

**SINCERE NAVIGATION CORPORATION
AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
JUNE 30, 2025 AND 2024**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of Sincere Navigation Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Sincere Navigation Corporation and subsidiaries (the "Group") as at June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the six-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these 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" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material

respects, the consolidated financial position of the Group as at June 30, 2025 and 2024, and of its consolidated financial performance for the three-month and six-month periods then ended and its consolidated cash flows for the six-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Fu-Ming, Liao *Tsai Pei Hua*

Liao, Fu-Ming

TSAI, PEI-HUA

For and on Behalf of PricewaterhouseCoopers, Taiwan

August 8, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets		Notes	June 30, 2025		December 31, 2024		June 30, 2024		
			AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets									
1100	Cash and cash equivalents	6(1)	\$ 3,293,632	17	\$ 3,098,099	14	\$ 3,484,138	16	
1136	Current financial assets at	6(2) and 8							
	amortised cost		3,109,373	16	3,274,331	15	2,611,710	12	
1140	Current contract assets	6(13)	45,172	-	-	-	-	-	
1170	Accounts receivable		359,511	2	467,769	2	470,690	2	
1200	Other receivables		32,159	-	185,081	1	106,245	1	
1220	Current income tax assets		-	-	-	-	13	-	
130X	Bunker inventories		74,167	-	50,991	-	64,614	-	
1410	Prepayments		63,689	-	39,111	-	34,864	-	
1470	Other current assets	8	-	-	66,448	-	61,200	-	
11XX	Total current assets		6,977,703	35	7,181,830	32	6,833,474	31	
Non-current assets									
1600	Property, plant and equipment	6(3)(8) and 8	12,899,595	65	15,149,327	68	15,353,331	69	
1755	Right-of-use assets	6(4)	10,837	-	9,007	-	12,328	-	
1840	Deferred income tax assets		7,087	-	7,126	-	7,056	-	
1900	Other non-current assets	8	9,420	-	17,282	-	40,291	-	
15XX	Total non-current assets		12,926,939	65	15,182,742	68	15,413,006	69	
1XXX	Total assets		\$ 19,904,642	100	\$ 22,364,572	100	\$ 22,246,480	100	

(Continued)

SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and equity		Notes	June 30, 2025		December 31, 2024		June 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Short-term borrowings	6(6) and 8	\$ 3,445,000	17	\$ 3,315,000	15	\$ 3,398,000	15
2130	Current contract liabilities	6(13)	19,965	-	45,541	-	45,324	-
2200	Other payables	6(7)	947,822	5	283,138	1	730,786	4
2220	Other payables - related party	7	42,308	-	48,762	-	13,898	-
2230	Current income tax liabilities		95,449	1	27,815	-	15,427	-
2280	Current lease liabilities		6,020	-	4,712	-	5,925	-
2320	Long-term liabilities, current portion	6(8) and 8	-	-	137,718	1	136,290	1
21XX	Total current liabilities		4,556,564	23	3,862,686	17	4,345,650	20
Non-current liabilities								
2540	Long-term borrowings	6(8) and 8	-	-	206,577	1	272,580	1
2580	Non-current lease liabilities		5,560	-	4,812	-	6,883	-
2600	Other non-current liabilities		32,090	-	33,551	-	34,694	-
25XX	Total non-current liabilities		37,650	-	244,940	1	314,157	1
2XXX	Total liabilities		4,594,214	23	4,107,626	18	4,659,807	21
Equity attributable to owners of parent								
	Share capital	6(10)						
3110	Common stock		5,853,533	29	5,853,533	26	5,853,533	26
	Capital surplus	6(11)						
3200	Capital surplus		165,886	1	165,576	1	165,935	1
	Retained earnings	6(12)						
3310	Legal reserve		3,470,192	18	3,320,041	15	3,320,041	15
3320	Special reserve		-	-	904,748	4	904,748	4
3350	Unappropriated retained earnings		7,732,587	39	7,609,188	34	7,162,603	32
	Other equity interest							
3400	Other equity interest		(1,911,770)	(10)	403,860	2	179,813	1
3XXX	Total equity		15,310,428	77	18,256,946	82	17,586,673	79
	Significant contingent liabilities and unrecognized contractual commitments	9						
3X2X	Total liabilities and equity		\$ 19,904,642	100	\$ 22,364,572	100	\$ 22,246,480	100

