

CHINESE MARITIME TRANSPORT LTD.

**Parent Company Only Financial Statements
With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

Address: 4F., NO15, Sec. 1, Jinan Rd., Taipei City, Taiwan (R.O.C)
Telephone: (02)2396-3282

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

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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電 話	Tel	+ 886 2 8101 6666
傳 真	Fax	+ 886 2 8101 6667
網 址	Web	kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Chinese Maritime Transport Ltd.:

Opinion

We have audited the financial statements of Chinese Maritime Transport Ltd. (“the Company”), which comprise the balance sheets as of December 31, 2025, and 2024, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Other Matters

We did not audit the financial statements of the investee which represented the investment in another entity partially accounted for using the equity method of the Company. Those statements were audited by another auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amount is based solely on the report of other auditors. The investment accounted for using the equity method constituting 3.58% and 3.54% of total assets at December 31, 2025 and 2024, respectively. The related shares of profit of associates accounted for using the equity method constituting 4.41% and 3.36% of total profit before tax for the years ended December 31, 2025 and 2024, respectively.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters that should be communicated in the audit report are as follows:

1. Recognition of freight revenue—container hauling

Please refer to Note 4(o) for the accounting policy of “Revenue” and to Note 6(n) “Revenue from contracts with customers” for information details.

Description of key audit matters:

The main activities of the Company are container hauling and related business. Freight revenue container hauling is one of the significant items in the financial statements, and the amounts and changes may affect the users’ understanding on the entire financial statements. Therefore, the testing over freight revenue container hauling recognition is considered a key matter in our audits.

Audit Procedures:

Our principal audit procedures included testing related controls over sale and receipts cycle, executing the confirmation process used to examine accounts receivable and revenue of major customers, and evaluating if the Company’s timing of revenue recognition is accurate in accordance with related accounting standards.

2. Freight revenue—vessel chartering, using equity method investment, subsidiary

Please refer to Note 4(h) for the accounting policy of “Investments in subsidiary”, and to Note 6(d) for “Investments accounted for using equity method”.

Description of key audit matters:

The main activity of some of the subsidiaries, accounted for using equity method investment, is operating bulk carrier. Freight revenue vessel chartering is one of the significant items in the financial statements based on the consideration of consolidated report, and the amounts and changes may affect the users’ understanding on the entire financial statements. Therefore, the testing over freight revenue vessel chartering recognition is considered a key matter in our audits.

Audit procedures:

Our principal audit procedures included testing related controls over sale and receipts cycle of those subsidiaries, which are investments using equity method, executing substantive analytical procedures of freight revenue-vessel chartering, assessing contract liabilities, and evaluating if the timing of revenue recognition for freight revenue, vessel chartering, is accurate in accordance with related accounting standards.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding investment subsidiary using equity method to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Au, Yiu-Kwan and Chien, Szu-Chuan.

KPMG

Taipei, Taiwan (Republic of China)
March 12, 2026

Notes to Readers

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

The independent auditors' audit report and the accompanying parent company only 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 parent company only financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)
CHINESE MARITIME TRANSPORT LTD.

Balance Sheets

December 31, 2025 and 2024

(Expressed in thousands of New Taiwan Dollars)

Assets		December 31, 2025		December 31, 2024		Liabilities and Equity		December 31, 2025		December 31, 2024			
		Amount	%	Amount	%			Amount	%	Amount	%		
Current assets:						Current liabilities:							
1100	Cash and cash equivalents (note 6(a))	\$	619,302	3	923,832	5	2100	Short-term borrowings (note 6(h))	\$	1,144,992	6	2,844,778	16
1150	Notes and accounts receivable, net (note 6(c))		78,473	1	90,228	-	2150	Notes and accounts payable		1,312	-	685	-
1220	Current tax assets		11,347	-	8,486	-	2181	Accounts payable to related parties (note 7)		114,560	1	256,745	1
1470	Other current assets		17,172	-	16,386	-	2220	Other payables to related parties (note 7)		35,500	-	85,000	-
1476	Other current financial assets (note 6(g))		862	-	6,773	-	2230	Current tax liabilities		34,346	-	-	-
			727,156	4	1,045,705	5	2300	Other current liabilities (note 7)		118,761	1	71,992	-
Non-current assets:						2322	Long-term liabilities, current portion (note 6(h))		-	-	2,500,000	13	
1510	Non-current financial assets at fair value through profit or loss (note 6(b))		9,313	-	11,881	-				1,449,471	8	5,759,200	30
1550	Investments accounted for using equity method, net (note 6(d))		17,836,960	93	17,911,282	92	Non-Current liabilities:						
1600	Property, plant and equipment (notes 6(e) and 8)		603,693	3	611,863	3	2530	Bonds payable (note 6(h))		4,000,000	21	-	-
1760	Investment property (note 6(f))		19,722	-	19,799	-	2570	Deferred tax liabilities (note 6(k))		233,030	1	237,958	1
1780	Intangible assets		8,420	-	9,361	-	2622	Long-term accounts payable to related parties (note 7)		49,500	-	-	-
1840	Deferred tax assets (note 6(k))		11,890	-	3,543	-	2670	Other non-current liabilities, others		570	-	562	-
1900	Other non-current assets		1,704	-	1,942	-				4,283,100	22	238,520	1
1975	Net defined benefit asset, non-current (note (j))		7,441	-	4,726	-	Total liabilities			5,732,571	30	5,997,720	31
1980	Other non-current financial assets (notes 6(g) and 8)		14,254	-	5,653	-	Equity (note 6(l)):						
			18,513,397	96	18,580,050	95	3100	Common stock		1,974,846	10	1,974,846	10
						3200	Capital surplus		53,412	-	53,411	-	
						3310	Legal reserve		2,121,418	11	1,993,120	10	
						3320	Special reserve		359,487	2	359,487	2	
						3350	Unappropriated earnings		8,969,069	47	8,196,451	42	
									11,449,974	60	10,549,058	54	
						3400	Other equity interest		29,750	-	1,050,720	5	
						Total equity			13,507,982	70	13,628,035	69	
Total assets		\$	19,240,553	100	19,625,755	100	Total liabilities and equity		\$	19,240,553	100	19,625,755	100

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
CHINESE MARITIME TRANSPORT LTD.

Statements of Comprehensive Income

For the years ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars , Except earnings per share)

	2025		2024	
	Amount	%	Amount	%
4000 Operating Revenues (notes 6(n) and 7))				
4621 Freight revenue-vessel chartering	\$ 67,780	12	69,360	12
4622 Freight revenue-container hauling and logistics	484,710	82	489,572	85
4623 Freight revenue-airline agent and others	<u>35,742</u>	<u>6</u>	<u>19,581</u>	<u>3</u>
	588,232	100	578,513	100
5000 Operating costs (notes 7 and 12)	<u>486,857</u>	<u>83</u>	<u>478,886</u>	<u>83</u>
5900 Gross profit	101,375	17	99,627	17
Operating expenses:				
6000 Operating expenses (notes 6(j), (p), 7 and 12)	<u>252,151</u>	<u>43</u>	<u>225,738</u>	<u>39</u>
6900 Net operating loss	<u>(150,776)</u>	<u>(26)</u>	<u>(126,111)</u>	<u>(22)</u>
Non-operating income and expenses:				
7010 Other income (notes 6(b) and (i))	15,729	3	17,092	3
7050 Finance costs (notes 6(o) and 7)	(128,639)	(22)	(89,483)	(15)
7070 Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method (note 6(d))	1,374,040	234	1,172,566	203
7100 Interest income	23,600	4	24,299	4
7210 Net gains on disposal of property, plant and equipment (note 6(e))	-	-	5	-
7235 Losses on financial assets at fair value through profit or loss	(1,515)	-	(7,648)	(1)
7630 Foreign exchange gains (losses)	<u>(38,451)</u>	<u>(7)</u>	<u>29,970</u>	<u>5</u>
Total non-operating income and expenses	<u>1,244,764</u>	<u>212</u>	<u>1,146,801</u>	<u>199</u>
7900 Profit from continuing operation before tax	1,093,988	186	1,020,690	177
7950 Less: Income tax expenses (note 6(k))	<u>16,022</u>	<u>3</u>	<u>7,892</u>	<u>1</u>
Profit	<u>1,077,966</u>	<u>183</u>	<u>1,012,798</u>	<u>176</u>
8300 Other comprehensive income:				
8310 Items that may not be reclassified to profit or loss				
8311 Gains on remeasurements of defined benefit plans (note 6(j))	2,544	-	2,737	-
8330 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, items that may not be reclassified to profit or loss	(157,341)	(27)	401,815	69
8349 Less : Income tax related to items that will not be reclassified to profit or loss (note 6(k))	<u>509</u>	<u>-</u>	<u>547</u>	<u>-</u>
	<u>(155,306)</u>	<u>(27)</u>	<u>404,005</u>	<u>69</u>
8360 Items that may be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(531,307)	(90)	793,073	137
8380 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, items that will be reclassified to profit or loss	(96,071)	(16)	31,173	5
8399 Less : Income tax related to items that will be reclassified to profit or loss (note 6(k))	-	-	-	-
Items that may be reclassified to profit or loss	<u>(627,378)</u>	<u>(106)</u>	<u>824,246</u>	<u>142</u>
8300 Other comprehensive income	<u>(782,684)</u>	<u>(133)</u>	<u>1,228,251</u>	<u>211</u>
8500 Total comprehensive income	<u>\$ 295,282</u>	<u>50</u>	<u>2,241,049</u>	<u>387</u>
Earnings per share (note 6(m))				
9750 Basic net income per share (NT dollars)	\$ <u>5.46</u>		\$ <u>5.13</u>	
9850 Diluted net income per share (NT dollars)	\$ <u>5.45</u>		\$ <u>5.12</u>	

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
CHINESE MARITIME TRANSPORT LTD.

Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

							Total other equity interest			
							Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Total equity
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total				
Balance at January 1, 2024	\$ 1,974,846	53,411	1,960,427	359,487	7,143,644	9,463,558	(220,995)	313,651	92,656	11,584,471
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	32,693	-	(32,693)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(197,485)	(197,485)	-	-	-	(197,485)
	-	-	32,693	-	(230,178)	(197,485)	-	-	-	(197,485)
Net income for the year ended December 31, 2024	-	-	-	-	1,012,798	1,012,798	-	-	-	1,012,798
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	7,548	7,548	824,246	396,457	1,220,703	1,228,251
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	1,020,346	1,020,346	824,246	396,457	1,220,703	2,241,049
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	262,639	262,639	-	(262,639)	(262,639)	-
Balance at December 31, 2024	1,974,846	53,411	1,993,120	359,487	8,196,451	10,549,058	603,251	447,469	1,050,720	13,628,035
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	128,298	-	(128,298)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(414,718)	(414,718)	-	-	-	(414,718)
	-	-	128,298	-	(543,016)	(414,718)	-	-	-	(414,718)
Net income for the year ended December 31, 2025	-	-	-	-	1,077,966	1,077,966	-	-	-	1,077,966
Other comprehensive income for the year ended December 31, 2025	-	-	-	-	3,512	3,512	(627,378)	(158,818)	(786,196)	(782,684)
Total comprehensive income for the year ended December 31, 2025	-	-	-	-	1,081,478	1,081,478	(627,378)	(158,818)	(786,196)	295,282
Changes in equity of associates and joint ventures accounted for using equity method	-	1	-	-	(618)	(618)	-	-	-	(617)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	234,774	234,774	-	(234,774)	(234,774)	-
Balance at December 31, 2025	\$ 1,974,846	53,412	2,121,418	359,487	8,969,069	11,449,974	(24,127)	53,877	29,750	13,507,982

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)
CHINESE MARITIME TRANSPORT LTD.

