

**EASTERN MEDIA INTERNATIONAL
CORPORATION AND SUBSIDIARIES**
Consolidated Financial Statements

With Independent Auditors' Review Report
For the nine months ended September 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 Eastern Media International Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of Eastern Media International Corporation and its subsidiaries as of September 30, 2023 and 2022, and the related consolidated statements of comprehensive income For the three months and nine months ended September 30, 2023 and 2022, and changes in equity and cash flows For the nine months ended September 30, 2023 and 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit 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 4b, the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$229,768 thousand and \$188,512 thousand, constituting 1.42% and 1.19% of consolidated total assets as of September 30, 2023 and 2022, respectively, total liabilities amounting to \$79,360 thousand and \$87,391 thousand, constituting 0.68% and 0.86% of consolidated total liabilities as of September 30, 2023 and 2022, respectively, and total comprehensive income amounting to \$(14,980) thousand, \$(5,865) thousand, \$(48,540) thousand and \$(9,269) thousand, constituting (67.87)%, (6.66)%, (39.26)%, and (2.70)% of consolidated total comprehensive income for the three months and nine months ended September 30, 2023 and 2022, respectively.

Furthermore, as stated in Note 12 the other equity accounted investments of Eastern Media International Corporation and its subsidiaries in its investee companies of \$1,259,921 thousand and \$2,010,150 thousand as of September 30, 2023 and 2022, respectively, and its equity in net loss on these investee companies of \$(27,022) thousand, \$(23,061) thousand, \$(60,918) thousand and \$(73,821) thousand for the three months and nine months ended September 30, 2023 and 2022, respectively, were recognized solely on the financial statement prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews and the review reports of other auditors, 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 Eastern Media International Corporation and its subsidiaries as of September 30, 2023 and 2022, and its consolidated cash flows For the nine months ended September 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.

Other Matter

We did not audit the financial statements of partial companies, associates of the Group, which represented investments in other entities accounted for using the equity method. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for partial companies, is based solely on the reports of other auditors. The investments in partial companies accounted for using the equity method of \$294,819 thousand and \$520,003 thousand, constituting 1.83% and 3.28% of consolidated total assets at September 30, 2023 and 2022, and the related share of profit of associates accounted for using the equity method of \$75,973 thousand, \$88,252 thousand, \$221,876 thousand and \$312,370 thousand, constituting (263.01)%, (518.70)%, 356.98%, and 197.29% of consolidated total profit before tax for the three months and nine months ended September 30, 2023 and 2022.

The engagement partners on the review resulting in this independent auditors’ report are Shin-Chin Chih and Hsin-Ting Huang

KPMG

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

Notes to Readers

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

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

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
(Expressed in Thousands of New Taiwan Dollars)

Assets	September 30, 2023 (Reviewed)		December 31, 2022 (Audited)		September 30, 2022 (Reviewed)	
	Amount	%	Amount	%	Amount	%
Current assets:						
1100 Cash and cash equivalents (Note 6)	\$ 1,619,453	10	\$ 1,914,254	12	\$ 1,595,816	10
1110 Current financial assets at fair value through profit or loss (Notes 7 and 37)	1,245,323	8	1,073,448	7	1,039,193	7
1151 Notes receivable, net (Notes 9 and 29)	40,273	-	40,204	-	59,699	-
1160 Notes receivable due from related parties, net (Notes 9, 29 and 36)	-	-	2,550	-	2,521	-
1170 Accounts receivable, net (Notes 9 and 29)	364,822	2	415,014	4	379,297	3
1180 Accounts receivable due from related parties, net (Notes 9, 29 and 36)	35,956	-	34,270	-	30,614	-
1200 Other receivables, net (Notes 7, 8, 10 and 17)	131,012	1	122,683	1	134,321	1
1210 Other receivables due from related parties (Notes 10 and 36)	1,190	-	6,191	-	4,275	-
130X Inventories (Notes 11 and 36)	436,226	3	447,021	3	442,552	3
1400 Current biological assets, net	15,219	-	19,081	-	19,653	-
1410 Prepayments (Note 36)	167,287	1	99,992	1	63,849	-
1476 Other current financial assets (Notes 6 and 37)	93,058	1	38,055	-	46,452	-
1479 Other current assets, others	1,881	-	497	-	4,511	-
	<u>4,151,700</u>	<u>26</u>	<u>4,213,260</u>	<u>28</u>	<u>3,822,753</u>	<u>24</u>
Non-current assets:						
1517 Non-current financial assets at fair value through other comprehensive income (Note 8)	7,500	-	7,510	-	7,510	-
1550 Investments accounted for using equity method, net (Notes 12 and 37)	1,554,740	10	1,366,514	9	2,530,153	16
1600 Property, plant and equipment (Notes 16, 35, 36 and 37)	3,844,214	24	2,620,318	17	2,168,346	14
1755 Right of use assets (Notes 17, 36 and 37)	5,583,751	35	6,412,380	41	5,841,842	37
1780 Intangible assets (Notes 18, 35 and 36)	49,410	-	24,602	-	394,688	3
1840 Deferred tax assets	178,903	1	201,581	1	390,691	2
1920 Refundable deposits (Note 37)	440,155	2	432,274	3	451,132	3
1930 Long-term notes and accounts receivable (Notes 9 and 29)	9,421	-	-	-	-	-
1940 Long-term notes and accounts receivable due from related parties (Notes 9, 29 and 36)	53,566	-	76,083	-	76,073	-
1980 Other non-current financial assets (Notes 17 and 37)	174,659	1	133,040	1	131,063	1
1990 Other non-current assets, others (Note 38)	94,389	1	9,321	-	19,586	-
	<u>11,990,708</u>	<u>74</u>	<u>11,283,623</u>	<u>72</u>	<u>12,011,084</u>	<u>76</u>
Total assets	<u>\$16,142,408</u>	<u>100</u>	<u>\$15,496,883</u>	<u>100</u>	<u>\$15,833,837</u>	<u>100</u>

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets (Cotn'd)
(Expressed in Thousands of New Taiwan Dollars)

	September 30, 2023 (Reviewed)		December 31, 2022 (Audited)		September 30, 2022 (Reviewed)	
	Amount	%	Amount	%	Amount	%
Liabilities and Equity						
Current liabilities:						
2100 Short-term loans (Notes 19 and 37)	\$ 553,788	3	\$ 377,450	2	\$ 331,026	2
2110 Short-term notes and bills payable (Notes 20, 35 and 37)	249,737	2	349,427	2	244,227	2
2130 Current contract liabilities (Notes 29 and 36)	66,478	1	42,123	-	37,494	-
2150 Notes payable (Notes 21 and 35)	14,826	-	173,161	1	184,571	1
2160 Notes payable due from related parties (Notes 21 and 36)	-	-	2,550	-	2,521	-
2170 Accounts payable	295,329	2	315,719	2	257,528	2
2180 Accounts payable due from related parties (Note 36)	57,517	-	65,537	-	46,096	-
2200 Other payables (Notes 35 and 38)	1,205,682	8	860,554	6	646,207	4
2220 Other payables due from related parties (Notes 36)	7,061	-	13,073	-	7,053	-
2230 Current tax liabilities	1,735	-	821	-	5,133	-
2280 Current lease liabilities (Notes 24 and 36)	677,933	4	1,083,123	7	963,251	6
2310 Advance receipts	2,938	-	1,664	-	2,072	-
2320 Long-term liabilities, current portion (Notes 22, 23, 35 and 37)	177,693	1	322,475	2	403,141	3
2399 Other current liabilities, others	36,044	-	31,521	-	32,175	-
	<u>3,346,761</u>	<u>21</u>	<u>3,639,198</u>	<u>22</u>	<u>3,162,495</u>	<u>20</u>
Non-current liabilities:						
2540 Long-term loans (Notes 22, 35 and 37)	3,396,420	21	2,322,573	16	1,947,735	13
2580 Non-current lease liabilities (Notes 24 and 36)	4,973,007	31	5,425,792	36	4,953,657	32
2610 Long-term notes and accounts payable (Note 23)	-	-	30,000	-	60,000	-
2640 Net defined benefit liability, non-current	-	-	1,799	-	19,245	-
2645 Guarantee deposits received	4,465	-	4,185	-	4,192	-
	<u>8,373,892</u>	<u>52</u>	<u>7,784,349</u>	<u>52</u>	<u>6,984,829</u>	<u>45</u>
Total liabilities	<u>11,720,653</u>	<u>73</u>	<u>11,423,547</u>	<u>74</u>	<u>10,147,324</u>	<u>65</u>
Equity attributable to owners of parent (Note 27)						
3100 Capital stock	3,002,431	19	4,760,554	31	4,760,554	30
3200 Capital surplus	15,992	-	15,992	-	16,243	-
3300 Retained earnings	742,931	5	(1,098,138)	(7)	652,658	4
3400 Other equity interest	(58,920)	(1)	(144,353)	(1)	(98,973)	(1)
Total equity attributable to owners of parent	<u>3,702,434</u>	<u>23</u>	<u>3,534,055</u>	<u>23</u>	<u>5,330,482</u>	<u>33</u>
36XX Non-controlling interests (Note 14)	<u>719,321</u>	<u>4</u>	<u>539,281</u>	<u>3</u>	<u>356,031</u>	<u>2</u>
Total equity	<u>4,421,755</u>	<u>27</u>	<u>4,073,336</u>	<u>26</u>	<u>5,686,513</u>	<u>35</u>
Total liabilities and equity	<u>\$16,142,408</u>	<u>100</u>	<u>\$15,496,883</u>	<u>100</u>	<u>\$15,833,837</u>	<u>100</u>

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)
(Reviewed, not audited)

		For the three months ended September 30				For the nine months ended September 30			
		2023		2022		2023		2022	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Notes 29 and 36)	\$1,489,317	100	\$1,520,325	100	\$4,316,658	100	\$4,399,122	100
5000	Operating costs (Notes 25, 30, 31 and 36)	1,028,802	69	985,534	65	3,026,158	70	3,012,104	68
	Gross profit from operations	460,515	31	534,791	35	1,290,500	30	1,387,018	32
6000	Operating expenses (Notes 25, 30 and 36)	459,326	31	447,990	29	1,347,711	31	1,208,361	27
6450	Impairment loss (reversal of impairment) determined in accordance with IFRS9 (Note 9)	47	-	(40)	-	38	-	(17)	-
	Net operating (loss) gain	1,142	-	86,841	6	(57,249)	(1)	178,674	5
	Non-operating income and expenses:								
7100	Interest income (Notes 31 and 36)	5,205	-	2,844	-	14,049	-	6,694	-
7010	Other income (Notes 7, 8, 31 and 36)	18,569	1	83,494	5	125,016	3	227,973	5
7020	Other gains and losses, net (Notes 15, 17, 31 and 36)	(34,784)	(2)	(191,523)	(12)	18,705	1	(316,201)	(7)
7050	Finance costs (Notes 24, 31 and 36)	(67,969)	(4)	(63,861)	(4)	(199,325)	(5)	(177,357)	(4)
7060	Share of profit of associates accounted for using equity method (Note 12)	48,951	3	65,191	4	160,958	4	238,549	5
7900	(Loss) profit before tax	(28,886)	(2)	(17,014)	(1)	62,154	2	158,332	4
7950	Less: tax expenses (Note 26)	11,646	1	18,612	1	24,866	1	63,286	1
	Net (loss) profit	(40,532)	(3)	(35,626)	(2)	37,288	1	95,046	3
8300	Other comprehensive income:								
8310	Components of other comprehensive income that will not be reclassified to profit or loss								
	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(1,721)	-	5,973	-	(3,702)	-	5,962	-
8349	Less: Income tax related to components of other comprehensive that will not be reclassified subsequently	-	-	-	-	-	-	-	-
	Total other comprehensive income that will not be reclassified to profit or loss	(1,721)	-	5,973	-	(3,702)	-	5,962	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	22,146	2	6,690	-	58,862	1	16,315	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	42,178	3	110,996	7	31,176	1	226,087	5
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total other comprehensive income that will be reclassified to profit or loss	64,324	5	117,686	7	90,038	2	242,402	5
8300	Other comprehensive income, net of tax	62,603	5	123,659	7	86,336	2	248,364	5
	Total comprehensive income	\$ 22,071	2	\$ 88,033	5	\$ 123,624	3	\$ 343,410	8

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income (Cotn'd)
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)
(Reviewed, not audited)

	For the three months ended September 30				For the nine months ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
(Loss) profit attributable to:								
8610 Owners of parent	(\$ 23,254)	(2)	(\$ 29,512)	(2)	\$ 82,364	2	\$ 110,228	3
8620 Non-controlling interests	(17,278)	(1)	(6,114)	-	(45,076)	(1)	(15,182)	-
	<u>(\$ 40,532)</u>	<u>(3)</u>	<u>(\$ 35,626)</u>	<u>(2)</u>	<u>\$ 37,288</u>	<u>1</u>	<u>\$ 95,046</u>	<u>3</u>
Comprehensive income (loss) attributable to:								
Owners of parent	\$ 39,222	3	\$ 93,728	5	\$ 168,581	4	\$ 357,864	8
Non-controlling interests	(17,151)	(1)	(5,695)	-	(44,957)	(1)	(14,454)	-
	<u>\$ 22,071</u>	<u>2</u>	<u>\$ 88,033</u>	<u>5</u>	<u>\$ 123,624</u>	<u>3</u>	<u>\$ 343,410</u>	<u>8</u>
(Loss) earnings per share (Unit: NT\$) (Note 28)								
9750 Basic earnings per share	(\$ 0.08)		(\$ 0.10)		<u>\$ 0.27</u>		<u>\$ 0.33</u>	
9850 Diluted earnings per share					<u>\$ 0.27</u>		<u>\$ 0.33</u>	

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
						Total other equity interest			Total equity attributable to owners of parent	Non-controlling interests	Total equity
						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Revaluation surplus			
	Share capital	Retained earnings									
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings						
Balance at January 1, 2022	\$5,289,504	\$ 16,243	\$ 238,768	\$ 295,956	\$ 749,821	(\$ 342,910)	(\$ 3,699)	-	\$ 6,243,683	\$ 416,422	\$6,660,105
Profit (loss) for the nine months ended September 30, 2022	-	-	-	-	110,228	-	-	-	110,228	(15,182)	95,046
Other comprehensive income, for the nine months ended September 30, 2022	-	-	-	-	-	241,769	5,867	-	247,636	728	248,364
Total comprehensive income for the nine months ended September 30, 2022	-	-	-	-	110,228	241,769	5,867	-	357,864	(14,454)	343,410
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	74,607	-	(74,607)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	50,654	(50,654)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(528,950)	-	-	-	(528,950)	-	(528,950)
Capital refund	(528,950)	-	-	-	-	-	-	-	(528,950)	-	(528,950)
Difference between consideration and carrying-amount of subsidiaries acquired or disposed	-	-	-	-	(5,664)	-	-	-	(5,664)	(39,696)	(45,360)
Changes in investments accounted for using equity method	-	-	-	-	(207,501)	-	-	-	(207,501)	(3,314)	(210,815)
Cash dividends contributed by subsidiaries	-	-	-	-	-	-	-	-	-	(5,927)	(5,927)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	3,000	3,000
Balance at September 30, 2022	\$4,760,554	\$ 16,243	\$ 313,375	\$ 346,610	(\$ 7,327)	(\$ 101,141)	\$ 2,168	-	\$5,330,482	\$ 356,031	\$5,686,513

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity (Cotn'd)
(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										
						Total other equity interest					
						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income				
	Share capital	Retained earnings						Total equity attributable to owners of parent	Non-controlling interests	Total equity	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings			Revaluation surplus			
Balance at January 1, 2023	\$4,760,554	\$ 15,992	\$ 313,375	\$ 346,610	(\$ 1,758,123)	(\$ 176,758)	\$ 1,290	\$ 31,115	\$ 3,534,055	\$ 539,281	\$4,073,336
Profit (loss) for the nine months ended September 30, 2023	-	-	-	-	82,364	-	-	-	82,364	(45,076)	37,288
Other comprehensive income, for the nine months ended September 30, 2023	-	-	-	-	784	89,861	(4,428)	-	86,217	119	86,336
Total comprehensive income for the nine months ended September 30, 2023	-	-	-	-	83,148	89,861	(4,428)	-	168,581	(44,957)	123,624
Capital reduction	(1,758,123)	-	-	-	1,758,123	-	-	-	-	-	-
Changes in investments accounted for using equity method	-	-	-	-	(202)	-	-	-	(202)	(3)	(205)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	225,000	225,000
Balance at September 30, 20223	\$3,002,431	\$ 15,992	\$ 313,375	\$ 346,610	\$ 82,946	(\$ 86,897)	(\$ 3,138)	\$ 31,115	\$3,702,434	\$ 719,321	\$4,421,755

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, not audited)

