

**T3EX GLOBAL HOLDINGS CORP.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2023 and 2022**

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

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Independent Auditors' Review Report

To the Board of Directors of T3EX Global Holdings Corp.:

Introduction

We have reviewed the accompanying consolidated balance sheets of T3EX Global Holdings Corp. (the "Company") and its subsidiaries (the "Group") as of June 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months and six months ended, as well as the changes in equity and cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$3,173,803 thousand and \$2,648,725 thousand, constituting 18.47% and 14.79% of the consolidated total assets; and the total liabilities amounting to \$653,828 thousand and \$906,332 thousand, constituting 7.82% and 11.17% of the consolidated total liabilities as of June 30, 2023 and 2022, respectively; as well as the total comprehensive income amounting to \$26,533 thousand, \$87,812 thousand, \$65,250 thousand and \$314,008 thousand, constituting 10.62%, 69.64%, 12.99% and 22.08% of the consolidated total comprehensive income for the three months and six months, respectively.

Furthermore, as stated in Note 6(e), the equity accounted investments of the Group amounting to \$52,636 thousand and \$57,244 thousand as of June 30, 2023 and 2022, respectively, and the share of profit (loss) of these investees amounting to \$6,051 thousand, \$6,283 thousand, \$4,163 thousand and \$9,525 thousand for the three months and the six months ended then ended, respectively, were recognized solely on the financial statements prepared by these investees, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investments described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2023 and 2022, and of its consolidated financial performance for the three months and six months ended June 30, 2023 and 2022, as well as its consolidated cash flows for the six months ended June 30, 2023 and 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

KPMG

Taipei, Taiwan (Republic of China)
August 7, 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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2023, December 31, 2022, and June 30, 2022

(Expressed in Thousands of New Taiwan Dollars)

		June 30, 2023		December 31, 2022		June 30, 2022				June 30, 2023		December 31, 2022		June 30, 2022	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (notes 6(a) & (x))	\$ 7,908,296	46	9,569,948	54	8,496,651	47	2100	Short-term borrowings (notes 6(j), (x), (aa) & 8)	\$ 4,787,765	28	3,450,585	20	1,404,890	8
1110	Current financial assets at fair value through profit or loss (notes 6(b) & (x) and 8)	321,340	2	116,179	1	216,277	1	2110	Short-term notes and bills payable (notes 6(k) & (x))	199,901	1	-	-	-	-
1120	Current financial assets at fair value through other comprehensive income (notes 6(c) & (x) and 8)	1,791,407	10	1,796,323	10	1,285,661	7	2150	Notes payable	11,932	-	16,521	-	17,331	-
1150	Notes receivable, net (note 6(d))	31,204	-	62,152	-	81,412	1	2170	Accounts payable	881,810	5	1,025,752	6	1,745,049	10
1170	Accounts receivable, net (note 6(d))	2,100,055	12	2,327,507	13	3,901,277	22	2180	Accounts payable to related parties (note 7)	744	-	747	-	392	-
1180	Accounts receivable due from related parties, net (notes 6(d) & 7)	1,165	-	467	-	8,896	-	2216	Dividends payable	-	-	709,176	4	1,843,858	10
1476	Other current financial assets (note 6(i))	2,052,954	12	1,304,189	7	229,525	1	2219	Other payables	1,133,753	7	2,001,400	11	1,982,632	11
1479	Other current assets, others (note 6(c))	616,024	4	387,349	2	823,035	5	2230	Current tax liabilities	142,730	1	430,065	2	546,526	3
	Current assets	<u>14,822,445</u>	<u>86</u>	<u>15,564,114</u>	<u>87</u>	<u>15,042,734</u>	<u>84</u>	2280	Current lease liabilities (notes 6(m), (x), (aa) and 7)	222,750	1	184,473	1	172,471	1
Non-current assets:								2322	Current portion of long-term borrowings (notes 6(l), (x) & (aa))	160,000	1	210,463	1	1,089	-
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) & (x))	118,844	1	118,844	1	939,594	5	2399	Other current liabilities, others	73,618	-	63,037	-	44,694	-
1550	Investments accounted for using equity method (note 6(e))	52,636	-	49,303	-	57,244	-		Current liabilities	<u>7,615,003</u>	<u>44</u>	<u>8,092,219</u>	<u>45</u>	<u>7,758,932</u>	<u>43</u>
1600	Property, plant and equipment (notes 6(f) & 8)	836,225	5	844,772	5	828,827	5	Non-Current liabilities:							
1755	Right-of-use assets (note 6(g))	471,221	3	366,617	2	255,243	1	2540	Long-term borrowings (notes 6(l), (x) & (aa) & 8)	332,500	2	337,500	2	200,000	1
1805	Goodwill (note 6(h))	498,091	3	497,851	3	496,608	3	2570	Deferred tax liabilities (note 3(a))	77,162	-	77,162	-	56,189	-
1821	Other intangible assets, net (note 6(h))	44,901	-	53,492	-	57,504	-	2580	Non-current lease liabilities (notes 6(m), (x), (aa) & 7)	256,492	2	190,118	1	87,123	1
1840	Deferred tax assets (note 3(a))	150,103	1	132,052	1	107,663	1	2640	Net defined benefit liability, non-current(note 6(h))	62,355	-	50,642	-	64,766	-
1920	Refundable deposits (note 8)	153,728	1	117,744	1	125,163	1	2645	Guarantee deposits received	2,950	-	2,950	-	2,840	-
1980	Total other non-current financial assets (note 6(i))	14,686	-	4,852	-	25,466	-	2670	Other non-current liabilities, others	13,011	-	20,038	-	-	-
1995	Other non-current assets, others	22,126	-	28,882	-	25,421	-		Non-current liabilities	<u>744,470</u>	<u>4</u>	<u>678,410</u>	<u>3</u>	<u>410,918</u>	<u>2</u>
	Non-current assets	<u>2,362,561</u>	<u>14</u>	<u>2,214,409</u>	<u>13</u>	<u>2,918,733</u>	<u>16</u>		Total liabilities	<u>8,359,473</u>	<u>48</u>	<u>8,770,629</u>	<u>48</u>	<u>8,169,850</u>	<u>45</u>
Total assets		<u>\$ 17,185,006</u>	<u>100</u>	<u>17,778,523</u>	<u>100</u>	<u>17,961,467</u>	<u>100</u>	Equity attributable to owners of parent (notes 6(c) & (p)):							
								3110	Ordinary shares	1,433,912	8	1,433,912	8	1,433,912	8
								3200	Capital surplus	2,530,860	15	2,530,860	15	2,530,860	14
								3300	Retained earnings	4,782,202	28	4,668,663	26	4,823,631	27
								3400	Other equity	175,341	1	487,339	3	800,935	5
								3500	Treasury shares	(397,530)	(2)	(397,530)	(2)	(31,774)	-
									Equity attributable to owners of the Company	<u>8,524,785</u>	<u>50</u>	<u>8,723,244</u>	<u>50</u>	<u>9,557,564</u>	<u>54</u>
								36xx	Non-controlling interests	300,748	2	284,650	2	234,053	1
									Total equity	<u>8,825,533</u>	<u>52</u>	<u>9,007,894</u>	<u>52</u>	<u>9,791,617</u>	<u>55</u>
									Total liabilities and equity	<u>\$ 17,185,006</u>	<u>100</u>	<u>17,778,523</u>	<u>100</u>	<u>17,961,467</u>	<u>100</u>

