding Company	139,948 (4,314USD)	139,948 (4,314USD)	12,480,000	100.00 %	6,517,297	100.00 %	1,555,313	1,555,313	Subsidiaries

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: December 31, 2022	Original investment amount: December 31, 2021	Balance as of December 31, 2022: Shares (thousands)	Balance as of December 31, 2022: Highest percentage of ownership	Balance as of December 31, 2022: Carrying value	Balance as of December 31, 2022: Percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
Fresh BeautyEnterprises Ltd.	Eastern Union Holdings Limited	Hong Kong	Freight forwarding, customs clearance, and distribution	57,411 (70,550HKD)	57,411 (70,550HKD)	-	100.00 %	219,525	100.00 %	73,504	73,504	Subsidiaries
TEC	Taiwan Express (HK) Co.,	Hong Kong	Freight forwarding, customs clearance, and delivery services	266,807 (70,550HKD)	266,807 (70,550HKD)	-	100.00 %	580,722	100.00 %	72,553	72,553	Subsidiaries
TEC	T-TRANS INTERNATIONAL CO., LTD.	Taiwan	Freight forwarding, customs clearance, and delivery services	6,000	6,000	1,000,000	100.00 %	-	100.00 %	-	-	Investee of indirect holding for 30% equity
TEC	Ori Air General Sales Agent Co., Ltd.	Taiwan	Freight forwarding, customs clearance, and distribution	600	600	60,000	30.00 %	4,028	30.00 %	7,161	2,148	Subsidiaries
TEC	Hiview Logistics Co., Ltd.	Taiwan	Freight forwarding, customs clearance, and distribution	76,590	76,590	5,000,000	97.51 %	109,729	97.51 %	18,053	17,603	Subsidiaries
TEC	Taiwan Express (USA) INC.	United States	Freight forwarding, customs clearance, and distribution	31,629 (1,000USD)	31,629 (1,000USD)	1,000,000	100.00 %	61,608	100.00 %	26,094	26,094	Subsidiaries
TEC	TEC LOGISTICS (USA) INC.	United States	Freight forwarding, customs clearance, and distribution	8,549 (290USD)	8,549 (290USD)	200	100.00 %	23,601	100.00	9,906	9,906	Subsidiaries
TEC	TEC LOGISTICSVIETNAM COMPANYLIMITED	Vietnam	Freight forwarding, and Air freight forwarding	25,271 (850SGD)	10,577 (350SGD)	-	100.00 %	27,514	100.00	2,802	2,802	Subsidiaries
TEC	TEC Motion Co., Ltd.	Taiwan	Freight forwarding and distribution	53,500	8,500	7,500	100.00 %	53,878	100.00	810	505	Subsidiaries
TECHK	Airtropolis Express(s) Pte. Ltd.	Singapore	Air freight forwarding	117,341 (5,421SGD)	117,341 (5,421SGD)	748	88.00 %	170,601	88.00	58,489	48,538	Subsidiaries

Note: The amount had been eliminated in the consolidated financial statements.

(c) Information on overseas branches and representative offices:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2022	Investment flows: Outflow	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of December 31, 2022	Net income (losses) of the investee	Percentage of ownership	Highest Percentage of ownership	Investment income (losses)	book value	Accumulated remittance of earnings in current period
Shanghai Yaohwa International Forwarder Co., Ltd.	Air & sea freight forwarding and customs clearance	55,031 (1,700USD)	Note 1 (2)	55,031 (1,700USD)	-	-	55,031 (1,700USD)	7,624	100.00%	100 %	7,624	149,602	-
T.H.I. Group (Shanghai) Ltd.	Air & sea freight forwarding and customs clearance	92,883 (3,060USD)	Note 1 (2)	89,165 (3,060USD)	-	-	89,165 (3,060USD)	1,143,722	100.00%	100 %	1,143,722	4,533,036	-
T-SC Factoring Co., Ltd.	Commercial service	215,680 (50,000CNY)	Note 2	-	-	-	-	4,599	100.00%	100 %	4,599	227,248	-
Shanghai Moorluk International Shipping Co., Ltd.	Air & sea freight forwarding and customs clearance	22,460 (5,000CNY)	Note 2	-	-	-	-	12,075	65.00%	65 %	7,640	31,148	-
T-Cube Global Logistics Co., Ltd.	Warehousing	54,610 (11,000CNY)	Note 1 (2)	274,589 (8,391USD)	-	-	274,589 (8,391USD)	73,523	66.00%	66.00 %	48,525	144,646	21,140
T-HL (Shanghai) Global Supply Chain Management Co., Ltd	Warehousing	-	Note 6	-	-	-	-	-	66.00%	- %	-	-	-
EXer Logistics Co., Ltd.	Express logistics company	58,023 (12,438HKD)	Note 2		-	-	-	11,556	93.51%	93.51 %	10,806	108,892	-
TEC Logistics (Shenzhen) Co., Ltd.	Freight forwarding, customs clearance, and distribution	183,901 (48,550HKD)	Note 3	183,901 (48,550HKD)	-	-	183,901 (48,550HKD)	32,326	100.00%	100 %	32,326	303,716	-
T-Cube (Suzhou) Global Logistic Co., Ltd.	Warehousing	43 (10CNY)	Note 4	-	-	-	-	13	66.00%	66 %	8	69	-