	For the nine months ended September 30	
	2023	2022
Cash flows (used in) from operating activities:		
Profit before tax	\$ 62,154	\$ 158,332
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	1,000,374	989,976
Amortization expense	20,865	22,781
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(77,664)	282,984
Interest expense	200,071	177,357
Interest income	(14,049)	(6,694)
Dividend income	(30,204)	(64,422)
Share of profit of associates and joint ventures accounted for using equity method	(160,958)	(238,549)
Gain on disposal of property, plant and equipment	(253)	(1,722)
Loss on disposal of investments	63,147	-
Impairment loss (reversal of impairment) determined in accordance with IFRS 9	38	(17)
Rent reductions listed as other income	-	(78,668)
Amounts from modification of lease contracts	(2,080)	286
Total adjustments to reconcile profit	999,287	1,083,312
Changes in operating assets and liabilities:		
Changes in operating assets, net:		
Increase in current financial assets at fair value through profit or loss	(94,211)	(360,757)
Decrease in notes receivable	2,574	83,623
Decrease in accounts receivable	54,850	38,337
Decrease (increase) in accounts receivable due from related parties	16,471	(1,550)
Decrease (increase) in other receivables	7,027	(47,510)
Decrease (increase) in inventories	9,115	(69,909)
Decrease in biological assets	3,862	1,733
Increase in prepayments	(67,019)	(2,212)
Increase in other current assets	(1,384)	(4,178)
Decrease (increase) in other operating assets	20	(81,605)
Total changes in operating assets, net	(68,695)	(444,028)
Changes in operating liabilities, net:		
Increase in contract liabilities	24,355	5,256
(Decrease) increase in notes payable	(25,586)	5,793
(Decrease) increase in accounts payable	(28,410)	20,245
Increase (decrease) in other payable	15,401	(81,307)
Increase (decrease) in advance receipts	1,274	(4,819)
Increase in other current liabilities	3,503	5,879
Decrease in long-term notes payable	-	(71,838)
Decrease in net defined benefit liability, non-current	(1,799)	(1,731)
Total changes in operating liabilities	(11,262)	(122,522)
Net changes in operating assets and liabilities	(79,957)	(566,550)
Total adjustments	919,330	516,762
Cash inflow from operations	981,484	675,094
Tax income (paid) refunded	(155)	5,837
Net cash inflow from operating activities	981,329	680,931

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Cotn'd)
(Expressed in Thousands of New Taiwan Dollars)
(Reviewed, not audited)

	For the nine months ended September 30	
	2023	2022
Cash flows from (used in) investing activities:		
Net cash flow from acquisition of subsidiaries	\$ -	(\$ 45,360)
Acquisition of property, plant and equipment	(1,114,928)	(385,582)
Proceeds from disposal of property, plant and equipment	31,123	708
(Increase) decrease in refundable deposits	(48,980)	109,193
Increase in long-term notes receivable	(14,151)	-
Decrease (increase) in long-term notes receivable due from related parties	4,395	(76,504)
Increase in notes receivable	-	(20,000)
Decrease in other receivables	5,000	5,000
Decrease in long-term lease payments receivables	5,890	2,734
Acquisition of intangible assets	(48,899)	(11,290)
(Increase) decrease in other financial assets	(32,217)	14,756
Increase in other non-current assets	(83,943)	(4,792)
Interest received	12,741	6,670
Dividends received	31,487	201,831
Net cash outflow from investing activities	(1,252,482)	(202,636)
Cash flows from (used in) financing activities:		
Increase in short-term loans	718,081	833,499
Decrease in short-term loans	(541,743)	(595,918)
(Decrease) increase in short-term notes and bills payable	(100,000)	165,000
Increase in long-term loans	1,282,581	1,814,397
Decrease in long-term loans	(237,937)	(873,130)
Decrease in notes payable	(154,853)	(8,786)
Increase in other payables	75,327	-
Increase (decrease) in guarantee deposits received	280	(125)
Payment of lease liabilities	(926,172)	(858,057)
(Decrease) increase in long-term notes payable	(126,781)	128,040
Capital reduction	-	(528,950)
Issuance cash dividends	-	(534,877)
Interest paid	(239,803)	(216,091)
Changes in non-controlling interests	225,000	3,000
Net cash flows used in financing activities	(26,020)	(671,998)
Effect of exchange rate changes on cash and cash equivalents	2,372	27,713
Net decrease in cash and cash equivalents	(294,801)	(165,990)
Cash and cash equivalents at beginning of period	1,914,254	1,761,806
Cash and cash equivalents at end of period	\$ 1,619,453	\$ 1,595,816

(Please see accompanying notes to the consolidated financial statements)

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Notes To Consolidated Financial Statements

For the nine months ended September 30, 2023 And 2022

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

(Reviewed, Not Audited)

1. Company history

Eastern Media International Corporation (the “Company”) was established on May 14, 1975 to promote the private port silo business, and its warehouse officially opened in 1980 with the completion of its silo. In order to enhance the operating performance and expand the business scope, the Company merged with Grain Union Transport Ltd. on May 15, 1989. The Company’s shares listed on the Taiwan Stock Exchange, classified in the shipping category, on September 25, 1995. As the proportion of revenue from shipping has declined years by years, and the proportion of revenue from trading has increased to more than 50% of overall revenue, the Company’s stocks have changed classification to the retail sales category. The transfer was approved by the Taiwan Stock Exchange on July 1, 2014. In June 2019, the Group terminated all of the lease contracts of its shipping operations in advance. Since none of the operating segments owns more than 50% of overall revenue, the Company’s stocks have changed classification to other category, which was approved by the Taiwan Stock Exchange on June 1, 2021.

The Company's business development is mainly based on diversification. In addition to land development, grain trading and consumer product development and sales, the Company has diversified into new businesses such as cross-strait trade platform and multimedia shopping through its investment in subsidiaries since 2009.

The main businesses of the Company and its subsidiaries (the “Group”) include forwarding, loading and unloading cargo onto/from ships, the handling and operation of wharf and transit shed facilities, selling pet food and supplies, providing pet beauty service, video advertising services and the production of related shows.

2. Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on November 9, 2023.

3. New standards, amendments and interpretations adopted

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023 :

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

The Group has initially adopted the following new amendment, which do not have a significant impact on its consolidated financial statements, from May 23, 2023:

- Amendments to IAS 12 “International Tax Reform—Pillar Two Model Rules

- b. The impact of IFRS endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for

annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendment to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendment to IAS 1 “Non-current Liabilities with Covenants”
- Amendment to IAS 7 and IFRS 7 “Supplier Financing Arrangements”
- Amendments to IFRS 16 “Leases Liability in a Sale and Leaseback”

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

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”
- Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9-Comparative Information”
- Amendments to IAS21 “Lack of Exchangeability”

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.

b. Basis of consolidation

(a) List of subsidiaries in the consolidated financial statements:

Name of Investing Company	Subsidiary name	Nature of business	Shareholding ratio			Explanation
			September 30, 2023	December 31, 2022	September 30, 2022	
The Company	Far Eastern Silo & Shipping (Panama) S.A. (FESS-Panama)	Investing activities	100.00%	100.00%	100.00%	Note A
The Company	Far Eastern Silo & Shipping International (Bermuda) Ltd. (FESS-Bermuda)	Investing activities	- %	100.00%	100.00%	Note A (Note 11)
The Company	Far Eastern Investment Co., Ltd. (EIC)	Investing activities	97.90%	97.90%	97.90%	Note A
The Company	Grand Richness Trading (Hong Kong) Co. (Grand Richness (Hong Kong))	Investing activities	- %	100.00%	100.00%	Note A (Note 4)
The Company	Eastern International Lease Finance Co., Ltd. (EILF)	Leasing	53.77%	53.77%	53.77%	Note A
The Company	Tung Kai Lease Finance Co., Ltd. (TKLF)	Leasing	53.76%	53.76%	53.76%	Note A
The Company	ET New Media (ETtoday) Holdings Co., Ltd. (ET)	Advertising	89.20%	89.20%	89.20%	Note A

Name of Investing Company	Subsidiary name	Nature of business	Shareholding ratio			Explanation
			September 30, 2023	December 31, 2022	September 30, 2022	
The Company	New Media) EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	60.40%	60.40%	60.40%	Note A
The Company	Eastern Asset Co., Ltd. (Eastern Asset)	Real estate leasing	55.00%	55.00%	55.00%	Note A
The Company	ET Pet Co., Ltd (ET Pet)	Pet food and supplies and providing pet beauty service	59.46%	59.46%	- %	Note A (Note 8)
EIC	Eastern International Lease Finance Co., Ltd. (EILF)	Leasing	10.00%	10.00%	10.00%	Note B
EIC	Tung Kai Lease Finance Co., Ltd. (TKLF)	Leasing	10.00%	10.00%	10.00%	Note B
EIC	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	13.20%	13.20%	13.20%	Note B
EIC	ET New Media (ETtoday) Holdings Co., Ltd. (ET New Media)	Advertising	1.05%	1.05%	1.05%	Note B
EILF	Tung Kai Lease Finance Co., Ltd. (TKLF)	Leasing	36.00%	36.00%	36.00%	Note B
EILF	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	13.20%	13.20%	13.20%	Note B
TKLF	Eastern International Lease Finance Co., Ltd. (EILF)	Leasing	36.00%	36.00%	36.00%	Note B
TKLF	EHR Hotels & Resorts Group Yilan (EHR)	Leisure site management, catering business	13.20%	13.20%	13.20%	Note B
ET New Media	ET Pet Co., Ltd (ET Pet)	Pet food and supplies and providing pet beauty service	26.43%	26.43%	92.50%	Note C (Note 8)
ET New Media	Dung sen shin guang yun Co., Ltd. (Dung sen shin guang yun)	Audiovisual and singing, information leisure	100.00%	100.00%	100.00%	Note C (Note 1)
ET New Media	Dung sen dian jing yun Co., Ltd. (Dung sen dian jing yun)	Amusementpark information leisure	- %	100.00%	100.00%	Note C (Note 5)
ET New Media	Dung sen shin wen yun Co., Ltd. (Dung sen shin wen yun)	Video advertising service	- %	100.00%	100.00%	Note C (Note 6)
ET New Media	Dung sen min diau yun Co., Ltd. (Dung sen min diau yun)	Consulting management, market research and opinion poll	100.00%	100.00 %	100.00%	Note C (Note 1)
ET New Media	MOOD Internet Corporation Limited (MOOD)	Consulting management, market research and opinion poll	100.00%	100.00 %	- %	Note C (Note 1 and 9)
ET Pet	Oscar Pet Co., Ltd. (Oscar)	Pet food and supplies and providing pet beauty service	- %	- %	100.00%	Note C (Note 2 and 7)
ET Pet	Pet Kingdom Co., Ltd. (Pet Kingdom)	Pet food and supplies and providing pet beauty service	- %	- %	100.00%	Note C (Note 2 and 7)
ET Pet	Kaou Sin Trading Co., Ltd. (Kaou Sin)	Pet food and supplies and providing pet beauty service	- %	- %	100.00%	Note C (Note 2 and 7)
ET Pet	Care Pet Bio-Tech Company (Care Pet Bio-Tech)	Pet food and supplies and providing pet beauty service	70.00%	70.00 %	70.00%	Note C (Note 1 and 3)
FESS-Panama	Grand Scene Media Corporation (GSMC-Cayman)	Investing activities	100.00%	100.00%	100.00%	Note C (Note 1)
FESS-Panama	Eastern Media Communication (Hong Kong) Ltd. (Eastern Media Communication Hong Kong)	Investing activities	100.00%	100.00%	100.00%	Note C (Note 1)
FESS-Bermuda	RICHNESS TRADING (SHANGHAI) CO., LTD (RICHNESS TRADING (SHANGHAI))	Cosmetics, jewelry, and household sundries wholesaling and support services	- %	8.77%	8.77%	Note C (Note 1 and 10)
Eastern Media	RICHNESS TRADING	Cosmetics, jewelry, and	100.00%	91.23%	91.23%	Note C (Note 1 and

Name of Investing Company	Subsidiary name	Nature of business	Shareholding ratio			Explanation
			September 30, 2023	December 31, 2022	September 30, 2022	
Communication (Hong Kong)	(SHANGHAI) CO., LTD (RICHNESS TRADING (SHANGHAI))	household sundries wholesaling and support services				10)
GSMC-Cayman	GRAND SCENE TRADING (HONG KONG) LIMITED	Investing activities	100.00%	100.00%	100.00%	Note C (Note 1)
GRAND SCENE TRADING (HONG KONG)	Nanjing Yun Fu Trading Ltd. (Nanjing Yun Fu)	Wholesale trading	100.00%	100.00%	100.00%	Note C (Note 1)

Note A: The investee company is directly held over 50% by the Company

Note B: The investee company is directly held over 50% by the Group

Note C: The investee company is directly held over 50% by the Company's subsidiaries

Note 1: As an immaterial subsidiary, the financial statements have not been reviewed.

Note 2: ET Pet resolved on November 4, 2021 to acquire the rest interests of 20% in subsidiaries, Oscar, Pet Kingdom and Kaou Sin at the amount of \$90,082. Additionally, the interests in Oscar were acquired partially. The company acquired 8.51% and 11.49% of the interests in December, 2021 and January, 2022, respectively.

Note 3: On March 16, 2022, the ET Pet's Board of Directors resolved to invest \$7,000 in Care Pet Bio-Tech with a 100% shareholding, which was registered on May 11, 2022. It did not participate in the cash capital increase on July 14 of the same year, thereby reducing its shareholding to 70%. All registration procedures had been completed on August 4, 2022.

Note 4: The Company approved to liquidate Grand Richness (Hong Kong) on June 8, 2022. The liquidation procedures were finished on January 13, 2023.

Note 5: ET New Media approved to liquidate Dung sen dian jing yun on June 22, 2022. The liquidation procedures were finished on February 23, 2023.

Note 6: ET New Media approved to liquidate Dung sen shin wen yun on June 24, 2022. The liquidation procedures were finished on April 21, 2023.

Note 7: On September 23, 2022, ET Pet's Board of Directors resolved to make a consolidation by merger of Oscar, Pet Kingdom and Kaou Sin. Meanwhile ET Pet would be the surviving company. The reference date of merger was on November 1, 2022.

Note 8: On December 6, 2022, the board of directors of the subsidiary, ET Pet, resolved a capital injection by cash with an investment amount of \$500,000, and the reference date would be on December 26, 2022. The Company participated in the cash capital injection by \$416,250, and would obtain shareholding of 59.46%. Therefore, ET Pet became a subsidiary controlled by the Company directly. Since ET New Media did not participate in the cash capital injection, the shareholding of ET New Media dropped to 26.43%. The registrations were finished on January 17, 2023.

Note 9: On December 13, 2022, the ET New Media's Board of Directors resolved to invest \$50,000 in MOOD with a 100% shareholding. The registration procedures had been completed on December 27, 2022.

Note 10: FESS-Bermuda and Eastern Media Communication Hong Kong signed an agreement on transferring ownership of RICHNESS TRADING (SHANGHAI) on July 27, 2022. FESS-Bermuda sold all of its shares to Eastern Media Communication Hong Kong. The registration procedures had been completed on January 17, 2023.

Note 11: The Company approved to liquidate FESS-Bermuda on March 16, 2023. The liquidation procedures were finished on August 22, 2023.

(b) Subsidiaries excluded from the consolidated financial statements: None.

c. Income taxes

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

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

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

d. Employee benefits

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

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 the related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2022.

6. Cash and cash equivalents

	September 30, 2023	December 31, 2022	September 30, 2022
Cash on hand	\$ 19,375	\$ 16,418	\$ 12,561
Cash in banks	1,316,671	1,513,294	1,119,087
Cash equivalents	283,407	384,542	464,168
	<u>\$ 1,619,453</u>	<u>\$ 1,914,254</u>	<u>\$ 1,595,816</u>

- Bank time deposits whose original maturity date exceeds three months are classified as other current financial assets. The deposit accounts of \$69,689, \$3,900, and \$3,900 which did not meet the definition of cash and cash equivalents, were classified as other current financial assets for September 30, 2023, December 31, 2022, and September 30, 2022, respectively.
- Please refer to Note 32 for the fair value sensitivity analysis and interest rate risk of the financial assets and liabilities.

7. Financial assets at fair value through profit or loss

	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets designated as at fair value through profit or loss:			
Non-derivative financial assets			
Stocks listed on domestic markets	<u>\$ 1,245,323</u>	<u>\$ 1,073,448</u>	<u>\$ 1,039,193</u>

- Please refer to Note 31 for the remeasurement of fair value.
- For the three months and nine months ended September 30, 2023 and 2022, the dividends from financial assets designated as at fair value through profit or loss were \$3,858, \$58,608, \$27,822 and \$61,614, respectively.
- As of September 30, 2023, December 31, 2022 and September 30, 2022, the amount of \$450, \$1,733 and \$1,678 outstanding (recorded as other receivables) for the dividends from financial assets at fair value through profit or loss had been fully received by the Group as of the review date.
- Please refer to Note 37 for the details of the financial assets at fair value through profit or loss pledged as collateral.

8. Financial assets at fair value through other comprehensive income

	September 30, 2023	December 31, 2022	September 30, 2022
Equity investments at fair value through other comprehensive income:			
Unlisted common shares domestic Company	\$ 7,500	\$ 7,510	\$ 7,510

a. Equity investments at fair value through other comprehensive income

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

The Group dropped out of the membership of COTA Commercial Bank, Ltd. in March 2023. The amount of capital return of \$10 (recorded as other receivables) has not been received by the Group as the review date.

Because the Group has designated the above as investments in equity instruments measured at fair value through other comprehensive income. For the three months and nine months ended September 30, 2023 and 2022, the dividends from equity instruments measured at fair value through other comprehensive income were \$-, \$-, \$2,382 and \$2,808, respectively.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of September 30, 2022.

b. For credit risk and market risk; please refer to Note 32.

c. No financial assets mentioned above were pledged as collateral on September 30, 2023, December 31, 2022, and September 30, 2022, respectively.

9. Notes and accounts receivable (including related parties)

	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable-generated from operation	\$ 2,444	\$ 5,143	\$ 4,418
Notes receivable-generated from non-operation	-	-	20,000
Installment notes receivable	41,973	42,600	41,885
Accounts receivable	451,771	498,841	459,153
Long-term installment notes receivable	67,413	85,344	86,204
Less: Allowance for doubtful accounts	(48,400)	(50,197)	(49,883)
Unrealized interest revenue	(11,163)	(13,610)	(13,573)
	<u>\$ 504,038</u>	<u>\$ 568,121</u>	<u>\$ 548,204</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, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information.