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 three months and six months ended June 30, 2023 and 2022****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		For the three months ended June 30				For the six months ended June 30			
		2023		2022		2023		2022	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (notes 6(r) & 7)	\$ 3,416,024	100	8,006,341	100	6,783,273	100	18,150,564	100
5000	Operating costs (notes 6(m), (n), 7 & 12)	<u>2,741,010</u>	<u>80</u>	<u>6,532,431</u>	<u>82</u>	<u>5,328,166</u>	<u>79</u>	<u>14,402,168</u>	<u>79</u>
	Gross profit from operations	<u>675,014</u>	<u>20</u>	<u>1,473,910</u>	<u>18</u>	<u>1,455,107</u>	<u>21</u>	<u>3,748,396</u>	<u>21</u>
	Operating expenses (notes 6(m), (n), (s), 7 & 12)								
6100	Selling expenses	286,095	8	533,607	7	656,407	9	1,239,595	7
6200	Administrative expenses	118,948	3	249,591	3	253,967	4	599,716	3
6450	Impairment losses (gain on reversal of impairment) (note 6(d))	<u>(3,490)</u>	<u>-</u>	<u>(4,785)</u>	<u>-</u>	<u>(14,201)</u>	<u>-</u>	<u>(4,076)</u>	<u>-</u>
	Total operating expenses	<u>401,553</u>	<u>11</u>	<u>778,413</u>	<u>10</u>	<u>896,173</u>	<u>13</u>	<u>1,835,235</u>	<u>10</u>
	Net operating income	<u>273,461</u>	<u>9</u>	<u>695,497</u>	<u>8</u>	<u>558,934</u>	<u>8</u>	<u>1,913,161</u>	<u>11</u>
	Non-operating income and expenses:								
7010	Other income (note 6(t))	226,450	6	474,528	6	229,571	4	474,528	3
7020	Other gains and losses (notes 6(b) & (u))	88,783	3	159,308	2	136,072	2	233,034	1
7060	Shares of profit of associates accounted for using equity method, net (note 6(e))	6,051	-	6,283	-	4,163	-	9,525	-
7100	Interest income (note 6(v))	73,862	2	15,213	-	126,927	2	28,001	-
7510	Financial costs (notes 6(m), (w) & 7)	<u>(26,400)</u>	<u>(1)</u>	<u>(6,737)</u>	<u>-</u>	<u>(51,528)</u>	<u>(1)</u>	<u>(12,895)</u>	<u>-</u>
	Total non-operating income and expenses	<u>368,746</u>	<u>10</u>	<u>648,595</u>	<u>8</u>	<u>445,205</u>	<u>7</u>	<u>732,193</u>	<u>4</u>
	Profit before tax	<u>642,207</u>	<u>19</u>	<u>1,344,092</u>	<u>16</u>	<u>1,004,139</u>	<u>15</u>	<u>2,645,354</u>	<u>15</u>
7950	Less: Income tax expenses (note 6(o))	<u>104,042</u>	<u>3</u>	<u>237,763</u>	<u>3</u>	<u>201,823</u>	<u>3</u>	<u>594,484</u>	<u>3</u>
	Profit	<u>538,165</u>	<u>16</u>	<u>1,106,329</u>	<u>13</u>	<u>802,316</u>	<u>12</u>	<u>2,050,870</u>	<u>12</u>
8300	Other comprehensive income:								
8310	Item that may not be subsequently reclassified to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(181,668)	(6)	(978,947)	(12)	(180,613)	(3)	(862,504)	(5)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Components of other comprehensive income that may not be reclassified to profit or loss	<u>(181,668)</u>	<u>(6)</u>	<u>(978,947)</u>	<u>(12)</u>	<u>(180,613)</u>	<u>(3)</u>	<u>(862,504)</u>	<u>(5)</u>
8360	Item that may be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	(106,790)	(3)	(1,291)	-	(119,258)	(2)	233,991	1
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Components of other comprehensive income that will be reclassified to profit or loss	<u>(106,790)</u>	<u>(3)</u>	<u>(1,291)</u>	<u>-</u>	<u>(119,258)</u>	<u>(2)</u>	<u>233,991</u>	<u>1</u>
8300	Other comprehensive income	<u>(288,458)</u>	<u>(9)</u>	<u>(980,238)</u>	<u>(12)</u>	<u>(299,871)</u>	<u>(5)</u>	<u>(628,513)</u>	<u>(4)</u>
	Total comprehensive income	<u>\$ 249,707</u>	<u>7</u>	<u>126,091</u>	<u>1</u>	<u>502,445</u>	<u>7</u>	<u>1,422,357</u>	<u>8</u>
	Profit attributable to:								
8610	Owners of parent company	\$ 518,528	15	1,085,657	13	766,905	11	2,000,744	12
8620	Non-controlling interests	<u>19,637</u>	<u>1</u>	<u>20,672</u>	<u>-</u>	<u>35,411</u>	<u>1</u>	<u>50,126</u>	<u>-</u>
		<u>\$ 538,165</u>	<u>16</u>	<u>1,106,329</u>	<u>13</u>	<u>802,316</u>	<u>12</u>	<u>2,050,870</u>	<u>12</u>
	Comprehensive income attributable to:								
8710	Owners of parent company	\$ 248,879	7	115,813	1	486,347	7	1,377,164	8
8720	Non-controlling interests	<u>828</u>	<u>-</u>	<u>10,278</u>	<u>-</u>	<u>16,098</u>	<u>-</u>	<u>45,193</u>	<u>-</u>
		<u>\$ 249,707</u>	<u>7</u>	<u>126,091</u>	<u>1</u>	<u>502,445</u>	<u>7</u>	<u>1,422,357</u>	<u>8</u>
	Earnings per share (note 6(q))								
9750	Basic earnings per share (NT dollars)	<u>\$ 3.79</u>		<u>7.65</u>		<u>5.60</u>		<u>14.11</u>	
9850	Diluted earnings per share (NT dollars)	<u>\$ 3.78</u>		<u>7.65</u>		<u>5.59</u>		<u>14.09</u>	

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 six months ended June 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent company												
	Retained earnings						Total other equity						
	Ordinary shares	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	Treasury shares	Total equity attributable to owners of parent company	Non-controlling interests	Total equity
Balance on January 1, 2022	\$ 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	-	-	-	-	2,000,744	2,000,744	-	-	-	-	2,000,744	50,126	2,050,870
Other comprehensive income	-	-	-	-	-	-	238,924	(862,504)	(623,580)	-	(623,580)	(4,933)	(628,513)
Total comprehensive income	-	-	-	-	2,000,744	2,000,744	238,924	(862,504)	(623,580)	-	1,377,164	45,193	1,422,357
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	394,294	-	(394,294)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,843,858)	(1,843,858)	-	-	-	-	(1,843,858)	-	(1,843,858)
Retirement of treasury stock	(13,610)	(15,176)	-	-	-	-	-	-	-	28,786	-	-	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	54,648	54,648	-	(54,648)	(54,648)	-	-	-	-
Balance at June 30, 2022	\$ 1,433,912	2,530,860	684,935	7,116	4,131,580	4,823,631	(39,539)	840,474	800,935	(31,774)	9,557,564	234,053	9,791,617
Balance at January 1, 2023	\$ 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
Profit	-	-	-	-	766,905	766,905	-	-	-	-	766,905	35,411	802,316
Other comprehensive income	-	-	-	-	-	-	(99,945)	(180,613)	(280,558)	-	(280,558)	(19,313)	(299,871)
Total comprehensive income	-	-	-	-	766,905	766,905	(99,945)	(180,613)	(280,558)	-	486,347	16,098	502,445
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	55,421	-	(55,421)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(684,806)	(684,806)	-	-	-	-	(684,806)	-	(684,806)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	31,440	31,440	-	(31,440)	(31,440)	-	-	-	-
Balance at June 30, 2023	\$ 1,433,912	2,530,860	945,896	7,116	3,829,190	4,782,202	(75,854)	251,195	175,341	(397,530)	8,524,785	300,748	8,825,533

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 six months ended June 30, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30	
	2023	2022
Cash flows of operating activities:		
Profit before tax	\$ 1,004,139	2,645,354
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses	144,902	131,535
Amortization expenses	8,955	7,949
Expected credit profit	(14,201)	(4,076)
Net (gains) losses on financial assets or liabilities at fair value through profit or loss	(50,749)	512,287
Interest expenses	51,528	12,895
Interest income	(126,927)	(28,001)
Dividend income	(223,993)	(472,605)
Shares of profit of associates and joint ventures accounted for using equity method	(4,163)	(9,525)
Gains from disposal of property, plant and equipment	(407)	(1,117)
Gains on disposal of investments	-	(562,322)
Profit from lease modification	(647)	-
Total adjustments to reconcile profit (loss)	(215,702)	(412,980)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	30,948	(1,201)
Accounts receivable	242,052	987,405
Accounts receivable due from related parties	(698)	(1,678)
Other current assets	5,024	(176,562)
Other operating assets	6,756	11,122
Total changes in operating assets	284,082	819,086
Changes in operating liabilities:		
Notes payable	(4,589)	(4,108)
Accounts payable	(143,942)	(512,694)
Accounts payable to related parties	(3)	338
Other payables	(888,138)	(389,568)
Other current liabilities	10,581	11,226
Net defined benefit liability	11,713	(3,599)
Other operating liabilities	(7,027)	-
Total changes in operating liabilities	(1,021,405)	(898,405)
Total changes in operating assets and liabilities	(737,323)	(79,319)
Total adjustments	(953,025)	(492,299)
Cash flows from operations	51,114	2,153,055
Interest received	133,442	18,808
Interest paid	(48,883)	(12,895)
Income taxes paid	(507,209)	(403,369)
Net cash flows (used in) from operating activities	(371,536)	1,755,599
Cash flows of investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(304,783)	(1,195,659)
Proceeds from disposal of financial assets at fair value through other comprehensive income	119,770	108,187
Acquisition of financial assets at fair value through profit or loss	(623,250)	(241,185)
Proceeds from disposal of financial assets at fair value through profit or loss	479,922	1,095,234
Acquisition of investments accounted for using equity method	(2,250)	-
Acquisition of property, plant and equipment	(22,068)	(547,725)
Proceeds from disposal of property, plant and equipment	1,996	10,537
Increase in refundable deposits	(35,984)	(5,593)
Acquisition of intangible asset	(312)	(1,080)
Increase in other financial assets	(758,599)	-
Dividends received	4,342	-
Net cash flows used in investing activities	(1,141,216)	(777,284)
Cash flows of financing activities:		
Increase in short-term loans	1,338,000	613,079
Increase in short-term notes and bills payable	199,734	-
Repayments of long-term borrowings	(55,455)	(706)
Increase in guarantee deposits received	-	2,840
Payment of lease liabilities	(116,072)	(121,264)
Cash dividends paid	(1,393,982)	-
Net cash flows (used in) from financing activities	(27,775)	493,949
Effect of exchange rate changes on cash and cash equivalents	(121,125)	243,079
Net (decrease) increase in cash and cash equivalents	(1,661,652)	1,715,343
Cash and cash equivalents at beginning of period	9,569,948	6,781,308
Cash and cash equivalents at end of period	\$ 7,908,296	8,496,651

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

June 30, 2023 and 2022

(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 were authorized for issuance by the board of directors on August 7, 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 details of impact on the Group’s adoption of the new amendments beginning January 1, 2023 are as follows:

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

The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group may need to recognize equal deferred income tax assets and deferred income tax liabilities. The application of the amendments resulting in deferred tax assets and deferred tax liabilities to increase by both 55,997 thousand on January 1, 2022 ; as well as the deferred tax assets and deferred tax liabilities to increase by both 76,957 thousand on December 31, 2022. There is no impact on the comprehensive income and cash flows in the said period.

