Taiwan Navigation Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2026 and 2025 and Independent Auditors’ Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Taiwan Navigation Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Taiwan Navigation Co., Ltd. and its subsidiaries (collectively, the "Group") as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, as of March 31, 2026 and 2025, investments accounted for using the equity method were NT$204,773 thousand and NT$206,488 thousand, respectively, and for the three months ended March 31, 2026 and 2025, net comprehensive (loss) income recognized from this equity-method investments were NT$(1,852) thousand and NT$4,276 thousand, respectively; such investment and related comprehensive income were calculated on the basis of financial statements that have not been reviewed.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements and related disclosures of the aforementioned investees been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026 and 2025, and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Ya-Ling Wong and You-Cheng Hsin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

April 28, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2026		December 31, 2025		March 31, 2025	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Notes 6 and 25)	$ 921,024	4	$ 1,347,324	5	$ 522,479	2
Financial assets at fair value through other comprehensive income (Note 7)	1,924,000	7	2,060,900	8	2,769,232	10
Accounts receivable, net (Notes 8 and 18)	37,252	-	25,550	-	19,310	-
Trade receivables from related parties (Notes 8, 18 and 25)	74,775	-	68,466	-	75,908	-
Net finance lease receivables from related parties (Notes 9 and 18)	57,542	-	57,692	-	56,514	-
Prepayments	142,562	1	156,782	1	131,201	1
Other financial assets (Notes 10 and 25)	110,544	-	28,806	-	353,894	1
Other current assets	5,135	-	3,223	-	4,956	-
Total current assets	3,272,834	12	3,748,743	14	3,933,494	14
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (Note 7)	288,066	1	220,391	1	98,366	-
Investments accounted for using the equity method (Note 11)	204,773	1	206,625	1	206,488	1
Property, plant and equipment (Notes 12 and 26)	19,201,907	72	19,118,850	72	20,707,125	74
Investment properties (Note 13)	1,137,437	4	1,139,124	4	1,144,182	4
Intangible assets (Note 14)	47,575	-	33,869	-	29,650	-
Deferred tax assets (Note 4)	196	-	2,168	-	301	-
Prepayments for equipment (Notes 12 and 27)	1,180,622	5	698,651	3	706,804	2
Net finance lease receivables from related parties (Notes 9 and 18)	1,223,728	5	1,235,062	5	1,269,302	5
Other non-current assets (Notes 25 and 26)	5,074	-	5,071	-	4,932	-
Total non-current assets	23,289,378	88	22,659,811	86	24,167,150	86
TOTAL	$ 26,562,212	100	$ 26,408,554	100	$ 28,100,644	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 15, 22 and 25)	$ 1,017,237	4	$ 1,003,335	4	$ 1,026,599	4
Notes and accounts payable	201,482	1	207,148	1	212,756	1
Other payables	182,879	1	209,617	1	183,768	1
Current tax liabilities (Note 4)	346,856	1	287,544	1	214,147	1
Current portion of long-term borrowings (Notes 15, 22, 25 and 26)	108,650	-	62,860	-	157,236	-
Other current liabilities (Notes 13 and 25)	99,987	-	107,319	-	104,634	-
Total current liabilities	1,957,091	7	1,877,823	7	1,899,140	7
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 15, 22, 25 and 26)	5,281,631	20	5,646,939	21	6,543,229	23
Deferred tax liabilities (Note 4)	263,952	1	263,891	1	263,777	1
Net defined benefit liabilities (Note 4)	28,171	-	27,783	-	23,069	-
Other non-current liabilities (Notes 13 and 25)	738,332	3	752,227	3	786,716	3
Total non-current liabilities	6,312,086	24	6,690,840	25	7,616,791	27
Total liabilities	8,269,177	31	8,568,663	32	9,515,931	34
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 17)						
Ordinary shares	4,172,945	16	4,172,945	16	4,172,945	15
Capital surplus	334,382	1	334,382	1	334,382	1
Retained earnings						
Legal reserve	2,568,831	10	2,568,831	10	2,439,374	9
Unappropriated earnings	8,799,792	33	8,501,748	32	8,162,687	29
Total retained earnings	11,368,623	43	11,070,579	42	10,602,061	38
Other equity	2,417,085	9	2,261,985	9	3,475,325	12
Total equity attributable to owners of the Corporation	18,293,035	69	17,839,891	68	18,584,713	66
Total equity	18,293,035	69	17,839,891	68	18,584,713	66
TOTAL	$ 26,562,212	100	$ 26,408,554	100	$ 28,100,644	100

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated April 28, 2026)

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 18 and 25)	$ 1,083,585	100	$ 1,024,720	100
OPERATING COSTS (Notes 19 and 25)	628,601	58	633,541	62
GROSS PROFIT	454,984	42	391,179	38
ADMINISTRATIVE EXPENSES (Note 19)	34,828	3	44,627	4
PROFIT FROM OPERATIONS	420,156	39	346,552	34
NON-OPERATING INCOME AND EXPENSES				
Interest income	8,218	1	7,147	1
Other income (Note 25)	3,798	-	36,936	3
Net gain on foreign currency exchange (Note 28)	753	-	229	-
Share of profit of associates accounted for using the equity method (Note 11)	343	-	1,300	-
Interest expense (Notes 19 and 25)	(59,655)	(5)	(88,902)	(9)
Other expenses	(1,099)	-	(1,117)	-
Total non-operating income and expenses	(47,642)	(4)	(44,407)	(5)
PROFIT BEFORE INCOME TAX	372,514	35	302,145	29
INCOME TAX EXPENSE (Notes 4 and 20)	74,470	7	60,100	6
NET PROFIT FOR THE PERIOD	298,044	28	242,045	23
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income	(69,225)	(7)	(68,664)	(6)
Share of other comprehensive income of associates accounted for using the equity method (Note 11)	(2,195)	-	2,976	-
	(71,420)	(7)	(65,688)	(6)

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TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2026		2025	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	$ 226,520	21	$ 156,493	15
Other comprehensive income for the period, net of income tax	155,100	14	90,805	9
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 453,144	42	$ 332,850	32
NET INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 298,044	28	$ 242,045	24
Non-controlling interests	-	-	-	-
	$ 298,044	28	$ 242,045	24
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 453,144	42	$ 332,850	32
Non-controlling interests	-	-	-	-
	$ 453,144	42	$ 332,850	32
EARNINGS PER SHARE (Note 21)				
Basic	$ 0.71		$ 0.58	
Diluted	$ 0.71		$ 0.58	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated April 28, 2026) (Concluded)