Statements of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in thousands of New Taiwan dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,093,988	1,020,690
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	29,340	23,597
Net loss on financial assets or liabilities at fair value through profit or loss	1,515	7,648
Interest expense	128,639	89,483
Interest income	(23,600)	(24,299)
Dividend income	(526)	(1,953)
Share of profit of subsidiaries and associates accounted for using equity method	(1,374,040)	(1,172,566)
Net gain on disposal of property, plant and equipment	-	(5)
Total adjustments to reconcile profit (loss)	(1,238,672)	(1,078,095)
Changes in operating assets:		
Decrease (increase) in notes and accounts receivable (including related parties)	11,755	(8,074)
Increase in other current assets	(786)	(2,636)
Decrease (increase) in other current financial assets	31	(5,119)
(Increase) decrease in other operating assets	(171)	13
	10,829	(15,816)
Changes in operating liabilities:		
(Decrease) increase in notes and accounts payable (including related parties)	(141,558)	150,413
Increase in other current liabilities	861	19,353
Decrease in other non-current liabilities	-	(173)
	(140,697)	169,593
Total changes in operating assets and liabilities	(129,868)	153,777
Total adjustments	(1,368,540)	(924,318)
Cash (used in) inflow from operations	(274,552)	96,372
Interest received	24,306	24,664
Dividends received	663,552	594,712
Interest paid	(82,731)	(89,264)
Income taxes received (paid)	1,679	(76,229)
Net cash flows from operating activities	332,254	550,255
Cash flows from (used in) investing activities:		
Proceeds from capital reduction of financial assets at fair value through profit or loss	1,053	2,924
Acquisition of investments accounted for using equity method	-	(933,760)
Proceeds from capital reduction of investments accounted for using equity method	-	901,760
(Increase) decrease in other non-current financial assets	(8,601)	132
Acquisition of property, plant and equipment	(17,470)	(39,906)
Proceeds from disposal of property, plant and equipment	-	7
(Increase) decrease in other non-current assets	(1,451)	1,235
Acquisition of intangible assets	(993)	(8,624)
Decrease (increase) in other current financial assets	5,174	-
Net cash flows used in investing activities	(22,288)	(76,232)
Cash flows from (used in) financing activities:		
(Decrease) increase in short-term borrowings	(1,699,786)	85,035
Proceeds from issuance of bonds	4,000,000	-
Repayments of long-term bonds	(2,500,000)	-
Cash dividends paid	(414,718)	(197,485)
Others	8	-
Net cash flows used in financing activities	(614,496)	(112,450)
Net increase (decrease) in cash and cash equivalents	(304,530)	361,573
Cash and cash equivalents at beginning of period	923,832	562,259
Cash and cash equivalents at end of period	\$ 619,302	923,832

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

For the years ended December 31, 2025 and 2024

(expressed in thousands of New Taiwan dollars, unless otherwise specified)

(1) Company history

CHINESE MARITIME TRANSPORT LTD. (the “Company”), previously named Associated Transport Inc., was incorporated as a company limited by shares on January 31, 1978, in the Republic of China. The Company’s common shares were listed on the Taiwan Stock Exchange (TWSE). The main activities of the Company are bulk-carrier transportation through its 100%-owned overseas subsidiaries; domestic container hauling, vessel transportation, warehousing, and related business; and acting as the general sales agent for Saudi Arabian Airlines.

(2) Approval date and procedures of the financial statements

These financial statements were authorized for issuance by the Board of Directors on March 12, 2026.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

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

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

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

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

The Company 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 financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

(4) Summary of material accounting policies

The material accounting policies presented in the financial statements are summarized follows. Except for those specifically indicated, the following accounting policies were applied consistently throughout the presented periods in the financial statements.

(a) Statement of compliance

These financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(b) Basis of preparation

(i) Basis of measurement

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

- 1) Financial instruments at fair value through profit or loss are measured at fair value;
- 2) Financial assets at fair value through other comprehensive income are measured at fair value;
- 3) The defined benefit liabilities (assets) are measure at fair value of the pension assets less the present value of the defined benefit obligation, limited as explained in note 4(p).

(ii) Functional and presentation currency

The functional currency of each Company entities is determined based on the primary economic environment in which the entities operate. The financial statements are presented in New Taiwan Dollar (NTD), which is the Company’s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(c) Foreign currencies

(i) Foreign currency transaction

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

Exchange differences are generally recognized in profit or loss, except for an investment in equity securities designated as at fair value through other comprehensive income.

(ii) Foreign operations

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

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

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

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

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

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

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

An entity shall classify a liability as current when:

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(e) Cash and cash equivalents

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

(f) Financial instruments

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

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

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

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

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

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

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

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

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

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

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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Notes to the Financial Statements

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

4) Impairment of financial assets

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

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

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

Loss allowance for accounts receivables is always measured at an amount equal to lifetime ECL.

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 180 days past due or the borrower is unlikely to pay its credit obligations to the Company in full.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade which is considered to be BBB- or higher per Standard & Poor's, Baa3 or higher per Moody's or twA or higher per Taiwan Ratings'. The time deposits and commercial paper with reverse repurchase agreement held by the Company were considered to have low credit risk because the Company's transaction counter parties and the contractually obligated counter parties are financial institutions with credit ratings beyond investment grade.

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

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

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Notes to the Financial Statements

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

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 180 days past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization;
or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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

5) Derecognition of financial assets

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

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

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

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

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

3) Financial liabilities

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

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

4) Derecognition of financial liabilities

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

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

5) Offsetting of financial assets and liabilities

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

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(g) Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over their financial and operating policies. Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The financial statements include the Company's share of the profit or loss and other comprehensive income of those equity-accounted investees after adjustments to align the accounting policies with those of the Company from the date on which significant influence commences until the date on which significant influence ceases.

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

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

(h) Investment in subsidiary

When preparing financial statement, the Company used equity method to account for its investments in subsidiary. Under the equity method, the profit and loss and other comprehensive income in financial statement is as same as the profit and loss and other comprehensive income that belongs to parent company equity in financial statement.

Changes in the Company's ownership interest in a subsidiary, do not result in the Company losing control of the subsidiary are equity transactions.

(i) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(j) Property, plant and equipment

(i) Recognition and measurement

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

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

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

(ii) Subsequent cost

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

(iii) Depreciation

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

Land is not depreciated.

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

- 1) Buildings: 15 ~ 50 years
- 2) Building improvements: 3~16 years
- 3) Transportation equipment: 5~9 years
- 4) Furniture, fixtures and other equipment: 1 ~11 years

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

(k) Leases

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

(i) As a lessee

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

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(i) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(l) Intangible assets

(i) Recognition and measurement

Other intangible assets that are acquired by the Company are measured at cost, less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortization

The amortizable amount is the cost of an asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

The intangible asset that the Company possesses is software. The estimated useful lives of computer software are 3~7 years.

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

(m) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs).

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

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

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

(n) Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(o) Revenue

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

(i) Freight revenue

Container hauling revenue is recognized when the goods are delivered to the customers' premises; vessel management and commission revenue are recognized when the service is provided.

(ii) Rental income from investment property

Rental income from investment property is recognized in income on a straight-line basis over the lease term. Incentives granted to the lessee to enter into an operating lease are considered as part of rental income which is spread over the lease term on a straight-line basis so that the rental income received are recognized periodically.

(iii) Financing components

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

(p) Employee benefits

(i) Defined contribution plans

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

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(ii) Defined benefit plans

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

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

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

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

(iii) Short-term employee benefits

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

(q) Income taxes

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

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

The Company has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

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

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

- (i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction;
- (ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(r) Earnings per share

The Company discloses the basic and diluted earnings per share attributable to ordinary shareholders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjusting the effects of all potential dilutive ordinary shares. Potential dilutive ordinary shares comprise employee stock options and employee compensation that are yet to be resolved by the shareholders and approved by the Board of Directors.

(s) Operating segments

The operating segments information is disclosed within the consolidated financial statements, but not disclosed in the Parent-company-only financial statements.

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

In preparing these financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively in the period of the change and future periods.

There are no critical judgments in applying accounting policies that have significant effect on amount recognized in the financial statements.

There are no material risk contained in uncertainty of assumption and estimation which may lead to a material adjustment in the following year.

(6) Explanation of significant accounts

(a) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Petty cash, checking accounts and demand deposits	\$ 368,628	234,628
Time deposits	250,674	689,204
	\$ 619,302	923,832

Please refer to note 6(q) for the exchange rate risk, the interest rate risk and, the fair value sensitivity analysis of the financial assets and liabilities of the Company.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

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

(i) Information was as follow:

	December 31, 2025	December 31, 2024
Non-current financial assets mandatorily measured as at fair value through profit or loss:		
Non-derivative financial instrument		
Domestic unlisted common shares	\$ <u><u>9,313</u></u>	<u><u>11,881</u></u>

The gain or loss on financial assets at fair value through profit or loss for the years ended December 31, 2025 and 2024 were a loss of \$1,515, and a loss of \$7,648, respectively

During the years ended December 31, 2025 and 2024, the dividends of \$526 and \$1,953, respectively, related to investment at fair value through profit or loss ,were recognized.

The Company did not provide any aforementioned financial assets as collateral as of December 31, 2025 and 2024, respectively.

- (ii) The Company has assessed that the domestic unlisted common shares are held within a business model whose objective is achieved by both collecting the contractual cash flows and by selling securities; therefore, they have been designated as debt investment and classified as non-current financial assets mandatorily measured value through profit or loss.

(c) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes and accounts receivable	\$ 78,473	90,228
Less: Loss allowance	<u>-</u>	<u>-</u>
	<u><u>\$ 78,473</u></u>	<u><u>90,228</u></u>

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables 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 were determined as follows:

	December 31, 2025	
	Weighted- average loss rate	Loss allowance provision
Not overdue	\$ <u><u>78,473</u></u>	<u><u>-</u></u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

	December 31, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Not overdue	\$ <u><u>90,228</u></u>	<u>-</u>	<u>-</u>

The Company did not provide any aforementioned notes and accounts receivable as collaterals as of December 31, 2025 and 2024.

Please refer to note 6(q) for credit risk of other receivables.

(d) Investments accounted for using equity method

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

	December 31, 2025	December 31, 2024
Subsidiaries	\$ 17,148,611	17,215,619
Associates	<u>688,349</u>	<u>695,663</u>
	<u><u>\$ 17,836,960</u></u>	<u><u>17,911,282</u></u>

(i) Subsidiaries

- 1) Please refer to the 2025 consolidated financial statement.
- 2) Based on proportion of the Company's shareholding, the Company had invested AGMI with \$300,000 from March to November 2024 and Chinese Maritime Transport (UK) Limited with \$633,760 in October 2024, respectively.
- 3) In March 2024, the subsidiary MHI reduced its capital and returned \$20,000. In October 2024, the subsidiary Chinese Maritime Transport International Pte Ltd. reduced its capital and refunded \$633,760. In October 2024, the subsidiary AGM reduced its capital and refunded \$98,000. In December 2024, the subsidiary HIL reduced its capital and refunded \$150,000.
- 4) According to IAS36 "Impairment of Assets", the Company conducted assessment of impairment indication. There was no indication that investment may be impaired and no impairment losses recognized in 2025 and 2024.