(Continued)

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

(ii) Other amendments

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

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

(b) 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 amendments ¹ , 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

(Continued)

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

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 7 and IFRS 7“Supplier Finance Arrangements”	The amendments require the company to disclose information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the company’ s liabilities and cash flows and on the company’s exposure to liquidity risk.	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”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”
- IFRS16 “Requirements for Sale and Leaseback Transactions”
- Amendments to IAS12 “International Tax Reform – Pillar Two Model Rules”

4. Summary of significant accounting policies:

(a) Statement of compliance

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

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

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

(b) Basis of consolidation

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

Name of investor	Name of subsidiary	Principal activity	Percentage of shares held			Remark
			June 30, 2023	December 31, 2022	June 30, 2022	
The Company	T.H.I. Group Ltd. (in B.V.I.)	Offshore settlement center	100 %	100 %	100 %	Note (a)
The Company	GREATLINE INTERNATIONAL LIMITED (GREATLINE)	Offshore holding company	100 %	100 %	100 %	
The Company	T.H.I. GROUP VIETNAM CO., LTD.	Air & sea freight forwarding and packaging	99 %	99 %	99 %	Note (a)
The Company	T.H.I. GROUP (BANGKOK) COMPANY LIMITED	Air & sea freight forwarding and packaging	49 %	49 %	49 %	Note (a)
The Company	Taiwan Express Logistics Co., Ltd. (TEC)	Air & sea freight forwarding and customs clearance	100 %	100 %	100 %	
The Company	T.H.I. Logistics Ltd.	Air & sea freight forwarding	100 %	100 %	100 %	
The Company	T.H.I. GROUP (CAMBODIA) Co., Ltd.	Air & sea freight forwarding	100 %	100 %	100 %	Note (a)
The Company	T.H.I. GROUP SINGAPORE PTE. LTD.	Air & sea freight forwarding	100.0 %	91.4 %	91.4 %	Notes (a) 、(c)
The Company	T.H.I. Japan Co., Ltd.	Air & sea freight forwarding	51 %	51 %	51 %	Note (a)
The Company	T.H.I. Logistics (Malaysia) SDN.BHD	Air & sea freight forwarding	90 %	90 %	90 %	Note (a)
The Company	Fresh Beauty Enterprises Ltd. (Fresh Beauty)	Offshore holding company	66 %	66 %	66 %	Note (a)
The Company	T.H.I. LOGISTICS PHILIPPINES CORP.	Air & Sea freight forwarding	99.94 %	99.94 %	99.94 %	Note (a)
The Company	T.H.I. Logistics (Hong Kong) Co., Limited	Air & Sea freight forwarding	100 %	100 %	- %	Notes (a) 、(b)
Fresh Beauty	Eastern Union Holding Limited (Eastern Union)	Offshore holding Company	100 %	100 %	100 %	Note (a)
Eastern Union	T-Cube Global Logistics Co., Ltd.	Warehousing and distribution	100 %	100 %	100 %	Note (a)
T-Cube Global Logistics Co., Ltd.	T-Cube (suzhou) Global Logistic Co., Ltd.	Warehousing and distribution	100 %	100 %	100 %	Note (a)
T-Cube Global Logistics Co., Ltd.	T-HL (Shanghai) Global Supply Chain Management Co., Ltd	Warehousing and distribution	100 %	100 %	100 %	Note (a)
T-Cube Global Logistics Co., Ltd.	Lianhua (Shanghai) Logistics Co., Ltd.	Warehousing and distribution	100 %	100 %	100 %	Notes (a)
GREATLINE	T.H.I. GROUP LIMITED (in HK)	Air & sea freight forwarding	100 %	100 %	100 %	
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 %	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 %	100 %	Note (a)
T.H.I. Shanghai	EXer Logistics Co., Ltd.	Express logistics company	93.51 %	93.51 %	93.51 %	Note (a)

(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			Remark
			June 30, 2023	December 31, 2022	June 30, 2022	
T.H.I. Shanghai	Shanghai Moorluk International Shipping Co., Ltd.	Freight forwarding, customs clearance, and distribution	65 %	65 %	65 %	Note (a)
T.H.I. Shanghai	T-SC Factoring Co., Ltd.	Commercial service	100 %	100 %	100 %	Note (a)
T.H.I. Shanghai	Shanghai Yi Hua Logistics Co., Ltd.	Freight forwarding, customs declaration and investment-related businesses	100 %	- %	- %	Note (d)
Shanghai Yaohwa	T-SC Trading Co., Ltd.	Supply Chain management, import export Trade	100 %	100 %	100 %	Note (a)
Taiwan Express	Taiwan Express (HK) Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	100 %	
Taiwan Express	Taiwan Express (USA) INC.	Freight forwarding, customs clearance, and distribution	100 %	100 %	100 %	Note (a)
Taiwan Express	TEC Logistic Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	100 %	Note (a)
Taiwan Express	TEC LOGISTICS (USA), INC	Freight forwarding, customs clearance, and distribution	100 %	100 %	100 %	Note (a)
Taiwan Express	Hiview Logistics Co., Ltd.	Freight forwarding, customs clearance, and distribution	97.51 %	97.51 %	97.51 %	Note (a)
Taiwan Express	TEC LOGISTICS VIETNAM COMPANY LIMITED	Freight forwarding and Warehousing	100 %	100 %	100 %	Note (a)
Taiwan Express	TEC Motion Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	100 %	Note (a)
Taiwan Express (HK)	TEC Logistics (Shenzhen) Co., Ltd.	Freight forwarding, customs clearance, and distribution	100 %	100 %	100 %	Note (a)
Taiwan Express (HK)	Air Tropolis Express (S) Pte Ltd.	Freight forwarding	88 %	88 %	88 %	Note (a)

Note (a) Non-significant subsidiary, its financial statements have not been reviewed.

Note (b) In order to develop its transportation business in Hong Kong, the Group established T.H.I. Logistics (Hong Kong) Co., Limited in November, 2022. The relevant registration procedures and capital injection had been completed.

Note (c) The Group acquired 8.6% of non-controlling interest on subsidiary, T.H.I GROUP SINGAPORE PTE. LTD. in March, 2023, and the percentage of shares held increased to 100%.

Note (d) In order to develop its transportation and investment business, the Group established Shanghai Yi Hua Logistics Co., Ltd. in April, 2023. The relevant registration procedures had been completed, whereas the capital has yet to be remitted.

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

(Continued)

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

(c) Employee benefits

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

(d) Income tax

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management.

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

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

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2022. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2022.

6. Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2022 consolidated financial statements. Please refer to Note 6 of the 2022 annual consolidated financial statements.

(Continued)

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

(a) Cash and cash equivalents

	June 30, 2023	December 31, 2022	June 30, 2022
Cash on hand	\$ 4,254	5,308	18,574
Demand deposits	2,609,357	5,272,898	6,278,540
Time deposits	5,294,685	4,291,742	2,199,537
	<u>\$ 7,908,296</u>	<u>9,569,948</u>	<u>8,496,651</u>

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

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

	June 30, 2023	December 31, 2022	June 30, 2022
Mandatorily measured at fair value through profit or loss:			
Non-derivative financial assets			
Fund	\$ -	-	7,245
Stock listed on domestic market	321,340	116,179	209,032
Total	<u>\$ 321,340</u>	<u>116,179</u>	<u>216,277</u>

- (i) For three months and six months ended June 30, 2023 and 2022, the net gain from financial assets at fair value were recorded as other gains and losses.
- (ii) Refer to note 6(x) for the sensitivity analysis of the financial assets and liabilities of the Group.

(Continued)

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

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

	June 30, 2023	December 31, 2022	June 30, 2022
Equity investments at fair value through other comprehensive income			
Current			
Domestic listed Company-Soonest express Co., Ltd.	\$ 73,602	67,930	60,314
Domestic listed Company-Yang Ming Marine Transport Corp.	1,396,305	1,329,688	823,047
Domestic listed Company-Evergreen Aviation Technologies Corp.	78,400	116,850	106,200
Domestic listed Company-Evergreen Marine Corporation(Taiwan) Ltd.	243,100	260,800	296,100
Domestic listed Company-EVA Airways Corporation.	-	14,075	-
Domestic listed Company-Dimerco Express Corp.	-	6,980	-
Total	<u>\$ 1,791,407</u>	<u>1,796,323</u>	<u>1,285,661</u>
Non-current			
Domestic Non-public stocks-Central Taiwan Science Park Logistics Co., Ltd.	118,844	118,844	116,594
Domestic listed Company-Yang Ming Marine Transport Corp.	-	-	823,000
Total	<u>\$ 118,844</u>	<u>118,844</u>	<u>939,594</u>

The Group held private placement stocks-Yang Ming Marine of \$1,166,500 thousand in 2021, which had been reclassified to current account after the evaluation adjustment in 2022.

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.