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Ordinary Shares			Retained Earnings		Other Equity		
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Income (Loss) on Investments in Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2025	417,294	$ 4,172,945	$ 334,382	$ 2,439,374	$ 7,920,642	$ 911,947	$ 2,472,573	$ 18,251,863
Net profit for the three months ended March 31, 2025	-	-	-	-	242,045	-	-	242,045
Other comprehensive income (loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	156,493	(65,688)	90,805
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	242,045	156,493	(65,688)	332,850
BALANCE AT MARCH 31, 2025	417,294	$ 4,172,945	$ 334,382	$ 2,439,374	$ 8,162,687	$ 1,068,440	$ 2,406,885	$ 18,584,713
BALANCE AT JANUARY 1, 2026	417,294	$ 4,172,945	$ 334,382	$ 2,568,831	$ 8,501,748	$ 437,350	$ 1,824,635	$ 17,839,891
Net profit for the three months ended March 31, 2026	-	-	-	-	298,044	-	-	298,044
Other comprehensive income (loss) for the three months ended March 31, 2026, net of income tax	-	-	-	-	-	226,520	(71,420)	155,100
Total comprehensive income (loss) for the three months ended March 31, 2026	-	-	-	-	298,044	226,520	(71,420)	453,144
BALANCE AT MARCH 31, 2026	417,294	$ 4,172,945	$ 334,382	$ 2,568,831	$ 8,799,792	$ 663,870	$ 1,753,215	$ 18,293,035

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated April 28, 2026)

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 372,514	$ 302,145
Adjustments for:		
Depreciation and amortization	236,581	246,505
Expected credit loss recognized (reversed) on trade receivables	(10,178)	41
Interest expense	59,655	88,902
Interest income	(8,218)	(7,147)
Share of profit of associates accounted for using the equity method	(343)	(1,300)
Unrealized net loss on foreign currency exchange	101	75
Changes in operating assets and liabilities		
Accounts receivable	(11,566)	(5,502)
Trade receivables from related parties	15,710	8,257
Prepayments	16,485	32,678
Other current assets	(2,008)	(1,806)
Other financial assets	(21,701)	(19,536)
Notes and accounts payable	(8,895)	(44,837)
Other payables	(25,790)	(22,942)
Other current liabilities	(8,000)	3,411
Net defined benefit liabilities	388	(201)
Other non-current liabilities	(11,734)	(11,734)
Cash generated from operations	593,001	567,009
Income tax paid	(13,125)	-
Net cash generated from operating activities	579,876	567,009
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(475,941)	(477,966)
Increase in intangible assets	(14,199)	(4,800)
(Increase) decrease in other financial assets	(59,127)	24,585
Increase in other non-current assets	-	(99)
Interest received	8,347	9,508
Net cash used in investing activities	(540,920)	(448,772)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	-	(197,775)
Proceeds from long-term borrowings	-	66,000
Repayments of long-term borrowings	(418,091)	(152,997)
(Decrease) increase in other non-current liabilities	(2,161)	300
Interest paid	(61,963)	(90,243)
Net cash used in financing activities	(482,215)	(374,715)

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TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2026	**2025**
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	$ 16,959	$ 6,913
NET DECREASE IN CASH AND CASH EQUIVALENTS	(426,300)	(249,565)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,347,324	772,044
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 921,024	$ 522,479

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated April 28, 2026) (Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Taiwan Navigation Co., Ltd. (the "Corporation"), whose shares are listed on the Taiwan Stock Exchange, was originally majority-owned by the Taiwan Provincial Government but was privatized on June 20, 1998. The Corporation mainly engages in passenger and freight transport via water, port warehousing, aquatic sand mining, and navigation channel dredging and also acts as a shipping agency, provides tugboats, and acts as a landowner in agreements with construction companies for the use of its land in the construction of residential and commercial buildings for sale and rental.

Tai Shing Maritime Co., S.A. ("Tai Shing") was established in the Republic of Panama, and Shin Wang Maritime Inc. ("Shin Wang") was established in Liberia. The Corporation holds 100% interest in Tai Shing and Shin Wang. Tai Shing and Shin Wang mainly engage in the general management, purchasing, sale, charter, and operation of sea navigation routes and in other maritime operations of ships.

The consolidated financial statements of the Corporation and its subsidiaries, collectively referred to as the "Group", are presented in New Taiwan Dollars, the functional currency of the Corporation.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation's board of directors on April 28, 2026.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

b. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 "Translation to a Hyperinflationary Presentation Currency"	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 "Presentation and Disclosure in Financial Statements" and consequential amendments

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 "Statement of Cash Flows":

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.

- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

1) Principles for preparing consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation.

All intra-group transactions, balances, income, and expenses are eliminated in full upon consolidation.

2) Subsidiaries included in the consolidated financial statements

The consolidated financial statements included the Corporation and its 100% owned subsidiaries. The subsidiaries are Tai Shing and Shin Wang, which mainly engage in marine freight transportation services.

d. Other material accounting policies

Except for the following, refer to the consolidated financial statements for the year ended December 31, 2025.

1) Retirement benefits

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

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand	$ 258	$ 258	$ 258
Checking accounts and demand deposits	220,811	154,234	157,563
Cash equivalents			
Time deposits with original maturities of less than 3 months	699,955	1,192,832	364,658
	$ 921,024	$1,347,324	$ 522,479

The market rate intervals of cash in banks and cash equivalents at the end of the reporting period were as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Bank balance and cash equivalents	0.01%-3.95%	0.01%-4.85%	0.01%-4.60%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2026	December 31, 2025	March 31, 2025
Current			
Domestic investments			
Listed shares			
Yang Ming Marine Transport Corporation (Note 25)	$ 1,924,000	$ 2,060,900	$ 2,769,232
Non-current			
Domestic investments			
Unlisted shares			
Chunghwa Investment Co., Ltd.	$ 250,793	$ 186,989	$ 60,651
Foreign investments			
Unlisted shared			
Taiwan Foundation International Pte. Ltd.	37,273	33,402	37,715
	$ 288,066	$ 220,391	$ 98,366

The Group's investments in the ordinary shares mentioned above are expected to earn profit through dividend income. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss will not be consistent with the Group's strategy of holding these investments for long-term purposes.

8. ACCOUNTS RECEIVABLE, NET (INCLUDING RELATED PARTIES)

	March 31, 2026	December 31, 2025	March 31, 2025
At amortized cost			
Accounts receivable	$ 39,123	$ 27,040	$ 20,741
Less: Allowance for impairment loss	1,871	1,490	1,431
	$ 37,252	$ 25,550	$ 19,310
Trade receivables from related parties	$ 74,775	$ 79,001	$ 75,908
Less: Allowance for impairment loss	-	10,535	-
	$ 74,775	$ 68,466	$ 75,908

The Group measures loss allowance of trade receivables (including related parties) at an amount equal to lifetime ECLs. The expected credit losses on accounts receivables (including related parties) are estimated by reference to past default experience of the debtors and an analysis of the debtors' current financial positions. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off an account receivable (including related parties) when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The aging of receivables (including related parties) is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
0-60 days	$ 101,887	$ 83,616	$ 77,794
61-90 days	4,910	7,272	11,867
More than 90 days	7,101	15,153	6,988
Gross carrying amount	113,898	106,041	96,649
Loss allowance (lifetime ECLs)	(1,871)	(12,025)	(1,431)
Amortized cost	$ 112,027	$ 94,016	$ 95,218

The above aging schedule was based on the number of days from the invoice date.