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

SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTHS PERIODS ENDED JUNE 30, 2025 AND 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNT)

Items	Notes	Three months ended June 30				Six months ended June 30			
		2025		2024		2025		2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(13) and 7	\$ 1,081,892	100	\$ 1,204,858	100	\$ 2,028,191	100	\$ 2,287,923	100
5000 Operating costs	6(18)(19) and 7	(846,384)	(78)	(796,548)	(66)	(1,761,815)	(87)	(1,493,723)	(65)
5900 Gross profit		235,508	22	408,310	34	266,376	13	794,200	35
Operating expenses	6(18)(19) and 7								
6200 General and administrative expenses		(84,378)	(8)	(112,961)	(9)	(139,774)	(7)	(192,619)	(8)
6450 Impairment gain and reversal of impairment loss (impairment loss) determined in accordance with IFRS 9	12(2)	495	-	(483)	-	7,884	1	(10,507)	(1)
6000 Total operating expenses		(83,883)	(8)	(113,444)	(9)	(131,890)	(6)	(203,126)	(9)
6900 Profit from operations		151,625	14	294,866	25	134,486	7	591,074	26
Non-operating income and expenses									
7100 Interest income	6(14)	68,225	6	60,092	5	129,680	6	111,754	5
7010 Other income	6(15)	589	-	57	-	3,475	-	895	-
7020 Other gains and losses	6(16)	(1,767)	-	3,482	-	(1,248)	-	4,171	-
7050 Finance costs	6(17)	(21,118)	(2)	(24,595)	(2)	(42,385)	(2)	(46,807)	(2)
7000 Total non-operating income and expenses		45,929	4	39,036	3	89,522	4	70,013	3
7900 Profit before income tax		197,554	18	333,902	28	224,008	11	661,087	29
7950 Income tax expense	6(20)	(81,007)	(7)	(15,650)	(2)	(94,247)	(5)	(17,238)	(1)
8000 Profit for the period from continuing operations		116,547	11	318,252	26	129,761	6	643,849	28
8100 (Loss) profit for the period from discontinued operations	6(5)	(13)	-	383,224	32	-	-	411,077	18
8200 Profit for the period		\$ 116,534	11	\$ 701,476	58	\$ 129,761	6	\$ 1,054,926	46
Other comprehensive income									
8361 Financial statements translation differences of foreign operations		(\$ 2,591,963)	(240)	\$ 285,648	24	(\$ 2,315,630)	(114)	\$ 1,084,561	48
8300 Total other comprehensive (loss) income for the period		(\$ 2,591,963)	(240)	\$ 285,648	24	(\$ 2,315,630)	(114)	\$ 1,084,561	48
8500 Total comprehensive (loss) income for the period		(\$ 2,475,429)	(229)	\$ 987,124	82	(\$ 2,185,869)	(108)	\$ 2,139,487	94
Comprehensive (loss) income attributable to:									
8710 Comprehensive (loss) income-attributable to owners of parent		(\$ 2,475,429)	(229)	\$ 987,124	82	(\$ 2,185,869)	(108)	\$ 2,139,487	94
Basic earnings per share	6(21)								
9710 Basic earnings per share from continuing operations		\$ 0.20		\$ 0.54		\$ 0.22		\$ 1.10	
9720 Basic earnings per share from discontinued operations		-		0.66		-		0.70	
9750 Total basic earnings per share		\$ 0.20		\$ 1.20		\$ 0.22		\$ 1.80	
Diluted earnings per share	6(21)								
9810 Diluted earnings per share from continuing operations		\$ 0.20		\$ 0.54		\$ 0.22		\$ 1.10	
9820 Diluted earnings per share from discontinued operations		-		0.66		-		0.70	
9850 Total diluted earnings per share		\$ 0.20		\$ 1.20		\$ 0.22		\$ 1.80	