The loss allowance provision in warehousing segment was determined as follows:

September 30, 2023			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 25,117	0%	-
December 31, 2022			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 33,675	0%	-
September 30, 2022			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 23,437	0%	-

The loss allowance provision in trading segment was determined as follows:

September 30, 2023			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 32,076	0%	-
More than 91 days past due	795	100%	795
	<u>\$ 32,871</u>		<u>\$ 795</u>
December 31, 2022			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 27,583	0%	-
More than 91 days past due	793	100%	793
	<u>\$ 28,376</u>		<u>\$ 793</u>
September 30, 2022			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 25,771	0%	-
More than 91 days past due	806	100%	806
	<u>\$ 26,577</u>		<u>\$ 806</u>

The loss allowance provision in media segment was determined as follows:

September 30, 2023			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 314,288	0~0.21%	655
1 to 30 days past due	8,731	0~11.14%	973
31 to 60 days past due	4,316	0~25.11%	1,084
More than 91 days past due	130	100~100%	130
	<u>\$ 327,465</u>		<u>\$ 2,842</u>
December 31, 2022			
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 380,863	0~0.25%	931
1 to 30 days past due	11,078	0~12.09%	1,340
31 to 60 days past due	3,386	0~28.14%	953
More than 91 days past due	2,180	100~100%	2,180
	<u>\$ 397,507</u>		<u>\$ 5,404</u>

	September 30, 2022		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 342,457	0~0.26%	886
1 to 30 days past due	21,452	0~12.29%	2,636
31 to 60 days past due	1,670	0~30.4%	508
61 to 90 days past due	203	0~86.24%	175
More than 91 days past due	2,787	100~100%	2,787
	\$ 368,569		\$ 6,992

The loss allowance provision in other segments was determined as follows:

	September 30, 2023		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 124,666	0~1.25%	1,387
More than 91 days past due	4	100~100%	4
	\$ 124,670		\$ 1,391

	December 31, 2022		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 114,606	0.07~1.25%	1,429
More than 91 days past due	4	100~100%	4
	\$ 114,610		\$ 1,433

	September 30, 2022		
	Gross carrying amount	Weighted average loss rate	Loss allowance provision (Note)
Current	\$ 134,630	0~1.25%	1,687
More than 91 days past due	4	100~100%	4
	\$ 134,634		\$ 1,691

Note: As of September 30, 2023, December 31, 2022, and September 30, 2022, the receivables amounted to \$42,315, \$44,150, and \$44,870 were unrecoverable due to the financial difficulty of the customers. Therefore, the Group had recognized the allowance for doubtful accounts for all of its receivables.

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

	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Balance on January 1	\$ 50,197	\$ 52,019
Recognition of impairment losses (reversal gains)	38	(17)
Impairment losses reversed	(1,835)	(850)
Amounts written off	-	(1,269)
Balance on September 30	\$ 48,400	\$ 49,883

No financial assets mentioned above were pledged as collateral.

10. Other receivables and other notes receivable (including related parties)

	September 30, 2023	December 31, 2022	September 30, 2022
Other accounts receivable—loans to associates	\$ 49,400	\$ 54,400	\$ 25,000
Other accounts receivable—others	84,619	76,291	115,413
Less: Loss allowance	(1,817)	(1,817)	(1,817)
	<u>\$ 132,202</u>	<u>\$ 128,874</u>	<u>\$ 138,596</u>

- a. As of September 30, 2023, December 31, 2022, and September 30, 2022, there were no bills past due but no impaired of other receivables.
b. For credit risk and market risk; please refer to Note 32.

11. Inventories

	September 30, 2023	December 31, 2022	September 30, 2022
Goods held for sale	\$ 404,200	\$ 414,248	\$ 405,759
Raw materials and others (including fuel)	32,026	32,773	36,793
	<u>\$ 436,226</u>	<u>\$ 447,021</u>	<u>\$ 442,552</u>

No inventories were pledged as collateral on September 30, 2023, December 31, 2022, and September 30, 2022, respectively.

12. Investments accounted for using equity method

- a. The Group's financial information for investments accounted for using the equity method at the reporting date was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Natural Beauty bio-technology Limited (Natural Beauty)	\$ 1,259,921	\$ 1,300,901	\$ 2,010,150
Eastern Home Shopping & Leisure Co., Ltd (EHS)	294,819	65,613	520,003
Jiangsu Sen Fu Da Media Technology Co., Ltd.	—	—	—
	<u>\$ 1,554,740</u>	<u>\$ 1,366,514</u>	<u>\$ 2,530,153</u>

- b. Affiliates which are material to the Group consisted of the following:

Affiliate Name	Within the Group Nature of Relationship	Main operating location	Proportion of shareholding and voting rights		
			September 30, 2023	December 31, 2022	September 30, 2022
Natural Beauty	Sales of beauty and cosmetic products and providing beauty service	Taiwan and China	30.00%	30.00%	30.00%
EHS	Wholesale and retail of various commodities, materials and equipment	Taiwan, Hong Kong and China	25.87%	25.87%	25.87%

(a) Natural Beauty Bio-Technology Limited

Natural Beauty Bio-Technology Limited (“Natural Beauty”) was one of the listing companies in Hong Kong Exchanges and Clearing Limited (“Hong Kong Exchange”). Its fair value is as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Fair value	<u>\$ 1,238,203</u>	<u>\$ 1,300,901</u>	<u>\$ 1,263,059</u>

The following consolidated financial information of significant affiliates had been adjusted according to individually prepared IFRS financial statements of these affiliates:

	September 30, 2023	December 31, 2022	September 30, 2022	
Current assets	\$ 1,227,154	\$ 1,436,971	\$ 1,455,428	
Non-current assets	2,109,830	1,998,172	1,715,442	
Liabilities	(1,093,362)	(1,082,343)	(975,157)	
Net assets	<u>\$ 2,243,622</u>	<u>\$ 2,352,800</u>	<u>\$ 2,195,713</u>	
Net assets attributable to investee	<u>\$ 2,243,622</u>	<u>\$ 2,352,800</u>	<u>\$ 2,195,713</u>	
	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Operating revenue	<u>\$ 240,097</u>	<u>\$ 303,417</u>	<u>\$ 869,525</u>	<u>\$ 903,765</u>
Net (loss) income	(\$ 55,001)	(\$ 41,853)	(\$ 100,347)	(\$ 152,861)
Other comprehensive (loss) income	43,302	(131,514)	130,324	(254,578)
Total comprehensive (loss) income	<u>(\$ 11,699)</u>	<u>(\$ 173,367)</u>	<u>\$ 29,977</u>	<u>(\$ 407,439)</u>
Comprehensive (loss) income attributable to investee	<u>(\$ 11,699)</u>	<u>(\$ 173,367)</u>	<u>\$ 29,977</u>	<u>(\$ 407,439)</u>
	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Share of net assets attributable to the Group of beginning balance	\$ 677,928	\$ 668,407	\$ 705,840	\$ 700,483
Comprehensive (loss) income attributable to the Group	(3,510)	(52,010)	8,993	(122,232)
Dividends received from associates	-	-	-	(6,826)
Effect of exchange rate fluctuations	(1,331)	42,316	(41,746)	87,288
Subtotal	673,087	658,713	673,087	658,713
Add: Goodwill	355,856	350,122	355,856	350,122
Trademark	321,609	316,427	321,609	316,427
Property, plant and equipment	512,825	521,120	512,825	521,120

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Other intangible assets in useful life (e.g., memberships and patents, etc.)	151,940	175,111	151,940	175,111
Effect of exchange rate fluctuations	(8,635)	107	(8,635)	107
Less: adjustment for inventories	(11,637)	(11,450)	(11,637)	(11,450)
Impairment loss	(735,124)	–	(735,124)	–
Book value of net assets attributable to the Group of ending balance	\$ 1,259,921	\$ 2,010,150	\$ 1,259,921	\$ 2,010,150

(b) Eastern Home Shopping & Leisure Co., Ltd.

The following consolidated financial information of significant affiliates had been adjusted according to individually prepared IFRS financial statements of these affiliates:

	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 5,428,199	\$ 4,774,859	\$ 4,361,120
Non-current assets	6,275,281	6,196,361	8,077,123
Liabilities	(10,563,791)	(10,709,994)	(10,387,179)
Net assets	\$ 1,139,689	\$ 261,226	\$ 2,051,064
Non-controlling interests, attributable to investee	\$ –	\$ 7,584	\$ 17,779
Net assets attributable to investee	\$ 1,139,689	\$ 253,642	\$ 2,033,285

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Operating revenue	\$ 4,768,123	\$ 5,544,394	\$ 15,178,985	\$ 18,877,736
Net income	293,693	338,936	853,791	1,200,823
Other comprehensive loss	31,278	125,897	29,129	201,872
Total comprehensive income	\$ 324,971	\$ 464,833	\$ 882,920	\$ 1,402,695
Comprehensive income (loss), attributable to non-controlling interests	\$ –	(\$ 2,219)	(\$ 3,920)	(\$ 6,708)
Comprehensive income attributable to investee	\$ 324,971	\$ 467,052	\$ 886,840	\$ 1,409,403

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Share of net assets attributable to the Group of beginning balance	\$ 210,755	\$ 487,411	\$ 65,613	\$ 504,022
Comprehensive income attributable to the Group	84,064	114,845	229,411	358,617
Dividends received from associates	-	(79,093)	-	(131,821)
Changes in investments accounted for using equity method	-	(3,160)	(205)	(210,815)
Share of net assets attributable to the Group of ending balance	<u>\$ 294,819</u>	<u>\$ 520,003</u>	<u>\$ 294,819</u>	<u>\$ 520,003</u>

- c. Please refer to Note 37 for the details of the investments accounted for using equity method pledged as collateral.
- d. Nature Beauty had been continuously affected by the Covid-19 pandemic, leading to a decline in revenue in Taiwan and China. In addition, the escalating trade war between the US and China, which has evolved into a diplomatic war, has caused the Chinese economy to slow down and the possibility of a recession due to debt defaults and inflation in the real estate industry. Overall, the profitability of the investment could not compare to that at the time of acquisition. Therefore, the management of the Group carried out an impairment test for these investments, comparing the carrying amount of the investment with its recoverable amount. In determining the value in use of the investment, the Group estimated the present value of the cash flows arose from the operation of the invested company and from the ultimate disposal by using the discount rate 8.86%. Based on the assessment, the carrying amount of Natural Beauty was higher than its recoverable amount. Therefore, the Group recognized impairment loss in 2022.
- e. The unreviewed financial statements of investments for using equity method
Except for EHS as of September 30, 2023 and 2022, investments were accounted for by 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.

13. Acquire a subsidiary

- a. In order to enhance its market share and competitiveness in the pet industry, the consolidated subsidiary, ET Pet, resolved on November 4, 2021 to acquire the rest 20% interests in subsidiaries, Oscar, Pet Kingdom and Kaou Sin at the amount of \$90,082, making ET Pet hold 100% interests of these three companies. As of the review date, the transactions mentioned above were completed and the investment was fully paid. The acquisition was as follow:

Subsidiary	January 3, 2022			December 3, 2021		
	Investment amount	Shares/ Units	Proportion of shareholding	Investment amount	Shares/ Units	Proportion of shareholding
Oscar	\$ 45,360	700,000	11.49%	\$ 33,586	518,300	8.51%
Pet Kingdom	-	-	- %	9,161	860,000	20%
Kaou Sin	-	-	- %	1,975	20,000	20%
	<u>\$ 45,360</u>			<u>\$ 44,722</u>		

The influence on equity attributable to owners of parent was as follow:

	For the six months ended June 30, 2022
Non-controlling interests carrying amount	\$ 38,574
Investment amount	(45,360)
Subtotal	(6,786)
Less: Changes in non-controlling interests	(1,122)
	<u>(\$ 5,664)</u>

Please refer to Note 27 for the details.

On September 23, 2022, ET Pet's Board of Directors resolved to make a consolidation by merger of Oscar, Pet Kingdom and Kaou Sin. Meanwhile ET Pet would be the surviving company. As these three companies were held 100% by ET Pet, there was no need to release new shares to merge. The capital of ET Pet still remained \$200,000. The reference date of the merger is November 1, 2022.

- b. On March 16, 2022, the ET Pet's board of directors resolved to invest \$7,000 in Care Pet Bio-Tech with a 100% shareholding, which was registered on May 11, 2022. ET Pet did not participate in the cash capital increase of \$3,000 on July 14 of the same year, thereby reducing its shareholding to 70%. All registration procedures had been completed on August 4, 2022.
- c. On December 6, 2022, the board of directors of the subsidiary, ET Pet, resolved a capital injection by cash with an investment amount of \$500,000, and the reference date would be on December 26, 2022. The Company participated in the cash capital injection by \$416,250, and obtained shareholding of 59.46%. Therefore, ET Pet became a subsidiary controlled by the Company directly. Since ET New Mdeia did not participate in the cash capital injection, the shareholding of ET New Media dropped to 26.43%. The registrations were finished on January 17, 2023.
- d. On December 13, 2022, the ET New Media's board of directors resolved to invest \$50,000 in MOOD with 100% shareholding. The registration procedures had been completed on December 27, 2022.
- e. On May 29, 2023 and September 5, 2022, the board of directors of the subsidiary, Eastern Asset, resolved capital injections by cash with an investment amount of \$500,000 and \$400,000, and the reference dates would be on June 30, 2023 and October 7, 2022, respectively. These capital injections were participated by the Company and EHS in proportion to the shareholding ratio. The registration was completed on July 17, 2023 and November 1, 2022, respectively.
- f. On August 2, 2022, the consolidated subsidiary, Dung sen shin guang yun, was approved to hold capital injection by cash with an investment amount of \$2,900, and the reference date was on September 1, 2022. This capital injection was participated by ET New Media in proportion to the shareholding ratio. The registration was completed on September 26, 2022.
- g. On August 4, 2022, the consolidated subsidiary, Dung sen min diau yun, was approved to hold capital injection by cash with an investment amount of \$4,000, and the reference date was on August 15, 2022. This capital injection was participated by ET New Media in proportion to the shareholding ratio. The registration was completed on September 6, 2022.

14. Material non-controlling interests of subsidiaries

Non-controlling interests of subsidiaries material to the Group are as follows:

Subsidiary name	Main operating location	Percentage of non-controlling interests		
		September 30, 2023	December 31, 2022	September 30, 2022
Eastern Asset	Taiwan	45.00%	45.00%	45.00%

The following information of the aforementioned subsidiaries had been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in this information were the fair value adjustment and accounting policies adjustment made during the acquisition and relevant difference in accounting principles between the Group as at the acquisition date. Intragroup transactions were not eliminated in this information.

The financial information of Eastern Asset was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 681,200	\$ 555,076	\$ 263,421
Non-current assets	3,511,508	2,245,918	1,705,187
Current liabilities	(413,765)	(119,519)	(55,758)
Non-current liabilities	(1,996,002)	(1,394,508)	(1,024,279)
Net assets	<u>\$ 1,782,941</u>	<u>\$ 1,286,967</u>	<u>\$ 888,571</u>

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Operating revenue	\$ -	\$ -	\$ -	\$ -
Net loss	(2,343)	(5,493)	(4,026)	(9,634)
Other comprehensive income	-	-	-	-
Total comprehensive loss	<u>(\$ 2,343)</u>	<u>(\$ 5,493)</u>	<u>(\$ 4,026)</u>	<u>(\$ 9,364)</u>

	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Net cash flows used in operating activities	(\$ 51,354)	(\$ 61,060)
Net cash flows used in investing activities	(950,614)	(67,935)
Net cash flows from financing activities	1,062,632	124,804
Net increase (decrease) in cash and cash equivalents	<u>\$ 60,664</u>	<u>(\$ 4,191)</u>

15. Loss of control of subsidiaries

- The Company approved to liquidate FESS-Bermuda on March 16, 2023. The liquidation procedures were finished on August 22, 2023 and the Company lost control over FESS-Bermuda since then. The loss on disposal of the investment was amounted to \$23,544.
- The Company approved to liquidate Grand Richness (Hong Kong) on June 8, 2022. The liquidation procedures were finished on January 13, 2023 and the Company lost control over Grand Richness (Hong Kong) since then. The loss on disposal of the investment was amounted to \$39,603.
- ET New Media approved to liquidate Dung sen dian jing yun on June 22, 2022. The liquidation procedures were finished on February 23, 2023.
- ET New Media approved to liquidate Dung sen shin wen yun on June 24, 2022. The liquidation procedures were finished on April 21, 2023.