The movements of the loss allowance of accounts receivable (including related parties) were as follows:

	For the Three Months Ended March 31	
	2026	2025
Balance at January 1	$ 12,025	$ 1,372
Add: Loss allowance (reversed) recognized for the period	(10,178)	41
Foreign exchange gains	24	18
Balance at March 31	$ 1,871	$ 1,431

9. FINANCE LEASE RECEIVABLES FROM RELATED PARTIES, NET

	March 31, 2026	December 31, 2025	March 31, 2025
Undiscounted lease payments			
Year 1	$ 67,752	$ 12,374	$ 67,752
Year 2	74,041	74,041	74,041
Year 3	74,041	74,041	74,041
Year 4	74,041	74,041	74,041
Year 5	74,041	74,041	74,041
Year 5 onwards	1,258,697	1,332,737	1,332,738
	1,622,613	1,641,275	1,696,654
Less: Unearned finance lease income	(341,343)	(348,521)	(370,838)
Net investment in leases presented as finance lease receivables	$ 1,281,270	$ 1,292,754	$ 1,325,816

(Continued)

	March 31, 2026	December 31, 2025	March 31, 2025
Current	$ 57,542	$ 57,692	$ 56,514
Non-current	1,223,728	1,235,062	1,269,302
	$ 1,281,270	$ 1,292,754	$ 1,325,816

(Concluded)

The Group entered into a contract with CPC Corporation for "Kuan-Tang Industrial Port's Long-term harbor tug Service" to provide tugboat and port labor transportation and mooring boat for use, which is subject to IFRS 16 "Lease". All these leases are denominated in New Taiwan dollars. The term of the finance leases is 25 years.

The implicit interest rates are fixed at the contract dates for the entire period of the lease. The implicit interest rate contracted was 1.79%-2.37%.

10. OTHER FINANCIAL ASSETS

	March 31, 2026	December 31, 2025	March 31, 2025
Time deposits with original maturities of more than 3 months	$ 59,703	$ -	$ 313,223
Others	50,841	28,806	40,671
	$ 110,544	$ 28,806	$ 353,894

The market rate intervals of time deposits with original maturities of more than 3 months at the end of the reporting period are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Time deposits	4.2%	-	4.4%-4.6%

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2026	December 31, 2025	March 31, 2025
Investments in associates			
Associates that are not individually material			
Yunn Wang Investment Co., Ltd.	$ 204,773	$ 206,625	$ 206,488

At the end of the reporting period, the Group holds 49.75% interest in Yunn Wang Investment Co., Ltd. (Yunn Wang).

Refer to Table 6 "Information on Investees" for the nature of activities, principal place of business and country of incorporation of Yunn Wang.

The share of profit or loss and other comprehensive income or loss of Yunn Wang were calculated based on the financial statements that have not been reviewed, and for the three months ended March 31, 2026 and 2025, net comprehensive (loss) income recognized from this equity-method investment was NT$(1,852) thousand and NT$4,276 thousand, respectively.

12. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2026	December 31, 2025	March 31, 2025
Assets used by the Group	$ 1,960,847	$ 1,985,613	$ 2,059,998
Assets leased under operating leases	17,241,060	17,133,237	18,647,127
	$ 19,201,907	$ 19,118,850	$ 20,707,125

a. Assets used by the Group

	Freehold Land	Buildings	Transportation Equipment	Other Equipment	Total
Cost					
Balance at January 1, 2026	$ 191,103	$ 104,891	$ 2,480,883	$ 5,545	$ 2,782,422
Additions	-	247	64	2,841	3,152
Disposals	-	-	-	(2,031)	(2,031)
Balance at March 31, 2026	$ 191,103	$ 105,138	$ 2,480,947	$ 6,355	$ 2,783,543
Accumulated depreciation					
Balance at January 1, 2026		$ 52,943	$ 739,415	$ 4,451	$ 796,809
Additions		-	-	(2,031)	(2,031)
Depreciation expense		987	26,732	199	27,918
Balance at March 31, 2026		$ 53,930	$ 766,147	$ 2,619	$ 822,696
Carrying amount at March 31, 2026	$ 191,103	$ 51,208	$ 1,714,800	$ 3,736	$ 1,960,847
Carrying amount at December 31, 2025 and January 1, 2026	$ 191,103	$ 51,948	$ 1,741,468	$ 1,094	$ 1,985,613
Cost					
Balance at January 1, 2025 and March 31, 2025	$ 191,103	$ 104,891	$ 2,483,486	$ 4,908	$ 2,784,388
Accumulated depreciation					
Balance at January 1, 2025		$ 48,995	$ 640,460	$ 4,184	$ 693,639
Depreciation expense		987	29,681	83	30,751
Balance at March 31, 2025		$ 49,982	$ 670,141	$ 4,267	$ 724,390
Carrying amount at March 31, 2025	$ 191,103	$ 54,909	$ 1,813,345	$ 641	$ 2,059,998

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	48-60 years
Renovation work	8 years
Transportation equipment	
Vessels and dry dock	2-25 years
Vehicles and motorcycles	3-5 years
Other equipment	4-10 years

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 26.

b. Assets leased under operating leases

	Transportation Equipment	**Other Equipment**	**Total**
Cost			
Balance at January 1, 2026	$ 21,645,338	$ 6,404	$ 21,651,742
Additions	7,898	-	7,898
Disposals	(154)	-	(154)
Effects of foreign currency exchange differences	389,182	115	389,297
Balance at March 31, 2026	$ 22,042,264	$ 6,519	$ 22,048,783
Accumulated depreciation			
Balance at January 1, 2026	$ 4,517,162	$ 1,343	$ 4,518,505
Disposals	(154)	-	(154)
Depreciation expense	206,037	104	206,141
Effects of foreign currency exchange differences	83,206	25	83,231
Balance at March 31, 2026	$ 4,806,251	$ 1,472	$ 4,807,723
Carrying amount at March 31, 2026	$ 17,236,013	$ 5,047	$ 17,241,060
Carrying amount at December 31, 2025 and January 1, 2026	$ 17,128,176	$ 5,061	$ 17,133,237
Cost			
Balance at January 1, 2025	$ 22,598,175	$ 6,680	$ 22,604,855
Additions	531	-	531
Effects of foreign currency exchange differences	289,503	85	289,588
Balance at March 31, 2025	$ 22,888,209	$ 6,765	$ 22,894,974

(Continued)

	Transportation Equipment	Other Equipment	Total
Accumulated depreciation			
Balance at January 1, 2025	$ 3,980,985	$ 970	$ 3,981,955
Depreciation expense	213,445	108	213,553
Effects of foreign currency exchange differences	52,326	13	52,339
Balance at March 31, 2025	$ 4,246,756	$ 1,091	$ 4,247,847
Carrying amount at March 31, 2025	$ 18,641,453	$ 5,674	$ 18,647,127

(Concluded)

The Group leases bulk carriers on fixed lease payments or index-based floating variable payments, and the lease includes the option to extend the lease period. A portion of the operating lease contract contains market review clauses in the event that lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease period.