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

SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Equity attributable to owners of the parent								
		Capital Reserves				Retained Earnings				
				Difference between the price for acquisition or disposal of subsidiaries and carrying amount					Financial statements translation differences of foreign operations	
Notes	Share capital - common stock	Treasury stock transactions		Others	Legal reserve	Special reserve	Unappropriated retained earnings			Total equity
<u>For the six-month period ended June 30, 2024</u>										
	\$ 5,853,533	\$ 39,243	\$ 120,593	\$ 5,756	\$ 3,276,282	\$ 898,413	\$ 6,596,786	(\$ 904,748)		\$ 15,885,858
	-	-	-	-	-	-	1,054,926	-		1,054,926
	-	-	-	-	-	-	-	1,084,561		1,084,561
	-	-	-	-	-	-	1,054,926	1,084,561		2,139,487
Appropriations of 2023 earnings:	6(12)									
Legal reserve	-	-	-	-	43,759	-	(43,759)	-		-
Special reserve	-	-	-	-	-	6,335	(6,335)	-		-
Cash dividends	-	-	-	-	-	-	(439,015)	-		(439,015)
Overdue unclaimed cash dividends	-	-	-	343	-	-	-	-		343
Balance at June 30, 2024	\$ 5,853,533	\$ 39,243	\$ 120,593	\$ 6,099	\$ 3,320,041	\$ 904,748	\$ 7,162,603	\$ 179,813		\$ 17,586,673
<u>For the six-month period ended June 30, 2025</u>										
	\$ 5,853,533	\$ 39,243	\$ 120,593	\$ 5,740	\$ 3,320,041	\$ 904,748	\$ 7,609,188	\$ 403,860		\$ 18,256,946
	-	-	-	-	-	-	129,761	-		129,761
	-	-	-	-	-	-	-	(2,315,630)		(2,315,630)
	-	-	-	-	-	-	129,761	(2,315,630)		(2,185,869)
Appropriations of 2024 earnings:	6(12)									
Legal reserve	-	-	-	-	150,151	-	(150,151)	-		-
Special reserve	-	-	-	-	-	(904,748)	904,748	-		-
Cash dividends	-	-	-	-	-	-	(760,959)	-		(760,959)
Overdue unclaimed cash dividends	-	-	-	310	-	-	-	-		310
Balance at June 30, 2025	\$ 5,853,533	\$ 39,243	\$ 120,593	\$ 6,050	\$ 3,470,192	\$ -	\$ 7,732,587	(\$ 1,911,770)		\$ 15,310,428

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

SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the six-month periods ended June 30, 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from continuing operations before tax		\$ 224,008	\$ 661,087
Profit from discontinued operations before tax	6(5)	-	411,077
Profit before tax		224,008	1,072,164
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(18)	790,046	768,089
Amortisation	6(18)	305	274
(Impairment gain and reversal of impairment loss) impairment loss determined in accordance with IFRS 9	12(2)		
Interest income		(7,884)	10,507
Early buyback of the bareboat charter - interest income (shown as discontinued operations)	6(14)	(129,680)	(158,679)
Interest expense		-	74,865
Interest expense	6(17)	42,385	84,920
Gain on disposal of property, plant and equipment		-	(280,177)
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(45,172)	52,497
Accounts receivable		115,508	26,729
Other receivables		148,571	78,690
Bunker inventories		(23,176)	5,772
Prepayments		(24,578)	(3,813)
Changes in operating liabilities			
Current contract liabilities		(25,576)	(7,615)
Other payables		(77,785)	(58,846)
Other payables - related parties		(6,454)	(54,634)
Accrued pension liabilities		(1,461)	13,602
Cash inflow generated from operations		979,057	1,474,615
Interest received		133,061	163,734
Early buyback of the bareboat charter - interest received		-	74,865
Income tax paid		(26,658)	(49,434)
Income tax refund		383	1,250
Net cash flows from operating activities		1,085,843	1,665,030