16. Property, plant and equipment

- The cost, depreciation, and impairment loss of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Transportation equipment	Leasehold improvements	Construction in progress	Other equipment	Total
Cost or deemed cost:							
Balance on January 1, 2023	\$ 625,978	\$ 1,024,347	\$ 16,161	\$ 860,157	\$ 1,160,086	\$ 250,472	\$ 3,937,201
Additions	38,510	-	-	73,830	1,286,002	18,632	1,416,974
Transfers	-	-	-	2,338	(657)	-	1,681
Disposals / Written-off	(29,236)	(113)	(120)	(51,264)	-	(45,818)	(126,551)
Balance on September 30, 2023	<u>\$ 635,252</u>	<u>\$ 1,024,234</u>	<u>\$ 16,041</u>	<u>\$ 885,061</u>	<u>\$ 2,445,431</u>	<u>\$ 223,286</u>	<u>\$ 5,229,305</u>
Cost or deemed cost:							
Balance on January 1, 2022	\$ 596,742	\$ 1,024,259	\$ 24,969	\$ 724,603	\$ 235,243	\$ 372,189	\$ 2,978,005
Additions	-	88	1,437	59,655	358,596	28,528	448,304
Transfers	-	-	-	62,000	18,191	3,435	83,626
Disposals / Written-off	-	-	(7,687)	(37,886)	-	(133,901)	(179,474)
Balance on September 30, 2022	<u>\$ 596,742</u>	<u>\$ 1,024,347</u>	<u>\$ 18,719</u>	<u>\$ 808,372</u>	<u>\$ 612,030</u>	<u>\$ 270,251</u>	<u>\$ 3,330,461</u>
Depreciation and impairment loss:							
Balance on January 1, 2023	\$ -	\$ 983,629	\$ 8,797	\$ 217,140	\$ -	\$ 107,317	\$ 1,316,883
Depreciation	-	2,644	2,451	95,565	-	44,703	145,363
Disposals / Written-off	-	(113)	(120)	(38,403)	-	(38,519)	(77,155)
Balance on September 30, 2023	<u>\$ -</u>	<u>\$ 986,160</u>	<u>\$ 11,128</u>	<u>\$ 274,302</u>	<u>\$ -</u>	<u>\$ 113,501</u>	<u>\$ 1,385,091</u>
Depreciation and impairment loss:							
Balance on January 1, 2022	\$ -	\$ 801,196	\$ 14,618	\$ 171,867	\$ -	\$ 225,693	\$ 1,213,374
Depreciation	-	4,856	2,914	77,947	-	40,179	125,896
Disposals / Written-off	-	-	(7,022)	(36,232)	-	(133,901)	(177,155)
Balance on September 30, 2022	<u>\$ -</u>	<u>\$ 806,052</u>	<u>\$ 10,510</u>	<u>\$ 213,582</u>	<u>\$ -</u>	<u>\$ 131,971</u>	<u>\$ 1,162,115</u>
Carrying amounts:							
January 1, 2023	\$ 625,978	\$ 40,718	\$ 7,364	\$ 643,017	\$ 1,160,086	\$ 143,155	\$ 2,620,318
September 30, 2023	<u>\$ 635,252</u>	<u>\$ 38,074</u>	<u>\$ 4,913</u>	<u>\$ 610,759</u>	<u>\$ 2,445,431</u>	<u>\$ 109,785</u>	<u>\$ 3,844,214</u>
Carrying amounts:							
January 1, 2022	\$ 596,742	\$ 223,063	\$ 10,351	\$ 552,736	\$ 235,243	\$ 146,496	\$ 1,764,631
September 30, 2022	<u>\$ 596,742</u>	<u>\$ 218,295</u>	<u>\$ 8,209</u>	<u>\$ 594,790</u>	<u>\$ 612,030</u>	<u>\$ 138,280</u>	<u>\$ 2,168,346</u>

- In March 2020, the Group signed a land rights contract with the Economic Development Bureau of the New Taipei City Government and the North District Office of the State-Owned Property Department of the Ministry of Finance in the form of land lease rights; and it has completed the establishment of land rights as of April 13, 2020. It is expected to be used for the construction of Eastern Media Group headquarters. The cost invested in the planning and construction is recognized under property, plant and equipment. In addition, please refer to Note 17 for the details of the lease of land rights.

- c. The land rights obtained by Eastern Asset and the Company respectively are expected to be used to build the headquarters of the Eastern Media Group and nearby areas, and the interest expenses of loans during the planning and construction period will be capitalized. For the and nine months ended September 30, 2023 and 2022, the interest rates were at 3.28%~3.53% and 2.87%~2.88%, respectively. Details are as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Interest expense on loans	\$ 9,060	\$ 1,069	\$ 22,695	\$ 1,069

- d. Please refer to Note 37 for the details of the property, plant and equipment pledged as collateral.

17.

Right-of-use assets

- a. The cost, depreciation, and impairment loss of the land and equipment, buildings, media exhibition boards and transportation equipment of the Group were as follows:

	Land and equipment	Buildings	Outdoor advertising boards	Transportation equipment	Total
Right of use asset costs:					
Balance on January 1, 2023	\$ 5,330,416	\$ 1,396,176	\$ 2,514,947	\$ 6,681	\$ 9,248,220
Additions	-	116,244	21,318	1,374	138,936
Write off - lease modification	-	(74,970)	(2,190)	1	(77,159)
Write off - lease ending	-	(13,294)	(1,606,404)	(1,868)	(1,621,566)
Write off - sublease	-	(35,635)	-	-	(35,635)
Balance on September 30, 2023	\$ 5,330,416	\$ 1,388,521	\$ 927,671	\$ 6,188	\$ 7,652,796
Right of use asset costs:					
Balance on January 1, 2022	\$ 5,233,448	\$ 1,244,454	\$ 2,800,267	\$ 5,632	\$ 9,283,801
Additions	97,027	266,333	233,346	1,049	597,755
Write off - lease modification	(59)	(2,379)	(153,941)	-	(156,379)
Write off - lease ending	-	(33,513)	(1,088,932)	-	(1,122,445)
Write off - sublease	-	(46,335)	-	-	(46,335)
Balance on September 30, 2022	\$ 5,330,416	\$ 1,428,560	\$ 1,790,740	\$ 6,681	\$ 8,556,397
Accumulated depreciation and impairment losses:					
Balance on January 1, 2023	\$ 896,993	\$ 480,408	\$ 1,454,498	\$ 3,941	\$ 2,835,840
Depreciation	171,572	176,047	523,705	1,623	872,947
Write off - lease modification	-	(10,232)	-	-	(10,232)
Write off - lease ending	-	(13,294)	(1,606,404)	(1,868)	(1,621,566)
Write off - sublease	-	(7,944)	-	-	(7,944)
Balance on September 30, 2023	\$ 1,068,565	\$ 624,985	\$ 371,799	\$ 3,696	\$ 2,069,045

	Land and equipment	Buildings	Outdoor advertising boards	Transportation equipment	Total
Accumulated depreciation and impairment losses:					
Balance on January 1, 2022	\$ 668,692	\$ 462,664	\$ 1,847,056	\$ 1,798	\$ 2,980,210
Depreciation	171,110	166,606	542,246	1,593	881,555
Write off - lease modification	-	(4,473)	(19,865)	-	(24,338)
Write off - lease ending	-	(33,513)	(1,088,932)	-	(1,122,445)
Write off - sublease	-	(427)	-	-	(427)
Balance on September 30, 2022	<u>\$ 839,802</u>	<u>\$ 590,857</u>	<u>\$ 1,280,505</u>	<u>\$ 3,391</u>	<u>\$ 2,714,555</u>
Carrying amounts:					
January 1, 2023	<u>\$ 4,433,423</u>	<u>\$ 915,768</u>	<u>\$ 1,060,449</u>	<u>\$ 2,740</u>	<u>\$ 6,412,380</u>
September 30, 2023	<u>\$ 4,261,851</u>	<u>\$ 763,536</u>	<u>\$ 555,872</u>	<u>\$ 2,492</u>	<u>\$ 5,583,751</u>
January 1, 2022	<u>\$ 4,564,756</u>	<u>\$ 781,790</u>	<u>\$ 953,211</u>	<u>\$ 3,834</u>	<u>\$ 6,303,591</u>
September 30, 2022	<u>\$ 4,490,614</u>	<u>\$ 837,703</u>	<u>\$ 510,235</u>	<u>\$ 3,290</u>	<u>\$ 5,841,842</u>

- b. In March 2020, Group subsidiary Eastern Asset cooperated with the Economic Development Bureau of the New Taipei City Government and the North District Office of the State-owned Property Administration on the “Linkou International Media Park Investment Promotion Project” and signed a contract to establish land usage rights. The duration of the land usage rights is 50 years from the date of registration of the land usage, and the land usage was set up on April 13, 2020. During the duration of the contract, Eastern Asset shall pay rent to the North Branch of the State-owned Property Administration of the Ministry of Finance each year at a certain rate of the announced land price.

Eastern Asset also signed an investment contract with the Economic Development Bureau of New Taipei City Government in March 2020. The main contents of the contract are as follows:

- Development and operation period: 50 years from the date of establishment and registration of land usage rights.
 - Development royalties: The total amount is \$200,000 under the right-of-use assets account.
 - Operating royalties: Starting from the date of operation, the actual net operating income of each base for the year is multiplied by the percentage of operating royalties contained in the contract to the net operating income to calculate the actual operating royalties payable by each base.
 - Performance bond: The performance bond has been paid according to the contract amounting to \$200,000 under the guarantee deposits paid account. However, on September 6, 2022, the guarantee deposits paid account was retrieved and replaced it with a joint performance bond issued by the bank also amounting to \$200,000.
- c. In May 2022, the Company signed a contract with the North District Office of the State-owned Property Administration to establish land usage rights. The duration of the land usage rights is 70 years from the date of registration, and the land usage was set up on May 3, 2022. In the duration of the contract, the Company shall pay rent to the North Branch of the State-owned Property Administration of the Ministry of Finance each year at a certain rate of the announced land price. While constructing the areas, the cost would be listed under property, plant and equipment. Please refer to Note 16 for the details
- d. The land rights obtained by Eastern Asset and the Company respectively are expected to be used to build the headquarters of the Eastern Media Group and nearby areas, and the depreciation expenses of the right-of-use assets and the interest expenses of lease

liabilities during the planning and construction period will be capitalized. The interest rates were at 2.75%~3.25%. Details are as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Right-of-use assets depreciation expense	\$ 5,978	\$ 5,979	\$ 17,936	\$ 17,475
Interest expense on lease liabilities	\$ 6,043	\$ 6,107	\$ 18,131	\$ 18,448

The above accounts are listed under property, plant and equipment. Please refer to Note 16 for details.

- e. In April, 2023 and July, 2022, ET Pet and Care Pet Bio-Tech subleased their leasehold properties partially in financial leasing, and the initial investments were \$27,691 and \$45,908, respectively. The durations of subleases were the same as the original leases. Care Pet Bio-Tech negotiated modifications to its contracts in consideration of its operating conditions, thereby reducing finance lease receivables by \$1,732, also causing loss from modification of lease contracts at the same amount. The maturity analysis of lease payments receivable under operating subleases was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Within 1 year	\$ 15,365	\$ 12,366	\$ 12,366
1-3 years	25,562	19,185	20,348
3-5 years	13,709	10,613	12,070
More than 5 years	5,250	943	1,414
Total subleasing investment	59,886	43,107	46,198
Unearned finance income	(4,289)	(2,689)	(3,024)
Lease payments receivables (current and non-current)	\$ 55,597	\$ 40,418	\$ 43,174

For credit risk; please refer to Note 32.

- f. Please refer to Note 37 for the details of the right-of-use assets pledged as collateral.

18. Intangible assets

The cost, depreciation, and impairment loss of the Intangible assets of the Group were as follows:

	Goodwill	Trademark	Client rights	Computer software	Other intangible assets	Total
Cost:						
Balance on January 1, 2023	\$ -	\$ 8,357	\$ -	\$ 58,979	\$ 6,629	\$ 73,965
Additions	-	-	-	45,673	-	45,673
Disposal	-	(4,928)	-	(7,186)	(4,861)	(16,975)
Balance on September 30, 2023	\$ -	\$ 3,429	\$ -	\$ 97,466	\$ 1,768	\$ 102,663

	Goodwill	Trademark	Client rights	Computer software	Other intangible assets	Total
Cost:						
Balance on January 1, 2022	\$ 79,165	\$ 271,950	\$ 73,169	\$ 62,609	\$ 19,589	\$ 506,482
Additions	-	3,428	-	7,853	222	11,503
Disposal	-	(27,933)	-	(6,223)	(5,879)	(40,035)
Balance on September 30, 2022	<u>\$ 79,165</u>	<u>\$ 247,445</u>	<u>\$ 73,169</u>	<u>\$ 64,239</u>	<u>\$ 13,932</u>	<u>\$ 477,950</u>
Amortization and impairment loss:						
Balance on January 1, 2023	\$ -	\$ 5,500	\$ -	\$ 39,025	\$ 4,838	\$ 49,363
Amortization for the period	-	857	-	18,746	1,262	20,865
Disposal	-	(4,928)	-	(7,186)	(4,861)	(16,975)
Balance on September 30, 2023	<u>\$ -</u>	<u>\$ 1,429</u>	<u>\$ -</u>	<u>\$ 50,585</u>	<u>\$ 1,239</u>	<u>\$ 53,253</u>
Amortization and impairment loss:						
Balance on January 1, 2022	\$ -	\$ 31,695	\$ 16,463	\$ 38,996	\$ 13,362	\$ 100,516
Amortization for the period	-	1,452	5,488	11,948	3,893	22,781
Disposal	-	(27,933)	-	(6,223)	(5,879)	(40,035)
Balance on September 30, 2022	<u>\$ -</u>	<u>\$ 5,214</u>	<u>\$ 21,951</u>	<u>\$ 44,721</u>	<u>\$ 11,376</u>	<u>\$ 83,262</u>
Carrying amounts:						
January 1, 2023	\$ -	\$ 2,857	\$ -	\$ 19,954	\$ 1,791	\$ 24,602
September 30, 2023	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 46,881</u>	<u>\$ 529</u>	<u>\$ 49,410</u>
January 1, 2022	\$ 79,165	\$ 240,255	\$ 56,706	\$ 23,613	\$ 6,227	\$ 405,966
September 30, 2022	<u>\$ 79,165</u>	<u>\$ 242,231</u>	<u>\$ 51,218</u>	<u>\$ 19,518</u>	<u>\$ 2,556</u>	<u>\$ 394,688</u>

19. Short-term loans

Details of short-term loans of the Group were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank loans	\$ 217,147	\$ 2,450	\$ 102,521
Secured bank loans	336,641	375,000	228,505
Total	<u>\$ 553,788</u>	<u>\$ 377,450</u>	<u>\$ 331,026</u>
Unused credit lines	<u>\$ 1,639,212</u>	<u>\$ 1,614,550</u>	<u>\$ 1,540,974</u>

a. Please refer to Note 21 for the details of the interest rates.

b. Please refer to Note 37 for the details of the related assets pledged as collateral.

20. Short-term notes and bills

Details of short-term notes and bills of the Group were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
No guarantees to pay commercial promissory notes	\$ 100,000	\$ 350,000	\$ 245,000
Guarantees to pay commercial promissory notes	150,000	-	-
Less: discount amount	(263)	(573)	(773)
Carrying amount	<u>\$ 249,737</u>	<u>\$ 349,427</u>	<u>\$ 244,227</u>
Unused credit lines	<u>\$ 342,500</u>	<u>\$ 300,000</u>	<u>\$ 405,000</u>

a. Please refer to Note 21 for the details of the interest rates.

b. Please refer to Note 37 for the details of the related assets pledged as collateral.

21. Notes payable (including related parties)

	September 30, 2023	December 31, 2022	September 30, 2022
Generated from operation	\$ 3,006	\$ 11,163	\$ 9,626
Non-generated from operation	11,820	164,548	177,466
	<u>\$ 14,826</u>	<u>\$ 175,711</u>	<u>\$ 187,092</u>

- a. Notes payable which were not generated from operation were 12 periods of repayment checks issued to the leasing company. Since there were demands for short-term working capital of the Group, the Group signed loan contracts with leasing companies. The loaning duration was lasting for one year.
- b. The interest rates in short-term loans, short-term notes and bills and notes payable are 1.93%~3.5%, 1.53%~3.25% and 1.53%~3.25% on September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

22. Long-term loans

Details, conditions, and terms of long-term loan of the Group were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured loans	\$ 26,000	\$ 35,000	\$ 44,188
Secured bank loans	3,515,101	2,461,457	2,145,412
Less: Current portion	(117,693)	(151,211)	(216,314)
Fees	(26,988)	(22,673)	(25,551)
Total	<u>\$ 3,396,420</u>	<u>\$ 2,322,573</u>	<u>\$ 1,947,735</u>
Duration year	<u>112~126</u>	<u>112~126</u>	<u>112~126</u>
Unused credit lines	<u>\$ 4,512,598</u>	<u>\$ 4,742,567</u>	<u>\$ 5,128,212</u>

- a. Please refer to Note 23 for the details of the interest rates.
- b. Please refer to Note 37 for the details of the related assets pledged as collateral.

23. Long term notes and accounts payable

	September 30, 2023	December 31, 2022	September 30, 2022
Generated from operation	\$ -	\$ 17,300	\$ 29,013
Non-generated from operation	60,000	183,964	217,814
Less: Current portion	(60,000)	(171,264)	(186,827)
	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 60,000</u>

- a. Long term notes payable were 18~24 periods of repayment checks. Since there were demands for working capital of the Group, the Group signed installment purchase contracts.
- b. The interest rates in long-term loans and long-term notes and accounts payable are 2.02%~4.70%, 2.43%~4.52% and 1.9%~4.32% on September 30, 2023, December 31, 2022 and September 30, 2022, respectively.

24. Lease liabilities

Book value of the Group's lease liabilities were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Current	\$ 677,933	\$ 1,083,123	\$ 963,251
Non-current	\$ 4,973,007	\$ 5,425,792	\$ 4,953,657

For the maturity analysis, please refer to Note 32.

Lease amounts recognized as profit or loss were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Interest on lease liabilities	\$ 37,627	\$ 38,722	\$ 119,217	\$ 119,283
Interest capitalized on lease liabilities	\$ 6,043	\$ 6,107	\$ 18,131	\$ 18,448
Variable lease payments not included in the measurement of lease liabilities	\$ 15,437	\$ 16,391	\$ 16,260	\$ 18,265
Expenses relating to short term leases	\$ 91,306	\$ 65,088	\$ 272,801	\$ 240,349
Expenses relating to leases of low value assets, excluding short term leases of low value assets	\$ 263	\$ 387	\$ 872	\$ 913
Covid-19 related rent concessions recognized as other income	\$ -	(\$ 2,329)	\$ -	(\$ 78,668)

Lease amounts recognized in the Statements of Cash Flows were as follows:

	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Total cash outflow for leases	\$ 1,353,453	\$ 1,255,315

- For the nine months ended September 30, 2023 and 2022, newly added lease liabilities amounted to \$138,936 and \$597,755 respectively, and the interest rates were 3.25%~3.50%. Lease period ending dates extend from October 2023 to May 2092. However, For the nine months ended September 30, 2023 and 2022, the Group negotiated modifications to its contracts in consideration of its operating conditions, thereby reducing lease liabilities by \$70,739 and \$131,755, respectively. The information on modifications of the Group's lease contracts, please refer to Note 17 and 31.