The maturity analysis of lease payments receivable under operating lease payments is as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Year 1	$ 1,964,806	$ 2,028,258	$ 2,536,360
Year 2	463,660	392,765	649,819
Year 3	379,106	356,204	220,117
Year 4	374,911	349,895	150,747
Year 5	89,051	176,333	150,747
Year 5 onwards	-	-	26,019
	$ 3,271,534	$ 3,303,455	$ 3,733,809

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Transportation equipment	
Vessels and dry dock	2.5-25 years
Other equipment	15.5 years

Property, plant and equipment leased under operating leases and pledged as collateral for bank borrowings are set out in Note 26.

The purchase price for acquisition of property, plant and equipment was including prepayments for equipment. The relevant adjustments are as follows:

	For the Three Months Ended March 31	
	2026	2025
Increase in property, plant and equipment	$ 11,050	$ 531
Increase in prepayments for equipment	464,891	477,435
	$ 475,941	$ 477,966

13. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost			
Balance at January 1, 2026 and March 31, 2026	$ 1,007,587	$ 248,429	$ 1,256,016
Accumulated depreciation			
Balance at January 1, 2026		$ 116,892	$ 116,892
Depreciation expense		1,687	1,687
Balance at March 31, 2026		$ 118,579	$ 118,579
Carrying amount at March 31, 2026	$ 1,007,587	$ 129,850	$ 1,137,437
Carrying amount at December 31, 2025 and January 1, 2026	$ 1,007,587	$ 131,537	$ 1,139,124
Cost			
Balance at January 1, 2025 and March 31, 2025	$ 1,007,587	$ 248,429	$ 1,256,016
Accumulated depreciation			
Balance at January 1, 2025		$ 110,147	$ 110,147
Depreciation expense		1,687	1,687
Balance at March 31, 2025		$ 111,834	$ 111,834
Carrying amount at March 31, 2025	$ 1,007,587	$ 136,595	$ 1,144,182

In 2017, the Group entered into a land lease agreement with a lease term of 20 years and agreed that the lessee construct a building in the name of the Group, which is both an applicant of the construction and a proprietor of the building, on the land. In addition, the lessee afforded the cost of building to exchange the right-of-use building during the lease period. In 2019, the construction of building was completed and delivered to the Corporation. The cost of the construction was $132,512 thousand, which was classified as prepaid rent. The Group recognized the rental income in installments during the lease period. As of March 31, 2026, December 31, 2025 and March 31, 2025, the balance of unamortized rent collected in advance was $81,498 thousand, $83,365 thousand and $88,963 thousand were included in other current liabilities and other non-current liabilities, respectively.

The investment properties were leased out for 1 to 20 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

Investment properties are depreciated using the straight-line method over their estimated useful lives of 25 to 60 years.

The fair value of investment properties was not appraised by independent valuers. The management of the Group used the valuation model that market participants use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

	March 31, 2026	December 31, 2025	March 31, 2025
Fair value	$ 4,119,697	$ 4,121,118	$ 3,991,133

Lease commitments (the Group as a lessor) with lease terms commencing after the balance sheet dates are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Lease commitments of investment properties	$ -	$ -	$ 170

14. INTANGIBLE ASSETS

	Computer Software	Carbon Credits	Total
Cost			
Balance at January 1, 2026	$ 30,665	$ 11,340	$ 42,005
Additions	-	14,199	14,199
Effects of foreign currency exchange differences	-	342	342
Balance at March 31, 2026	$ 30,665	$ 25,881	$ 56,546
Accumulated amortization and impairment			
Balance at January 1, 2026	$ 8,136	$ -	$ 8,136
Amortization expense	835	-	835
Balance at March 31, 2026	$ 8,971	$ -	$ 8,971
Carrying amount at March 31, 2026	$ 21,694	$ 25,881	$ 47,575
Carrying amount at December 31, 2025 and January 1, 2026	$ 22,529	$ 11,340	$ 33,869
Cost			
Balance at January 1, 2025	$ 24,562	$ -	$ 24,562
Additions	4,800	6,027	10,827
Effects of foreign currency exchange differences	-	38	38
Balance at March 31, 2025	$ 29,362	$ 6,065	$ 35,427

(Continued)

	Computer Software	Carbon Credits	Total
Accumulated amortization and impairment			
Balance at January 1, 2025	$ 5,263	$ -	$ 5,263
Amortization expense	514	-	514
Balance at March 31, 2025	$ 5,777	$ -	$ 5,777
Carrying amount at March 31, 2025	$ 23,585	$ 6,065	$ 29,650

(Concluded)

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Transportation equipment	
Computer software	5-10 years

15. BORROWINGS

a. Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured borrowings			
Credit borrowings	$ 1,017,237	$ 1,003,335	$ 1,026,599
Interest rate range	1.925%-4.27%	1.925%-4.46%	1.775%-4.92%

b. Long-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Secured borrowings	$ 5,070,331	$ 5,395,499	$ 6,634,055
Credit borrowings	319,950	314,300	66,410
Less: Current portions	108,650	62,860	157,236
	$ 5,281,631	$ 5,646,939	$ 6,543,229
Interest rate range	4.27%-4.41%	4.32%-4.63%	4.91%-5.02%

Long-term loans consist of credit borrowings and secured borrowings. The principals of long-term credit is due in November 2028, and the interests are paid monthly.

Secured borrowings are project loans for the construction of ships of Tai Shing, whose freehold ships are provided as collateral (refer to Note 26), and the loans endorsed by the Corporation, the principal and interest are amortized on a monthly, quarterly and semi-annual basis. Tai Shing is expected to settle the payment in full by September 2034. As of March 31, 2026, Tai Shing paid in advance a portion of the principal which will be due in May 2028.

16. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2026 and 2025, the employee benefits expense in respect of the Group's defined retirement benefit plans were calculated using the respective actuarially determined annual pension cost discount rate as of December 31, 2025 and 2024. The amounts were $494 thousand and $578 thousand, respectively.