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
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Name of investee	Main businesses and products	Total amount of paid-in capital	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 December 31, 2022	Net income (losses) of the investee	Percentage of ownership	Highest Percentage of ownership	Investment income (losses)	book value	Accumulated remittance of earnings in current period
					Outflow	Inflow							
T-SC Trading Co., Ltd.	Supply chain management and import and export trade	4,273 (1,000CNY)	Note 5	-	-	-	-	(16)	100.00%	100 %	(16)	4,283	-
Lianhua (Shanghai) Logistics Co., Ltd	Supply chain management, import and export trading	-	Note 7	-	-	-	-	-	66.00%	-	-	-	-

Note: The above investments were eliminated in the preparation of consolidated financial statements.
Note 1: The method of investment in Mainland China is as follows:
(1) Invested directly in Mainland China.
(2) Invested in Mainland China Via remittance through a third region.
(3) Others
Note 2: T.H.I. Group (Shanghai) Ltd. (T.H.I. Shanghai) directly invested in Exer Logistics Co., Ltd., 、Shanghai Moorluk International Shipping Co., Ltd and T-SC Factoring Co., Ltd.
Note 3: TEC Logistics Co., Ltd is invested by the Company's subsidiary, Taiwan Express Logistic Co., Ltd., that invested in Mainland China via remittance through a third region. The upper limit of the investments is 60% of Taiwan Express Logistic Co., Ltd.'s net assets in the financial statements based on the "REGULATIONS GOVERNING THE APPROVAL OFINVESTMENT OR TECHNICAL COOPERATION INMAINLAND CHINA" and have been approved by the Investment Commission Ministry of Economic Affairs amounting to $183,901 thousand (HKD48,550 thousand).
Note 4: T-Cube Global Logistics Co., Ltd. directly invested in T-Cube (Suzhou) Global Logistic Co., Ltd.
Note 5: Shanghai Yaohwa International Forwarder Co., Ltd. directly invested in T-SC Trading Co., Ltd.
Note 6: As of Decenber 31, 2022, T-HL (Shanghai) Global Supply Chain Management Co., Ltd has completed the process of subscription, capital has yet to be remitted.
Note 7: As of Decenber 31, 2022, Lianhua (Shanghai) Logistics Co., Ltd has completed the process of subscription, capital has yet to be remitted.

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of December 31, 2022 (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 2)	Upper Limit on Investment
421,417 (13,718 USD thousand)	483,195 (15,729 USD thousand)	5,233,946

Note 1: Calculated by accumulated investment in Main land China as of December 31, 2022, including $6,530 thousand (USD $200 thousand) remitted to THI Group (Shanghai) Logistic Ltd. and USD$367 thousand remitted to Shanghai Huiyou Yuanhua Trade Co., Ltd.

Note 2: As the reporting date, the exchange between USD and TWD was 1:30.72.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China for the year ended 2022, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

(4) Major shareholders:

Shareholding / Shareholder's Name	Shares	Percentage
WPG HOLDINGS LIMITED	11,588,907	8.08 %
GOLDEN HORSE INVESTMENT CORP	10,299,013	7.18 %
PIN GUAN INVESTMENT LIMITED	8,900,000	6.20 %

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

14. General information:

(a) General information

The Group's reportable operating segments are the sea export and air export segments.

(b) Information on reportable segments' income or loss, assets, liabilities, and measurement base and reconciliation

The Group has two reportable segments, as described below. These two segments are strategic business units of the Group. Each strategic business unit provides different services and is managed separately on account of different professional knowledge and marketing tactics. The Group's chief operating decision makers review the internal management report on a monthly basis. The Group's operating segment information and reconciliation were as follows:

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

	2022				
	Sea export	**Air export**	**Others**	**Adjustment/ elimination**	**Total**
Segment revenue	$ 20,723,068	4,932,499	2,562,461	-	28,218,028
Segment gross profit	4,160,081	922,792	515,242	-	5,598,115

	2021				
	Sea export	**Air export**	**Others**	**Adjustment/ elimination**	**Total**
Segment revenue	27,300,539	6,574,886	2,168,179	-	36,043,604
Segment gross profit	6,843,284	861,648	420,827	-	8,125,759

(c) Geographic information

In presenting information on the basis of geography, segment assets are based on the geographical location of the assets. Please refer to note 6(u).

Non-current assets:

	2022	**2021**
Taiwan	$ 1,060,293	768,427
China and Hong Kong	631,910	336,123
Others	71,515	47,333
	$ 1,763,718	**1,151,883**