(ii) The Company's share of the profit (loss) of subsidiaries and associates were as follows:

	December 31, 2025	December 31, 2024
Subsidiaries	\$ 1,325,758	1,138,228
Associates	<u>48,282</u>	<u>34,338</u>
	<u><u>\$ 1,374,040</u></u>	<u><u>1,172,566</u></u>

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(iii) Summarized financial information of individually insignificant associates

The summarized financial information of individually insignificant associates using the equity-accounted method is as follows:

	December 31, 2025	December 31, 2024
Carrying amount of individually insignificant associates' equity	\$ <u>688,349</u>	<u>695,663</u>
	<u>2025</u>	<u>2024</u>
Share of results attributable to the Company:		
Profit from continuing operations	\$ 48,282	34,338
Other comprehensive income	<u>(24,724)</u>	<u>31,173</u>
Total comprehensive income	\$ <u>23,558</u>	<u>65,511</u>

(iv) In 2025 and 2024, the Company was allocated with cash dividends of \$663,026 and \$592,759, respectively, from the aforementioned investee companies.

(v) As of December 31, 2025 and 2024, the Company did not provide investment accounted for using equity method as collateral.

(e) Property, plant and equipment

The cost depreciation, and impairment of the property, plant and equipment of the Company for the years ended December 31, 2025 and 2024 were as follows:

	Land	Buildings and construction	Transportation equipment	Other equipment	Construction in progress	Total
Cost or deemed cost:						
Balance on January 1, 2025	\$ 484,365	150,410	190	85,502	-	720,467
Additions	-	1,840	-	3,003	12,627	17,470
Disposals	-	-	-	(71)	-	(71)
Transfer in (out)	-	-	-	-	693	693
Balance on December 31, 2025	\$ <u>484,365</u>	<u>152,250</u>	<u>190</u>	<u>88,434</u>	<u>13,320</u>	<u>738,559</u>
Balance on January 1, 2024	\$ 484,365	129,694	190	78,000	-	692,249
Additions	-	19,646	-	20,260	-	39,906
Disposals	-	-	-	(12,758)	-	(12,758)
Transfer in (out)	-	1,070	-	-	-	1,070
Balance on December 31, 2024	\$ <u>484,365</u>	<u>150,410</u>	<u>190</u>	<u>85,502</u>	<u>-</u>	<u>720,467</u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

	<u>Land</u>	<u>Buildings and construction</u>	<u>Transportation equipment</u>	<u>Other equipment</u>	<u>Construction in progress</u>	<u>Total</u>
Depreciation and impairments loss:						
Balance on January 1, 2025	\$ -	52,559	160	55,885	-	108,604
Depreciation	-	15,739	14	10,580	-	26,333
Disposals	-	-	-	(71)	-	(71)
Balance on December 31, 2025	<u>\$ -</u>	<u>68,298</u>	<u>174</u>	<u>66,394</u>	<u>-</u>	<u>134,866</u>
Balance on January 1, 2024	\$ -	40,440	128	60,085	-	100,653
Depreciation	-	12,119	32	8,556	-	20,707
Disposals	-	-	-	(12,756)	-	(12,756)
Balance on December 31, 2024	<u>\$ -</u>	<u>52,559</u>	<u>160</u>	<u>55,885</u>	<u>-</u>	<u>108,604</u>
Carrying amounts:						
Balance on December 31, 2025	<u>\$ 484,365</u>	<u>83,952</u>	<u>16</u>	<u>22,040</u>	<u>13,320</u>	<u>603,693</u>
Balance on December 31, 2024	<u>\$ 484,365</u>	<u>97,851</u>	<u>30</u>	<u>29,617</u>	<u>-</u>	<u>611,863</u>
Balance on January 1, 2024	<u>\$ 484,365</u>	<u>89,254</u>	<u>62</u>	<u>17,915</u>	<u>-</u>	<u>591,596</u>

The Company disposed of parts of the property, plant and equipment in 2025 and 2024. There were a gain of \$0 on disposal during the year ended December 31, 2025, and a gain of \$5 on disposal during the year ended December 31, 2024. The registration procedures of the assets transferred have been completed, and related receivables have been collected.

As of December 31, 2025 and 2024, the pledge information is summarized in note (8).

(f) **Investment property**

Investment property comprises office buildings that are leased to third parties under operating leases that are owned by the Company. The leases of investment properties contain an initial non-cancellable lease term of 1 to 5 years. For all investment property leases, the rental income is fixed under the contracts.

	<u>Owned property</u>		
	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost or deemed cost:			
Balance on December 31, 2025			
(Balance on January 1, 2024)	<u>\$ 19,094</u>	<u>3,769</u>	<u>22,863</u>
Balance on December 31, 2024			
(Balance on January 1, 2023)	<u>\$ 19,094</u>	<u>3,769</u>	<u>22,863</u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

	Owned property		
	Land	Building	Total
Depreciation and impairment losses:			
Balance on January 1, 2025	\$ -	3,064	3,064
Depreciation	-	77	77
Balance on December 31, 2025	<u>\$ -</u>	<u>3,141</u>	<u>3,141</u>
Balance on January 1, 2024	\$ -	2,987	2,987
Depreciation	-	77	77
Balance on December 31, 2024	<u>\$ -</u>	<u>3,064</u>	<u>3,064</u>
Carrying amount:			
Balance on December 31, 2025	<u>\$ 19,094</u>	<u>628</u>	<u>19,722</u>
Balance on December 31, 2024	<u>\$ 19,094</u>	<u>705</u>	<u>19,799</u>
Balance on January 1, 2024	<u>\$ 19,094</u>	<u>782</u>	<u>19,876</u>
Fair Value:			
Balance on December 31, 2025			<u>\$ 72,564</u>
Balance on December 31, 2024			<u>\$ 73,988</u>

The fair value of investment properties was based on a valuation by a qualified independent appraiser who has recent valuation experience in the location and category of the investment property being valued.

Investment property comprises a number of commercial properties that are leased to third parties. Each of the lease contract contains an initial non-cancellable period. Subsequent renewals are negotiated with the lessee. No contingent rents are charged. For more information (including rental income and operating expenses incurred directly), please refer to note 6(i).

As of December 31, 2025 and 2024, the investment property of the Company were not pledged as collateral or restricted.

(g) Other financial assets

	December 31, 2025	December 31, 2024
Time deposits (over three months)	\$ -	5,174
Other receivables	862	1,598
Refundable deposits	604	604
Pledged assets-time deposits	13,650	5,050
	<u>\$ 15,116</u>	<u>12,426</u>
Other current financial assets	\$ 862	6,773
Other non-current financial assets	14,254	5,653
	<u>\$ 15,116</u>	<u>12,426</u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

As of December 31, 2025 and 2024, the Company provided other financial assets as collateral. Please refer to note (8).

(h) Loans

The Company's details of loans were as follows:

(i) Short-term borrowings and commercial paper payable, net

	December 31, 2025	December 31, 2024
Bank loans	\$ 995,000	2,295,000
Commercial papers payable	150,000	550,000
Less: discount on commercial papers payable	(8)	(222)
	<u>\$ 1,144,992</u>	<u>2,844,778</u>
Unused credit lines	<u>\$ 2,970,000</u>	<u>1,050,000</u>
Range of interest rate	<u>1.88%~1.98%</u>	<u>0.5%~2.304%</u>

(ii) Bonds Payable

The Company issued secured bonds at face value. The interest is calculated and paid annually from the date of issuance. The bonds payable on December 31, 2025 and 2024, were as follows:

Item	Interest rate	Due	December 31, 2025	December 31, 2024
2020				
The first secured bonds payable	0.64%~0.66%	August 2025	\$ -	2,500,000
2025				
The first secured bonds payable	2.03%~2.07%	May 2028~ May 2030	4,000,000	-
Less: current portion			-	(2,500,000)
Total			<u>\$ 4,000,000</u>	<u>-</u>

(iii) The 2020 first secured payable bonds amounting to \$2,500,000, had been fully paid by the Company for due date on August 28, 2025.

(iv) Based on a resolution approved during the Board of Directors' meeting held on February 26, 2025, the Company issued its first 3-year and 5-year secured ordinary corporate bonds on May 14, 2025, at a total issuance amount of \$4,000,000 and a par value of \$1,000. The issuance was completed on May 14, 2025.

(v) Refer to note 6(q) for the information of exposure to liquidity risk. The Company provided assets as collaterals for credit line of short-term and long-term borrowings, please refer to note (8).

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(i) Operating lease

A maturity analysis of lease payments on December 31, 2025 and 2024, showing the undiscounted lease payments to be received after the reporting date is as follows:

	December 31, 2025	December 31, 2024
Less than one year	\$ 12,305	9,907
Between one and five years	<u>2,678</u>	<u>7,731</u>
Total undiscounted lease payments	<u>\$ 14,983</u>	<u>17,638</u>

The Company leases out its investment property. The Company has classified these leases as operating leases, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to note 6(f) sets out information about the operating leases of investment property.

The rental income earned by lease investment property amounted to \$1,497 and \$1,486 in 2025 and 2024, respectively.

(j) Employee benefits

(i) Defined benefit plans

The movements of defined benefit obligation at present value and plan asset at fair value were as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligations	\$ 22,012	25,583
Fair value of plan assets	<u>(29,453)</u>	<u>(30,309)</u>
Net defined benefit assets	<u>\$ (7,441)</u>	<u>(4,726)</u>

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

1) Composition of plan assets

The Company allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings in the annual distributions on the final consolidated financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with interest rates offered by local banks.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

The Company's Bank of Taiwan labor pension reserve account balance amounted to \$29,453 at the end of reporting period. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of the defined benefit obligations

The movements in present value of defined benefit obligations for the Company were as follows:

	2025	2024
Defined benefit obligation on January 1	\$ 25,583	25,353
Benefits paid by the plan	(3,570)	-
Current service costs and interest	483	528
Remeasurement of the net defined benefit liability (asset)	(484)	(298)
Defined benefit obligation on December 31	<u><u>\$ 22,012</u></u>	<u><u>25,583</u></u>

3) Movements of the fair value of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Company were as follows:

	2025	2024
Fair value of plan assets on January 1	\$ 30,309	27,354
Contributions paid by the employer	168	173
Benefits paid by the plan assets	(3,570)	-
Expected return on plan assets	486	343
Remeasurement of the net defined benefit liability (asset)	2,060	2,439
Fair value of plan assets at 31 December	<u><u>\$ 29,453</u></u>	<u><u>30,309</u></u>

4) Expenses recognized in profit or loss

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

	2025	2024
Service cost	\$ 81	214
Interest cost	402	314
Expected return on plan assets	(486)	(343)
Operating expense	<u><u>\$ (3)</u></u>	<u><u>185</u></u>

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

5) Actuarial assumptions

The following is the Company's principal actuarial assumptions of defined benefit obligations on the reporting date:

	December 31, 2025	December 31, 2024
Discount rate	1.625 %	1.750 %
Future salary increasing rate	3.000 %	3.000 %

The expected allocation payment made by the Company to the defined benefit plans for the one-year period after the reporting date will be \$172.