- Leases of land and equipment, and buildings

As of September 30, 2023, the Group leased land and buildings for its warehousing operations, office space and retail stores, and the land rights of the group headquarters. The leases of office space typically run for a period of 20 years, retail stores for 1 to 10 years, and land usage rights for 50 to 70 years. Some leases included an option to renew

the lease for an additional period of the same duration after the end of the contract term.

The Group subleased its leasehold properties partially in financial leasing. Please refer to Note 17 for the details.

Some leases of office buildings contained extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which lease is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

c. Other leases

The Group leases outdoor advertising boards and transportation equipment with lease terms of two to five years. In some cases, the Group has options to extend lease terms at the end of the contract term.

The Group also leases IT equipment and machinery with contract terms of one to three years. These leases are short-term or leases of low value items. The Group has elected not to recognize right of use assets and lease liabilities for these leases.

25. Employee benefits

a. Defined benefit plans

The Group used actuarially determined pension costs as of December 31, 2022 and 2021 to measure and disclose pension costs for the interim period as there were no significant market fluctuations, and significant curtailments, settlements or other significant one-time events subsequent to the prior reporting date.

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

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Operating cost	\$ 152	\$ 278	\$ 459	\$ 817
General and administrative expense	69	114	204	358
	<u>\$ 221</u>	<u>\$ 392</u>	<u>\$ 663</u>	<u>\$ 1,175</u>

b. Defined contribution plans

The Group's pension expenses under the defined contribution plans were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Operating cost	\$ 7,563	\$ 6,938	\$ 22,096	\$ 20,972
General and administrative expense	9,040	7,421	25,581	21,071
	<u>\$ 16,603</u>	<u>\$ 14,359</u>	<u>\$ 47,677</u>	<u>\$ 42,043</u>

26. Income taxes

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Current income tax expense				
Current period	\$ 11,646	\$ 18,612	\$ 26,520	\$ 58,727
Undistributed earnings additional tax	-	-	-	4,593
Adjustment for prior periods	-	-	(1,654)	(34)
Income tax (profit) expense	<u>\$ 11,646</u>	<u>\$ 18,612</u>	<u>\$ 24,866</u>	<u>\$ 63,286</u>

The Company's tax returns for the years through 2021 were examined and approved by the tax authority.

27. Capital and other equity

Except for the following disclosure, there were no significant changes in capital and other equity of the Group For the nine months ended September 30, 2023 and 2022. For the related information, please refer to Note 27 of the consolidated financial statements for the year ended December 31, 2022.

a. Ordinary shares

For increasing the return on equity, on March 23, 2022, a resolution was passed in the Boardmeeting for the capital reduction with \$1(NT\$) per share, amounting to \$528,950, cancelling 52,895 ordinary thousand shares, and would be passed in the shareholders' meeting on June 13, 2022. The capital reduction was approved by the Taiwan Stock Exchange on June 30, 2022. The Company's board of directors approved the reference date for capital reduction would be on July 5, 2022. The registration procedures were finished on July 14, 2022. However, the Company resolved to make a capital reduction by \$1,758,123 with the ratio 36.93105921% on March 14, 2023. The resolution was passed in the shareholders' meeting on May 30, 2023 and approved by the Taiwan Stock Exchange on June 26, 2023. The Company's board of directors approved the reference date for capital reduction would be on July 11, 2023. The registration procedures were finished on July 18, 2023. For further information, please refer to the Market Observation Post System.

b. Retained earnings

(a) In respect to the Company's dividend policy, in order to cope with the Company's diversified operations and the capital expenditure required for future expansion of the scope of operations and long-term financial planning, it can be based on the needs of the business climate and industry changes and take into account the interests of shareholders, making appropriate assignments or reservations. Any profit in the annual financial statements shall be paid to all taxes and dues in accordance with the laws and make up for any accumulated deficits, and then set aside 10% of said profits as legal reserve, provided such legal reserve amounts to the total paid-in capital, this provision shall not apply. As well as special reserve appropriation and reversal in accordance with the laws or regulations of the competent authority. If there is still a profit, and the undistributed profit at the beginning of the same period (including adjustment of the amount of undistributed profit), the Board of Directors shall prepare a profit distribution proposal and submit it to the General Meeting of Shareholders for resolution: 1. Shareholders' dividends are allocated with distributable earnings, which

shall not be less than 15% of the current year's distributable earnings and; 2. the cash dividend shall not be less than 10% of the current year; 3. however, if the balance of the distributable earnings of the current year minus the beginning undistributed earnings is less than NT\$0.1 per share, the Company may exempt from this provision. Distribution of the earnings in the preceeding paragraph is authorized after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting; by means of issuing new shares, a resolution shall be submitted to the shareholders' meeting in accordance with the regulations.

On March 14, 2023, the Company's Board of Directors resolved to make a capital reduction, and would not distribute dividends this year for there was net loss in 2022. The resolution was passed in shareholders' meeting on May 30, 2023.

The appropriation of 2021 earnings concerning cash dividends has been approved by the Company's board of directors on March 23, 2022. The rest appropriation of 2021 earnings were resolved by the shareholder's meeting on June 13, 2022. The appropriations were as follows:

	Amount		Dividend per share (NT\$)	
	2022	2021	2022	2021
Legal reserve	\$ -	\$ 74,607	\$ -	\$ -
Special reserve	-	50,654	-	-
Cash dividends	-	528,950	-	1.00

As for the appropriations of 2021 earnings, please visit the Market Observation Post System for more information.

- (b) For the nine months ended September 30, 2022, the Group acquired shares from non-controlling interests, leading changes in shareholdings. This transtracion reduced retained earning of \$5,664. Meanwhile, duet to the changes in investments accounted for using equity method, the Group recognized a reduction in retained earnings of \$207,501.
- (c) For the nine months ended September 30, 2023, due to the changes in investments accounted for using equity method, the Group recognized a reduction in retained earnings of \$202.

c. Other equity (net of tax)

	Foreign currency translation differences for foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation surplus	Total
Balance on January 1, 2023	(\$ 176,758)	\$ 1,290	\$ 31,115	(\$ 144,353)
Exchange differences on foreign operation	58,862	-	-	58,862
Change in other comprehensive income of associates accounted for using equity method	30,999	(4,428)	-	26,571
Balance on September 30, 2023	(\$ 86,897)	(\$ 3,138)	\$ 31,115	(\$ 58,920)

	Foreign currency translation differences for foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation surplus	Total
Balance on January 1, 2022	(\$ 342,910)	(\$ 3,699)	\$ -	(\$ 346,609)
Exchange differences on foreign operation	16,315	-	-	16,315
Change in other comprehensive income of associates accounted for using equity method	225,454	5,867	-	231,321
Balance on September 30, 2022	(\$ 101,141)	\$ 2,168	\$ -	(\$ 98,973)

28. (Loss) earnings per share

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

	For the three months ended September 30	For the three months ended September 30(Note)	For the nine months ended September 30	For the nine months ended September 30(Note)
	2023	2022	2023	2022
Basic (loss) earnings per share				
Profit (loss) attributable to ordinary shareholders of the Company	(\$ 23,254)	(\$ 29,512)	\$ 82,364	\$ 110,228
The weighted average number of ordinary shares outstanding (thousand shares)	300,243	302,543	300,243	336,088
	(\$ 0.08)	(\$ 0.10)	\$ 0.27	\$ 0.33
Diluted (loss) earnings per share				
Profit (loss) attributable to ordinary shareholders of the Company			\$ 82,364	\$ 110,228
The weighted average number of ordinary shares outstanding (thousand shares)			300,243	336,088
Effect of dilutive potential ordinary shares:				
Employee stock bonus			174	548
Loss attributable to ordinary shareholders of the Company (weighted average number of ordinary shares (diluted) on September 31)			300,417	336,636
			\$ 0.27	\$ 0.33

Note: On May 30, 2023, the company resolved at the shareholders' meeting to reduce capital to offset losses, with the reduction base date being July 11, 2023. The impact of the reduction of capital to offset losses has been retrospectively adjusted when calculating earnings (loss) per share.

For the years 2023 and 2022, the periods from July 1 to September 30 and from January 1 to September 30 result in a net loss with no dilutive effect, hence there is no need to disclose diluted earnings per share.

29. Revenue from contracts with customers

a. Details of revenue

For the three months ended September 30					
2023					
	Warehousing	Trading	Media	Others	Total
Sales revenue	-	532,201	-	-	532,201
Media revenue	-	-	492,172	-	492,172
Loading and storage revenue	386,841	-	-	-	386,841
Other revenue	-	58,476	17,326	2,301	78,103
	<u>\$ 386,841</u>	<u>\$ 590,677</u>	<u>\$ 509,498</u>	<u>\$ 2,301</u>	<u>\$ 1,489,317</u>
For the three months ended September 30					
2022					
	Warehousing	Trading	Media	Others	Total
Sales revenue	-	520,040	-	-	520,040
Media revenue	-	-	526,792	-	526,792
Loading and storage revenue	392,622	-	-	-	392,622
Other revenue	-	56,263	22,442	2,166	80,871
	<u>\$ 392,622</u>	<u>\$ 576,303</u>	<u>\$ 549,234</u>	<u>\$ 2,166</u>	<u>\$ 1,520,325</u>
For the nine months ended September 30					
2023					
	Warehousing	Trading	Media	Others	Total
Sales revenue	-	1,613,899	13	-	1,613,912
Media revenue	-	-	1,399,747	-	1,399,747
Loading and storage revenue	1,066,384	-	-	-	1,066,384
Other revenue	-	180,580	49,223	6,812	236,615
	<u>\$ 1,066,384</u>	<u>\$ 1,794,479</u>	<u>\$ 1,448,983</u>	<u>\$ 6,812</u>	<u>\$ 4,316,658</u>
For the nine months ended September 30					
2022					
	Warehousing	Trading	Media	Others	Total
Sales revenue	-	1,568,985	-	-	1,568,985
Media revenue	-	-	1,499,582	-	1,499,582
Loading and storage revenue	1,092,763	-	-	-	1,092,763
Other revenue	-	164,670	66,437	6,685	237,792
	<u>\$ 1,092,763</u>	<u>\$ 1,733,655</u>	<u>\$ 1,566,019</u>	<u>\$ 6,685</u>	<u>\$ 4,399,122</u>

b. Contract balances

	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable- generated from operation	\$ 2,444	\$ 5,143	\$ 4,418
Installment notes receivable	41,973	42,600	41,885
Accounts receivable	451,771	498,841	459,153
Long-term installment notes receivable	67,413	85,344	86,204
Less: Allowance for doubtful accounts	(48,400)	(50,197)	(49,883)
Unrealized interest revenue	(11,163)	(13,610)	(13,573)
	<u>\$ 504,038</u>	<u>\$ 568,121</u>	<u>\$ 528,204</u>
	September 30, 2023	December 31, 2022	September 30, 2022
Contract liability - Commodity Gift Certificates and Special Offer Points	\$ 5,837	\$ -	\$ -
Contract liability advertising services	26,374	28,626	25,994
Contract liability others	34,267	13,497	11,500
Total	<u>\$ 66,478</u>	<u>\$ 42,123</u>	<u>\$ 37,494</u>

- (a) Please refer to Note 9 for the details of accounts receivable and its impairment.
- (b) The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received. There were no significant changes.

30. Remuneration of employees

If the Company makes a profit during the year (referring to profit before tax minus the profit before the distribution of employee compensation), then after deducting any accumulated loss, 3.5% of the balance shall be allocated as employee compensation and the amount allocated shall be used as the current year's expense.

The Company's employee compensation for the three months and nine months ended September 30, 2023 and 2022 are \$3,891, \$(396), \$3,891 and \$6,168, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, multiplied by the percentage of remuneration to employees. These remunerations were expensed under operating costs or expenses during those periods. The differences between the actual distributed amounts, as determined by the board of directors, and those recognized in the financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year. The numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares, one day before the date of the meeting of Board of Directors.

As of December 31, 2022, the Company remained net loss; therefore, no remuneration should be recognized.

For the year ended December 31, 2021, the Company estimated its employee remuneration amounting to \$25,402, respectively. The amounts of employees' and directors' remuneration, as stated in the consolidated financial statements, were identical to the actual distribution amounts for the year 2021. for further information, please refer to the Market Observation Post System.

31. Non-operating income and expenses

a. Interest income

The details of interest income of the Group were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Interest income from bank deposits	\$ 4,148	\$ 2,397	\$ 11,041	\$ 6,115
Interest income from financial assets measured at amortized cost	274	74	849	181
Other interest income	783	373	2,159	398
	<u>\$ 5,205</u>	<u>\$ 2,844</u>	<u>\$ 14,049</u>	<u>\$ 6,694</u>

b. Other income

The details of other revenue of the Group were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Rental income	\$ 10,003	\$ 16,374	\$ 32,768	\$ 42,286
Dividend income	3,858	58,608	30,204	64,422
Other revenue (Note)	4,708	8,512	62,044	121,265
	<u>\$ 18,569</u>	<u>\$ 83,494</u>	<u>\$ 125,016</u>	<u>\$ 227,973</u>

Note: Other income includes rent reductions of the Group due to the Covid-19 pandemic. For the three months and the nine months ended September 30, 2022, the amounts were \$2,329 and \$78,668, respectively. Please refer to Note 24 for details.

c. Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Gain (loss) on disposal of property, plant, and equipment	\$ -	\$ 26	\$ 253	\$ 1,722
Lease modification benefits (loss)	1,429	17	2,080	(286)
Foreign exchange gain (loss)	1,568	(11,668)	3,119	(23,632)
Net (loss) gain on evaluation of financial assets at fair value through profit or loss	(10,881)	(176,598)	77,664	(282,984)
Loss on disposal of investments	(23,544)	-	(63,147)	-
Other income (loss)	(3,356)	(3,300)	(1,264)	(11,021)
	<u>(\$ 34,784)</u>	<u>(\$ 191,523)</u>	<u>\$ 18,705</u>	<u>(\$ 316,201)</u>

d. Finance costs

The Group's finance costs were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Interest expenses - lease liabilities	\$ 37,627	\$ 38,722	\$ 119,217	\$ 119,283
Interest expenses - bank loans	25,041	20,061	66,978	48,590
Finance expense	5,507	5,078	13,876	9,484
	68,175	63,861	200,071	177,357
Less: operating costs	(206)	-	(746)	-
	<u>\$ 67,969</u>	<u>\$ 63,861</u>	<u>\$ 199,325</u>	<u>\$ 177,357</u>

32.

Financial instruments

a. Credit risk

(a) Credit risk exposure

As of September 30, 2023, December 31, 2022 and September 30, 2022, the maximum credit exposure for the Group originates from possible non-fulfillment of obligations by counterparties and from financial losses arising from financial guarantees provided by the Company, mainly from:

- The carrying amount of financial assets recognized in the consolidated balance sheet; and
- The amount of liabilities as a result from the Group providing financial guarantees to its customers was \$3,398,755, \$3,302,085, and \$3,142,597.

(b) Concentration of credit risk

The Group caters to a large group of customers; therefore, there is no concentration of regional credit risk.

For credit risk exposure of notes and accounts receivable, please refer to Note 9.

All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. (Regarding how the financial instruments are considered to have low credit risk, please refer to Note 4g the consolidated financial statements for the year ended December 31, 2022.)