17. EQUITY

a. Ordinary shares

	March 31, 2026	December 31, 2025	March 31, 2025
Shares authorized (in thousands)	480,000	480,000	480,000
Capital authorized	$ 4,800,000	$ 4,800,000	$ 4,800,000
Shares issued and fully paid (in thousands)	417,294	417,294	417,294
Capital issued	$ 4,172,945	$ 4,172,945	$ 4,172,945

A holder of issued ordinary shares with NT$10 per share is entitled to vote and to receive dividends.

b. Capital surplus

	March 31, 2026	December 31, 2025	March 31, 2025
Treasury share transactions	$ 334,352	$ 334,352	$ 334,352
Donations	30	30	30
	$ 334,382	$ 334,382	$ 334,382

Such capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Corporation's capital surplus and to once a year).

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Corporation's Articles, where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal of reserve 10% of the remaining profit or until the legal reserve equals the Corporation's paid-in capital, and setting aside or reversing a special reserve in accordance with the laws and regulations. Then, any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors, refer to Note 19(e).

The Corporation's Articles also stipulate a dividends policy whereby the issuance of cash dividends takes precedence over the issuance of share dividends. In principle, cash dividends shall not be less than 50% of the total dividends distributed.

An appropriation of earnings to a legal reserve shall be made until the legal reserve equals the Corporation's paid-in capital. The legal reserve may be used to offset deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" shall be appropriated to or reversed from a special reserve by the Corporation.

The appropriations of earnings for 2025 and 2024 that were proposed by the board of directors in April 2026, and approved in the shareholders' meetings in June 2025, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31		Dividends Per Share (NT$) For the Year Ended December 31	
	2025	2024	2025	2024
Legal reserve	$ 133,651	$ 129,457		
Cash dividends	625,942	625,942	$ 1.5	$ 1.5

The appropriation of earnings for 2025 is subject to resolution in shareholders' general meeting to be held in June 2026.

18. REVENUE

	For the Three Months Ended March 31	
	2026	2025
Revenue from transportation	$ 1,063,910	$ 1,007,951
Rental income from investment properties (Note 13)	16,223	15,869
Other revenue	3,452	900
	$ 1,083,585	$ 1,024,720

Contract Balances

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Accounts receivable (Note 8)	$ 37,252	$ 25,550	$ 19,310	$ 19,709
Trade receivables from related parties (Notes 8 and 25)	$ 74,775	$ 68,466	$ 75,908	$ 73,169
Net finance lease receivables (Note 9)	$ 1,281,270	$ 1,292,754	$ 1,325,816	$ 1,336,812

19. NET PROFIT

a. Interest expense

	For the Three Months Ended March 31	
	2026	2025
Bank borrowing interest	$ 70,392	$ 95,808
Less: Capitalized interest amount	10,737	6,906
	$ 59,655	$ 88,902
Range of capitalization rate	4.15%-4.63%	4.89%-5.29%

b. Depreciation and amortization

	For the Three Months Ended March 31	
	2026	2025
Property, plant and equipment	$ 234,059	$ 244,304
Investment properties	1,687	1,687
Intangible assets	835	514
	$ 236,581	$ 246,505
An analysis of depreciation by function		
Operating costs	$ 234,597	$ 244,741
Operating expenses	1,149	1,250
	$ 235,746	$ 245,991
An analysis of amortization by function		
Operating costs	$ 762	$ 514
Operating expenses	73	-
	$ 835	$ 514

c. Operating expenses directly related to investment properties

	For the Three Months Ended March 31	
	2026	2025
Direct operating expenses from investment properties generating rental income	$ 5,836	$ 5,655
Direct operating expenses from investment properties not generating rental income	109	113
	$ 5,945	$ 5,768

d. Employee benefits expense

	For the Three Months Ended March 31	
	2026	2025
Post-employment benefits		
Defined contribution plans	$ 2,773	$ 2,607
Defined benefit plans	494	578
	3,267	3,185
Other employee benefits	237,556	241,232
	$ 240,823	$ 244,417
An analysis of employee benefits expense by function		
Operating costs	$ 206,618	$ 211,151
Operating expenses	34,205	33,266
	$ 240,823	$ 244,417

e. Compensation of employees and remuneration of directors

According to the Company Articles, the Corporation accrued of employees' compensation at the rates of no less than 0.5% and remuneration of directors at rates of no higher than 1.5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendment to the Securities and Exchange Act in August 2024, shareholders of the Corporation resolved the amendments to the Corporation's Articles of Incorporation at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 40% of employees as compensation distributions for non-executive employees.

Accrual rate

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	0.7%	0.8%
Remuneration of directors	0.5%	0.7%

Amount

	For the Three Months Ended March 31	
	2026	2025
Compensation of employees	$ 2,550	$ 2,445
Remuneration of directors	$ 1,800	$ 2,250

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate and adjust in the following year.

The compensation of employees and remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Corporation's board of directors on March 2026 and 2025, respectively, are as follows:

Amount

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	$ 16,453	$ 14,852
Remuneration of directors	9,000	9,000

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2025, and no difference between the actual amounts of compensation of employees paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024.

Information on the compensation of employees and remuneration of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

20. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2026	2025
Current tax		
In respect of the current period	$ 72,436	$ 60,112
Deferred tax		
In respect of the current period	2,034	(12)
Income tax expense recognized in profit or loss	$ 74,470	$ 60,100

b. Income tax assessments

The income tax returns of the Corporation through 2023 have been assessed by the tax authorities.

21. EARNINGS PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share	$ 0.71	$ 0.58
Diluted earnings per share	$ 0.71	$ 0.58

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share are as follows:

Net Profit for the Period

	For the Three Months Ended March 31	
	2026	**2025**
Earnings used in the computation of basic earnings per share	$ 298,044	$ 242,045

Weighted Average Number of Ordinary Shares Outstanding (In Thousand Shares)

	For the Three Months Ended March 31	
	2026	**2025**
Weighted average number of ordinary shares used in the computation of basic earnings per share	417,294	417,294
Effects of potentially dilutive ordinary shares		
Employees' compensation	474	408
Weighted average number of ordinary shares used in the computation of diluted earnings per share	417,768	417,702

The Corporation may settle compensation paid to employees in cash or shares; therefore, the Corporation assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

22. CASH FLOWS INFORMATION

Changes in Liabilities Arising from Financing Activities

For the three months ended March 31, 2026

			Non-cash Changes	
	Opening Balance	**Cash Flows**	**Foreign Exchange Movement**	**Closing Balance**
Short-term borrowings	$ 1,003,335	$ -	$ 13,902	$ 1,017,237
Long-term borrowings (including current portions)	5,709,799	(418,091)	98,573	5,390,281
	$ 6,713,134	$ (418,091)	$ 112,475	$ 6,407,518

For the three months ended March 31, 2025

	Opening Balance	Cash Flows	Non-cash Changes Foreign Exchange Movement	Closing Balance
Short-term borrowings	$ 1,213,982	$ (197,775)	$ 10,392	$ 1,026,599
Long-term borrowings (including current portions)	6,702,143	(86,997)	85,319	6,700,465
	$ 7,916,125	$ (284,772)	$ 95,711	$ 7,727,064

23. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged in the future.