The weighted-average lifetime of the defined benefit plan is 8.86 years.

6) Sensitivity analysis

The impact of the present value of the defined benefit obligations affected by the actuarial assumptions for the years ended December 31, 2025 and 2024 were as follows:

	<u>Influences of defined benefit obligation</u>	
	<u>Increased 0.25%</u>	<u>Decreased 0.25%</u>
December 31, 2025		
Discount rate	(230)	234
Future salary increasing rate	236	(228)
December 31, 2024		
Discount rate	(272)	279
Future salary increasing rate	305	(247)

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

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2025 and 2024.

(ii) Defined contribution plans

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

The Company recognized pension costs under the defined contribution method amounting to \$3,971 and \$3,705 for the years ended December 31, 2025 and 2024, respectively. Payment was made to the Bureau of Labor Insurance.

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CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(k) Income taxes

(i) Income tax expenses

The amount of income tax for 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Current tax expense		
Current period	\$ 37,844	7,335
Adjustment for prior periods	<u>(8,038)</u>	<u>(5,786)</u>
	<u>29,806</u>	<u>1,549</u>
Deferred tax expense		
Recognition and reversal of temporary differences	<u>(13,784)</u>	<u>6,343</u>
Income tax expense	<u><u>\$ 16,022</u></u>	<u><u>7,892</u></u>

The amount of income tax recognized in other comprehensive income for 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Items that may not be reclassified subsequently to profit or loss		
Remeasurement in defined benefit plans	<u><u>\$ 509</u></u>	<u><u>547</u></u>

Reconciliations of income tax and profit before tax for 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Profit before income tax	<u>\$ 1,093,988</u>	<u>1,020,690</u>
Income tax using the Company's domestic tax rate	218,797	204,138
Tax exemption for investment income under the equity method	(274,808)	(234,513)
Dividend income—overseas subsidiaries	42,704	33,904
Domestic tax-free investment (gain) loss	198	1,139
Non-deductible expenses	118	65
Surtax on undistributed earnings	36,998	4,837
Under (over) provision in prior periods	<u>(7,985)</u>	<u>(1,678)</u>
	<u><u>\$ 16,022</u></u>	<u><u>7,892</u></u>

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax liabilities

The Company is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as at December 31, 2025 and 2024. Also, management considered it probable that the temporary differences will not be reversed in the foreseeable future. Hence, such temporary differences were not recognized under deferred tax liabilities. Details were as follows:

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

	December 31, 2025	December 31, 2024
Aggregate amount of temporary differences related to investments in subsidiaries	<u>\$ 12,460,350</u>	<u>12,791,675</u>
Unrecognized deferred tax liabilities	<u>\$ 2,492,070</u>	<u>2,558,335</u>

2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2025 and 2024 were as follows:

	Defined benefit Plans	Overseas investment income recognized under the equity method	Land revaluation increment	Unrealized exchange gains and Others	Total
Deferred tax liabilities:					
Balance on January 1, 2025	\$ -	\$ 160,486	70,792	6,680	237,958
Recognized in profit or loss	98	-	-	(5,026)	(4,928)
Balance on December 31, 2025	<u>\$ 98</u>	<u>\$ 160,486</u>	<u>70,792</u>	<u>1,654</u>	<u>233,030</u>
Balance on January 1, 2024	\$ -	\$ 160,486	70,792	(1,718)	229,560
Recognized in profit or loss	-	-	-	8,398	8,398
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 160,486</u>	<u>70,792</u>	<u>6,680</u>	<u>237,958</u>

	Defined benefit Plans	Unrealized exchange losses and Others	Total
Deferred tax assets:			
Balance on January 1, 2025	\$ 445	3,098	3,543
Recognized in profit or loss	64	8,792	8,856
Recognized in other comprehensive income	(509)	-	(509)
Balance on December 31, 2025	<u>\$ -</u>	<u>11,890</u>	<u>11,890</u>
Balance on January 1, 2024	\$ 989	1,046	2,035
Recognized in profit or loss	3	2,052	2,055
Recognized in other comprehensive income	(547)	-	(547)
Balance on December 31, 2024	<u>\$ 445</u>	<u>3,098</u>	<u>3,543</u>

3) Assessment of tax

The Company's tax returns for the years through 2023 was assessed by tax authorities.

4) Global minimum top-up tax

The Company's subsidiaries operate in United Kingdom, which has enacted new legislation to implement the global minimum top-up tax. However, since the Company's subsidiaries in United Kingdom are not included in the range of global minimum top-up tax, there is no significant impact to the Company as of December 31, 2025.

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(l) Capital and other equities

(i) Ordinary shares

As of December 31, 2025 and 2024, the authorized common stocks amounted to \$3,600,000 with a par value of 10 New Taiwan Dollars per share, in total of 360,000 thousand shares. All the ordinary shares were common stocks, and of which 197,485 thousand shares has been issued. All issued shares were paid upon issuance.

(ii) Capital surplus

In accordance with the ROC Company Act, realized capital surplus are distributed according to shareholding rates and can only be distributed as stock dividends or cash dividends after offsetting losses. The aforementioned capital surplus include share premiums and donation gains. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital surplus to be reclassified under share capital shall not exceed 10 percent of the actual share capital amount.

The balances of capital surplus were as follows:

	December 31, 2025	December 31, 2024
Differences between fair value and carrying amount of subsidiary disposed	\$ 42,503	42,503
Changes in equity of associates accounted for using equity method	10,909	10,908
	<u>\$ 53,412</u>	<u>53,411</u>

(iii) Retained Earning

The Company's article of incorporation stipulate that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval. When the distribution is carried out by issuing new shares, it shall be submitted to the shareholders' meeting for approval. When the distribution is made in the form of cash dividends, it shall be approved by a meeting of the Board of Directors attended by at least two-thirds of the directors, with the consent of a majority of the directors present, and shall be subsequently reported to the shareholders' meeting.

Dividends are paid in cash or stock from retained earnings, and the amount of cash dividends should not be less than 10% of total dividends.

1) Legal reserve

When the Company has no accumulated deficits on the books, the legal reserve can be converted to share capital or distributed as cash dividends, and only the portion of legal reserve that exceeds 25% of issued share capital may be distributed.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

2) Special reserve

By choosing to apply the exemptions granted under IFRS 1 "First-time Adoption of International Financial Reporting Standards" during the Company's first-time adoption of the International Financial Reporting Standards approved by the Financial Supervisory Commission (IFRSs), unrealized revaluation gains recognized under shareholders' equity. The increase in retained earnings occurring before the adoption date, due to the first-time adoption of IFRSs, shall be reclassified as a special reserve during earnings distribution. The carrying amount of special reserve amounted to \$359,487 on December 31, 2025 and 2024.

In accordance with the guidelines of the above Rule, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special reserve during earnings distribution. The after-tax net profit in the period, plus items other than the after-tax net profit in the period, that are included in the undistributed current-period earnings and undistributed prior-period earnings, shall be reclassified to special earnings reserve. A portion of undistributed prior-period earnings shall be reclassified to special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The 2024 and 2023 earnings distribution to the ordinary shareholders were based on the resolutions of the Board of Directors on March 13, 2025 and March 14, 2024, respectively, as follows:

	<u>2024</u>	<u>2023</u>
Common stock dividends		
Cash	\$ <u>414,718</u>	<u>197,485</u>

The 2025 earnings distribution to the ordinary shareholders were based on the resolutions of the Board of Directors on March 12, 2026, as follows:

	<u>2025</u>	
	<u>Amount per share</u>	<u>Amount</u>
Dividends distributed to ordinary shareholders		
Cash	\$ 2.20	<u>434,466</u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(iv) Other Equity (After tax)

	Exchange differences on translation of foreign financial Statements	Unrealized and realized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
January 1, 2025	\$ 603,251	447,469	1,050,720
Exchange difference on translation of foreign financial statements	(531,307)	-	(531,307)
Exchange differences on associates accounted for using equity method	(96,071)	-	(96,071)
Unrealized gains(losses) from financial assets measured at fair value through other comprehensive income	-	(158,818)	(158,818)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	(234,774)	(234,774)
December 31, 2025	<u>\$ (24,127)</u>	<u>53,877</u>	<u>29,750</u>
January 1, 2024	\$ (220,995)	313,651	92,656
Exchange differences on translation of foreign financial statements	793,073	-	793,073
Exchange differences on associates accounted for using equity method	31,173	-	31,173
Unrealized gains(losses) from financial assets measured at fair value through other comprehensive income	-	396,457	396,457
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	(262,639)	(262,639)
December 31, 2024	<u>\$ 603,251</u>	<u>447,469</u>	<u>1,050,720</u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(m) Earnings per share

(i) Basic earnings per share

The calculation of basic earnings per share at December 31, 2025 and 2024 were based on the profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding, calculated as follows:

1) Profit attributable to ordinary shareholders of the Company

	<u>2025</u>	<u>2024</u>
Profit attributable to ordinary shareholders of the Company	\$ <u><u>1,077,966</u></u>	<u><u>1,012,798</u></u>

2) Weighted-average number of ordinary shares (thousands)

	<u>2025</u>	<u>2024</u>
Weighted-average number of ordinary shares (basic)	<u><u>197,485</u></u>	<u><u>197,485</u></u>

3) Basic earnings per share (NTD)

	<u>2025</u>	<u>2024</u>
Basic earnings per share	\$ <u><u>5.46</u></u>	<u><u>5.13</u></u>

(ii) Diluted earnings per share

The calculation of diluted earnings per share at December 31, 2025 and 2024 were based on profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

1) Profit attributable to ordinary shareholders of the Company (diluted)

	<u>2025</u>	<u>2024</u>
Profit attribute to ordinary shareholder of the Company	\$ <u><u>1,077,966</u></u>	<u><u>1,012,798</u></u>

2) Weighted-average number of ordinary shares (diluted) (thousands)

	<u>2025</u>	<u>2024</u>
Weighted-average number of ordinary shares (basic)	197,485	197,485
Effect of common stocks on the employee compensation	<u>232</u>	<u>271</u>
Weighted-average number of ordinary shares (diluted)	<u><u>197,717</u></u>	<u><u>197,756</u></u>

3) Diluted earnings per share (NTD)

	<u>2025</u>	<u>2024</u>
Diluted earnings per share	\$ <u><u>5.45</u></u>	<u><u>5.12</u></u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(n) Revenue from contracts with customers

(i) Disaggregation of revenue

	<u>2025</u>	<u>2024</u>
Freight revenue-vessel chartering	\$ 67,780	69,360
Freight revenue-container hauling and logistics	484,710	489,572
Freight revenue-airline agent and others	<u>35,742</u>	<u>19,581</u>
	<u><u>\$ 588,232</u></u>	<u><u>578,513</u></u>

(ii) Contract balances

	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>January 1, 2024</u>
Notes and accounts receivable (including related parties)	\$ 78,473	90,288	82,154
Less: allowance for impairment	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>\$ 78,473</u></u>	<u><u>90,288</u></u>	<u><u>82,154</u></u>

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

(o) Financial cost-interest expense

The financial cost-interest expense in 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Bank loans	\$ 35,780	55,754
Financing-related parties	1,020	1,023
Bonds payable	<u>91,839</u>	<u>32,706</u>
	<u><u>\$ 128,639</u></u>	<u><u>89,483</u></u>

(p) Remuneration to employee and directors

On May 28, 2025, The Company resolved at the shareholder's meeting to amend its Articles of Incorporation. According to the amended Company Articles of Incorporation, if the Company incurs profit for the year, the profit shall first be used to offset against any accumulated deficit, then a range from 0.5% to 2% will be distributed as employee remuneration (including a minimum of 0.2% profit to those base-level employees), and a maximum of 2% will be allocated as directors' remuneration. In accordance with the company's articles of incorporation before amendment, earnings shall first be used to offset against any deficit, then a range from 0.5% to 2% will be distributed as employee remuneration, and a maximum of 2% will be allocated as directors' remuneration.