As of September 30, 2023 and 2022, there was no allowance for other receivables.

b. Liquidity risk

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

	Carrying amount	Contractual cash flows	Within 1 year	1-3 years	3-5 years	More than 5 years
September 30, 2023						
Non derivative financial liabilities						
Loans	\$ 4,067,901	\$ 4,813,259	\$ 798,157	\$ 1,278,855	\$ 494,648	\$ 2,241,599
Short term notes and bills payable	249,737	250,000	250,000	-	-	-
Payables (current and non-current)	1,640,415	1,641,946	1,641,946	-	-	-
Lease liabilities (current and non-current)	5,650,940	7,247,980	835,886	1,256,247	796,419	4,359,428
Guarantee deposits received	4,465	4,465	-	4,465	-	-
	\$ 11,613,458	\$ 13,957,650	\$ 3,525,989	\$ 2,539,567	\$ 1,291,067	\$ 6,601,027
	Carrying amount	Contractual cash flows	Within 1 year	1-3 years	3-5 years	More than 5 years
December 31, 2022						
Non derivative financial liabilities						
Loans	\$ 2,851,234	\$ 3,307,230	\$ 608,538	\$ 1,077,002	\$ 271,733	\$ 1,349,957
Short term notes and bills payable	349,427	350,000	350,000	-	-	-
Payables (current and non-current)	1,631,858	1,637,351	1,607,275	30,076	-	-
Lease liabilities (current and non-current)	6,508,915	8,237,273	1,259,897	1,394,785	934,006	4,648,585
Guarantee deposits received	4,185	4,185	-	4,185	-	-
	\$ 11,345,619	\$ 13,536,039	\$ 3,825,710	\$ 2,506,048	\$ 1,205,739	\$ 5,998,542
	Carrying amount	Contractual cash flows	Within 1 year	1-3 years	3-5 years	More than 5 years
September 30, 2022						
Non derivative financial liabilities						
Loans	\$ 2,495,075	\$ 2,804,103	\$ 612,428	\$ 1,034,113	\$ 247,905	\$ 909,657
Short term notes and bills payable	244,227	245,000	245,000	-	-	-
Payables (current and non-current)	1,390,803	1,398,160	1,337,785	60,375	-	-
Lease liabilities (current and non-current)	5,916,908	7,637,393	1,124,620	998,866	814,347	4,699,560
Guarantee deposits received	4,192	4,192	-	4,192	-	-
	\$ 10,051,205	\$ 12,088,848	\$ 3,319,833	\$ 2,097,546	\$ 1,062,252	\$ 5,609,217

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

c. Exchange rate risk

(a) Exposure to exchange rate risk

The Group's financial assets and liabilities exposed to exchange rate risk were as follows:

	September 30, 2023				December 31, 2022				September 30, 2022						
	Foreign Currency	Exchange Rate	TWD		Foreign Currency	Exchange Rate	TWD		Foreign Currency	Exchange Rate	TWD				
Financial assets															
Monetary items															
USD:TWD	\$	438	32.270	\$	14,149	\$	149	30,712	\$	4,575	\$	169	31,750	\$	5,368
USD:HKD		4,121	7.827		132,998		6,037	7,798		185,403		6,045	7,851		191,943
USD:CNY		42	7.309		1,353		42	6,967		1,288		42	7,098		1,196
HKD:TWD		72,288	4.123		298,042		8	3,938		31		8	4,044		32
Non-monetary items															
USD:TWD	\$	37,916	32.270	\$	1,223,551	\$	43,214	30,712	\$	1,327,108	\$	65,298	31,750	\$	2,073,226
HKD:TWD		72,563	4.123		299,210		14,835	3,938		58,419		15,327	4,044		61,983
CNY:HKD		1,471	1.071		6,493		1,578	0,893		6,958		1,596	1,106		7,139
HKD:USD		328,171	0.128		1,399,424		364,257	0.128		1,433,792		527,814	0.127		2,147,196
Financial liabilities															
Monetary items															
USD:TWD	\$	3,591	32.270	\$	115,884	\$	5,757	30,712	\$	176,807	\$	5,813	31,750	\$	184,555

(b) Sensitivity analysis

The Group's exposure to exchange rate risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable, and other payables that are denominated in foreign currency. If the TWD, when compared with each major foreign currency, had appreciated or depreciated 1% (with other factors remaining constant on the reporting date), net (loss) profit before tax would have respectively increased or decreased by \$2,548, \$(13), \$3,307 and \$140 for the three months and nine months ended September 30, 2023 and 2022, respectively. The analysis is performed on the same basis for both periods.

As the Group deals in diverse foreign currencies, gains or losses on foreign exchange are summarized as a single amount. For the three months and nine months ended September 30, 2023 and 2022, foreign currency exchange gains (losses) (including realized and unrealized) amounted \$1,568, \$(11,668), \$3,119 and \$(23,632), respectively.

d. Interest rate analysis

The interest risk exposure of the Group's financial assets and liabilities is described in the note on market risk management.

The following sensitivity analysis is based on the exposure to interest rate risk of the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities on the reporting date have been outstanding for the whole year. The Group's internal management reported the increases/decreases in interest rates, and changes in interest rates of one basis point are considered by management to be reasonably possible.

If the interest rate had increased or decreased by 1% and assuming all other variable factors remained constant, the Group's net (loss) profit after tax would have respectively increased or decreased by \$5,078, \$(4,214), \$22,841 and \$(10,579) for the three months and nine months ended September 30, 2023 and 2022. This is mainly due to the Group's variable rate deposit and borrowing.

e. Other market price risk

Sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Price of securities at reporting date	For the nine months ended September 30 2023		For the nine months ended September 30 2022	
	Other comprehensive income after tax	Net income	Other comprehensive income after tax	Net income
Increasing 3%	\$ 225	\$ 37,360	\$ 225	\$ 31,176
Decreasing 3%	(225)	(37,360)	(225)	(31,176)

f. Fair value of financial instruments

(a) Fair value hierarchy

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

is not required.

September 30, 2023	Book Value	Fair value				Total
		Level 1	Level 2	Level 3		
Financial assets at fair value through profit or loss						
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 1,245,323	\$ 1,245,323	\$ -	\$ -		\$ 1,245,323
Financial assets at fair value through other comprehensive income	7,500	-	-	7,500		7,500
Financial assets at fair value through profit or loss						
Cash and cash equivalents	1,619,453					
Notes and accounts receivable (including related parties)	441,051					
Other receivables (including related parties)	132,202					
Other current financial assets	93,058					
Long-term notes and accounts payable (including related parties)	62,987					
Refundable deposits	440,155					
Other non-current financial assets	174,659					
Financial liabilities measured at amortized cost						
Short-term loans	553,788					
Short term notes and bills payable	249,737					
Notes and accounts payable (including related parties)	367,672					
Other payables (including related parties)	1,212,743					
Long-term loans (including current portion of long-term loans)	3,514,113					

September 30, 2023	Book Value	Fair value			
		Level 1	Level 2	Level 3	Total
Lease liabilities (current and non-current)	5,650,940				
Long-term notes and accounts payable (including current portion of long-term notes and accounts payable)	60,000				
Guarantee deposits received	4,465				

December 31, 2022	Book Value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 1,073,448	\$ 1,073,448	\$ -	\$ -	\$ 1,073,448
Financial assets at fair value through other comprehensive income	7,510	-	-	7,510	7,510
Financial assets at fair value through profit or loss					
Cash and cash equivalents	1,914,254				
Notes and accounts receivable (including related parties)	492,038				
Other receivables (including related parties)	128,874				
Other current financial assets	38,055				
Long-term notes and accounts payable (including related parties)	76,083				
Refundable deposits	432,274				
Other non-current financial assets	133,040				
Financial liabilities measured at amortized cost					
Short-term loans	377,450				
Short term notes and bills payable	349,427				
Notes and accounts payable (including related parties)	556,967				
Other payables (including related parties)	873,627				
Long-term loans (including current portion of long-term loans)	2,473,784				
Lease liabilities (current and non-current)	6,508,915				
Long-term notes and accounts payable (including current portion of long-term notes and accounts payable)	201,264				
Guarantee deposits received	4,185				

September 30, 2022	Book Value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 1,039,193	\$ 1,039,193	\$ -	\$ -	\$ 1,039,193
Financial assets at fair value through other comprehensive income	7,510	-	-	7,510	7,510
Financial assets at fair value through profit or loss					
Cash and cash equivalents	1,595,816				
Notes and accounts receivable (including related parties)	472,131				
Other receivables (including related parties)	138,596				
Other current financial assets	46,452				
Long-term notes and accounts payable (including related parties)	76,073				
Refundable deposits	451,132				
Other non-current financial assets	131,063				
Financial liabilities measured at amortized cost					
Short-term loans	331,026				
Short term notes and bills payable	244,227				
Notes and accounts payable (including related parties)	490,716				
Other payables (including related parties)	653,260				
Long-term loans (including current portion of long-term loans)	2,164,049				
Lease liabilities (current and non-current)	5,916,908				
Long-term notes and accounts payable (including current portion of long-term notes and accounts payable)	246,827				
Guarantee deposits received	4,192				

(b) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

(b-1) Financial assets measured at amortized cost and financial liabilities measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are

adopted. If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted price are available, estimates shall be used. The estimates and assumptions used in the evaluation method shall be the discounted value of cash flows to estimate the fair value.

(c) Valuation techniques for financial instruments measured at fair value

(c-1) Non-derivative financial instruments

If there is a quoted market price in an active market for a financial instrument, the fair value is based on the quoted market price in an active market. The fair value of listed (over-the-counter) equity instruments and debt instruments with quoted prices in active markets are based on quoted market prices on major exchanges and over-the-counter (OTC) central government bond marketplaces, which are judged to be popular securities.

A financial instrument is publicly quoted in an active market if quoted prices are readily and consistently available from exchanges, brokers, underwriters, industry associations, pricing services authorities, or regulatory authorities, and if those prices represent prices that are representative of actual and regularly occurring fair market activity. If the above conditions are not met, the market is considered inactive. In general, large bid-ask spreads, significant increases in bid-ask spreads, or low trading volume are indicators of an inactive market.

The fair values of the Group's financial assets and liabilities, such as shares, funds and bonds of listed companies, with standard terms and conditions and traded in active markets, are determined by reference to quoted market prices, respectively.

Except for the above-mentioned financial instruments for which there is an active market, the fair values of other financial instruments are based on valuation techniques or quoted prices with reference to counterparties.

(c-2) Derivative financial instruments

Derivative financial instruments are valued based on widely accepted valuation models, such as discounted and option pricing models. Structured interest rate derivative financial instruments are valued using an appropriate option pricing model (e.g., Black-Scholes model) or other valuation techniques, such as Monte Carlo simulation.

(d) Transfers between Level 1 and Level 2

There was no transfer between Level 1 and Level 2 for the nine months ended September 30, 2023 and 2022.

(e) Reconciliation of Level 3 fair values

There was no fair value through other comprehensive income recognized for the nine months ended September 30, 2023 and 2022.

(f) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value are "Financial assets at fair value through other comprehensive income."

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Interrelationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income equity investments without an active market	Market comparable companies	<ul style="list-style-type: none"> • Price to book ratio multiple (1.59, 1.29 and 1.29 as of September 30, 2023, December 31, 2022 and September 30, 2022, respectively) • Discount for lack of marketability (20%) • Net Asset Value 	<ul style="list-style-type: none"> • The higher the multiple, the higher the fair value • The higher the discount, the lower the fair value
Financial assets at fair value through other comprehensive income equity investments without an active market	Net Asset Value Method		• Not applicable

(g) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's fair value measurement of financial instruments is reasonable, but using different evaluation models or evaluation parameters may result in different evaluation results. For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

		Rate	Other comprehensive income	
	Inputs	increasing or decreasing	Favourable	Unfavourable
September 30, 2023				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Price to book ratio multiple	1%	\$ 157	(\$ 157)
Equity investments without an active market	Discount for lack of marketability	1%	157	(157)
December 31, 2022				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Price to book ratio multiple	1%	\$ 124	(\$ 124)
Equity investments without an active market	Discount for lack of marketability	1%	124	(124)

	Inputs	Rate increasing or decreasing	Other comprehensive income	
			Favourable	Unfavourable
September 30, 2022				
Financial assets at fair value through other comprehensive income				
Equity investments without an active market	Price to book ratio multiple	1%	\$ 121	(\$ 121)
Equity investments without an active market	Discount for lack of marketability	1%	121	(121)

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

33. Financial risk management

There were no significant changes in the Group's financial risk management objectives and policies as disclosed in Note 33 of the consolidated financial statements for the year ended December 31, 2022.

34. 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 34 of the consolidated financial statements for the year ended December 31, 2022 for further details.

35. Investing and financing activities not affecting current cash flow

The Group's investing activities which did not affect the current cash flow September 30, 2023 and 2022, were as follows:

	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Acquisition of property, plant and equipment	\$ 1,416,974	\$ 448,304
Add: Notes payable January 1	–	706
Other payables January 1	162,265	35,854
Less: Interest and depreciation capitalization	(58,762)	(36,992)
Other payables September 30	(405,549)	(65,020)
Cash paid in this period	<u>\$ 1,114,928</u>	<u>\$ 382,852</u>

	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Acquisition of intangible assets	\$ 45,673	\$ 11,503
Other payables January 1	3,430	149
Other payables September 30	(204)	(362)
Cash paid in this period	<u>\$ 48,899</u>	<u>\$ 11,290</u>

For the details for obtaining right-of-use assets by leasing, please refer to Note 17.

The Group's financing activities which did not affect the current cash flow September 30, 2023 and 2022, were as follows:

	January 1, 2023	Cash flows	Non-cash changes		September 30, 2023
			Discount	Amortization of financing use commitment fees	
Short term notes and bills payable	\$ 349,427	(\$ 100,000)	\$ 310	\$ -	\$ 249,737
Long-term loans	2,473,784	1,044,644	-	(4,315)	3,514,113
Total	<u>\$ 2,823,211</u>	<u>\$ 944,644</u>	<u>\$ 310</u>	<u>(\$ 4,315)</u>	<u>\$ 3,763,850</u>

	January 1, 2022	Cash flows	Non-cash changes		September 30, 2022
			Discount	Amortization of financing use commitment fees	
Short term notes and bills payable	\$ 79,848	\$ 165,000	(\$ 621)	\$ -	\$ 244,227
Long-term loans	1,241,674	941,267	-	(18,892)	2,164,049
Total	<u>\$ 1,321,522</u>	<u>\$ 1,106,267</u>	<u>(\$ 621)</u>	<u>(\$ 18,892)</u>	<u>\$ 2,408,276</u>

36. Related party transactions

a. Names and relationship with related parties

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

Name of related party	Relationship with the Group
Eastern Home Shopping & Leisure Co., Ltd. (EHS)	An associate
Natural Beauty Bio-Technology Co., Ltd. (Natural Beauty)	An associate
Strawberry Cosmetics Holdings Limited	An associate
Eastern New Retail Department (EIM) Co., Ltd. (ET New Retail Department)	An associate
Happy Shopping CO., LTD.	An associate
Yong Liang social E-commerce Co., Ltd. (Yong Liang E-commerce)	An associate
Chinese Non-Store Retailer Association (Non-Store)	Other related parties
Chunghwa New Media Industry Development Association (Chunghwa New Media)	Other related parties
Taiwan Huangjue Trading Co., Ltd. (Huangjue)	Other related parties (Note 1)
Inforcharge Co., Ltd. (Inforcharge)	Other related parties
Xu Bon Development Co., Ltd. (Xu Bon)	Other related parties
Dongsen Personal Insurance Agent Co., Ltd.	Other related parties
EIP TV Co., Ltd. (EIP)	Other related parties
Eastern E-Commerce Co., Ltd. (Eastern E-Commerce)	Other related parties
Dongsen Non-life Insurance Agent Co. Ltd. (Dongsen Non-life Insurance)	Other related parties
Dongsen Health Biotechnology Co., Ltd. (Dongsen Health Biotechnology)	Other related parties
Eastern Realty Co., Ltd.	Other related parties (Note 2)
Dongsen wang hong Co., Ltd. (Dongsen wang hong)	Other related parties

Name of related party	Relationship with the Group
Dongsen Social Welfare Foundation (Dongsen Social Welfare)	Other related parties
Sen Yue Chuan Bo Co., Ltd. (Sen Yue Chuan Bo)	Other related parties
Quantum Entertainment Production Co., Ltd. (Quantum Entertainment)	Other related parties
Xing Kai Media Co., Ltd. (Xing Kai Media)	Other related parties
Asia Animal Medical Association (AAMA)	Other related parties
Taiwan Information and Communication Association	Other related parties
E-Happy Travel Co., Ltd. (E-Happy Travel)	Other related parties
FAR RICH INTERNATIONAL CORPORATION (FAR RICH)	Key management
All Directors, Supervisors, general manager and vice personnel general of the Group	Key management personnel (Note 1)

Note 1: Since September 23, 2022, due to the merger of Oscar, Pet Kingdom and Kaou Sin, Huangjue and Fangcheng Su were not related parties.

Note 2: The original Eastern Realty Co., Ltd. was renamed as Eastern Beauty Company Ltd. on April 7, 2023.

b. Significant transactions with related parties

(a) Sales of goods and services

The amounts of significant sales transactions between the Group and related parties were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Associates	\$ 21,290	\$ 21,100	\$ 62,166	\$ 67,461
Other related parties	5,375	3,073	12,734	28,960
Key management	3,024	2,000	7,310	5,429
	<u>\$ 29,689</u>	<u>\$ 26,173</u>	<u>\$ 82,210</u>	<u>\$ 101,850</u>

The above revenues consist of program production revenue and project planning service revenue.

Transaction terms for the above are the same as those for ordinary transactions.

(b) Purchase of goods

(b-1) The amounts of significant purchase transactions between the Group and related parties were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Associates	\$ 6,036	\$ 353	\$ 7,878	\$ 975
Other related parties	364	23,749	364	76,000
	<u>\$ 6,400</u>	<u>\$ 24,102</u>	<u>\$ 8,242</u>	<u>\$ 76,975</u>

(b-2) The amount of programs production and other between the Group and related parties were as follows:

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Associates	\$ 142	\$ 2,283	\$ 411	\$ 7,972
Other related parties	18,852	19,131	56,473	99,033
Key management	2,810	2,286	7,667	6,286
	<u>\$ 21,804</u>	<u>\$ 23,700</u>	<u>\$ 64,551</u>	<u>\$ 113,291</u>

Transaction terms for the above are the same as those for ordinary transactions.

(c) Receivables

Accounts	Related parties	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable	FAR RICH	\$ -	\$ 2,550	\$ 2,521
Long-term accounts receivable	EIP	53,566	76,083	76,073
Accounts receivable	Associates	1,431	1,695	2,928
Accounts receivable	EHS	15,548	22,598	20,652
Accounts receivable	Other related parties	486	1,298	610
Accounts receivable	EIP	18,156	4	2
Accounts receivable	Xu Bon	335	8,675	6,422
Other receivables	Associates	108	39	-
Other receivables	EHS	552	5,532	3,874
Other receivables	Natural Beauty	520	579	384
Other receivables	Other related parties	10	41	17
		\$ 90,712	\$ 119,094	\$ 113,483

The Group took installment sale with EIP, and collecting installment notes receivable at an annual interest rate of 4.5% plus interest. In addition, the interest received by the Group was \$837, \$856, \$2,550 and \$2,567 for the three months and nine months ended September 30, 2023 and 2022, respectively.