The key management personnel of the Group review the capital structure on an annual basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued, or the existing debt redeemed.

24. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The Group's management believes that the carrying amount of financial assets and liabilities recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2026

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares - ROC	$ 1,924,000	$ -	$ -	$ 1,924,000
Unlisted shares - ROC	-	-	250,793	250,793
Unlisted shares - foreign	-	-	37,273	37,273
	$ 1,924,000	$ -	$ 288,066	$ 2,212,066

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares - ROC	$ 2,060,900	$ -	$ -	$ 2,060,900
Unlisted shares - ROC	-	-	186,989	186,989
Unlisted shares - foreign	-	-	33,402	33,402
	$ 2,060,900	$ -	$ 220,391	$ 2,281,291

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Listed shares - ROC	$ 2,769,232	$ -	$ -	$ 2,769,232
Unlisted shares - ROC	-	-	60,651	60,651
Unlisted shares - foreign	-	-	37,715	37,715
	$ 2,769,232	$ -	$ 98,366	$ 2,867,598

There were no transfers between Levels 1 and 2 during the three months ended March 31, 2026 and 2025.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the three months ended March 31, 2026

Financial Assets	Equity Instruments at FVTOCI
Balance at January 1	$ 220,391
Recognized in other comprehensive income	67,675
Balance at March 31	$ 288,066

For the three months ended March 31, 2025

Financial Assets	Equity Instruments at FVTOCI
Balance at January 1	$ 118,643
Recognized in other comprehensive income	(20,277)
Balance at March 31	$ 98,366

3) Valuation techniques and inputs applied for Level 3 fair value measurement

As of March 31, 2026, December 31, 2025 and March 31, 2025, the unlisted equity securities - ROC held by the Group are mainly investments in domestic listed shares. Thus, the aforementioned unlisted equity securities were determined using the asset-based approach. Separate assets and liabilities of the underlying investments were regarded as individual evaluation targets and were evaluated according to their nature to reflect their overall fair value. Material unobservable inputs used by the Group were 89.75% discount rate for lack of marketability. Besides, the assets of unlisted shares - foreign held by the Group were determined using the market-based approach based on the listed companies engaged in the same or similar business. The trading price of its shares in the active market is converted into a value multiplier and then matched with the financial status of the target corporation to determine the value of the evaluation targets. The same as the asset-based approach separate assets and liabilities of the underlying investments were regarded as individual evaluation targets and were evaluated according to their nature to reflect their overall fair value. Unobservable inputs used by the Group were 19.43%, 21.98% and 18.33% discount rate for lack of marketability, respectively. If the discount rate for lack of marketability had increased/decreased by 1% and all other variables were held constant, the fair value would have decreased/increased by $24,941 thousand, $18,679 thousand and $6,382 thousand, respectively.

c. Categories of financial instruments

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Financial assets			
Financial assets at amortized cost (Note 1)	$ 2,430,809	$ 2,765,935	$ 2,303,868
Financial assets at FVTOCI			
Equity instruments	2,212,066	2,281,291	2,867,598
Financial liabilities			
Amortized cost (Note 2)	6,791,879	7,129,899	8,123,588

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, accounts receivable, trade receivables from related parties, net finance lease receivables from related parties, notes receivable (presented in other current assets), other receivables (presented in other current assets), refundable deposits (presented in other non-current assets) and other financial assets.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, notes and accounts payable, other payables, and long-term borrowings (including current portions).

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and accounts receivable, accounts payable and borrowings. The Group's corporate treasury function is responsible for monitoring and managing the financial risks related to the operations of the Group. These risks include market risk, credit risk, and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rate risk and other price risk.

a) Foreign currency risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated upon consolidation) at the end of the reporting period are set out in Note 28.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar (USD).

The following table details the Group's sensitivity to a 2% increase and decrease in New Taiwan dollars against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 2%. The sensitivity analysis include only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 2% change in foreign currency rates. The table below indicates an increase (a decrease) in pre-tax profit associated with the New Taiwan dollar strengthening 2% against the U.S. dollar.

	USD Impact on NTD	
	For the Three Months Ended March 31	
	2026	**2025**
Profit or loss	$ 318	$ 34

b) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting period are as follows:

	March 31, 2026	**December 31, 2025**	**March 31, 2025**
Fair value interest rate risk			
Financial assets	$ 2,043,193	$ 2,487,851	$ 2,006,002
Cash flow interest rate risk			
Financial assets	168,954	103,524	127,073
Financial liabilities	6,407,518	6,713,134	7,727,064

Sensitivity analysis

The following sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable interest rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. The sensitivity rate of 1% is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The financial assets and liabilities held by the Group with variable interest rates will change according to the effective interest rates, which vary with market interest rates, and will result in fluctuations of the future cash flows.

For the financial assets held by the Group with variable interest rates on March 31, 2026 and 2025, if the market interest rates had been 1% higher, the cash inflow from variable rate financial assets would have been $422 thousand and $318 thousand, respectively. If the market interest rates had been 1% lower, there would be an equal and opposite impact on variable interest rate financial assets, and the amount would be negative.

For the financial liabilities held by the Group with variable interest rates on March 31, 2026 and 2025, if the market interest rates had been 1% higher, the cash outflow from variable rate financial liabilities would have been $16,019 thousand and $19,318 thousand, respectively. If the market interest rates had been 1% lower, there would be an equal and opposite impact on variable interest rate financial liabilities, and the amount would be negative.

c) Other price risk

The Group was exposed to equity price risk through its investments in domestic listed (unlisted) shares and corporate bonds.

<u>Sensitivity analysis</u>

The equity price risk for the flexible-priced financial assets held by the Group was assessed using sensitivity analysis.

If equity prices had been 5% higher/lower and the pre-tax other comprehensive income for the three months ended March 31, 2026 and 2025 would have increased/decreased by $110,603 thousand and $143,380 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

There is no significant concentration of credit risk for the Group. Credit risk is from cash and cash equivalent deposits in banks and accounts receivable from customers.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient letters of bank guarantees and security deposits, where appropriate, as a means of mitigating the risk of financial loss from defaults. To reduce credit risk, the Group has established internal monitoring procedures to monitor credit risk exposure and the credit condition of counterparties.

The credit risk on liquid funds and financial instruments is limited because the counterparties are banks, financial institutions and companies with high credit ratings assigned by international credit-rating agencies.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2026, December 31, 2025 and March 31, 2025, the Group had available unutilized short-term bank loan facilities (including overdraft and guarantee) of $1,968,016 thousand, $2,255,363 thousand and $2,573,574 thousand, respectively.