In the six months ended June 30, 2023 and 2022, the Group has sold its partial shares in order to adjust its investment strategy. The shares sold had a fair value of \$129,086 thousand and \$108,187 thousand, respectively. The Group realized a gain of \$31,440 thousand and \$54,648 thousand, which was reclassified from other comprehensive income to retained earnings.

For the six months ended June 30, 2023 and 2022, the dividend revenue amounted to \$223,993 thousand and \$472,605 thousand, respectively; while the dividend revenue for this period has yet to be collected and listed under other current assets.

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

(Continued)

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

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

	June 30, 2023	December 31, 2022	June 30, 2022
Notes receivable from operating activities	\$ 31,204	62,152	81,412
Accounts receivable (including balance due from related parties) and overdue receivables –measured as amortized cost	2,138,052	2,379,799	3,967,825
Less: Loss allowance	(36,832)	(51,825)	(57,652)
	<u>\$ 2,132,424</u>	<u>2,390,126</u>	<u>3,991,585</u>

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:

	June 30, 2023		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 1,776,741	0%~0.1%	-
Less than 60 day past due	314,227	0%~0.43%	-
61~90 days past due	29,741	1%-50%	482
More than 90 days past due	48,547	70%-100%	36,350
	<u>\$ 2,169,256</u>		<u>36,832</u>

	December 31, 2022		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 1,850,763	0.1%	1,848
Less than 60 days 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
	<u>\$ 2,441,951</u>		<u>51,825</u>

(Continued)

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

	June 30, 2022		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	\$ 3,136,338	0.1%	3,136
Less than 60 days past due	815,329	0.1%	815
61~90 days past due	32,312	0.1%	32
More than 90 days past due	65,258	90%-100%	53,669
	<u>\$ 4,049,237</u>		<u>57,652</u>

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

	For the six months ended June 30,	
	2023	2022
Balance at January 1	\$ 51,825	59,509
Impairment losses reversed	(14,201)	(4,076)
Amounts written off	(393)	(15)
Exchange rate effects and others	(399)	2,234
Balance at June 30	<u>\$ 36,832</u>	<u>57,652</u>

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:

	June 30, 2023	December 31, 2022	June 30, 2022
Associates	<u>\$ 52,636</u>	<u>49,303</u>	<u>57,244</u>

A summary for the Group's financial information about investments using equity method that are individually insignificant was as follows:

	For the six months ended June 30,		For the six months ended June 30,	
	2023	2022	2023	2022
The Group's share of profit of associates	<u>\$ 6,051</u>	<u>6,283</u>	<u>4,163</u>	<u>9,525</u>

As of June 30, 2023, December 31 and June 30, 2022, there was no equity-accounted investment had been pledged as collateral.

(Continued)

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

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

Investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

- (f) Property, plant and equipment

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

	Land	Buildings	Transportation Equipment	Office and Other Equipment	Total
Carrying Amount:					
At January 1, 2023	\$ 580,014	85,649	97,396	81,713	844,772
At June 30, 2023	\$ 580,014	87,366	96,315	72,530	836,225
At January 1, 2022	\$ 132,594	39,155	52,744	87,730	312,223
At June 30, 2022	\$ 580,014	86,490	68,104	94,219	828,827

A summary of pledged assets of June 30, 2023, December 31 and June 30, 2022, 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, for operating use. The contract was signed on March 18, 2022, and the total costs are \$498,000. The Group had registered for transfer on May 26, 2022.

The Group leased out part of its office to other party without having any intention of obtaining long-term capital appreciation or collecting any rent. Hence, the above asset was not classified as investment property. For the information of rents, please refer to note 6(t).

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the three months ended June 30, 2023 and 2022. Information on depreciation for the period is discussed in Note 12. Please refer to Note 6 (h) of the 2022 annual consolidated financial statements for other related information.

- (g) Right-of-use assets

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

	Buildings	Transportation equipment	Total
Carrying amount:			
Balance at January 1, 2023	\$ 358,238	8,379	366,617
Balance at June 30, 2023	\$ 460,387	10,834	471,221
Balance at January 1, 2022	\$ 269,831	12,483	282,314
Balance at June 30, 2022	\$ 245,637	9,606	255,243

(Continued)

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

(h) Intangible assets

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

	Goodwill	Other intangible assets
Carrying value:		
Balance at January 1, 2023	\$ <u>497,851</u>	<u>53,492</u>
Balance at June 30, 2023	\$ <u>498,091</u>	<u>44,901</u>
Balance at January 1, 2022	\$ <u>494,667</u>	<u>62,679</u>
Balance at June 30, 2022	\$ <u>496,608</u>	<u>57,504</u>

Amortization expenses for the six months ended June 30, 2023 and 2022 are recorded as operating expenses of the consolidated statements of comprehensive income.

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2023 and 2022. Please refer to Note 6(j) of the 2022 annual consolidated financial statements for other related information.

(i) Other financial assets

The Group's other financial assets were as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Other financial assets — current			
Restricted demand deposit	\$ 10,448	10,422	13,250
Restricted time deposit	715,504	64,815	4,338
Time deposit maturing over three months	<u>1,327,002</u>	<u>1,228,952</u>	<u>211,937</u>
	<u>\$ 2,052,954</u>	<u>1,304,189</u>	<u>229,525</u>
Other financial assets- noncurrent			
Restricted demand deposit	\$ 4,736	4,852	25,466
Restricted time deposit	9,950	-	-
	<u>\$ 14,686</u>	<u>4,852</u>	<u>25,466</u>

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

(j) Short-term borrowing

	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured bank loans	\$ 3,427,765	3,450,585	1,404,890
Secured bank loans	1,360,000	-	-
Total	<u>\$ 4,787,765</u>	<u>3,450,585</u>	<u>1,404,890</u>
Unused credit facilities	<u>\$ 3,437,277</u>	<u>2,670,626</u>	<u>3,820,073</u>
Interest rate	<u>0.80%~2.15%</u>	<u>0.80%~2.50%</u>	<u>0.80%~1.53%</u>

(Continued)

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

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

(k) Short-term notes and bills payable

June 30, 2023		
	Institution	Interest rate
Commercial paper payable	MEGA BILLS FINANCE CO., LTD.	1.66%~1.75%
		\$ 200,000
Deduction: discount		99
Total		<u><u>\$ 199,901</u></u>

(l) Long-term borrowing

Long-term borrowings were as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Unsecured bank loans	\$ 252,500	307,963	201,089
Secured bank loans	240,000	240,000	-
Less: Current portion	(160,000)	(210,463)	(1,089)
Total	<u><u>\$ 332,500</u></u>	<u><u>337,500</u></u>	<u><u>200,000</u></u>
Unused credit facilities	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Interest rate	<u><u>1.69%~1.94%</u></u>	<u><u>0.25%~1.67%</u></u>	<u><u>0.80%~1.38%</u></u>

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

(m) Lease liabilities

The Group's lease liabilities were as follow:

	June 30, 2023	December 31, 2022	June 30, 2022
Current	<u><u>\$ 222,750</u></u>	<u><u>184,473</u></u>	<u><u>172,471</u></u>
Non-current	<u><u>\$ 256,492</u></u>	<u><u>190,118</u></u>	<u><u>87,123</u></u>

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

(Continued)

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

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2023	2022	2023	2022
Interest on lease liabilities	\$ <u>4,469</u>	<u>3,057</u>	<u>8,737</u>	<u>6,266</u>
Expenses relating to short-term leases	\$ <u>2,589</u>	<u>2,996</u>	<u>9,835</u>	<u>9,665</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ <u>648</u>	<u>1,510</u>	<u>2,459</u>	<u>2,697</u>

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

	For the six months ended June 30,	
	2023	2022
Total cash outflow for leases	\$ <u>137,103</u>	<u>139,892</u>

(i) Real estate leases

The Group leases land and buildings for its office and warehouse. 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 recognize right-of-use assets and leasing liabilities for these leases.

(n) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2022 and 2021. For the three months ended and six months ended June 30, 2023 and 2022, the pension expenses under defined benefit plan were \$694 thousand, \$544 thousand, \$1,387 thousand and \$1,153 thousand, respectively.

(ii) Defined contribution plans

For the three months ended and six months ended June 30, 2023 and 2022, the pension expenses under the defined contribution plan were \$4,724 thousand, \$4,874 thousand, \$9,422 thousand and \$9,656 thousand, respectively.

(Continued)

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

(o) Income tax

(i) Income tax expense

The components of income tax were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Income tax expense	\$ <u>104,042</u>	<u>237,763</u>	<u>201,823</u>	<u>594,484</u>

(ii) Examination and approval

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

(iii) The Group is closely monitoring developments related to the implementation of the international tax reforms introducing a global minimum top-up tax.

The International Accounting Standards Board issued amendments to IAS 12 that provide a temporary mandatory exception from deferred tax accounting for the top-up tax and require new disclosures in the annual financial statements. However, since none of the jurisdictions in which the Group operates had enacted or substantively enacted the tax legislation related to the top-up tax at the date when the consolidated financial statements for the six months ended June 30, 2023 were authorized for issue, there is no impact on the consolidated financial statements in the said period.

In light of the exception from deferred tax accounting, the Group is focusing its assessment on the potential current tax impacts of the top-up tax. On June 30, 2023, the Group did not have sufficient information to determine the potential quantitative impact.