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

As of December 31, 2025 and 2024, the Company recognized its employee remuneration of \$11,163 (including a minimum of 0.2% profit to those base-level employees) and \$10,415, respectively, and its directors' remuneration of \$11,163 and \$10,415, respectively. The employee and directors' remuneration were recorded as operation expenses and were estimated based on the net profit before tax, excluding the employee and directors' remuneration of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's articles. If there is difference between the aforementioned distribution approved in the Board of Directors and the estimation, it will be dealt with changes in accounting estimation, and will be recognized in profit or loss next year. If the Board of Directors resolves to pay remuneration to employees in shares, the number of shares of stock is calculated based on the closing price of the common stock on the day before the Board of Directors' resolution.

As of December 31, 2024 and 2023, the Company recognized its employee remuneration of \$10,415 and \$3,869, respectively, and its directors' remuneration of \$10,415 and \$3,869, respectively. There was no difference between the aforementioned distribution approved in the Board of Directors and the estimation in the 2024 and 2023 financial statements. Relative information is available on the TSE Market Observation Post System.

(q) Financial Instruments

(i) Credit risk

1) Exposure to credit risk

The carrying amount of financial assets represents the maximum amount exposed to credit risk. As of December 31, 2025 and 2024, the maximum amount exposed to credit risk amounted to \$722,204 and \$1,038,367, respectively.

The aggregation of sales to the Company's major customers exceeding 10% of the Company's total sales accounted for 64% and 72% of the total net sales for the years ended December 31, 2025 and 2024, respectively. In order to reduce credit risk, the Company assesses the financial status of the customers and the possibility of collection of receivables in order to estimate an adequate allowance for doubtful accounts on a regular basis. The customers have had a good credit and profit record. The Company has never suffered any significant credit loss.

2) Credit risk of Receivables

For credit risk exposure of notes and accounts receivable, please refer to note 6(c).

Other financial assets at amortized cost includes other receivables, guarantee deposits, pledged assets-time deposit, restricted deposit. 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, with the measurement proving to have no impairment loss.

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(ii) Liquidity Risk

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

	Carrying Amount	Contractual cash flows	Within a year	1 ~ 2 years	Over 2 years
December 31, 2025					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 1,144,992	(1,148,367)	(1,148,367)	-	-
Notes and accounts payable (including related parties)	115,872	(115,872)	(115,872)	-	-
Bonds payable	4,000,000	(4,285,015)	(81,990)	(81,990)	(4,121,035)
Other payable-related parties (including non-current)	85,000	(86,020)	(35,926)	(28,741)	(21,353)
Accrued expenses and other payables (recorded as other current liabilities)	108,016	(108,016)	(108,016)	-	-
Guarantee deposits (recorded as other non-current liabilities)	570	(570)	-	(302)	(268)
	<u>\$ 5,454,450</u>	<u>(5,743,860)</u>	<u>(1,490,171)</u>	<u>(111,033)</u>	<u>(4,142,656)</u>
December 31, 2024					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 2,844,778	(2,891,294)	(2,891,294)	-	-
Notes and accounts payable (including related parties)	257,430	(257,430)	(257,430)	-	-
Bonds payable(including current portion)	2,500,000	(2,510,669)	(2,510,669)	-	-
Other payable-related parties	85,000	(86,020)	(86,020)	-	-
Accrued expenses and other payables (recorded as other current liabilities)	55,026	(55,026)	(55,026)	-	-
Guarantee deposits (recorded as other non-current liabilities)	562	(562)	(562)	-	-
	<u>\$ 5,742,796</u>	<u>(5,801,001)</u>	<u>(5,801,001)</u>	<u>-</u>	<u>-</u>

The Company is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

(iii) Exchange rate risk

The Company do not have significant exposure to foreign currency risk.

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(iv) Interest rate analysis

The details of financial assets and liabilities exposed to interest rate risk were as follows:

	Carrying amount	
	December 31, 2025	December 31, 2024
Variable rate instruments:		
Financial assets	\$ 139,769	84,214
Financial liabilities	(995,000)	(2,844,778)
	\$ (855,231)	(2,760,564)

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments on the reporting date.

Regarding the liabilities with variable interest rates, the analysis is on the basis of the assumption that the amount of assets and liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents management of the Company's assessment on the reasonably possible interval of interest rate change.

If the interest rate had increased or decreased by 0.25%, the net profit before tax would have decrease or increased for the years ended December 31, 2025 and 2024 as follows:

	2025	2024
Increased 0.25%	\$ (2,138)	(6,901)
Decreased 0.25%	2,138	6,901

(v) Fair value information

1) The kinds of financial instruments and fair value

The Company's financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are based on repeatability measured by fair value. The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It shall not include fair value information of the financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value and lease liability.

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

		December 31, 2025			
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss					
Non derivative non-current financial assets mandatorily at fair value through profit or loss	\$ 9,313	-	-	9,313	9,313
Total	<u>\$ 9,313</u>				
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 619,302	-	-	-	-
Notes and accounts receivables	78,473	-	-	-	-
Other receivables (including related parties)	862	-	-	-	-
Refundable deposits	604	-	-	-	-
Pledged assets-time deposits	13,650	-	-	-	-
Total	<u>\$ 712,891</u>				
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 1,144,992	-	-	-	-
Notes and accounts payable	1,312	-	-	-	-
Accounts payable-related parties	114,560	-	-	-	-
Bonds payable	4,000,000	-	4,000,000	-	4,000,000
Accrued expenses and other payables (recorded as other current liabilities)	108,016	-	-	-	-
Other payables-related party (including non-current)	85,000	-	-	-	-
Guarantee deposits (recorded as other non-current liabilities)	570	-	-	-	-
Total	<u>\$ 5,454,450</u>				

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

		December 31, 2024			
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non derivative non-current financial assets mandatorily at fair value through profit or loss	\$ 11,881	-	-	11,881	11,881
	<u>\$ 11,881</u>				
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 923,832	-	-	-	-
Notes and accounts receivable (including related parties)	90,228	-	-	-	-
Time deposits (over three months)	5,174	-	-	-	-
Other receivables (including related parties)	1,599	-	-	-	-
Refundable deposits	603	-	-	-	-
Pledged assets-time deposits	5,050	-	-	-	-
Total	<u>\$ 1,026,486</u>				
Financial liabilities measured at amortized cost					
Notes and accounts payable	\$ 685	-	-	-	-
Accounts payable to related parties	256,745	-	-	-	-
Bonds payable(including current portion)	2,500,000	-	2,500,000	-	2,500,000
Accrued expenses and other payables (recorded as other current liabilities)	55,026	-	-	-	-
Other payable-related parties	85,000	-	-	-	-
Guarantees deposits (recorded as other non-current liabilities)	562	-	-	-	-
Total	<u>\$ 2,898,018</u>				

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

2) Valuation techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date.

B. Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models.

3) There was no transfer of fair value hierarchy during the year ended December 31, 2025 and 2024.

4) Statement of changes in level 3

	Measured of fair value through profit or loss
	Non derivative mandatorily measured at fair value through profit or loss
Balance on January 1, 2025	\$ 11,881
Proceeds of capital reduction of investment	(1,053)
Total gains or losses:	
Recognized in profit or loss	(1,515)
Balance on December 31, 2025	<u>\$ 9,313</u>
Balance on January 1, 2024	\$ 22,453
Proceeds of capital reduction of investment	(2,924)
Total gains or losses:	
Recognized in profit or loss	(7,648)
Balance on December 31, 2024	<u><u>\$ 11,881</u></u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

The total gain or loss above are reported under valuation gains (losses) of financial assets at fair value through profit or loss.

(r) Financial risk management

(i) Briefings

The Company is exposed to the following risks arising from financial instruments :

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

In this note expressed the information on risk exposure and objectives, policies and process of risk measurement and management. For detailed information, please refer to the related notes of each risk.

(ii) Structure of risk management

The Company's finance department provides business services for the overall internal department. It sets the objectives, policies and processes for managing the risk and the methods used to measure the risk arising from both the domestic and international financial market operations.

The Company minimizes the risk exposure through financial instruments. The Board of Directors regulated the use of financial instruments in accordance with the Company's policy about risks arising from financial instruments, such as interest rate risk, credit risk, the use of non-derivative financial instruments, and the investments of excess liquidity. The internal auditors of the Company continue with the review of the amount of the risk exposure in accordance with the Company's policy and the risk management policies and procedures. The Company has no transactions in financial instruments (including derivative financial instruments) for the purpose of speculation.

(iii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

1) Accounts receivable and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk.

The Company has established a credit policy. Credit limits are established for each customer. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

2) Investment

The credit risk exposure in the bank deposits, fixed income investments and other financial instruments are measured and monitored by the Company's management. Since the Company's transaction counterparties and contractually obligated counterparties are banks, financial institutes and corporate organizations with good credits, there are no compliance issues, and therefore no significant credit risk.

3) Guarantees

The Company is only permissible to provide financial guarantees to subsidiaries. Please refer to note 7 and 13(a) for the information as of December 31, 2025 and 2024.

(iv) Liquidity risk

The Company manages sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Company's management supervises the banking facilities and ensures in compliance with the terms of the loan agreements.

The loans from the bank and the bonds payable are important sources of liquidity for the Company. Please refer to note 6(h) for unused short-term bank facilities as of December 31, 2025 and 2024.

(v) Market risk

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

1) Currency risk

The Company is exposed to currency risk on its investments that are denominated in US Dollars (USD). The Company uses natural hedging strategy in exposing the current and future currency risk that arises from cash flows of foreign currency asset and liability. Foreign currency gains (losses) from assets and liabilities are subsequently offset by foreign currency losses (gains) to hedge the foreign currency risk.

2) Interest rate risk

The Company borrows funds on interest rate, which has risk exposure to cash flow. The bonds payable are fixed-interest-rate debts. Changes in market interest rates lower the effect on future cash flow.

3) Other market price risk

The Company is exposed to equity price risk due to the investments in non-listing equity securities, corporate banks, listing equity securities that measure the fair value of the publicly quoted price, and quoted open-ended fund at fair value.

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(s) Capital management

The Company maintains the capital based on the current operating characteristics of the industry, future development, and changes in external environment, to assure there is financial resource and operating plan to support working capital, capital expenditures, and debt redemption and dividend payment and so on. The management decides the optimized capital by using appropriate debt-to-asset ratio. To maintain a strong capital base, the Company enhances the return on equity by optimizing debt-to-assets ratio. As of December 31, 2025 and 2024, the Company's debt-to-assets ratio at the end of the reporting date was as follows:

	December 31, 2025	December 31, 2024
Total liabilities	\$ 5,732,571	5,997,720
Total assets	19,240,553	19,625,755
Debt-to-equity ratio	30 %	31 %

(t) Investing and financing activities not affecting current cash flow

The Company's investing activities which did not affect the current cash flow in the years ended December 31, 2025 and 2024.

Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes Others	Foreign exchange movement	December 31, 2025
Short-term borrowings	\$ 2,844,778	(1,699,786)	-	-	1,144,992
Bonds payable(current portion)	2,500,000	1,500,000	-	-	4,000,000
Guarantee deposits (recorded as other non-current liabilities- others)	562	8	-	-	570
Other payable-related parties (including non-current)	85,000	-	-	-	85,000
Total liabilities from financial activities	<u>\$ 5,430,340</u>	<u>(199,778)</u>	<u>-</u>	<u>-</u>	<u>5,230,562</u>
	January 1, 2024	Cash flows	Non-cash changes Others	Foreign exchange movement	December 31, 2024
Short-term borrowings	\$ 2,759,743	85,035	-	-	2,844,778
Bonds payable (current portion)	2,500,000	-	-	-	2,500,000
Guarantee deposits (recorded as other non-current liabilities- others)	735	(173)	-	-	562
Other payable-related parties	85,000	-	-	-	85,000
Total liabilities from financial activities	<u>\$ 5,345,478</u>	<u>84,862</u>	<u>-</u>	<u>-</u>	<u>5,430,340</u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(7) Related-party transactions

(a) Parent company and ultimate controlling party

AGCMT Group Ltd. is the ultimate controlling party of the Company and owns 68.08% and 68.00% percent of all shares outstanding of the Company on December 31, 2025 and 2024, respectively. The Company has issued the consolidated financial statements available for public use.

(b) Names and relationship with related parties

The followings are subsidiaries and entities that have had transactions with related parties during the periods covered in the financial statements:

<u>Name of related party</u>	<u>Relationship with the Group</u>
Chinese Maritime Transport International Pte. Ltd. (CMTI)	Subsidiary
Chinese Maritime Transport (UK), Limited (CMTUK)	Subsidiary
Chinese Maritime Transport (Hong Kong), Limited (CMTHK)	Subsidiary
CMT Logistics Co., Ltd. (CMTL)	Subsidiary
AGM Investment Ltd. (AGMI)	Subsidiary
Hope Investment Ltd. (HIL)	Subsidiary
Mo Hsin Investment Ltd. (MHI)	Subsidiary
Associated Transport Inc. (ATI)	Subsidiary
CMT Travel Service Ltd. (TRV)	Subsidiary
Assocaited Group Motors Corp. (AGM)	Subsidiary
Huang Yuen Transport Ltd. (HYT)	Subsidiary
Mao Hwa Transport Ltd. (MHT)	Subsidiary
Prosperity Transport Ltd. (APT)	Subsidiary
Chinese Maritime Transport (S) Pte. Ltd (CMTS)	Sub-subsidiary
China Fortune Shipping Pte. Ltd. (CFR)	Sub-subsidiary
China Enterprise Shipping Pte. Ltd. (CEP)	Sub-subsidiary
China Prosperity Shipping Ltd. (CPS)	Sub-subsidiary
China Peace Shipping Ltd. (CPC)	Sub-subsidiary
China Progress Shipping Ltd. (CPG)	Sub-subsidiary
China Pioneer Shipping Ltd. (CPN)	Sub-subsidiary
China Pride Shipping Ltd. (CPD)	Sub-subsidiary
CMT Chartering Ltd. (CHT)	Sub-subsidiary

(Continued)

CHINESE MARITIME TRANSPORT LTD.**Notes to the Financial Statements**

Name of related party	Relationship with the Group
China Triumph Shipping Ltd. (CTU)	Sub-subsidiary
China Trade Shipping Ltd. (CTD)	Sub-subsidiary
China Harmony Shipping Ltd. (CHM)	Sub-subsidiary
China Honour Shipping Ltd. (CHN)	Sub-subsidiary
CMT Investment Co., Limited (CHI)	Sub-subsidiary
Chinese Maritime Transport Ship Management (Hong Kong) Limited (CIM)	Sub-subsidiary
China Champion Shipping Pte. Ltd. (CCMP)	Sub-subsidiary
China Venture Shipping Pte. Ltd. (CVTR)	Sub-subsidiary
China Ace Shipping Pte. Ltd. (CACE)	Sub-subsidiary
China Vista Shipping Pte. Ltd. (CVST)	Sub-subsidiary
China Excel Shipping Pte. Ltd. (CEXL)	Sub-subsidiary
China Expedite Shipping Pte. Ltd. (CEXP)	Sub-subsidiary
China Eminent Shipping Pte. Ltd. (CEMT)	Sub-subsidiary
China Energy Shipping Pte. Ltd. (CNRG)	Sub-subsidiary
China Peace Shipping Pte. Ltd. (CPCS)	Sub-subsidiary
China Progress Shipping Pte. Ltd. (CPGS)	Sub-subsidiary
Chang Shun Transport Ltd. (CST)	Sub-subsidiary
Pioneer Transport Ltd. (PTL)	Sub-subsidiary
AGCMT Group Ltd.	The parent company
Associated International Inc. (AII)	The entity with significant influence over the Company
Associated Development Inc. (ADI)	A subsidiary of AII
CMT Development Inc. (CMD)	A subsidiary of AII
Associated International (Hong Kong) Limited	Substantial related party

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(c) Significant related party transactions

(i) Freight cost

	<u>2025</u>	<u>2024</u>
	<u>Amount</u>	<u>Amount</u>
Subsidiary – ATI	\$ <u>458,869</u>	<u>463,704</u>

The Company entrusts its subsidiaries to engage in container hauling business. The selling price is based on the market conditions and is paid according to the financial needs of the subsidiaries. Accounts payable to related parties due to the above transactions were as follows:

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
	<u>Amount</u>	<u>Amount</u>
Subsidiary – ATI	\$ <u>114,560</u>	<u>256,745</u>

(ii) Vessel management income and related collection and payment

The Company collects vessel management income from its subsidiaries. The amount was as follows:

1) Vessel management income and uncleared balances:

	<u>Revenue</u>		<u>Accounts Receivable- related parties</u>	
	<u>2025</u>	<u>2024</u>	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Subsidiaries	\$ <u>67,557</u>	<u>69,144</u>	<u>-</u>	<u>-</u>

Accounts receivable from related parties were uncollateralized, and no expected credit loss (provisions for doubtful debt) was recognized after the assessment by the management.

Due to the above-mentioned business, the Company collected and paid the miscellaneous expenses in ROC, and received income of vessel management from subsidiaries in advance. The amount was as follows:

	<u>2025</u>	<u>2024</u>
Other current liabilities		
Subsidiaries	\$ <u>9,563</u>	<u>7,487</u>

(iii) Operating expense

	<u>2025</u>	<u>2024</u>
The entity with significant influence over the Company	\$ <u>5,232</u>	<u>18,154</u>

The Company entered into service agreements with its related parties from March 2024 to February 2029 and March 2019 to February 2024. The prices are set in compliance with the market prices and the payment term are monthly.

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(iv) Borrowings from related parties

The borrowings from related parties were as follows:

2025					
	Highest balance during the period	Ending balance of payable	Interest rate	Interest expense	Ending balance of interest payable
ATI	\$ 85,000	85,000	1.20%	\$ 1,020	-
Less: current portion	-	(35,500)	-	-	-
		<u><u>\$ 49,500</u></u>			
2024					
	Highest balance during the period	Ending balance of payable	Interest rate	Interest expense	Ending balance of interest payable
ATI	\$ 85,000	<u><u>85,000</u></u>	1.20%	<u><u>\$ 1,023</u></u>	<u><u>-</u></u>

The financing above was recorded as other payable-related parties, and the interest expense to the Company was calculated based on the agreement between the Company and its related parties.

(v) Guarantees and endorsements

The information of the Company as guarantors was as follows:

Guarantees	Guaranteed subjects	December 31, 2025	December 31, 2024
Subsidiaries	Bank loans	<u><u>\$ 139,706</u></u>	<u><u>242,882</u></u>

The subsidiaries provided collaterals with insurance contracts to banks for the Company as guarantors.

The information of the Company as guarantees was as follows:

Guarantors	Guaranteed subjects	December 31, 2025	December 31, 2024
Subsidiaries	Bank loans	<u><u>\$ 4,086</u></u>	<u><u>4,262</u></u>

(d) Key management personnel compensation

Key management personnel compensation comprised:

	2025	2024
Short-term employee benefits	\$ 60,336	59,235
Post-employment benefits	598	563
	<u><u>\$ 60,934</u></u>	<u><u>59,798</u></u>

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(8) Pledged assets

The carrying values of pledged assets were as follows:

<u>Assets</u>	<u>Subject</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Other non-current financial assets (refundable deposits and pledged time deposits)	Guarantee for construction payment and transaction payment	\$ 14,254	5,653
Property, plant and equipment-land	Short-term borrowings and credit lines	<u>277,293</u>	<u>277,293</u>
		<u><u>\$ 291,547</u></u>	<u><u>282,946</u></u>

(9) Commitments and contingencies

- (a) As of December 31, 2025 and 2024, the Company had issued secured notes amounting to \$4,081,990 and \$2,516,200, respectively, for the issuance of secured general corporated bonds.
- (b) As of December 31, 2025, the subsidiaries of the Company still had several long-term leases of their ships with customers in effect. The ending periods of the contracts are from February 2026 to April 2029.
- (c) The Company signed cape-type bulk carrier' construction contracts with a shipbuilding company in order to expand its business scale. The related information was as follows:

<u>Buyer</u>	<u>Signed Day</u>	<u>Contract Price</u>	<u>Delivery Date</u>	<u>Price Paid</u>
CEXL	August 26, 2024	2,413,824 (USD76,800 thousands)	September 2026 (Note 1)	965,530 (USD30,720 thousands)
CEXP	August 26, 2024	2,413,824 (USD76,800 thousands)	November 2026 (Note 1)	724,147 (USD23,040 thousands)
CNGR	March 26, 2025	2,413,824 (USD76,800 thousands)	February 2027 (Note 1)	724,147 (USD23,040 thousands)
CEMT	March 26, 2025	2,413,824 (USD76,800 thousands)	April 2027 (Note 1)	482,765 (USD15,360 thousands)
CPCS	September 30, 2025	2,416,967 (USD76,900 thousands)	April 2028 (Note 1)	362,545 (USD11,535 thousands)
CPGS	September 30, 2025	2,416,967 (USD76,900 thousands)	September 2028 (Note 1)	362,545 (USD11,535 thousands)

Note 1: The estimated delivery date for shipbuilding contracts.

Note 2: The contract price and price paid were translated into New Taiwan Dollars at the exchange rates as of the end of the financial reporting period.