The following table details the Group's remaining contractual maturity of its non-derivative financial liabilities with variable interest rates and agreed upon repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

March 31, 2026

	On Demand or Less than 1 Month	1-3 Months	3 Months - 1 Year	1-3 Year	3-5 Years	5+ Years
Non-interest bearing	$ 19,171	$ 2,807	$ 362,383	$ -	$ -	$ -
Variable interest rate liabilities	-	554,874	597,536	1,787,303	2,433,915	2,005,420
	$ 19,171	$ 557,681	$ 959,919	$ 1,787,303	$ 2,433,915	$ 2,005,420

December 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months - 1 Year	1-3 Year	3-5 Years	5+ Years
Non-interest bearing	$ 22,393	$ 2,938	$ 391,434	$ -	$ -	$ -
Variable interest rate liabilities	-	158,232	932,160	1,974,175	2,420,110	2,304,479
	$ 22,393	$ 161,170	$ 1,323,594	$ 1,974,175	$ 2,420,110	$ 2,304,479

March 31, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months - 1 Year	1-3 Year	3-5 Years	5+ Years
Non-interest bearing	$ 23,439	$ 3,366	$ 369,719	$ -	$ -	$ -
Variable interest rate liabilities	-	331,132	880,389	2,074,996	2,400,936	3,525,220
	$ 23,439	$ 334,498	$ 1,250,108	$ 2,074,996	$ 2,400,936	$ 3,525,220

25. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries, which are related parties of the Corporation, have been eliminated on consolidation and are not disclosed in this note. The Government has significant influence over the Group. Besides, the nature and amounts of transactions, individually and collectively insignificant, with the government - related party have not been disclosed, and information disclosed, elsewhere in the other notes and details of transactions between the Group and other related parties are disclosed below.

a. Names and categories of the related parties

Related Party Name	Related Party Category
Yunn Wang Investment Co., Ltd.	Associate
Yang Ming Marine Transport Corporation (Yang Ming)	Government - related party
CPC Corporation	Government - related party
Land Bank of Taiwan	Government - related party
Bank of Taiwan	Government - related party
Mega International Commercial Bank	Government - related party

(Continued)

Related Party Name	Related Party Category
First Commercial Bank	Government - related party
Chang Hwa Bank	Government - related party
Chunghwa Post Co., Ltd.	Government - related party
Maritime and Port Bureau. MOTC	Government - related party

(Concluded)

b. Operating transactions

Related Party Category/Name	For the Three Months Ended March 31 2026	2025
Operating revenue		
Government - related parties		
CPC Corporation	$ 123,699	$ 121,264
Maritime and Port Bureau. MOTC	26,446	29,554
Associates		
Others	29	29
	$ 150,174	$ 150,847
Operating costs		
Government - related parties		
CPC Corporation	$ 8,379	$ 10,254

Transactions with related parties were based on agreements. Lease contracts with associates were based on market conditions.

c. Bank balances

Bank balances (including time deposits with original maturities of more than 3 months and pledged deposits which are included on other financial assets), are as follows:

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Government - related parties			
Bank of Taiwan	$ 131,945	$ 831,047	$ 220,517
Land Bank of Taiwan	32,260	252,184	8,377
Others	58,791	2,903	17,171
	$ 222,996	$1,086,134	$ 246,065

d. Trade receivables from related parties

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Government - related parties			
CPC Corporation	$ 52,705	$ 46,259	$ 52,221
Maritime and Port Bureau. MOTC	22,070	22,207	23,687
	$ 74,775	$ 68,466	$ 75,908

The receivables from related parties are unsecured. An allowance for loss of $10,535 thousand was reversed for the amount due from related parties as of March 31, 2026, an allowance for loss $10,535 thousand was provided for the amount due from related parties on December 31, 2025.

e. Advance in cash (included in other financial assets)

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Government - related parties			
CPC Corporation	$ 18,992	$ 20,326	$ 14,341

f. Borrowings from related parties

Line Items	Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Short-term borrowings				
Unsecured borrowings	Government - related parties			
	Bank of Taiwan	$ 230,000	$ 230,000	$ 276,000
	Mega International Commercial Bank	223,965	157,150	-
		$ 453,965	$ 387,150	$ 276,000
Long-term borrowings (including current portions)				
Secured borrowings	Government - related parties			
	Land Bank of Taiwan	$ 2,917,032	$ 3,095,286	$ 3,372,081
	Bank of Taiwan	1,928,298	2,028,180	2,866,805
		$ 4,845,330	$ 5,123,466	$ 6,238,886

Related Party Category/Name	For the Three Months Ended March 31 2026	2025
Interest expense (including capitalized interest amount)		
Government - related parties		
Land Bank of Taiwan	$ 32,753	$ 42,021
Bank of Taiwan	23,020	37,922
Others	412	1,129
	$ 56,185	$ 81,072

The interest rate of the Group's borrowings from the related parties is equivalent to the market interest rate.

g. Advance receipts from related parties (included in other current liabilities and other non-current liabilities)

Related Party Category/Name	March 31, 2026	December 31, 2025	March 31, 2025
Government - related parties			
Maritime and Port Bureau. MOTC	$ 687,461	$ 697,329	$ 726,932
Associates			
Others	171	-	171
	$ 687,632	$ 697,329	$ 727,103

h. Other transactions with related parties (included in non-operating income - other)

Related Party Category/Name	For the Three Months Ended March 31 2026	2025
Associates (management service revenue)		
Others	$ 29	$ 29

i. Compensation of key management personnel

The compensation of directors and other key management personnel were as follows:

	For the Three Months Ended March 31 2026	2025
Short-term employee benefits	$ 8,553	$ 9,269
Post-employment benefits	494	409
	$ 9,047	$ 9,678

26. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets of the Group were pledged or mortgaged as collateral for long-term borrowings:

	March 31, 2026	December 31, 2025	March 31, 2025
Property, plant and equipment	$ 11,142,994	$ 14,002,737	$ 15,218,618
Pledged deposits (included in other non-current assets)	2,265	2,265	2,305
	$ 11,145,259	$ 14,005,002	$ 15,220,923

27. SIGNIFICANT UNRECOGNIZED COMMITMENTS AND CONTINGENCIES

Significant unrecognized commitments and contingencies of the Group as of March 31, 2026 were as follows:

a. The relevant information on the Corporation's ship management and harbor tug agreements with CPC Corporation and its procurement contract for liner services with the Maritime and Port Bureau, MOTC, is stated below:

Ship	Date of Agreement	Calculation and Fee Collection Method
CPC Corporation		
TAI CHIN 201, 202, 203 and 205	2007.02.10-2032.12.31	The fee was $368 thousand per day, which was calculated per day, and collected on a monthly basis.
HONG YUN and SHENG YUN	2023.01.04-2028.01.23	Basic fee of ship management was $158 thousand for each ship per day, which was calculated per day, and collected on a monthly basis.
DER YUN	2022.10.28-2027.10.27	Basic fee of ship management was $146 thousand for each ship per day, which was calculated per day, and collected on a monthly basis.
TAI CHIN 301, 302, 303, 305,306,307 and 308	2022.11.25-2047.12.31	The fee was $660 thousand per day, which was calculated per day, and collected on a monthly basis.
Maritime and Port Bureau. MOTC		
PENGHU	2023.09.06-2043.09.06	The fee was $238-$388 thousand per voyage which was calculated and collected per quarterly.