(d) Payables

Accounts	Related parties	September 30, 2023	December 31, 2022	September 30, 2022
Notes payable	FAR RICH	-	2,550	2,521
Accounts payable	Associates	-	2	-
Accounts payable	EHS	6,215	714	275
Accounts payable	Other related parties	365	95	488
Accounts payable	Xu Bon	29,139	49,473	29,515
Accounts payable	EIP	21,798	15,253	15,818
Other payables	Associates	174	161	426
Other payables	EHS	3,054	11,983	4,058
Other payables	Other related parties	261	526	1,003
Other payables	E-Happy Travel	1,800	-	-
Other payables	Eastern E-Commerce	1,257	21	14
Other payables	Dongsen Social Welfare	-	-	1,200
		\$ 64,063	\$ 80,778	\$ 55,318

(e) Prepayments, advance receipts and contract liabilities

Details of contract liabilities / prepayments from related parties to the Group were as follows:

Accounts	Related parties	September 30, 2023	December 31, 2022	September 30, 2022
Prepayments	Other related parties	6,653	6,150	-
		\$ 6,653	\$ 6,150	\$ -
Accounts	Related parties	September 30, 2023	December 31, 2022	September 30, 2022
Contract liabilities	Associates	310	-	20
		\$ 310	\$ -	\$ 20

(f) Endorsement / Guarantee provided

For the three months and nine months ended September 30, 2023 and 2022 the remuneration paid to related parties for providing guarantees on the loans taken out by the Group was amounted to \$524, \$363, \$1,347 and \$792, respectively. As of September 30, 2023, December 31, 2022 and September 30, 2022, the Group's remuneration payable was amounted to \$515, \$382 and \$352, respectively.

(g) Leases

(g-1) The Group rents out part of its office space and equipment to fulfill related parties' business requirements. The rental revenues for the three months and nine months ended September 30, 2023 and 2022 were amounted to \$295, \$376, \$887 and \$1,090, respectively.

(g-2) As the Group applied on the remission of short-term lease contract of IFRS 16, the rental expenses for the three months and nine months ended September 30, 2023 and 2022 were amounted to \$1,221, \$429, \$4,136 and \$1,523, respectively.

(g-3) The Group leased right-of-use of office spaces and pet stores from its related party in August and December 2022, respectively. The lease terms of the two contracts were 2 years and 10 years, respectively; the rental is based on similar asset's market rental rates. The contract values were \$39,142 listed under right-of-use assets and lease liabilities. In March 2023, the Group negotiated to shorten the duration of contracts in consideration of its operating conditions, thereby reducing right-of-use assets and lease liabilities by \$17,633. For the three months and nine months ended September 30, 2023 and 2022, the interest expenses of lease liabilities were \$142, \$-, \$505 and \$-, respectively. As of September 30, 2023, the ending balance of lease liabilities was \$17,126.

(g-4) Transaction terms for the above are the same as those ordinary transactions.

(h) Acquisition of property, plant and equipment

	For the three months ended September 30	For the three months ended September 30	For the nine months ended September 30	For the nine months ended September 30
Related parties	2023	2022	2023	2022
Other related parties	-	-	-	179
	\$ -	\$ -	\$ -	\$ 179

(i) Acquisition of intangible assets

	For the three months ended September 30	For the three months ended September 30	For the nine months ended September 30	For the nine months ended September 30
Related parties	2023	2022	2023	2022
Associates	\$ -	\$ -	\$ -	\$ 222
FAR RICH	-	-	39,088	-
	\$ -	\$ -	\$ 39,088	\$ 222

In February 2023, the consolidated subsidiary, MOOD purchased MOOD APP from FAR RICH. The value of the contract was \$39,088.

(j) Other

(j-1) For the three months and nine months ended September 30, 2023 and 2022, the Group paid operating fees to associates, key management (juridical person director), and other related parties to fulfill its business requirements were amounted \$4,048,

\$8,996, \$16,433 and \$16,489, respectively.

(j-2) In order to follow its operating plan, the Group donated \$-, \$3,200, \$4,350 and \$5,700 to related parties in related industries for the three months and nine months ended September 30, 2023 and 2022, respectively.

(j-3) For the three months and nine months ended September 30, 2023 and 2022, the Group received non-operating revenue from related parties amounted \$540, \$64, \$644 and \$4,640, respectively.

(j-4) In January 2022, the Group acquired the shares of Oscar from key management personnel at the price \$45,360. The transaction price has been fully paid.

c. Key management personnel compensation

	For the three months ended September 30 2023	For the three months ended September 30 2022	For the nine months ended September 30 2023	For the nine months ended September 30 2022
Short-term employee benefits	\$ 17,036	\$ 15,811	\$ 50,841	\$ 49,732

37. Pledged assets

Pledged assets of the Group were as follows:

Assets	Purpose of pledge	September 30, 2023	December 31, 2022	September 30, 2022
Property, plant and equipment	Short-term and long-term loans	\$ 767,542	\$ 776,296	\$ 955,996
Investments accounted for using equity method	Long-term loans	1,531,918	1,321,177	2,170,848
Other current financial assets-demand deposits	Reserve and its interest	23,369	34,134	42,552
Refundable deposits	Bid bonds, performance bonds and security deposits	381,174	373,432	391,370
Other non-current financial assets—reserve account	Deposit in long-term loans	117,042	103,875	99,051
Investments accounted for using equity method for subsidiary (Note)	Long-term loans	-	-	26,042
Current financial assets at fair value through profit or loss	Short-term loans and short-term notes and bills payable	441,733	543,235	102,773
Right-of-use assets	Long-term loans	1,143,351	1,161,287	1,167,266
		\$ 4,406,129	\$ 4,313,436	\$ 4,955,898

Note: The investments accounted for using equity method for subsidiary's stocks have been written off in the preparation of consolidated financial statement.

38. Significant commitments and contingencies

a. Major commitments were as follows:

(a)Unused standby letters of credit:

	September 30, 2023	December 31, 2022	September 30, 2022
Unused standby letters of credit	\$ 188,946	\$ -	\$ -

(b)The Company and its subsidiary-EHR had signed contracts relating to manage resorts in Linkuo and Yilan, and also had signed services agreements relating to the hotel's business and authorization with Formosa international hotels corporation. The Company and EHR should pay expenses proportionally while the services provided by Formosa international hotels corporation achieve the standards as the contracts recorded.

(c)Unrecognized contractual commitments:

The Group's unrecognized contractual commitments are as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Total contract price	\$ 5,427,781	\$ 3,687,320	\$ 1,306,007
Accounted amount	\$ 2,236,522	\$ 968,876	\$ 437,122

b. Contingent liabilities were as follows:

- (a) On October 27, 2008, the Securities and Futures Investors Protection Center (the SFIPC) filed a lawsuit to the Taipei District Court against the ex-chairman and the general manager of the Company, together with all the previous directors and supervisors, alleging the offense of gaining an illegal benefit for Chia Hsin and Synthetic Fiber Co., Ltd. as well as for the family members of the ex-chairman. The prosecution is based on the alleged ill-gotten assets from the Company by means of false commodity transactions and capital increment in the name of Eastern International Lease Finance Co., Ltd. and Tung Kai Lease Finance Co., Ltd. (both are subsidiaries of the Company). The SFIPC also demanded the compensation of \$41,038. The Taipei District Court ruled that the Company violated the Commercial Company Act. However, both the ex-chairman and the general manager were acquitted, and not only did the Company did not bear any losses from the said transaction above, but on the contrary, it gained a profit amounting to \$6,894, plus an additional 5% interest arising from the delayed payment amounting to \$6,884 with a total amount around \$13,000. In other words, the transaction did not do any damage to the Company and its shareholders. As a result, the appeal filed against the Company was denied by the Taipei District Court on December 5, 2012. However, the SFIPC was not satisfied with the decision made by the court. Therefore, it filed another appeal, this time with the Taiwan High Court, demanding compensation amounting to \$22,664. The appeal was denied on December 3, 2013. Nevertheless, the SFIPC filed an appeal once more with the Taiwan High Court on December 24, 2013. The case was transferred from the Supreme Court to the High Court on April 23, 2015, for further investigation. On May 10, 2017, the Taiwan High Court ruled against SFIPC. Therefore, SFIPC filed an appeal to the Supreme Court on June 6, 2017. On February 23, 2021, the Taiwan High Court still ruled against SFIPC. However, SFIPC filed an appeal and the Supreme Court retimed to the High Court for a third trial. Currently, the arbitration process is still in progress and the results have yet to be determined.
- (b) The Company and its subsidiary, FESS Panama, jointly chartered and returned the ship to South Korea's Sammok Shipping Co., Ltd. (hereinafter referred to as Sammok) at Kaohsiung Port in accordance with the contract signed on August 10, 2018. Sammok believed that the ship still has many defects due to its usual operation and negligence of maintenance; hence, submitted arbitration to the London Maritime Arbitration Association. The Company also filed a statement of defense to the arbitral tribunal in July 2019. Currently, the arbitration process is still in progress and the results have yet to be determined.
- (c) The Company established a legal affair department and hired external counselors to handle its legal affairs. As of September 30, 2023, December 31, 2022 and September 30, 2022, all unsettled lawsuits had no impact on its financial and business operation.

39. Losses Due to Major Disasters: None.

40. Subsequent Events:

For operating purpose and constructing buildings, the board of directors of the consolidated subsidiary, Eastern Asset, resolved a capital injection by cash with an investment amount of \$500,000 on October 20, 2023. This capital injection would be participated by the Company and EHS in proportion to the shareholding ratio.

41. Other

- a. A summary of current period employee benefits, depreciation, and amortization, by function, is as follows:

By nature	By function	For the three months ended September 30		
		2023		
	Operating cost	Operating expense	Total	
Employee benefits				
Salary	\$ 165,665	\$ 225,671	\$ 391,336	
Health and labor insurance	15,835	17,633	33,468	
Pension	7,715	9,109	16,824	
Others	3,020	3,729	6,749	
Depreciation expense	247,213	84,107	331,320	
Amortization expense	4,367	2,913	7,280	

By nature	By function	For the three months ended September 30		
		2022		
	Operating cost	Operating expense	Total	
Employee benefits				
Salary	\$ 160,008	\$ 193,074	\$ 353,082	
Health and labor insurance	14,490	14,923	29,413	
Pension	7,216	7,535	14,751	
Others	2,179	3,232	5,411	
Depreciation expense	236,454	77,212	313,666	
Amortization expense	3,537	3,923	7,460	

By nature	By function	For the nine months ended September 30		
		2023		
	Operating cost	Operating expense	Total	
Employee benefits				
Salary	\$ 493,710	\$ 656,935	\$ 1,150,645	
Health and labor insurance	48,498	52,757	101,255	
Pension	22,555	25,785	48,340	
Others	8,914	11,982	20,896	
Depreciation expense	742,615	257,759	1,000,374	
Amortization expense	13,016	7,849	20,865	

By function	For the nine months ended September 30		
	2022		
By nature	Operating cost	Operating expense	Total
Employee benefits			
Salary	\$ 468,112	\$ 574,546	\$ 1,042,658
Health and labor insurance	45,366	44,314	89,680
Pension	21,789	21,429	43,218
Others	8,490	9,356	17,846
Depreciation expense	760,079	229,897	989,976
Amortization expense	10,915	11,866	22,781

b. Seasonality of operation:

The Group's operations were not affected by seasonal fluctuations.

42. Other disclosures

a. Information on significant transactions:

The following is the information on significant transactions required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the Group for the nine months ended September 30, 2023.

- (a) Please refer to Table 1 for the loans to other parties.
- (b) Please refer to Table 2 for the guarantees and endorsements for other parties.
- (c) Please refer to Table 3 for the securities held as of September 30, 2023 (excluding investment in subsidiaries, associates and joint ventures).
- (d) Please refer to Table 4 for the individual securities acquired or disposed of at costs or prices of at least \$300 million or 20% of the paid-in capital.
- (e) Acquisition of individual real estate at costs of at least \$300 million or 20% of the paid-in capital: None.
- (f) Disposal of individual real estate at prices of at least \$300 million or 20% of the paid-in capital: None.
- (g) Total purchases from or sales to related parties of at least \$100 million or 20% of the paid-in capital: None.
- (h) Please refer to Table 5 for the receivables from related parties of at least \$100 million or 20% of the paid-in capital.
- (i) Trading in derivative instruments: None.
- (j) Please refer to Table 6 for the business relationships and significant intercompany transactions.

b. Information on investees

Please refer to Table 7 for the information on investees for the nine months ended September 30, 2023.

c. Information on investment in Mainland China

- (a) Please refer to Table 8 for the relevant information such as the name and main business items of the investee company in Mainland China.
- (b) Please refer to Table 8 for the limitation on investment in Mainland China
- (c) Please refer to Table 8 for the significant transactions with investee companies in Mainland China.

d. Major shareholders

Please refer to Table 9 for the major shareholders for the nine months ended September 30, 2023.

43. Segment information

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

	Warehousing	Trading	Media	Tourism	Others	Total
For the three months ended September 30, 2023						
Revenue:						
Revenue from external customers	\$ 386,841	\$ 590,677	\$ 509,498	-	\$ 2,301	\$1,489,317
Reportable segment profit or loss before tax	\$ 110,742	(\$ 7,803)	(\$ 24,218)	(\$ 14,662)	(\$ 92,945)	(\$ 28,886)
For the three months ended September 30, 2022						
Revenue:						
Revenue from external customers	\$ 392,622	\$ 576,303	\$ 549,234	-	\$ 2,166	\$1,520,325
Reportable segment profit or loss before tax	\$ 120,385	\$ 53,106	\$ 26,611	(\$ 13,836)	(\$ 203,280)	(\$ 17,014)
For the nine months ended September 30, 2023						
Revenue:						
Revenue from external customers	\$1,066,384	\$1,794,479	\$1,448,983	-	\$ 6,812	\$4,316,658
Reportable segment profit or loss before tax	\$ 309,235	\$ 16,276	(\$ 109,074)	(\$ 40,474)	(\$ 113,809)	\$ 62,154
For the nine months ended September 30, 2022						
Revenue:						
Revenue from external customers	\$1,092,763	\$1,733,655	\$1,566,019	-	\$ 6,685	\$4,399,122
Reportable segment profit or loss before tax	\$ 354,606	\$ 267,325	(\$ 54,076)	(\$ 40,398)	(\$ 369,125)	\$ 158,332

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Loans to other parties

For the nine months ended September 30, 2023

(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 1

No.	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 (Note 1)	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	ET New Media	Other receivables - related parties	Yes	\$ 700,000	\$ 700,000	\$ 600,000	3~3.5	2	-	Operation requirements	-		-	\$ 1,480,974 (Note 2)	\$ 2,221,461 (Note 2)
0	"	Care Pet Bio-Tech	"	Yes	150,000	50,000	-	3.25~3.5	2	-	"	-		-	1,480,974 (Note 2)	2,221,461 (Note 2)
0	"	ET Pet	"	Yes	100,000	-	-	3~3.25	2	-	"	-		-	1,480,974 (Note 2)	2,221,461 (Note 2)
1	EIC	ET New Media	"	Yes	170,000	140,000	140,000	3~3.5	2	-	"	-		-	271,657 (Note 3)	407,485 (Note 3)
1	"	Dung sen min diau yun	"	Yes	10,000	-	-	3.25	2	-	"	-		-	271,657 (Note 3)	407,485 (Note 3)
1	"	Mood	"	Yes	50,000	50,000	30,000	3.25~3.5	2	-	"	-		-	271,657 (Note 3)	407,485 (Note 3)
1	"	Care Pet Bio-Tech	"	Yes	30,000	30,000	30,000	3.50	2	-	"	-		-	271,657 (Note 3)	407,485 (Note 3)
2	TKLF	ET New Media	"	Yes	200,000	180,000	180,000	3~3.5	2	-	"	-		-	260,570 (Note 4)	390,855 (Note 4)
2	"	Dung sen min diau yun	"	Yes	10,000	10,000	10,000	3.25~3.5	2	-	"	-		-	260,570 (Note 4)	390,855 (Note 4)
2	"	Care Pet Bio-Tech	"	Yes	15,000	15,000	15,000	4	2	-	"	-		-	260,570 (Note 4)	390,855 (Note 4)

(to be continued)

(continued)

No .	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 (Note 1)	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		
2	TKLF	Lido International Managerment	Other receivables	No	\$ 30,000	\$ 30,000	\$ 29,400	8.5	2	-	Operation requirements	-	Shiding land mortgage	\$ 31,716	\$ 32,571 (Note 4)	\$ 390,855 (Note 4)
2	"	A li shan dong fang ming shu	"	No	20,000	20,000	20,000	9	2	-	"	-	Longtan land mortgage	25,730	32,571 (Note 4)	390,855 (Note 4)
3	EILF	ET New Media	Other receivables - related parties	Yes	150,000	150,000	150,000	3~3.5	2	-	"	-	-	-	231,456 (Note 5)	347,183 (Note 5)
3	"	Care Pet Bio-Tech	"	Yes	13,000	13,000	13,000	4	2	-	"	-	-	-	231,456 (Note 5)	347,183 (Note 5)
3	"	Sunflower leisure	Other receivables	No	20,000	-	-	9	2	-	"	-	-	-	28,932 (Note 5)	347,183 (Note 5)
4	GRAND SCENE TRADING (HONG KONG)	The Company	Other receivables - related parties	Yes	61,958	61,958	61,958	1	2	-	"	-	-	-	83,340 (Note 6)	166,679 (Note 6)
5	Eastern Media Communication (Hong Kong)	The Company	"	Yes	48,082	48,082	48,082	1	2	-	"	-	-	-	49,551 (Note 7)	99,102 (Note 7)
6	FESS-Panama	The Company	"	Yes	51,632	51,632	5,637	1	2	-	"	-	-	-	1,223,551 (Note 8)	2,447,102 (Note 8)

Note 1: Lending of capital has the following two types:
(1) Those with business dealings.
(2) The necessity for short-term financing.