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SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the six-month periods ended June 30, 2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets at amortised cost		(\$ 199,581)	(\$ 186,976)
Repayment of principal of financial assets at amortised cost		-	53,489
Decrease in other current assets		66,448	87,566
Acquisition of property, plant and equipment	6(22)	(85,963)	(1,536,182)
Proceeds from disposal of property, plant and equipment		-	683,571
(Increase) decrease in refundable deposits		(119)	48
Early redemption of financial assets at amortised cost		-	1,601,509
Net cash flows (used in) from investing activities		(219,215)	703,025
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term loans	6(23)	130,000	337,500
Repayment of principal of lease liability	6(23)	(2,733)	(3,040)
Repayment of long-term borrowings	6(23)	(334,530)	(1,216,586)
Cash payment of interest		(49,458)	(95,679)
Overdue unclaimed cash dividends transferred into capital surplus		310	343
Net cash flows used in financing activities		(256,411)	(977,462)
Effect of changes in foreign exchange rate		(414,684)	119,438
Net increase in cash and cash equivalents		195,533	1,510,031
Cash and cash equivalents at beginning of period		3,098,099	1,974,107
Cash and cash equivalents at end of period		<u>\$ 3,293,632</u>	<u>\$ 3,484,138</u>

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

SINCERE NAVIGATION CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

Sincere Navigation Corporation (the “Company”) was incorporated in 1968 with an original capital of \$1,000. On December 31, 1988, the Company was the surviving company in the merger with Karson and Tai Hsing Navigation Corporation to meet operating demands and further improve capital structure. The Company’s shares have been listed on the Taiwan Stock Exchange since December 8, 1989. The Company and its subsidiaries (collectively referred herein as the “Group”) are engaged in bulk shipping, tug and barge services, and operating a shipping agency.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on August 8, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:.

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. Except for the defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation, the consolidated financial statements have been prepared under the historical cost convention.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

The basis for preparation of consolidated financial statements is consistent with that for the year ended December 31, 2024.

- B. Subsidiaries included in the consolidated financial statements:

(a) Norley Corporation Inc. (Norley)

Norley, a wholly-owned subsidiary of Sincere Navigation Corporation, was established in Liberia and is engaged in investment holdings. The following are the subsidiaries of Norley:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			June 30, 2025	December 31, 2024	June 30, 2024	
Norley	Poseidon Marine Ltd.	Shipping	100%	100%	100%	
"	Kenmore Shipping Inc.	Oil tanker	100%	100%	100%	
"	Maxson Shipping Inc.	Shipping	100%	100%	100%	
"	Ocean Wise Limited	Shipping	100%	100%	100%	
"	Jetwall Co. Ltd. (Jetwall)	Investment holdings	100%	100%	100%	
"	Victory Navigation Inc. (Victory)	Investment holdings	-	100%	100%	Note 5
"	Pacifica Maritime Limited	Oil tanker	100%	100%	100%	
"	Sky Sea Maritime Limited (Sky Sea)	Investment holdings	100%	100%	100%	
"	Elroy Maritime Services Inc. (Elory)	Maritime service	100%	100%	100%	
"	Glory Selah Limited (Glory)	Investment holdings	-	100%	100%	Note 5
"	Steady Way Limited (Steady)	Shipping	100%	100%	100%	
"	Clifford Navigation Corporation	Shipping	-	-	100%	Note 4
"	Brighton Shipping Inc.	Shipping	100%	100%	100%	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			June 30, 2025	December 31, 2024	June 30, 2024	
"	Rockwell Shipping Limited	Shipping	100%	100%	100%	
"	Howells Shipping Inc.	Shipping	100%	100%	100%	
"	Helmsman Navigation Co. Ltd.	Shipping	100%	100%	100%	
"	Keystone Shipping Co. Ltd.	Shipping	-	-	100%	Note 4
"	Carmel Splendor Limited	Shipping	100%	100%	100%	
"	Sharon Glory Limited	Shipping	100%	100%	100%	
"	Based Camp Limited (Based Camp)	Investment holdings	100%	100%	100%	
"	Delight Way Limited	Shipping	100%	100%	100%	Note 1
"	Majestic Bloom Limited	Shipping	100%	100%	100%	Note 2
Jetwall	Everwin Maritime Limited	Oil tanker	100%	100%	100%	
Victory	Everprime Shipping Limited	Shipping	-	100%	100%	Note 5
Sky Sea	Ocean Grace Limited	Shipping	100%	100%	100%	
Elroy	Oak Maritime (Canada) Inc.	Maritime service	100%	100%	100%	
Glory	Bridge Poiema Limited	Shipping	-	100%	100%	Note 5
Base Camp	Haihu Maritime Service (Shanghai) Co.,Ltd.	Maritime service	100%	100%	-	Note 3

Note 1: Delight Way Limited was established in Marshall Islands on April 16, 2024.