As of March 31, 2026, the Corporation entrusted the Bank of Taiwan to issue a letter of guarantee to CPC Corporation and Maritime and Port Bureau, MOTC in the amount of $218,512 thousand. The Corporation also entrusted Land Bank of Taiwan to issue a letter of guarantee of contract for "Kuan-Tang Industrial Port's Long-term Harbor Tug Service" to CPC Corporation with amount of $357,000 thousand, and the amount of performance guarantee issued by Shin Kong Bank for procurement contract to Maritime and Port Bureau, MOTC, was $756,371 thousand.

b. In November 2023, the board of directors of the subsidiary Tai Shing approved the agreement by entering into a contract with Morning Daedalus Navigation S.A., a wholly owned subsidiary of Namura Shipbuilding Co., Ltd., to build two bulk carriers. As of the date of the auditors' review report, one of the vessels had been delivered. The amount of US$9,690 thousand was paid and included in prepayments for equipment. The remaining unpaid amount was US$22,610 thousand.

c. In November 2024, the board of directors of the subsidiary Tai Shing approved the agreement by entering into a contract with Oshima Shipbuilding Co., Ltd. to build two bulk carriers. As of the date of auditors' review report, the amount of US$15,544 thousand had been paid and included in prepayments for equipment. The remaining unpaid amount was US$62,176 thousand.

28. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies are as follows:

March 31, 2026

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Financial assets			
Monetary items			
USD	$ 700	31.995 (USD:NTD)	$ 22,406
Financial liabilities			
Monetary items			
USD	$ 204	31.995 (USD:NTD)	$ 6,519

December 31, 2025

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Financial assets			
Monetary items			
USD	$ 547	31.43 (USD:NTD)	$ 17,183
Financial liabilities			
Monetary items			
USD	$ 201	31.43 (USD:NTD)	$ 6,315

March 31, 2025

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount (In Thousands)
Financial assets			
Monetary items			
USD	$ 225	33.205 (USD:NTD)	$ 7,457
Financial liabilities			
Monetary items			
USD	$ 174	33.205 (USD:NTD)	$ 5,778

For the three months ended March 31, 2026 and 2025, net foreign exchange gain was $753 thousand and $229 thousand, respectively, resulting from the fluctuation of the USD.

29. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

   1) Financing provided to others (None)

   2) Endorsements/guarantees provided (Table 1)

   3) Significant marketable securities held (Table 2)

   4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 3)

   5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 4)

   6) Intercompany relationships and significant intercompany transactions (Table 5)

b. Information on investments (Table 6)

c. Information on investments in mainland China (None)

30. SEGMENT INFORMATION

The Group managed its organization and allocated resources by reference to a single operating segment, and its operating activities are related to the business of passenger and freight transportation and acting as a shipping agency.

TABLE 1

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(New Taiwan Dollars/U.S. Dollars in Thousands)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Notes 1, 2 and 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 2)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 3)	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Notes 1, 2 and 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Company in Mainland China	Note
		Name	Relationship											
0	Taiwan Navigation Co., Ltd.	Tai Shing	Subsidiary	$ 36,586,070	$ 12,078,171 (US$ 377,502)	$ 11,407,345 (US$ 356,535)	$ 8,166,838 (US$ 255,254)	$ -	62.36	$ 36,586,070	Yes	-	-	-
1	Tai Shing	Taiwan Navigation Co., Ltd.	Parent company	7,511,534 (US$ 234,772)	-	-	-	-	-	7,511,534 (US$ 234,772)	-	Yes	-	-

Note 1: Not more than twice the net equity in the latest financial statement of Taiwan Navigation Co., Ltd.

Note 2: Not more than twice of Tai Shing’s paid in capital.

Note 3: Translated at the exchange rate on March 31, 2026, US$1=NT$31.995.

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
March 31, 2026
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name/Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2026				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan Navigation Co., Ltd.	Listed shares							
	Yang Ming	Significantly influenced by the Government	Financial assets at FVTOCI - current	37,000,000	$ 1,924,000	1.06	$ 1,924,000	
	Common share							
	Chunghwa Investment Co., Ltd.	-	Financial assets at FVTOCI - non-current	4,590,000	250,793	6.00	250,793	

Note: See Table 6 for the information on investments in subsidiaries and associates.

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Seller/Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 2)	
Taiwan Navigation Co., Ltd.	CPC Corporation, Taiwan	(Note 1)	Ship management service and port service revenue	$ (123,699)	(63)	By negotiations	$ -	-	$ 52,705	67	
Tai Shing	Shin Wang	The same parent company	Transportation revenue	(266,208)	(32)	By negotiations	-	-	109,830	100	(Note 3)
Shin Wang	Tai Shing	The same parent company	Transportation expense	266,208	94	By negotiations	-	-	(109,830)	(100)	(Note 3)

Note 1: Significantly influenced by the government.

Note 2: The proportion of the individual related party’s total receivables (payables).

Note 3: Eliminated upon consolidation.

TABLE 4

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Tai Shing	Shin Wang	The same parent company	$ 109,830	3.18	$ -	-	$ 109,830	$ -

Note: Eliminated upon consolidation.

TABLE 5

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

No.	Company Name	Related Party	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets
1	Tai Shing	Taiwan Navigation Co., Ltd.	Parent company	Prepaid expenses	$ 16,886	Collected based on agreements	-
				Endorser/guarantor expenses	10,315	Collected based on agreements	1
		Shin Wang	The same parent company	Rental revenue	266,208	The rental of 8 ships in total was calculated for each ship at $2-20 thousand per day and was collected on a monthly basis.	25
				Trade receivables from related parties	109,830	Collected based on agreements	-

Note 1: Eliminated upon consolidation.

Note 2: Transactions over $10,000 thousand are disclosed in this table.

TAIWAN NAVIGATION CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Business and Products	Investment Amount		As of March 31, 2026			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	March 31, 2026	Number of Shares	%	Carrying Amount			
Taiwan Navigation Co., Ltd.	Tai Shing	Panama City, Panama	Rental and sale of ships	$ 3,921,447	$ 3,921,447	100	100.00	$ 12,499,727	$ 260,061	$ 260,061	(Note)
	Shin Wang	Monrovia City, Liberia	Rental and sale of ships	32,500	32,500	1	100.00	468,694	47,347	47,347	(Note)
	Yunn Wang	Taipei	Investment	41,861	41,861	5,211,474	49.75	204,773	690	343	

Note: Eliminated upon consolidation.