Note 2: The Company’s total amount available for lending shall not exceed 60% of its net worth. For subsidiaries where the Company holds more than 50% of the shares, the individual amount available for lending shall not exceed 40% of its net worth in the most recent financial statements. For subsidiaries where the Company holds less than 50% of the shares, the individual amount available for lending shall not exceed 5% of its net worth in the most recent financial statements.

Note 3: For EIC, the aggregate amount available for lending shall not exceed 60% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company, subsidiaries or to its parent company’s subsidiary company shall not exceed 40% of its net worth in the most recent financial statements.

Note 4: For TKLF, the aggregate amount available for lending shall not exceed 60% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company or to its parent company’s subsidiary company shall not exceed 40% of its net worth in the most recent financial statements. The individual amount available for lending shall not exceed 5% of its net worth in the most recent financial statements.

Note 5: For EILF, the aggregate amount available for lending shall not exceed 60% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company or to its parent company’s subsidiary company shall not exceed 40% of its net worth in the most recent financial statements. The individual amount available for lending to other companies short-term financing facility, if necessary, shall not exceed 5% of its net worth in the most recent financial statements.

Note 6: For GRAND SCENE TRADING (HONG KONG), the aggregate amount available for lending shall not exceed 200% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company shall not exceed 100% of its net worth in the most recent financial statements.

Note 7: For Eastern Media Communication (Hong Kong), the aggregate amount available for lending shall not exceed 200% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company shall not exceed 100% of its net worth in the most recent financial statements.

Note 8: For FESS-Panama, the aggregate amount available for lending shall not exceed 200% of its net worth in the most recent financial statements. The individual amount available for lending to its parent company shall not exceed 100% of its net worth in the most recent financial statements.

Note 9: The aforementioned intercompany transactions have been eliminated in the consolidated financial statements.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Guarantees and endorsements for other parties

For the nine months ended September 30, 2023

(Experssed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 2

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 (Note I)										
0	The Company	ET New Media	2	\$ 14,809,740 (Note 2)	\$ 553,652	\$ 395,000	\$ 151,407	\$ -	10.67%	\$ 14,809,740 (Note 2)	Y	N	N
0	The Company	EHR	2	14,809,740 (Note 2)	1,312,000	1,312,000	736,000	-	35.44%	14,809,740 (Note 2)	Y	N	N
0	The Company	Eastern Asset	2	14,809,740 (Note 2)	5,875,000	5,875,000	734,122	-	158.68%	14,809,740 (Note 2)	Y	N	N
0	The Company	ET Pet	2	14,809,740 (Note 2)	1,961,500	1,715,500	560,976	71,255	46.33%	14,809,740 (Note 2)	Y	N	N
0	The Company	Care Pet Bio-Tech	2	14,809,740 (Note 2)	58,000	58,000	-	-	1.57%	14,809,740 (Note 2)	Y	N	N
1	EIC	ET Pet	4	370,243 (Note 3)	220,000	-	-	-	-	370,243 (Note 3)	N	N	N
1	EIC	The Company	3	370,243 (Note 3)	925,000	925,000	416,250	200,742	136.20%	370,243 (Note 3)	N	Y	N
2	FESS-Panama	The Company	3	4,236,208 (Note 4)	1,000,000	1,000,000	800,000	1,259,921	81.73%	4,236,208 (Note 4)	N	Y	N

Note 1: The relationship between the one providing endorsements/guarantees and the one receiving endorsements/guarantees is classified into seven types:

- (1) The intercompany business transaction
- (2) Companies in which the Company directly and indirectly holds more than 50% of the voting rights.
- (3) Companies that directly and indirectly hold more than 50% of the voting shares of the Company.
- (4) The Company holds, directly or indirectly, 90% or more of the voting shares of the Company.
- (5) Company that is mutually protected under contractual requirements based on the needs of the contractor.
- (6) Company that is endorsed by its shareholders in accordance with its shareholding ratio because of the joint investment relationship.
- (7) Performance guarantees for pre-sale contracts under the Consumer Protection Act.

Note 2: The Company’s aggregate amount allows endorsement or guarantee that does not exceed 400% of its net worth in the most recent financial statements. The individual amount allows endorsement or guarantee to subsidiaries where the Group holds more than 50% of the shares that does not exceed 400% of its net worth in the most recent financial statements.

Note 3: For EIC, the aggregate amount allows an endorsement or guarantee that does not exceed 500% of its total assets in the most recent financial statements. The individual amount allows endorsement or guarantee to subsidiaries where the Company, holding more than 90% of shares of EIC, holds more than 90% of the shares that does not exceed 500% of its total assets or 10% of the Company’s net woth in the most recent financial statements. The limit on endorsement or guarantee was determined by 500% of EIC’s total assets of 10% of the Company’s net worth whichever is lower.

Note 4: FESS-Panama’s aggregate amount allows endorsement or guarantee that does not exceed 300% of its net worth in the most recent financial statements. The individual amount allows endorsement or guarantee to the company which holds FESS-Panama more than 50% of the shares that does not exceed 300% of its net worth in the most recent financial statements.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Securities held
September 30, 2023
(Experssed in Thousands of New Taiwan Dollars, Except for the Noted Items)
Table 3

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	Taiwan Cement Co., Ltd.	-	Financial assets at fair value through profit or loss	6,819,555	\$ 226,750	0.10 %	\$ 226,750	Note
"	Formosa Plastics corporation	-	"	4,670,000	372,666	0.07 %	372,666	Note
"	Alibaba Group	-	"	471,000	166,229	0.00 %	166,229	
"	Momo	-	"	450,900	226,352	0.19 %	226,352	Note
"	Kaohsiung Harbor Stevedoring Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	750,000	7,500	15.00 %	7,500	
"	Leo Exploitation Co., Ltd.	-	"	165,663	-	11.43 %	-	
EILF	Formosa Plastics corporation	-	Financial assets at fair value through profit or loss	325,000	25,935	0.01 %	25,935	Note
"	Taiwan Semiconductor Manufacturing Co., Ltd.	-	"	70,000	36,610	0.00 %	36,610	Note
"	Alibaba Group	-	"	128,000	45,186	0.00 %	45,186	
TKLF	Taiwan Semiconductor Manufacturing Co., Ltd.	-	"	80,000	41,840	0.00 %	41,840	
"	Formosa Plastics corporation	-	"	200,000	15,960	0.00 %	15,960	
"	Alibaba Group	-	"	248,700	87,795	0.00 %	87,795	

Note: Please refer to Note 7 and 37 for the details of the financial instruments pledged as collateral.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
The individual securities acquired or disposed of at costs or prices of at least \$300 million or 20% of the paid-in capital
For the nine months ended September 30, 2023
(Experssed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 4

Name of the company	Category and name of security	Account name	Name of counter party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending balance	
					Shares/ Units	Amount (Note 1)	Shares/ Units	Amount (Note 1)	Shares/ Units	Price (Note 1)	Cost (Note 1)	Gain (loss) on disposal	Shares/ Units	Amount (Note 1)
The Company	Alibaba Group	Financial assets at fair value through profit or loss	-	-	-	\$ -	1,245,000	\$ 421,060	774,000	\$ 294,112	258,072	\$ 36,040	471,000	\$ 166,229

Note 1: Including exchange differences on financial assets designated at fair value, investments accounted for using equity method, and translation.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Receivables from related parties of at least \$100 million or 20% of the paid-in capital
September 30, 2023
(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)
Table 5

Name of company	Counter party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Company	ET New Media	Subsidiary	\$ 602,654	Not applicable	\$ -	-	\$ 2,654	\$ -
EIC	ET New Media	Subsidiary	140,389	Not applicable	-	-	389	-
EILF	ET New Media	Subsidiary	150,417	Not applicable	-	-	417	-
TKLF	ET New Media	Subsidiary	180,501	Not applicable	-	-	501	-

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Business relationships and significant intercompany transactions
September 30, 2023
(Experssed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 6

No.	Name of company	Name of counter party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	ET New Media	1	Other receivables - related parties	\$ 602,654	Refer to contract terms or market price	3.73%
1	EIC	ET New Media	3	Other receivables - related parties	140,389	Refer to contract terms or market price	0.87%
2	EILF	ET New Media	3	Other receivables - related parties	150,417	Refer to contract terms or market price	0.93%
3	TKLF	ET New Media	3	Other receivables - related parties	180,501	Refer to contract terms or market price	1.12%

Note 1：For the inter-company business relationship and transaction condition in the “Number” column, the labeling method is as follows:

- 1. Parent company - 0.
- 2. Subsidiaries - in sequence from 1.

Note 2：Relationship is classified into three types:

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

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investees

For the nine months ended September 30, 2023

(Experssed in Thousands of New Taiwan Dollars, Except for the Noted Items)

Table 7

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Ending balance			Net income (losses) of investee	Share of profits/ losses of investee	Note
				September 30, 2023	December 31, 2022	Shares/Units	Percentage of ownership	Carrying value			
The Company	FESS-Bermuda	Bermuda	Holding company	-	\$ 32,161	-	0.00%	-	(\$ 358)	(\$ 358)	Note 4
The Company	FESS-Panama	Panama	Holding company	2,245,038	2,245,038	71,700	100.00%	1,223,551	(121,038)	(121,038)	Subsidiary
The Company	Grand Richness (Hong Kong)	Hong Kong	Holding company	-	672,603	-	0.00%	-	(851)	(851)	Note 1
The Company	EIC	Taiwan	General investing	342,117	500,525	46,234,059	97.90%	664,879	184,026	180,161	Subsidiary
The Company	EILF	Taiwan	Leasing	391,195	391,195	40,690,330	53.77%	311,133	32,870	17,674	Subsidiary
The Company	TKLF	Taiwan	Leasing	391,613	391,613	40,847,294	53.76%	350,233	32,190	17,307	Subsidiary
The Company	ET Pet	Taiwan	Pet food and supplies and providing pet beauty service	178,393	416,250	17,839,278	59.46%	(82,065)	(202,057)	(120,152)	Subsidiary
The Company	EHS	Taiwan	Department stores, supermarkets, online stores	81,978	81,978	6,637,500	6.51%	74,224	857,711	55,860	Associate
The Company	ET New Media	Taiwan	Advertising, online newspaper, Produce a broadcast program	535,225	535,225	53,522,508	89.20%	(748,338)	(186,944)	(166,762)	Subsidiary
The Company	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	329,731	329,731	32,973,086	60.40%	(105,163)	(29,753)	(17,971)	Subsidiary
The Company	Eastern Asset	Taiwan	Real estate leasing	990,000	715,000	99,000,000	55.00%	980,618	(4,026)	(2,214)	Subsidiary
EIC	ET New Media	Taiwan	Advertising, online newspaper, Produce a broadcast program	6,275	6,275	627,492	1.05%	(8,773)	(186,944)	Exempt from disclosure	Subsidiary
EIC	EHS	Taiwan	Department stores, supermarkets, online stores	243,794	243,794	19,726,660	19.36%	220,595	857,711	"	Associate
EIC	TKLF	Taiwan	Leasing	77,115	77,115	7,597,500	10.00%	65,143	32,190	"	Subsidiary
EIC	EILF	Taiwan	Leasing	74,464	74,464	7,567,500	10.00%	57,864	32,870	"	Subsidiary
EIC	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	72,060	72,060	7,206,038	13.20%	(22,983)	(29,753)	"	Subsidiary
TKLF	EILF	Taiwan	Leasing	269,766	269,766	27,243,000	36.00%	208,310	32,870	"	Subsidiary
TKLF	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	72,060	72,060	7,206,038	13.20%	(22,983)	(29,753)	"	Subsidiary
EILF	TKLF	Taiwan	Leasing	278,342	278,342	27,351,000	36.00%	234,513	32,190	"	Subsidiary

(to be continued)

(continued)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Ending balance			Net income (losses) of investee	Share of profits/ losses of investee	Note
				September 30, 2023	December 31, 2022	Shares/Units	Percentage of ownership	Carrying value			
EILF	EHR	Taiwan	Management & consultancy services, leisure site management, catering business, sports training business, catering business	\$ 72,060	\$ 72,060	7,206,038	13.20%	(\$ 22,983)	(\$ 29,753)	Exempt from disclosure	Subsidiary
FESS-Panama	GSMC-Cayman	Cayman Islands	Holding company	137,363	137,363	450,000	100.00%	90,500	973	"	Subsidiary
FESS-Panama	Eastern Media Communication (Hong Kong)	Hong Kong	Holding company	305	305	28,569,840	100.00%	51,286	(376)	"	Subsidiary
FESS-Panama	Natural Beauty	Cayman Islands	Holding company	2,060,871	2,060,871	600,630,280	30.00%	1,259,921	(100,347)	"	Associate
GSMC-Cayman	GRAND SCENE TRADING (HONG KONG)	Hong Kong	Holding company	125,153	125,153	3,198,000	100.00%	88,217	1,089	"	Subsidiary
ET New Media	Dung sen shin guang yun	Taiwan	Audiovisual and singing, information leisure	3,000	3,000	300,000	100.00%	1,116	(1,936)	"	Subsidiary
ET New Media	Dung sen dian jing yun	Taiwan	Amusement park information leisure	5,000	5,000	500,000	100.00%	238	(1,556)	"	Subsidiary
ET New Media	Mood	Taiwan	Marketing, research and data collection	50,000	50,000	5,000,000	100.00%	8,716	(41,284)	"	Subsidiary
ET New Media	Dung sen shin wen yun	Taiwan	Video advertising service	-	5,000	-	0.00%	-	-	"	Note 2
ET New Media	Dung sen dian jing yun	Taiwan	Amusement park information leisure	-	100	-	0.00%	-	-	"	Note 3
ET New Media	ET Pet	Taiwan	Pet food and supplies and providing pet beauty service	79,286	185,000	7,928,568	26.43%	(36,473)	(202,057)	"	Subsidiary
ET Pet	Care Pet Bio-Tech	Taiwan	Pet food and supplies and providing pet beauty service	7,000	7,000	700,000	70.00%	2,634	(1,829)	"	Subsidiary

Note 1: The Company approved to liquidate Grand Richness (Hong Kong) on June 8, 2022. The liquidation procedures were finished on January 13, 2023.

Note 2: ET New Media approved to liquidate Dung sen shin wen yun on June 24, 2022. The liquidation procedures were finished on April 21, 2023.

Note 3: ET New Media approved to liquidate Dung sen dian jing yun on June 22, 2022. The liquidation procedures were finished on February 23, 2023.

Note 4: The Company approved to liquidate FESS-Bermuda on March 16, 2023. The liquidation procedures were finished on August 22, 2023.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES
Information on investment in Mainland China
For the nine months ended September 30, 2023
(Expressed in Thousands of New Taiwan Dollars, Except for the Noted Items)
Table 8

1. Relevant information such as the name and main business items of the investee company in Mainland China:

Name of investee	Main businesses and products	Total amount of paid in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of September 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						
Eastern Enterprise Development (Shanghai) Ltd	Operating international circulation logistics business	\$ -	Note 2	\$ 1,055,229	\$ -	\$ -	\$ 1,055,229	\$ -	- %	\$ -	\$ -	\$ -
RICHNESS TRADING (SHANGHAI)	Retail of cosmetics, jewelry and groceries	1,107,168	Note 3	1,229,487	-	-	1,229,487	(626)	100.00 %	(626)	2,635	-
Nanjing Yun Fu	Wholesale trading	45,867	Note 4	96,810	-	-	96,810	(133)	100.00 %	(133)	3,858	-
Jiangsu Sen Fu Da	Research and development of film and television technology	44,150	Note 5	-	-	-	-	-	34.00 %	-	-	-
Shanghai Natural Beauty Fuli Cosmetics Company Limited	Production and sale of beauty care products and provision of beauty and body care services	441,142	Note 3	-	-	-	-	17,813	30.00 %	5,344	197,506	-
Shanghai Natural Beauty Bio-Med Company Limited	Sales of health care products	95,014	Note 3	-	-	-	-	1,527	30.00 %	458	32,093	-
Shanghai Natural Beauty Fuli Cosmetics Company Limited	Production and sale of beauty care products and provision of beauty and body care services	1,070,505	Note 3	-	-	-	-	57,711	30.00 %	17,313	338,879	-

Note 1: The investment gain (loss) was recognized based on the investees’ audited financial statements.
Note 2: The Group indirectly made the investment through FESS-Panama, and was complete disposal of all shares on April 23, 2018.
Note 3: The Group indirectly invested through FESS-Panama.
Note 4: The Group indirectly invested through FESS-Panama, and the investment was handling capital reduction and returning shares of CNY \$9,467 on February 1, 2018, the amount of the share is remitted back to the GRAND SCENE TRADING (HONG KONG).
Note 5: The Group indirectly invested t through Nanjing Ji Cheng on August 30, 2012.
Note 6: The amount in the table is translated by the spot rate on the financial reporting date and the average rate throughout the year.

2. Limitation on investment in Mainland China:

Company Name	Accumulated Investment in Mainland China as of September 30, 2023	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
The Company	\$ 2,381,526	\$ 4,219,505	\$ 2,653,053

Note: The limit on investment was determined by 60% of the individual or consolidated total net worth whichever is higher.

3. Significant transactions with investee companies in Mainland China:

For the Group’s significant direct or indirect transactions (eliminated when compiling the consolidated financial statements) with investee companies in Mainland China for the nine months ended September 30, 2023, please refer to “Information on significant transactions” above.

EASTERN MEDIA INTERNATIONAL CORPORATION AND SUBSIDIARIES

Major shareholders

September 30, 2023

(Expressed in Units)

Table 9

Shareholding Shareholders name	Shares	Percentage
Jinxin Trading Co., Ltd.	28,932,001	9.63%