Note 2: Majestic Bloom Limited was established in Marshall Islands on April 16, 2024.

Note 3: Due to organizational restructuring, Century Shipping Limited transferred its subsidiary – Haihu Maritime Service (Shanghai) Co., Ltd. to Based Camp Limited on July 1, 2024.

Note 4: Clifford Navigation Corporation and Keystone Shipping Co., Ltd. ceased operations and were liquidated on August 19, 2024.

Note 5: Victory Navigation Inc., Glory Selah Limited, Everprime Shipping Limited and Bridge Poiema Limited ceased operations and were liquidated on May 23, 2025.

(b) Heywood Limited (Heywood)

Heywood, a wholly-owned subsidiary of Sincere Navigation Corporation, was established in Marshall Islands and is engaged in investment holdings. The following are the subsidiaries of Heywood:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			June 30, 2025	December 31, 2024	June 30, 2024	
Heywood	Century Shipping Limited (Century)	Investment holdings	100%	100%	100%	
Century	Haihu Maritime Service (Shanghai) Co., Ltd.	Maritime service	-	-	100%	Note

Note: Due to organizational restructuring, Century Shipping Limited transferred its subsidiary – Haihu Maritime Service (Shanghai) Co., Ltd. to Based Camp Limited on July 1, 2024.

(c) Sincere Navigation Corporation (Singapore) Pte. Ltd. (Singapore Company)

Singapore Company, a wholly-owned subsidiary of Sincere Navigation Corporation, was established in Singapore, and is engaged in shipping services.

- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There was no significant change in the reporting period. Refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	\$ 40	\$ 76	\$ 381
Checking accounts and demand deposits	2,745,225	1,343,267	2,468,986
Time deposit	548,367	1,754,756	1,014,771
	<u>\$ 3,293,632</u>	<u>\$ 3,098,099</u>	<u>\$ 3,484,138</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group's cash and cash equivalents pledged to others as collateral were classified as other current assets and other non-current assets. Related information is provided in Note 8.

(2) Financial assets at amortised cost

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Time deposits with maturity over three months	\$ 1,250	\$ 5,412	\$ 182,127
Pledged time deposits	3,108,123	3,268,919	2,429,583
	<u>\$ 3,109,373</u>	<u>\$ 3,274,331</u>	<u>\$ 2,611,710</u>

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	For the three-month periods ended June 30,	
	2025	2024
Interest income	\$ 32,334	\$ 126,144
Less: Interest income charge from discontinued operations	-	(93,141)
	<u>\$ 32,334</u>	<u>\$ 33,003</u>
	For the six-month periods ended June 30,	
	2025	2024
Interest income	\$ 69,402	\$ 182,951
Less: Interest income charge from discontinued operations	-	(120,049)
	<u>\$ 69,402</u>	<u>\$ 62,902</u>

B. Information about financial assets at amortised cost that were pledged to others as collateral is provided in Note 8.

C. As at June 30, 2025, December 31, 2024 and June 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group were \$3,109,373, \$3,274,331 and \$2,611,710, respectively.