(Continued)

CHINESE MARITIME TRANSPORT LTD.
Notes to the Financial Statements

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other

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

By item	By function	2025			2024		
		Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits							
Salary		-	109,266	109,266	-	103,066	103,066
Labor and health insurance		-	7,805	7,805	-	7,005	7,005
Pension		-	3,968	3,968	-	3,890	3,890
Remuneration of directors		-	26,889	26,889	-	25,387	25,387
Others		-	2,327	2,327	-	2,052	2,052
Depreciation		16	26,394	26,410	32	20,752	20,784
Amortization		-	2,930	2,930	-	2,813	2,813

The information on the numbers of employees and employee benefits of the Company in 2025 and 2024 was as follows:

	2025	2024
Employee number	<u>76</u>	<u>70</u>
Numbers of directors not as employee	<u>6</u>	<u>3</u>
Average employee benefits	<u>\$ 1,762</u>	<u>1,732</u>
Average salary	<u>\$ 1,561</u>	<u>1,538</u>
Growth of average salary	<u>1.50 %</u>	
Remuneration of supervisors	<u>\$ -</u>	<u>-</u>

Information about salary and remuneration of the Company (including directors, managers and employee) are as follows:

(i) Employee:

Payments are made in accordance with the remuneration policy of the Company, and other factors such as educational background, working experiences and performance, are also taken into consideration.

(ii) Managers:

Payments are made in accordance with the remuneration policy of the Company, the level of responsibility of the position and would be adjusted based on the change of the general salary level. Payments of bonus will consider the reference to the achievement rate of the overall operating performance and the examination result of individual performance.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

(iii) Directors:

Remuneration of directors includes traveling expenses, remuneration, vehicle subsidy, board attendance fee and remuneration to directors deriving from the distributable earnings. According to Article of Incorporation of the Company, the remuneration to directors shall not exceed 2% of the distributable earnings and shall be approved by the Salary and Remuneration Committee; thereafter, to be discussed and approved by the Board of Directors for a resolution, which will be reported during the shareholders' meeting for approval. Please refer to Note 6(p) for relevant details about Article of Incorporation of the Company.

(13) 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 Company for the year ended December 31, 2025 (The amount was translated into NTD at the exchange rates as of the end of the financial reporting period):

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

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 (Note 2)	Maximum limit of fund financing (Note 3)	Note
													Item	Value			
1	CMTHK	CPN	Other receivables due from related parties	Y	239,497	176,637	176,637	- %	2	-	Operating	-		-	9,767,292	9,767,292	Transactions in the left column had been eliminated during the preparation of consolidated financial statements
1	"	CTU	"	Y	381,875	381,875	381,875	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CTD	"	Y	356,731	356,731	356,731	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CHM	"	Y	225,039	225,039	225,039	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CHN	"	Y	157,150	157,150	157,150	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CPG	"	Y	314,300	-	-	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CFR	"	Y	78,575	78,575	78,575	1.0-2.0%	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CVTR	"	Y	220,010	220,010	220,010	1.0-2.0%	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CPS	"	Y	62,860	62,860	62,860	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CMTUK	"	Y	7,470,282	7,470,282	7,470,282	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CCMP	"	Y	220,010	220,010	220,010	1.0-2.0%	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CIM	"	Y	942,900	-	-	- %	2	-	"	-	-	-	9,767,292	9,767,292	"
1	"	CMTI	"	Y	163,436	163,436	163,436	1.0-2.0%	2	-	"	-	-	-	9,767,292	9,767,292	"
2	ATI	HYI	"	Y	20,000	-	-	- %	1	129,683	"	-	-	-	129,683	256,132	"
2	"	THE COMPANY	"	Y	85,000	85,000	85,000	1.20 %	1	463,703	"	-	-	-	256,132	256,132	"
3	CMTS	CFR	"	Y	53,431	53,431	53,431	1.0-2.0%	2	-	"	-	-	-	134,067	134,067	"
4	CPD	CMTUK	"	Y	254,583	254,583	254,583	- %	2	-	"	-	-	-	941,034	941,034	"
5	CPC	CMTUK	"	Y	157,150	157,150	157,150	- %	2	-	"	-	-	-	174,920	174,920	"
6	CPG	CMTUK	"	Y	188,580	188,580	188,580	- %	2	-	"	-	-	-	195,559	195,559	"

Note 1 : 1.Represents entities with business dealings. 2. Represents where an inter-company or inter-firm short-term financing facility is necessary.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

Note 2 : For entities who have business with the Company, the amount of endorsements permitted for a single company shall not exceed the transaction amount in the last fiscal year and 40% of the lender's net worth. For entities who have short-term financing needs, amount shall not exceed 40% of the lender's net worth. The amount lendable to directly or indirectly wholly owned foreign subsidiaries is not limited by the restriction of 40% of the lender's net worth, only the total amount lending limit shall still be no more than the net worth of each subsidiary.

Note 3 : The total amount available for financing purposes shall not exceed 40% of lender's net worth. Investee whose voting shares, directly or indirectly, owned by the Company is unrestricted by the limitation mentioned above; however, the amount available for financing shall not exceed 100% of net worth of the investee.

Note 4 : The amount was translated into NTD at the exchange rates at the reporting date.

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 1, Note 2, Note 3)	Highest balance for guarantees and endorsements during the period (Note 4)	Balance of guarantees and endorsements as of reporting date (Note 4)	Actual usage amount during the period (Note 4)	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements / guarantees to third parties on behalf of parent company	Endorsements / guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	THE COMPANY	CFR	Sub-subsidiary	47,277,937	232,844	139,706	139,706	-	1.03 %	47,277,937	Y	N	N
1	CMTHK	THE COMPANY	Parent company	97,672,919	4,086	4,086	4,086	-	0.03 %	97,672,919	N	Y	N
1	"	CEP	with the same ultimate parent company	97,672,919	449,664	375,601	375,601	-	2.78 %	97,672,919	N	N	N
1	"	CHN	with the same ultimate parent company	97,672,919	472,393	403,876	403,876	-	2.99 %	97,672,919	N	N	N
1	"	CTU	with the same ultimate parent company	97,672,919	188,580	94,290	94,290	-	0.70 %	97,672,919	N	N	N
1	"	CTD	with the same ultimate parent company	97,672,919	235,725	141,435	141,435	-	1.05 %	97,672,919	N	N	N
2	CMTUK	CHM	Subsidiary	48,281,012	296,430	243,417	243,417	-	1.80 %	48,281,012	N	N	N
2	"	CVTR	Subsidiary	48,281,012	1,144,052	1,049,133	1,049,133	-	7.77 %	48,281,012	N	N	N
2	"	CCMP	Subsidiary	48,281,012	1,142,795	1,047,876	1,047,876	-	7.76 %	48,281,012	N	N	N
2	"	CACE	Subsidiary	48,281,012	1,334,998	1,232,867	1,232,867	-	9.13 %	48,281,012	N	N	N
2	"	CVST	Subsidiary	48,281,012	1,323,989	1,221,841	1,221,841	-	9.05 %	48,281,012	N	N	N
2	"	CEXL	Subsidiary	48,281,012	2,413,824	2,413,824	965,530	-	17.87 %	48,281,012	N	N	N
2	"	CEXP	Subsidiary	48,281,012	2,413,824	2,413,824	724,147	-	17.87 %	48,281,012	N	N	N
2	"	CNRG	Subsidiary	48,281,012	724,147	724,147	724,147	-	5.36 %	48,281,012	N	N	N
2	"	CEMT	Subsidiary	48,281,012	724,147	724,147	724,147	-	5.36 %	48,281,012	N	N	N
2	"	CPCS	Subsidiary	48,281,012	2,054,422	2,054,422	2,054,422	-	15.21 %	48,281,012	N	N	N
2	"	CPGS	Subsidiary	48,281,012	2,054,422	2,054,422	2,054,422	-	15.21 %	48,281,012	N	N	N

Note 1 : The total amount of external endorsements and/or guarantees shall worth no more than 350% of the Company's net worth. Among which the amount of endorsements/ guarantees for any single (1) whose voting shares are 100% owned by the Company shall not exceed 350% of the Company's net worth. (2) company whose more than 80% voting shares are owned by the Company shall not exceed 30% of the Company's net worth; for entity who has less than 80% voting shares and is owned directly by the Company shall not exceed 10% of the Company's net worth.

Note 2 : CMTHK's total amount of external endorsements/ guarantees shall not exceed 1,000% of its net worth. Among which, the amount of endorsements/ guarantees for any single (1) the parent company who has, directly or indirectly, 100% voting shares of the Company and whose voting shares are 100% owned by the Company shall not exceed 1,000% of the Company's net worth. (2) an entity who has more than 80% voting shares and is owned directly by the Company shall not exceed 30% of the Company's net worth; for entity who has less than 80% voting shares and is owned directly by the Company shall not exceed 10% of the Company's net worth.

Note 3 : CMTUK's total amount of external endorsements/ guarantees shall not exceed 1,400% of its net worth. Among which, the amount of endorsements/ guarantees for any single (1) the parent company who has, directly or indirectly, 100% voting shares of the Company, and whose voting shares are 100% owned by the Company, shall not exceed 1,400% of the Company's net worth. (2) an entity who has more than 80% voting shares and is owned directly by the Company shall not exceed 30% of the Company's net worth; for entity who has less than 80% voting shares and is owned directly by the Company shall not exceed 10% of the Company's net worth.

Note 4 : The amount was translated into NTD at the exchange rates at the reporting date.

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

- (iii) Securities held at the reporting date (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value / net value	
THE COMPANY MHI	Asia Pacific Emerging Industry Venture Capital Co., Ltd.	-	Non-current financial assets at fair value through profit or loss	772	9,313	2.78 %	9,313	
	China Container Terminal Corp.	MHI serves as company director	Non-current financial assets at fair value through other comprehensive income	5,400	127,710	3.64 %	127,710	

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

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
THE COMPANY	ATI	Subsidiary	Freight cost	458,869	94 %	Depending on the demand for funding of subsidiaries	-	-	(114,560)	(99)%	
ATI	THE COMPANY	Parent company	Freight revenue	(458,869)	(48) %	"	-	-	114,560	53%	
HYT	ATI	Parent company	Freight revenue	(125,356)	(100)%	"	-	-	23,438	100%	
ATI	HYT	Subsidiary	Freight cost	125,356	14 %	"	-	-	(23,438)	(17)%	
APT	ATI	Parent company	Freight revenue	(127,168)	(100)%	"	-	-	21,599	100%	
ATI	APT	Subsidiary	Freight cost	127,168	15 %	"	-	-	(21,599)	(16)%	

Note 1: Transactions in the left column had been written off during the preparation of the consolidated financial statements.

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

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
CMTHK	CTD	With the same ultimate parent company	356,731	Note 1	-		-	-	
"	CTU	With the same ultimate parent company	381,875	"	-		-	-	
"	CHM	With the same ultimate parent company	225,039	"	-		-	-	
"	CHN	With the same ultimate parent company	157,150	"	-		-	-	

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CHINESE MARITIME TRANSPORT LTD.

Notes to the Financial Statements

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
CMTHK	CPN	With the same ultimate parent company	176,637	"	-		-	-	
"	CMTI	Fellow subsidiary	163,436	"	-		-	-	
"	CVTR	With the same ultimate parent company	220,010	"	-		-	-	
"	CCMP	With the same ultimate parent company	220,010	"	-		-	-	
"	CMTUK	Fellow subsidiary	7,470,282	"	-		-	-	
CPD	CMTUK	With the same ultimate parent company	254,583	"	-		-	-	
CPC	CMTUK	With the same ultimate parent company	157,150	"	-		-	-	
CPG	CMTUK	With the same ultimate parent company	188,580	"	-		-	-	
ATI	THE COMPANY	Parent company	114,560	2.47	-		73,731	-	

Note 1: Accounts receivable from related parties are not applied for turnover rate.