(p) Share capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the six months ended June 30, 2023 and 2022. For the related information, please refer to note 6(q) of the consolidated financial statements for the year ended December 31, 2022.

(i) Ordinary shares

As of June 30, 2023, December 31 and June 30, 2022, 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 June 30, 2023, December 31 and June 30, 2022, the issued capital were 143,391 thousand shares. All issued ordinary shares were paid up upon issuance.

(Continued)

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

(ii) Capital surplus

The components of capital surplus were as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Paid-in capital derived from premium on issuance of common shares	\$ 1,986,579	1,986,579	1,986,579
Surplus arising from bond conversion option	483,419	483,419	483,419
Surplus arising from long-term equity investments — donated surplus and others	13,699	13,699	13,699
Surplus arising from premium from merger	2,912	2,912	2,912
Surplus arising from stock options	40,512	40,512	40,512
Treasury stock trading	3,739	3,739	3,739
	<u>\$ 2,530,860</u>	<u>2,530,860</u>	<u>2,530,860</u>

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.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

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) Earnings distribution

On November 3, 2022 and March 9, 2023, the shareholder's meetings resolved to distribute the first half and the second half of 2022 earnings. On May 24, 2022, the shareholder's meetings resolved to distribute the 2021 earnings. The relevant dividend distributions to shareholders were as follows:

	The second half of 2022		The first half of 2022		2021	
	Amount per share (NT dollars)	Total amount	Amount per share (NT dollars)	Total amount	Amount per share (NT dollars)	Total amount
Dividends distributed to common shareholders:						
Cash	\$ 5.00	<u>684,806</u>	5.18	<u>709,176</u>	13.00	<u>1,843,858</u>

On August 7, 2023, the shareholder's meetings proposed to distribute the first half of 2023 earnings. The relevant dividend distributions to shareholders were as follows:

	The first half of 2023	
	Amount per share (NT dollars)	Total amount
Dividends distributed to common shareholders:		
Cash	\$ 3.00	<u>410,884</u>

(iv) Treasury stock

From January 1 to June 30, 2023, a total of 1,361 thousand shares were cancelled by the Group.

A total of 6,430 thousand shares, 6,430 thousand shares and 1,556 thousand shares were yet to be cancelled as of June 30, 2023, December 31 and June 30, 2022, respectively, with the amount of \$397,530 thousand, \$397,530 thousand and \$31,774 thousand, respectively.

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

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.

(q) Earnings per share

The Company's earnings per share were calculated as follows:

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Basic earnings per share				
Profit attributable to ordinary shareholders of the Company	\$ <u>518,528</u>	<u>1,085,657</u>	<u>766,905</u>	<u>2,000,744</u>
Weighted average number of ordinary shares (thousand shares)	<u>136,961</u>	<u>141,835</u>	<u>136,961</u>	<u>141,835</u>
Basic EPS (NT dollars)	\$ <u>3.79</u>	<u>7.65</u>	<u>5.60</u>	<u>14.11</u>
Diluted earnings per share				
Profit attributable to ordinary shareholders of the Company (diluted)	\$ <u>518,528</u>	<u>1,085,657</u>	<u>766,905</u>	<u>2,000,744</u>
Weighted average number of ordinary shares	136,961	141,835	136,961	141,835
Effect of employee stock bonus (thousand shares)	58	129	135	179
Weighted average number of ordinary shares (diluted) (thousand shares)	<u>137,019</u>	<u>141,964</u>	<u>137,096</u>	<u>142,014</u>
Diluted EPS (NT dollars)	\$ <u>3.78</u>	<u>7.65</u>	<u>5.59</u>	<u>14.09</u>

(r) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended June 30, 2023			
	Sea forwarding	Air forwarding	Freight and other segments	Total
Primary geographical markets				
Hong Kong and China	\$ 1,291,144	541,198	460,860	2,293,202
Taiwan	395,595	166,610	141,424	703,629
Eastern Asia and others	204,586	85,818	73,033	363,437
U.S.A.	31,412	13,141	11,203	55,756
	\$ <u>1,922,737</u>	<u>806,767</u>	<u>686,520</u>	<u>3,416,024</u>
Primary service:				
Export forwarding	\$ 1,713,902	602,604	-	2,316,506
Import forwarding	208,835	204,163	-	412,998
Warehouse and declaration	-	-	686,520	686,520
	\$ <u>1,922,737</u>	<u>806,767</u>	<u>686,520</u>	<u>3,416,024</u>

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T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the three months ended June 30, 2022				
	Sea forwarding	Air forwarding	Freight and other segments	Total
Primary geographical markets				
Hong Kong and China	\$ 3,954,531	944,292	408,218	5,307,041
Taiwan	1,263,763	291,798	126,202	1,681,763
Eastern Asia and others	723,139	174,484	75,421	973,044
U.S.A.	<u>34,031</u>	<u>7,301</u>	<u>3,161</u>	<u>44,493</u>
	<u>\$ 5,975,464</u>	<u>1,417,875</u>	<u>613,002</u>	<u>8,006,341</u>
Primary service:				
Export forwarding	\$ 5,703,008	1,085,722	-	6,788,730
Import forwarding	272,456	332,153	-	604,609
Warehouse and declaration	<u>-</u>	<u>-</u>	<u>613,002</u>	<u>613,002</u>
	<u>\$ 5,975,464</u>	<u>1,417,875</u>	<u>613,002</u>	<u>8,006,341</u>
For the six months ended June 30, 2023				
	Sea forwarding	Air forwarding	Freight and other segments	Total
Primary geographical markets:				
Hong Kong and China	\$ 2,579,197	1,024,791	902,934	4,506,922
Taiwan	828,396	329,223	290,075	1,447,694
Eastern Asia and others	412,479	163,928	144,436	720,843
U.S.A.	<u>61,693</u>	<u>24,518</u>	<u>21,603</u>	<u>107,814</u>
	<u>\$ 3,881,765</u>	<u>1,542,460</u>	<u>1,359,048</u>	<u>6,783,273</u>
Primary service:				
Export forwarding	\$ 3,443,808	1,120,977	-	4,564,785
Import forwarding	437,957	421,483	-	859,440
Warehouse and declaration	<u>-</u>	<u>-</u>	<u>1,359,048</u>	<u>1,359,048</u>
	<u>\$ 3,881,765</u>	<u>1,542,460</u>	<u>1,359,048</u>	<u>6,783,273</u>

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

For the six months ended June 30, 2022				
	Sea forwarding	Air forwarding	Freight and other segments	Total
Primary geographical markets:				
Hong Kong and China	\$ 9,551,594	1,922,347	833,064	12,307,005
Taiwan	2,672,086	537,895	233,101	3,443,082
Eastern Asia and others	1,811,950	364,748	158,067	2,334,765
U.S.A.	<u>50,997</u>	<u>10,266</u>	<u>4,449</u>	<u>65,712</u>
	<u>\$ 14,086,627</u>	<u>2,835,256</u>	<u>1,228,681</u>	<u>18,150,564</u>
Primary service:				
Export forwarding	\$ 13,565,544	2,159,589	-	15,725,133
Import forwarding	521,083	675,667	-	1,196,750
Warehouse and declaration	<u>-</u>	<u>-</u>	<u>1,228,681</u>	<u>1,228,681</u>
	<u>\$ 14,086,627</u>	<u>2,835,256</u>	<u>1,228,681</u>	<u>18,150,564</u>

(ii) Contract liabilities balances

	June 30, 2023	December 31, 2022	June 30, 2022
Contract liabilities(recorded as other current liabilities — other)	<u>\$ 40,767</u>	<u>43,184</u>	<u>6,895</u>

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

(s) Employees compensation and director's remuneration

Pursuant to the Company's articles of incorporation, states if the Company profits this period they will set aside no less than 0.5% towards employee compensation and no more than 3% towards remuneration to directors. If the Company has accumulated loss, the profit should be reserved to offset the deficit. The aforementioned profits indicate the net income before tax without the remunerations to employees and directors. The pervading target given via shares includes the dependent employees of the Company's subsidiaries who met certain requirements decided by the Board of Directors.

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

For the three months ended and the six months ended June 30, 2023, the company's employee compensation and directors' remunerations were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Employees' remuneration	\$ 2,100	5,797	4,100	10,858
Directors' remuneration	2,100	4,497	4,100	9,486
	\$ 4,200	10,294	8,200	20,344

The Company accrued and recognized the employee compensation by using the Company's net income before tax without the remuneration to employees and directors for each period, multiplied by the proposed percentage which is stated under the Company's Articles of Incorporation. If there are any subsequent adjustments to the actual remuneration amounts, the adjustment will be reflected in profit or loss in the following year.