(3) Property, plant and equipment

	Land	Buildings and structures	Vessels and equipment	Office equipment	Unfinished construction and equipment under acceptance	Leasehold improvements	Total
<u>At January 1, 2025</u>							
Cost	\$ 90,215	\$ 30,818	\$ 30,200,880	\$ 10,550	\$ 4,350	\$ 1,097	\$ 30,337,910
Accumulated depreciation	-	(20,945)	(14,653,173)	(8,676)	-	(823)	(14,683,617)
Accumulated impairment	-	-	(504,966)	-	-	-	(504,966)
	<u>\$ 90,215</u>	<u>\$ 9,873</u>	<u>\$ 15,042,741</u>	<u>\$ 1,874</u>	<u>\$ 4,350</u>	<u>\$ 274</u>	<u>\$ 15,149,327</u>
<u>2025</u>							
Opening net book amount	\$ 90,215	\$ 9,873	\$ 15,042,741	\$ 1,874	\$ 4,350	\$ 274	\$ 15,149,327
Additions	-	-	62,869	763	18,722	-	82,354
Transfers	-	-	4,226	-	(4,226)	-	-
Retirement - cost	-	-	(44,376)	-	-	-	(44,376)
Retirement - accumulated depreciation	-	-	44,376	-	-	-	44,376
Depreciation	-	(664)	(785,639)	(466)	-	(266)	(787,035)
Net exchange differences	-	-	(1,543,336)	(79)	(1,628)	(8)	(1,545,051)
Closing net book amount	<u>\$ 90,215</u>	<u>\$ 9,209</u>	<u>\$ 12,780,861</u>	<u>\$ 2,092</u>	<u>\$ 17,218</u>	<u>\$ -</u>	<u>\$ 12,899,595</u>
<u>At June 30, 2025</u>							
Cost	\$ 90,215	\$ 30,818	\$ 27,007,348	\$ 10,824	\$ 17,218	\$ 980	\$ 27,157,403
Accumulated depreciation	-	(21,609)	(13,775,267)	(8,732)	-	(980)	(13,806,588)
Accumulated impairment	-	-	(451,220)	-	-	-	(451,220)
	<u>\$ 90,215</u>	<u>\$ 9,209</u>	<u>\$ 12,780,861</u>	<u>\$ 2,092</u>	<u>\$ 17,218</u>	<u>\$ -</u>	<u>\$ 12,899,595</u>

	Land	Buildings and structures	Vessels and equipment	Office equipment	Unfinished construction and equipment under acceptance	Leasehold improvements	Total
<u>At January 1, 2024</u>							
Cost	\$ 90,215	\$ 30,818	\$ 28,092,065	\$ 10,966	\$ 2,138	\$ 1,027	\$ 28,227,229
Accumulated depreciation	-	(19,617)	(13,477,882)	(8,560)	-	(256)	(13,506,315)
Accumulated impairment	-	-	(472,934)	-	-	-	(472,934)
	<u>\$ 90,215</u>	<u>\$ 11,201</u>	<u>\$ 14,141,249</u>	<u>\$ 2,406</u>	<u>\$ 2,138</u>	<u>\$ 771</u>	<u>\$ 14,247,980</u>
<u>2024</u>							
Opening net book amount	\$ 90,215	\$ 11,201	\$ 14,141,249	\$ 2,406	\$ 2,138	\$ 771	\$ 14,247,980
Additions	-	-	1,456,423	44	-	-	1,456,467
Disposals	-	-	(392,811)	(34)	-	-	(392,845)
Retirement - cost	-	-	(109,158)	-	-	-	(109,158)
Retirement - accumulated depreciation	-	-	109,158	-	-	-	109,158
Depreciation	-	(664)	(763,493)	(438)	-	(267)	(764,862)
Net exchange differences	-	-	806,406	24	122	39	806,591
Closing net book amount	<u>\$ 90,215</u>	<u>\$ 10,537</u>	<u>\$ 15,247,774</u>	<u>\$ 2,002</u>	<u>\$ 2,260</u>	<u>\$ 543</u>	<u>\$ 15,353,331</u>
<u>At June 30, 2024</u>							
Cost	\$ 90,215	\$ 30,818	\$ 29,694,425	\$ 10,436	\$ 2,260	\$ 1,086	\$ 29,829,240
Accumulated depreciation	-	(20,281)	(13,946,921)	(8,434)	-	(543)	(13,976,179)
Accumulated impairment	-	-	(499,730)	-	-	-	(499,730)
	<u>\$ 90,215</u>	<u>\$ 10,537</u>	<u>\$ 15,247,774</u>	<u>\$ 2,002</u>	<u>\$ 2,260</u>	<u>\$ 543</u>	<u>\$ 15,353,331</u>

- A. The estimated useful lives of the Group's significant components of vessels and equipment are as follows:
- (a) Vessel 20 years
- (b) Repairs and dry-dock inspection of vessel 2.5 years
- B. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation: None.
- C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(4) Leasing arrangements – lessee