(b) Information on investees:

The following is the information on investees for the years ended December 31, 2025:

(In Thousands of Shares)											
(In Thousands of New Taiwan Dollars)											
Name of investor	Name of investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2025			Net Income		Note
				December 31, 2025	December 31, 2024	Shares (thousands)	Percentage of Ownership	Carrying Value	Profits (losses) of the Investee	Share of profits/losses of investee	
THE COMPANY	CMTHK	Hong Kong	Investment holding of ship-owning companies	34,356	34,356	12,000	100 %	9,767,292	(18,612)	(18,612)	Note 1, Note 4
"	CMTI	Singapore	"	27,872	27,872	1,000	100 %	75,050	(3,045)	(3,045)	"
"	CMTUK	United Kingdom	"	1,263,040	1,263,040	41	100 %	3,448,644	1,158,908	1,158,908	"
"	CMTL	Taiwan	Warehouse management	743,058	743,058	24,550	100 %	1,163,268	60,591	60,591	"
"	AGMI	"	Investment	600,000	600,000	79,200	100 %	777,704	44,175	44,175	"
"	HIL	"	"	250,000	250,000	25,000	100 %	484,433	10,312	10,312	"
"	MHI	"	"	251,300	251,300	35,130	100 %	440,900	22,790	22,790	"
"	ATI	"	Container trucking	500,000	500,000	50,000	100 %	640,331	41,485	41,485	"
"	TRV	"	Travel	20,000	20,000	2,000	100 %	2,693	(237)	(237)	"
"	TGEM	"	Bulk-carrier transportation	601,200	601,200	61,623	12 %	688,349	402,350	48,282	Note 2
"	AGM	"	Automobile and its parts manufacturing	104,880	104,880	112,000	70 %	45,679	3,067	(2,239)	Note 1, Note 4
"	HYT	"	Container trucking	75,000	75,000	7,500	71.43 %	85,560	3,079	2,199	"
"	MHT	"	"	78,750	78,750	7,875	72.41 %	94,645	2,521	1,826	"
"	APT	"	"	107,100	107,100	10,710	78.12 %	122,412	9,735	7,605	"
CMTHK	CPS	Hong Kong	Bulk-carrier transportation	62,860	62,860	2,000	100 %	74,761	3,145	Has been recognized as investment incomes (losses) by CMTHK	Note 1, Note 3, Note 4
"	CHT	"	Bulk-chartering services	314	314	10	100 %	6,084	43	"	"
"	CHI	"	Investment	314	314	0.1	100 %	(1,065)	(54)	"	"
CMTI	CMTS	Singapore	Investment holding of ship-owning companies	177,416	177,416	5,425	100 %	134,067	1,270	Has been recognized as investment incomes (losses) by CMTI	Note 1, Note 3, Note 4

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CHINESE MARITIME TRANSPORT LTD.

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Name of investor	Name of investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2025			Net Income		Note
				December 31, 2025	December 31, 2024	Shares (thousands)	Percentage of Ownership	Carrying Value	Profits (losses) of the Investee	Share of profits/losses of investee	
CMTUK	CPG	Hong Kong	Bulk-carrier transportation	188,580	188,580	6,000	100 %	195,559	247,171	Has been recognized as investment incomes (losses) by CMTUK	"
"	CPC	"	"	172,865	172,865	5,500	100 %	174,920	3,308	"	"
"	CPN	"	"	754,320	754,320	240	100 %	824,218	67,205	"	"
"	CPD	"	"	942,900	942,900	300	100 %	941,034	27,124	"	"
"	CTD	"	"	408,590	408,590	13,000	100 %	480,779	58,249	"	"
"	CTU	"	"	408,590	408,590	13,000	100 %	454,314	58,069	"	"
"	CHM	"	"	471,450	471,450	150	100 %	517,427	134,490	"	"
"	CHN	"	"	471,450	471,450	150	100 %	474,194	83,131	"	"
"	CIM	"	Investment management	31,827	31,827	10	100 %	71,286	14,274	"	"
"	CFR	Singapore	"	722,890	722,890	29,900	100 %	706,318	31,429	"	"
"	CEP	"	"	726,033	726,033	23,100	100 %	766,261	114,901	"	"
"	CCMP	"	"	399,161	399,161	12,700	100 %	441,989	54,514	"	"
"	CVTR	"	"	396,018	396,018	12,600	100 %	430,394	42,038	"	"
"	CACE	"	"	633,315	633,315	20,150	100 %	655,674	61,597	"	"
"	CVST	"	"	633,315	633,315	20,150	100 %	710,757	159,708	"	"
"	CEXL	"	"	744,262	502,880	23,680	100 %	743,103	(4,741)	"	"
"	CEXP	"	"	744,262	502,880	23,680	100 %	745,461	(2,414)	"	"
"	CNRG	"	"	744,262	-	23,680	100 %	748,338	4,036	"	"
"	CEMT	"	"	744,262	-	23,680	100 %	749,128	4,819	"	"
"	CPCS	"	"	377,160	-	12,000	100 %	377,719	554	"	"
"	CPGS	"	"	377,160	-	12,000	100 %	377,812	646	"	"
ATI	CST	Taiwan	Container trucking	86,642	86,642	8,200	100 %	94,854	270	Has been recognized as investment incomes (losses) by ATI	Note 1, Note 4
"	HYT	"	"	28,932	28,932	3,000	28.57 %	34,222	3,079	"	"
"	MHT	"	"	30,568	30,568	3,000	27.59 %	36,062	2,521	"	"
"	APT	"	"	30,719	30,719	3,000	21.88 %	34,286	9,735	"	"
"	PTL	"	"	30,000	30,000	3,000	100 %	33,883	5,335	"	"
AGMI	Dimerco Express	"	Air and ocean freight forwarder	797,685	768,338	8,511	5.96 %	763,836	1,125,954	42,352	Note 2
HIL	"	"	"	161,903	161,903	1,715	1.20 %	154,769	1,125,954	8,892	"
MHI	"	"	"	284,980	284,980	3,019	2.11 %	272,413	1,125,954	15,598	"

Note 1: Subsidiaries controlled by the parent company.

Note 2: Investees affected by the comprehensive shareholdings of the Group.

Note 3: The amount was translated into NTD at the exchange rates at the reporting date.

Note 4: The account had been written off during the preparation of the consolidated financial statements.

(c) Information on investment in mainland China: None

(14) Disclosures required for securities firm investing in countries or regions without securities authority

Please refer to the 2025 consolidated financial statements.

Chinese Maritime Transport Ltd.
Statement of Cash and Cash Equivalents
December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Petty cash		\$ 278
Demand deposits	New Taiwan Dollars	125,096
	Foreign currency (USD428 thousands, Exchange rate 31.430)	13,447
	Foreign currency (CNY273 thousands, Exchange rate 4.4960)	1,226
Check deposits		228,581
Time deposits	Foreign currency (USD7,976 thousands, Exchange rate 31.430)	250,674
	Due Date 2026.1.15~2026.3.12 , Interest Rate 3.7%~3.8%)	
Total		<u><u>\$ 619,302</u></u>

Statement of Notes and Accounts Receivable-non related parties

Client Name	Description	Amount
Accounts receivable:		
A Company	Operating revenue from non-related parties	\$ 6,467
B Company	"	20,939
C Company	"	16,193
D Company	"	14,623
E Company	"	9,985
F Company	"	5,145
Others (Note)	"	5,121
		<u>78,473</u>
Total		<u><u>\$ 78,473</u></u>

Notes: The balance of each client does not exceed 5% of the amount of the account, and will not be separately listed.

Chinese Maritime Transport Ltd.
Statement of Changes in Investments Accounted for Using the Equity Method
For the year ended December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

Unit: in thousands of shares

	Beginning balance		Increase during period (Note 1)		Decrease during period (Note 2)		Profit (loss) of associates accounted for using equity method	Foreign currency exchange	Other changes (Note 3)	Ending balance		2025.12.31 Total fair value or net value	Collateral	
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Amount	Amount	Shares	Shareholding ratio			Amount
Chinese Maritime Transport International Pte. Ltd.	1,000	\$ 98,804		-		16,596	(3,045)	(4,113)	-	1,000	100 %	75,050	75,050	None
Chinese Maritime Transport (UK) Limited	41	2,386,675		-		9,327	1,158,908	(87,612)	-	41	100 %	3,448,644	3,448,644	None
Chinese Maritime Transport (Hong Kong) Limited	12,000	10,468,880		-		243,394	(18,612)	(439,582)	-	12,000	100 %	9,767,292	9,767,292	None
HIL	25,000	803,634		-		219,206	10,312	(9,513)	(100,794)	25,000	100 %	484,433	484,433	None
CMTL	24,550	1,179,156		-		77,536	60,591	-	1,057	24,550	100 %	1,163,268	1,163,268	None
MHI	35,130	510,151		-		17,257	22,790	(16,687)	(58,097)	35,130	100 %	440,900	440,900	None
AGMI	63,300	812,192	15,900	-		33,392	44,175	(45,147)	(124)	79,200	100 %	777,704	777,704	None
ATI	50,000	603,182		-		4,336	41,485	-	-	50,000	100 %	640,331	640,331	None
TRV	2,000	2,930		-		-	(237)	-	-	2,000	100 %	2,693	2,693	None
TGEM	61,623	695,663		-		30,872	48,282	(24,724)	-	61,623	12 %	688,349	668,349	None
AGM	112,000	47,918		-		-	(2,239)	-	-	112,000	70 %	45,679	45,679	None
HYT	7,500	86,796		-		3,435	2,199	-	-	7,500	71.43 %	85,560	85,560	None
MHT	7,875	95,377		-		2,558	1,826	-	-	7,875	72.41 %	94,645	94,645	None
APT	10,710	119,924		-		5,117	7,605	-	-	10,710	78.12 %	122,412	122,412	None
Total		\$ 17,911,282		-		663,026	1,374,040	(627,378)	(157,958)			17,836,960		

Note 1: The subsidiary capitalized its retained earnings by issuing 15,900 thousand common shares.

Note 2: The Company acquired cash dividends of \$663,026.

Note 3: Using the equity method to recognize unrealized gains (losses) from financial assets measured at fair value through other comprehensive income amounted to \$(158,818) and actuarial gains or losses amounted to \$1,477 and other gains or losses \$(617).

Chinese Maritime Transport Ltd.

Statement of Changes in Property, Plant and Equipment

For the year ended December 31, 2025

(Expressed in thousands of New Taiwan Dollars)

Please refer to note 6(e).

Statement of Changes in Investment Property

Please refer to note 6(f).

Statement of Bonds Payable

Please refer to note 6(h).

Chinese Maritime Transport Ltd.
Statement of Operating Revenue
For the year ended December 31, 2025
(Expressed in thousands of New Taiwan Dollars)

Please refer to note 6(n).

Statement of Operating Costs

<u>Item</u>	<u>Amount</u>
Freight and repair cost	\$ 486,857
Total	<u>\$ 486,857</u>

Statement of Operating expense

<u>Item</u>	<u>Amount</u>
Payroll expense	\$ 109,731
Depreciation and amortization expense	29,324
Insurance expense	9,427
Handling fee	7,719
Professional fee	14,827
Rental expense	5,765
Travel fee	5,285
Service fee	8,180
Others (Note)	<u>61,893</u>
Total	<u>\$ 252,151</u>

Note: The balance of each item does not exceed 5% of the amount of the account \$5,000 will not be separately disclosed.