For 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:

	2022		
	Board of Directors resolution on actual compensation	Recognized amount in financial report	Difference
Employees' remuneration	\$ 15,000	15,000	-
Directors' remuneration	13,750	13,750	-

	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	-

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

(t) Other income

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

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Rent income	\$ 2,457	1,923	5,578	1,923
Dividend income	223,993	472,605	223,993	472,605
	<u>\$ 226,450</u>	<u>474,528</u>	<u>229,571</u>	<u>474,528</u>

(u) Other gains and losses

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

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Foreign exchange gain	\$ 90,466	172,616	53,166	166,719
Net gain (losses) of financial instrument at fair value through profit or loss	(15,307)	(17,136)	50,749	50,035
Gains on disposals of property, plant and equipment	482	1,157	407	1,117
Other	13,142	2,671	31,750	15,163
	<u>\$ 88,783</u>	<u>159,308</u>	<u>136,072</u>	<u>233,034</u>

(v) Interest income

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Interest income from bank deposits	\$ 73,862	15,213	126,927	28,001

(Continued)

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

(w) Finance costs

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

	For the three months ended June 30		For the six months ended June 30	
	2023	2022	2023	2022
Interest expense				
Bank borrowings	\$ 21,764	3,680	42,624	6,629
Lease liabilities	4,469	3,057	8,737	6,266
Discount on short-term notes and bills payable	167	-	167	-
	<u>\$ 26,400</u>	<u>6,737</u>	<u>51,528</u>	<u>12,895</u>

(x) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 6(z) of the consolidated financial statements for the year ended December 31, 2022.

(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.

As of June 30, 2023, December 31 and June 30, 2022, there was no significant concentration of credit risk from the sales of the Group.

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

(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
June 30, 2023							
Non-derivative financial liabilities							
Bank borrowings (including long-term loans and long-term loans due within one year)	\$ 5,280,265	5,316,972	4,900,310	54,155	6,621	355,886	-
Lease liabilities	479,242	508,672	126,177	114,956	237,760	29,383	396
Short-term notes and bills payable	199,901	200,000	200,000	-	-	-	-
	<u>\$ 5,959,408</u>	<u>6,025,644</u>	<u>5,226,487</u>	<u>169,111</u>	<u>244,381</u>	<u>385,269</u>	<u>396</u>
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
	<u>\$ 4,373,139</u>	<u>4,438,571</u>	<u>3,462,639</u>	<u>411,354</u>	<u>154,513</u>	<u>409,748</u>	<u>317</u>
June 30, 2022							
Non-derivative financial liabilities							
Bank borrowings (including long-term loans and long-term loans due within one year)	\$ 1,605,979	1,611,027	1,403,139	7,220	200,668	-	-
Lease liabilities	259,594	261,083	91,686	66,210	58,680	42,311	2,196
	<u>\$ 1,865,573</u>	<u>1,872,110</u>	<u>1,494,825</u>	<u>73,430</u>	<u>259,348</u>	<u>42,311</u>	<u>2,196</u>

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

	June 30, 2023			December 31, 2022			June 30, 2022		
	Foreign currency	Exchang erate	TWD	Foreign currency	Exchan gerate	TWD	Foreign currency	Exchang erate	TWD
Financial assets									
<u>Monetary item</u>									
USD	\$ 101,878	31.11	3,169,425	79,425	30.72	2,439,936	139,746	29.73	4,154,649
CNY	-	-	-	22,219	4.4109	98,006	62,845	4.4298	278,391
<u>Non-Monetary items</u>									
IDR	17,848,453	0.00208	37,125	18,620,913	0.00198	36,869	18,505,681	0.00198	36,641
Financial liabilities									
<u>Monetary item</u>									
USD	16,482	31.11	512,755	17,719	30.72	544,328	42,804	29.73	1,272,563
CNY	-	-	-	86	4.4109	379	2,948	4.4298	13,059

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

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 June 30, 2023 and 2022 would increase or decrease the net income before tax for the six months ended June 30, 2023 and 2022 by \$26,567 thousand and \$31,474 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 three months ended and six months ended June 30, 2023 and 2022, the Group's foreign exchange gains, net (including realized and unrealized of monetary items) amounted to \$90,466 thousand, \$172,616 thousand, \$53,166 thousand and \$166,719 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 or increased by \$26,401 thousand and \$8,030 thousand for the six months ended June 30, 2023 and 2022, respectively, assuming all other variable factors had remained constant. This is mainly due to the Group's variable-rate borrowing.

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

(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:

June 30, 2023					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:					
Stock of listed companies	\$ 321,340	321,340	-	-	321,340
Financial assets at fair value through other comprehensive income:					
Stock of listed companies	\$ 1,791,407	1,791,407	-	-	1,791,407
Stock of private companies	118,844	-	-	118,844	118,844
Subtotal	1,910,251	1,791,407	-	118,844	1,910,251
Total	<u>\$ 2,231,591</u>	<u>2,112,747</u>	<u>-</u>	<u>118,844</u>	<u>2,231,591</u>
December 31, 2022					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:					
Stock of listed companies	\$ 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
Subtotal	1,915,167	1,796,323	-	118,844	1,915,167
Total	<u>\$ 2,031,346</u>	<u>1,912,502</u>	<u>-</u>	<u>118,844</u>	<u>2,031,346</u>
June 30, 2022					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss:					
Financial assets designated as fair value through profit or loss	\$ 216,277	216,277	-	-	216,277
Financial assets as fair value through other comprehensive income:					
Stock of listed companies	\$ 2,108,661	2,108,661	-	-	2,108,661
Stock of private companies	116,594	-	-	116,594	116,594
Subtotal	2,225,255	2,108,661	-	116,594	2,225,255
Total	<u>\$ 2,441,532</u>	<u>2,324,938</u>	<u>-</u>	<u>116,594</u>	<u>2,441,532</u>

(Continued)

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

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.

3) 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.

4) Movement between Level 1 and Level 2

For the six months ended June 30, 2023 and 2022, there were no movement between Level 1 and Level 2.

(Continued)

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

5) Changes in Level 3

	Financial assets designed as fair value through other comprehensive income
Balance on January 1, 2023	\$ <u><u>118,844</u></u>
Balance on June 30, 2023	\$ <u><u>118,844</u></u>
Balance on January 1, 2022	\$ <u><u>116,594</u></u>
Balance on June 30, 2022	\$ <u><u>116,594</u></u>

(y) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(aa) of the consolidated financial statements for the year ended December 31, 2022.

(z) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2022. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2022. Please refer to Note 6(ab) of the consolidated financial statements for the year ended December 31, 2022 for further details.

(aa) 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 six months ended June 30, 2023 and 2022, were as follows:

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

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

	January 1, 2023	Cash flows	Non-cash changes	June 30, 2023
Long-term borrowings (including current portion)	\$ 547,963	(55,455)	(8)	492,500
Short-term borrowings	3,450,585	1,338,000	(820)	4,787,765
Lease liabilities	<u>374,591</u>	<u>(116,072) (Note)</u>	<u>220,723</u>	<u>479,242</u>
Total liabilities from financing activities	<u><u>\$ 4,373,139</u></u>	<u><u>1,166,473</u></u>	<u><u>219,895</u></u>	<u><u>5,759,507</u></u>

(Continued)

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

	January 1, 2022	Cash flows	Non-cash changes	June 30, 2022
Long-term borrowings (including current portion)	\$ 201,926	(706)	(131)	201,089
Short-term borrowings	790,715	613,079	1,096	1,404,890
Lease liabilities	<u>290,096</u>	<u>(121,264) (Note)</u>	<u>90,762</u>	<u>259,594</u>
Total liabilities from financing activities	<u>\$ 1,282,737</u>	<u>491,109</u>	<u>91,727</u>	<u>1,865,573</u>

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		
	For the three months ended June 30		For the six months ended June 30		June 30,	December 31,	June 30,
	2023	2022	2023	2022	2023	2022	2022
Associates	<u>\$ 3,919</u>	<u>13,791</u>	<u>10,205</u>	<u>23,880</u>	<u>1,165</u>	<u>467</u>	<u>8,896</u>

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.

(Continued)

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

(ii) Cost

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

	Cost				Accounts payable		
	For the three months ended June 30		For the six months ended June 30		June 30,	December 31,	June 30,
	2023	2022	2023	2022	2023	2022	2022
Associates	\$ 3,798	2,062	5,731	5,670	744	747	392

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 \$1,350 thousands, \$1,350 thousands, \$2,700 thousands and \$2,700 thousands and recognized \$7 thousands, \$20 thousands, \$17 thousands, and \$43 thousands as interest expenses, respectively for the three months and six months end June 30, 2023 and 2022.

The balance of lease liabilities amounted to \$1,796 thousands, \$4,479 thousands and \$7,149 thousands on June 30, 2023, December 31 and June 30, 2022 respectively.

(c) Transactions with key management personnel

Key management personnel compensation comprised:

	For the three months ended		For the six months ended	
	June 30		June 30	
	2023	2022	2023	2022
Short-term employee benefits	\$ 14,219	17,209	49,356	36,981
Post-employment benefits	475	523	942	1,047
	<u>\$ 14,694</u>	<u>17,732</u>	<u>50,298</u>	<u>38,028</u>

(Continued)

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

8. Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	Object	June 30, 2023	December 31, 2022	June 30, 2022
Property, plant, and equipment	Credit facility	\$ 667,381	665,663	666,505
Other financial assets — current (account as other current assets)	Forward exchange guarantees and credit facility/logistics-related guarantees	725,952	75,237	17,588
Refundable deposits	Logistics-related guarantees	153,728	117,744	125,163
Other financial assets — non-current (account as other non-current assets)	Logistics-related guarantees	14,686	4,852	25,466
Financial assets as fair value through other comprehensive income	Credit facility	1,431,750	-	-
		<u>\$ 2,993,497</u>	<u>863,496</u>	<u>834,722</u>

9. Commitments and contingencies:

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

	June 30, 2023	December 31, 2022	June 30, 2022
Unused guarantees	<u>\$ 194,175</u>	<u>203,383</u>	<u>207,906</u>

- (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:

	June 30, 2023	December 31, 2022	June 30, 2022
Promissory notes	<u>\$ 17,730</u>	<u>23,115</u>	<u>19,983</u>

(Continued)

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

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.