- A. The Group leases various assets including buildings and office equipment. Rental contracts are typically made for approximately 2~3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
	Carrying amount	Carrying amount	Carrying amount
Buildings	\$ 10,837	\$ 8,909	\$ 12,289
Other equipment	-	98	39
	<u>\$ 10,837</u>	<u>\$ 9,007</u>	<u>\$ 12,328</u>

	For the three-month periods ended June 30,	
	2025	2024
	Depreciation charge	Depreciation charge
Buildings	\$ 1,472	\$ 1,556
Other equipment	-	23
	<u>\$ 1,472</u>	<u>\$ 1,579</u>

	For the six-month periods ended June 30,	
	2025	2024
	Depreciation charge	Depreciation charge
Buildings	\$ 3,011	\$ 3,181
Other equipment	-	46
	<u>\$ 3,011</u>	<u>\$ 3,227</u>

- C. For the six-month periods ended June 30, 2025 and 2024, the additions to right-of-use assets were \$5,349 and \$0, respectively.

D. Except for the depreciation, other information on income and expense accounts relating to lease contracts is as follows:

	For the three-month periods ended June 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 107	\$ 185
Expense on short-term lease contracts	994	1,205
Expense on low-value assets lease contracts	32	35
	For the six-month periods ended June 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 234	\$ 231
Expense on short-term lease contracts	2,027	2,521
Expense on low-value assets lease contracts	67	68

E. For the six-month periods ended June 30, 2025 and 2024, the Group's total cash outflow for leases were \$5,061 and \$5,860, respectively.

(5) Discontinued operations

A. On April 23, 2024, the Board of Directors of the third-tier subsidiary, Everprime Shipping Limited, resolved to sell and transfer the vessel "Heng Shan" to its associate- Sincere Navigation Corporation (Singapore) Pte. Ltd., when the current shipments are discharged from the vessel, based on the carrying amount of the vessel on the return date of the vessel by the charter. The transaction was settled on April 23, 2024 upon the delivery of the vessel as per the agreement. However, on April 30, 2024, the Board of Directors of Sincere Navigation Corporation (Singapore) Pte. Ltd., resolved to sell the vessel "Heng Shan" and entered into a sale agreement with an external third party, Mercury Wealth Shipping Limited. On April 30, 2024, the disposal of the vessel met the definition of discontinued operations and "Heng Shan" was classified as a discontinued operation. The transaction was completed on May 30, 2024 upon the delivery of the vessel as per the agreement.

(a) The cash flow information of the discontinued operation, Heng Shan, is as follows:

	For the six-month periods ended June 30,	
	2025	2024
Operating cash flows	\$ -	\$ 82,156
Investing cash flows	-	683,559
Financing cash flows	-	-
Total cash flows	<u>\$ -</u>	<u>\$ 765,715</u>

(b) The financial performance information of the discontinued operation, Heng Shan, is as follows:

	For the three-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Revenue	\$ -	\$ 74,274
Cost	-	(45,564)
Gross profit from discontinued operations	-	28,710
Other gains and losses	-	280,199
Profit for the period from discontinued operations	<u>\$ -</u>	<u>\$ 308,909</u>
Profit attributable to:		
Owners of the parent	\$ -	\$ 308,909
Non-controlling interest	-	-
	<u>\$ -</u>	<u>\$ 308,909</u>
	For the six-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Revenue	\$ -	\$ 130,767
Cost	-	(82,331)
Gross profit from discontinued operations	-	48,436
Other losses and gains	-	280,199
Profit for the period from discontinued operations	<u>\$ -</u>	<u>\$ 328,635</u>
Profit attributable to:		
Owners of the parent	\$ -	\$ 328,635
Non-controlling interest	-	-
	<u>\$ -</u>	<u>\$ 328,635</u>

(c) For profit and earnings per share from continuing and discontinued operations attributable to owners of the parent: Refer to Note 6(21).

B. The second-tier subsidiary, Bridge Poiema Limited, has collected all proceeds from the lessee of the bareboat charter, Landbridge Global Limited, on June 28, 2024. At the same time, Landbridge Global Limited exercised the right to buy back the vessel, Landbridge Glory. The transaction was completed on June 28, 2024 upon the delivery of the vessel as per agreement. On the same date, the disposal of the vessel met the definition of discontinued operations and Bridge Poiema Limited was classified as a discontinued operation.