	For the three months ended June 30,					
	2023			2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel cost						
Salaries	36,422	136,512	172,934	44,951	531,901	576,852
Labor and health insurance	2,999	7,550	10,549	3,086	10,014	13,100
Pension	1,562	3,856	5,418	1,431	2,096	3,527
Others	4,113	73,360	77,473	6,661	55,633	62,294
Depreciation expenses	3,593	69,657	73,250	27,485	36,753	64,238
Amortization expenses	5	4,439	4,444	95	4,483	4,578

	For the six months ended June 30,					
	2023			2022		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel cost						
Salaries	71,650	458,324	529,974	84,778	1,366,301	1,451,079
Labor and health insurance	5,970	14,179	20,149	6,265	17,507	23,772
Pension	3,118	7,691	10,809	2,839	5,802	8,641
Others	8,177	148,141	156,318	12,187	111,527	123,714
Depreciation expenses	7,346	137,556	144,902	54,418	77,117	131,535
Amortization expenses	10	8,945	8,955	194	7,755	7,949

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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 six months ended June 30, 2023:

(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	100,000	Monthly changing interest rates	2	-	Trading turnover	-		-	1,704,957	3,409,914
0	The Company	T.H.I. Logistics Co. Ltd.	Other receivables-related parties	Yes	80,000	-	-	Monthly changing interest rates	2	-	Trading turnover	-		-	1,704,957	3,409,914
1	T.H.I. Logistics Co. Ltd.	Taiwan Express Logistic Co., Ltd	Other receivables-related parties	Yes	50,000	30,000	30,000	Monthly changing interest rate	2	-	Trading turnover	-		-	39,484	78,969
2	T.H.I. Group Limited (HK)	Taiwan Express (HK) Co., Ltd.	Other receivables-related parties	Yes	36,864	-	-	Seasonally changing interest rate	2	-	Trading turnover	-		-	1,370,235	2,740,471
3	T.H.I. Group (Shanghai) Ltd.	T-SC Factoring Co., Ltd.	Other receivables-related parties	Yes	381,556	370,264	-	Seasonally changing interest rate	2	-	Trading turnover	-		-	954,588	1,909,177
3	T.H.I. Group (Shanghai) Ltd.	Shanghai Moorluk International Shipping Co.,Ltd.	Other receivables-related parties	Yes	17,708	12,916	-	Seasonally changing interest rate	2	-	Trading turnover	-		-	954,588	1,909,177
3	T.H.I. Group (Shanghai) Ltd.	T Cube Global Logistics Co., Ltd.	Other receivables-related parties	Yes	66,551	64,581	43,054	Seasonally changing interest rate	2	-	Trading turnover	-		-	954,588	1,909,177
4	Shanghai Yaohwa International Forwarder Co., Ltd.	Shanghai Moorluk International Shipping Co.,Ltd.	Other receivables-related parties	Yes	13,326	12,916	-	Seasonally changing interest rate	2	-	Trading turnover	-		-	29,206	58,412

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 eliminated in the consolidated financial reports.

(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., Ltd.	2	1,704,957	124,440	124,440	-	-	1.46 %	3,409,914	Y	N	N
0	The Company	T.H.I. Group Limited (H.K.)	2	1,704,957	61,440	-	-	-	- %	3,409,914	Y	N	N
0	The Company	Shanghai Yaohwa International Forwarder Co., Ltd.	2	1,704,957	13,326	12,916	-	-	0.15 %	3,409,914	Y	N	Y
0	The Company	T.H.I. Group (Shanghai) Ltd.	2	1,704,957	557,564	427,207	-	-	5.01 %	3,409,914	Y	N	Y
0	The Company	T Cube Global Logistics Co., Ltd.	2	1,704,957	71,072	68,886	34,017	-	0.81 %	3,409,914	Y	N	Y
1	T.H.I. Group Limited(HK)	T3EX GLOBAL HOLDINGS CORP.	3	1,370,235	684,420	684,420	560,000	665,754	9.99 %	2,740,471	N	Y	N
1	T.H.I. Group Limited(HK)	T3EX GLOBAL HOLDINGS CORP.	4	685,117	31,110	31,110	-	-	0.45 %	2,740,471	N	N	N
2	Shanghai Yaohwa International Forwarder Co., Ltd.	T.H.I. Group (Shanghai) Ltd.	4	14,603	3,109	3,014	713	-	2.06 %	58,412	N	N	Y
3	Taiwan Express Logistic Co.,Ltd	AIR TROPOLIS EXPRESS (S)PTE LTD.	2	173,205	46,040	45,902	34,794	-	5.30 %	346,410	N	N	N
4	T.H.I. Group (Shanghai) Ltd.	T-SC Factoring Co., Ltd.	2	954,588	221,835	215,270	-	-	4.51 %	1,909,177	N	N	Y

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.

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

(iii) Securities held as of June 30, 2023 (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				Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Stock YangMing Marine Transport Corp.	-	Financial assets at fair value through profit or loss — current	4,600,000	289,800	0.13 %	289,800	
The Company	Stock Arizon RFID Technology (Cayman) Co., Ltd.	-	Financial assets at fair value through profit or loss — current	190,000	31,540	0.26 %	31,540	
The Company	Stock Soonest Express Co., Ltd.	-	Financial assets at fair value through other comprehensive income-current	1,046,972	73,602	3.49 %	73,602	
The Company	Stock Yang Ming Marine Transport Corp.	-	Financial assets at fair value through other comprehensive income-current	22,163,577	1,396,305	0.63 %	1,396,305	
The Company	Stock Evergreen Aviation Technologies Corp.	-	Financial assets at fair value through other comprehensive income-current	700,000	78,400	0.19 %	78,400	
The Company	Stock Evergreen Marine Corporation	-	Financial assets at fair value through other comprehensive income-current	2,600,000	243,100	0.12 %	243,100	
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	

(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 Yang Ming Marine Corporation	Financial assets at fair value through profit or loss — current	-	-	-	-	6,900	427,773	2,300	152,848	142,840	10,008	4,600	289,800	Note 1
The Company	Stock Yang Ming Marine Corporation	Financial assets at fair value through other comprehensive income — current	-	-	20,301	1,329,688	1,900	123,702	37	2,636	1,361	1,275	22,164	1,396,305	Note 1

Note 1: Gain (loss) on disposal and the amount at the end of the period includes evaluation adjustment for the current period.

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

(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. Logistics (Hong Kong) Co., Limited	Ultimate parent entity are the same	Other receivables - related parties 264,312	-	-		89,851	-
T.H.I. Logistics (Hong Kong) Co., Limited	T.H.I. Group (Shanghai) Ltd.	Ultimate parent entity are the same	Other receivables - related parties 262,000	-	-		85,122	-

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

Note 2: As of July 21, 2023 the amount of account receivables has been recovered.

(ix) Trading in derivative instruments: None.

(x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	T.H.I. Group (Shanghai) Ltd.	T.H.I. Logistics (Hong Kong) Co., Limited	3	Other receivables - related parties	264,312	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	1.54%
2	T.H.I. Logistics (Hong Kong) Co., Limited	T.H.I. Group (Shanghai) Ltd.	3	Other receivables - related parties	262,000	The sales prices and payment terms of intercompany sales are not significantly different from those of the third parties.	1.52%

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.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees for the six months ended June 30, 2023 (excluding information on investees in Mainland China):

(Foreign currency express in thousands dollars)

(In Thousands of New Taiwan Dollars/shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2023			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2023	December 31, 2022	Shares (thousands)	Highest percentage of ownership	Carrying value			
The Company	T.H.I. Group Ltd.(in B.V.I.)	British Virgin Islands	Offshore settlement center	35,000 (USD1,000)	35,000 (USD1,000)	1,000,000	100.00 %	145,369	2,423	2,423	Subsidiaries
The Company	GREATLINE INTERNATIONAL LIMITED(GREATLINE)	British Virgin Islands	Offshore holding company	134,428 (USD4,050)	134,428 (USD4,050)	4,050,000	100.00 %	6,855,811	434,789	434,789	Subsidiaries
The Company	T.H.I GROUP VIETNAM CO., LTD.	Vietnam	Air & sea freight forwarding and packaging	8,362 (USD275)	8,362 (USD275)	4,950,000,000	99.00 %	567,761	16,326	16,163	Subsidiaries
The Company	T.H.I GROUP (BANGKOK) COMPANY LIMITED	Thailand	Air & sea freight forwarding and packaging	2,372 (USD72)	2,372 (USD72)	-	49.00 %	100,895	16,432	8,052	Subsidiaries
The Company	T.H.I. Japan Co., Ltd	Japan	Air & sea freight forwarding	10,365 (JPY31,130)	10,365 (JPY31,130)	3,060	51.00 %	47,384	11,503	5,867	Subsidiaries
The Company	Taiwan Express Logistic Co., Ltd. (TEC)	Taiwan	Air & sea freight forwarding	704,200	704,200	42,949,999	100.00 %	1,094,010	77,980	77,980	Subsidiaries
The Company	T.H.I. Logistics Co. Ltd.	Taiwan	Air & sea freight forwarding	130,000	130,000	13,000,000	100.00 %	197,425	10,643	10,643	Subsidiaries
The Company	T.H.I. GROUP (CAMBODIA) Co., Ltd.	Cambodia	Air & sea freight forwarding	4,462 (USD150)	4,462 (USD150)	-	100.00 %	69,526	(64)	(64)	Subsidiaries
The Company	PT. Dexter Eurekatama	Indonesia	Air & sea freight forwarding	47,381 (USD1,598)	47,381 (USD1,598)	12,000	30.00 %	37,125	8,635	2,330	Investment under equity method
The Company	T.H.I. GROUP SINGAPORE PTE. LTD	Singapore	Air & sea freight forwarding	19,529 (SGD872)	19,032 (SGD850)	930,000	100.00 %	5,191	(121)	(110)	Subsidiaries
The Company	LOGI International Co., Ltd.	Korea	Air & sea freight forwarding	9,666 (USD300)	9,666 (USD300)	16,285	30.00 %	7,552	506	152	Investment under equity method
The Company	Fresh Beauty Enterprises Ltd. (Fresh Beauty)	Samoa	Offshore holding company	307,353 (CNY60,979)	307,353 (CNY60,979)	66	66.00 %	402,668	60,035	38,469	Subsidiaries
The Company	T.H.I. Logistics (Malaysia) SDN. BHD	Malaysia	Air & sea freight forwarding	10,381 (USD315)	10,381 (USD315)	180,000	90.00 %	49,649	1,404	1,264	Subsidiaries
The Company	T.H.I. LOGISTICS PHILIPPINES CORP.	Philippines	Air & sea freight forwarding	38,860 (USD1,322)	38,860 (USD1,322)	419,750	99.94 %	64,364	551	550	Subsidiaries
The Company	T.H.I. Logistics (Hong Kong) Co., Limited	Hong Kong	Air & sea freight forwarding	197,239 (HKD50,000)	197,239 (HKD50,000)	50,000,000	100.00 %	214,181	15,411	15,411	Subsidiaries
The Company	Trust Global Logistics Co., Ltd.	Taiwan	Air & sea freight forwarding	2,250	-	22,500	30.00 %	1,975	(918)	(275)	Investment under equity method
GREATLINE INTERNATIONAL LIMITED	T.H.I. GROUP LIMITED (in HK)	Hong Kong	Air & sea freight forwarding	139,948 (USD4,314)	139,948 (USD4,314)	12,480,000	100.00 %	6,854,965	434,898	434,898	Subsidiaries
Fresh BeautyEnterprises Ltd.	Eastern Union Holdings Limited	Hong Kong	Offshore holding Company	57,411 (USD1,751)	57,411 (USD1,751)	-	100.00 %	272,908	60,046	60,046	Subsidiaries
TEC	Taiwan Express (HK) Co.,	Hong Kong	Freight forwarding, customs clearance, and delivery services	266,807 (HKD70,550)	266,807 (HKD70,550)	-	100.00 %	571,782	(3,295)	(3,295)	Subsidiaries
TEC	T-TRANS INTERNATIONAL CO., LTD.	Taiwan	Freight forwarding, customs clearance, and delivery services	6,000	6,000	1,000,000	100.00 %	-	-	-	Subsidiaries
TEC	Ori Air General Sales Agent Co., Ltd.	Taiwan	Freight forwarding, customs clearance, and distribution	600	600	60,000	30.00 %	5,984	6,521	1,956	Investee of indirect holding for 30% equity
TEC	Hiview Logistics Co., Ltd.	Taiwan	Freight forwarding, customs clearance, and distribution	76,590	76,590	5,000,000	97.51 %	111,698	2,016	1,965	Subsidiaries
TEC	Taiwan Express (USA) INC.	United States	Freight forwarding, customs clearance, and distribution	31,629 (USD1,000)	31,629 (USD1,000)	1,000,000	100.00 %	7,595	13,307	13,307	Subsidiaries
TEC	TEC LOGISTICS (USA) INC.	United States	Freight forwarding, customs clearance, and distribution	8,549 (USD290)	8,549 (USD290)	200	100.00 %	27,700	3,730	3,730	Subsidiaries
TEC	TEC LOGISTICS VIETNAM COMPANY LIMITED	Vietnam	Air & sea freight forwarding	25,271 (USD850)	25,271 (USD850)	-	100.00 %	29,111	1,256	1,256	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		Balance as of June 30, 2023			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2023	December 31, 2022	Shares (thousands)	Highest percentage of ownership	Carrying value			
TEC	TEC Motion Co., Ltd.	Taiwan	Freight forwarding and distribution	53,500	53,500	7,500	100.00 %	54,844	1,119	966	Subsidiaries
TECHK	Airtropolis Express(s) Pte. Ltd.	Singapore	Air freight forwarding	117,341 (SGD5,421)	117,341 (SGD5,421)	748	88.00 %	98,937	11,163	8,314	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:

(Foreign currency express in thousands 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, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2023	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Shanghai Yaohwa International Forwarder Co., Ltd.	Air & sea freight forwarding and customs clearance	55,031 (USD1,700)	Note 1 (2)	55,031 (USD1,700)	-	-	55,031 (USD1,700)	(905)	100.00%	(905)	145,148	-
T.H.I. Group (Shanghai) Ltd.	Air & sea freight forwarding and customs clearance	92,883 (USD3,060)	Note 1 (2)	89,165 (USD3,060)	-	-	89,165 (USD3,060)	384,603	100.00%	384,603	4,801,329	-
T-SC Factoring Co., Ltd.	Commercial service	215,680 (CNY50,000)	Note 2	-	-	-	-	1,805	100.00%	1,805	223,575	-
Shanghai Moorluk International Shipping Co., Ltd.	Air & sea freight forwarding and customs clearance	22,460 (CNY5,000)	Note 2	-	-	-	-	567	65.00%	264	30,661	-
T-Cube Global Logistics Co., Ltd.	Warehousing	54,610 (CNY11,000)	Note 1 (2)	274,589 (USD8,391)	-	-	274,589 (USD8,391)	60,046	66.00%	38,477	179,885	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 (CNY12,438)	Note 2	-	-	-	-	2,022	93.51%	1,891	108,134	-
TEC Logistics (Shenzhen) Co., Ltd.	Freight forwarding, customs clearance, and distribution	183,901 (HKD48,550)	Note 3	183,901 (HKD48,550)	-	-	183,901 (HKD48,550)	(12,190)	100.00%	(12,190)	284,567	-
T-Cube (Suzhou) Global Logistic Co., Ltd.	Warehousing	43 (CNY10)	Note 4	-	-	-	-	2	66.00%	1	68	-
T-SC Trading Co., Ltd.	Supply chain management and import and export trade	4,273 (CNY1,000)	Note 5	-	-	-	-	(13)	100.00%	(13)	4,168	-
Lianhua (Shanghai) Logistics Co., Ltd	Supply chain management, import and export trading	-	Note 7	-	-	-	-	-	100.00%	-	-	-
Shanghai Yi Hua Logistics Co., Ltd.	Freight forwarding, customs declaration and investment-related businesses	-	Note 8	-	-	-	-	-	100.00%	-	-	-

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 OF INVESTMENT OR TECHNICAL COOPERATION IN MAINLAND 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 June 30, 2023, T-HL (Shanghai) Global Supply Chain Management Co., Ltd has completed the relevant registration procedures, whereas the capital has yet to be remitted.

Note 7: As of June 30, 2023, Lianhua (Shanghai) Logistics Co., Ltd has completed the relevant registration procedures, whereas the capital has yet to be remitted.

Note 8: As of June 30, 2023, Shanghai Yi Hua Logistics Co., Ltd. has completed the relevant registration procedures, whereas the capital has yet to be remitted.

(Continued)

T3EX GLOBAL HOLDINGS CORP. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2023 (Note 1)	Investment Amounts Authorized by Investment Commission, MOEA (Note 2)	Upper Limit on Investment
426,767 (13,718 USD thousand)	489,329 (15,729 USD thousand)	5,114,871

Note 1: Calculated by accumulated investment in Main land China as of June 30, 2023, including \$6,530 thousands (USD \$200 thousands) 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 1:31.11.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China for the six months ended June 30, 2023, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

(d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
WPG HOLDINGS LIMITED		11,588,907	8.08 %
GOLDEN HORSE INVESTMENT CORP		7,822,013	5.45 %

14. General information:

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

For the three months ended June 30, 2023					
	Sea export	Air export	Others	Adjustment/ elimination	Total
Segment revenue	\$ 1,922,737	806,767	686,520	-	3,416,024
Segment gross profit	358,880	185,962	130,172	-	675,014
For the three months ended June 30, 2022					
	Sea export	Air export	Others	Adjustment/ elimination	Total
Segment revenue	\$ 5,975,464	1,417,875	613,002	-	8,006,341
Segment gross profit	1,099,505	251,751	122,654	-	1,473,910
For the six months ended June 30, 2023					
	Sea export	Air export	Others	Adjustment/ elimination	Total
Segment revenue	\$ 3,881,765	1,542,460	1,359,048	-	6,783,273
Segment gross profit	848,724	354,863	251,520	-	1,455,107
For the six months ended June 30, 2022					
	Sea export	Air export	Others	Adjustment/ elimination	Total
Segment revenue	\$ 14,086,627	2,835,256	1,228,681	-	18,150,564
Segment gross profit	3,018,273	492,360	237,763	-	3,748,396