(a) The cash flow information of the discontinued operation, Bridge Poiema Limited, is as follows:

	For the six-month periods ended June 30,	
	2025	2024
Operating cash flows	\$ -	\$ 121,001
Investing cash flows	-	1,719,520
Financing cash flows	-	(1,310,810)
Total cash flows	<u>\$ -</u>	<u>\$ 529,711</u>

(b) The financial performance information of the discontinued operation, Bridge Poiema Limited, is as follows:

	For the three-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Operating expenses	\$ 36	(\$ 468)
Operating income (loss) from discontinued operations	36	(468)
Interest income	-	18,878
Early buyback of the bareboat charter		
- interest income	-	74,865
Other losses and gains	(49)	-
Interest expense	-	(18,753)
(Loss) profit for the period from discontinued operations	<u>(\$ 13)</u>	<u>\$ 74,522</u>
(Loss) profit attributable to:		
Owners of the parent	(\$ 13)	\$ 74,522
Non-controlling interest	-	-
	<u>(\$ 13)</u>	<u>\$ 74,522</u>

	For the six-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Cost	\$ -	(\$ 15)
Gross loss from discontinued operations	-	(15)
Operating expenses	-	(841)
Operating loss from discontinued operations	-	(856)
Interest income	-	46,908
Early buyback of the bareboat charter - interest income	-	74,865
Interest expense	-	(38,113)
Profit for the period from discontinued operations	\$ -	\$ 82,804
Profit attributable to:		
Owners of the parent	\$ -	\$ 82,804
Non-controlling interest	-	-
	\$ -	\$ 82,804

(c) For profit and earnings per share from continuing and discontinued operations attributable to owners of the parent: Refer to Note 6(21).

C. On March 9, 2023, the Board of Directors of the second-tier subsidiary, Clifford Navigation Corporation, resolved to sell and transfer the vessel “Huang Shan” to its associate - Sincere Navigation Corporation (Singapore) Pte. Ltd., when the current shipments are discharged from the vessel, based on the carrying amount of the vessel on the return date of the vessel by the charter. The transaction was settled on March 16, 2023 upon the delivery of the vessel as per the agreement. However, on March 17, 2023, the Board of Directors of Sincere Navigation Corporation (Singapore) Pte. Ltd., resolved to sell the vessel “Huang Shan” and entered into a sale agreement with an external third party, Gaia Shipping Ltd. On the same date, the disposal of the vessel met the definition of discontinued operations and Clifford Navigation Corporation was classified as a discontinued operation. The transaction was completed on March 30, 2023 upon the delivery of the vessel as per agreement. Clifford Navigation Corporation ceased operations and was liquidated on August 19, 2024.

(a) There is no cash flow information of the discontinued operation - Clifford Navigation Corporation for the six-month periods ended June 30, 2025 and 2024.

- (b) The financial performance information of the discontinued operation, Clifford Navigation Corporation, is as follows:

	For the three-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Cost	\$ -	(\$ 9)
Gross loss from discontinued operations	-	(9)
Operating expenses	-	(166)
Operating loss from discontinued operations	-	(175)
Interest income	-	9
Other income	-	1
Loss for the period from discontinued operations	<u>\$ -</u>	<u>(\$ 165)</u>
Loss attributable to:		
Owners of the parent	\$ -	(\$ 165)
Non-controlling interest	-	-
	<u>\$ -</u>	<u>(\$ 165)</u>
	For the six-month periods ended June 30,	
	2025	2024
Profit or loss for the year from discontinued operations		
Cost	\$ -	(\$ 136)
Gross loss from discontinued operations	-	(136)
Operating expenses	-	(175)
Operating loss from discontinued operations	-	(311)
Interest income	-	9
Other income	-	48
Other gains and losses	-	(48)
Loss for the period from discontinued operations	<u>\$ -</u>	<u>(\$ 302)</u>
Loss attributable to:		
Owners of the parent	\$ -	(\$ 302)
Non-controlling interest	-	-
	<u>\$ -</u>	<u>(\$ 302)</u>

- (c) For profit and earnings per share from continuing and discontinued operations attributable to owners of the parent: Refer to Note 6(21).

D. On August 12, 2024, the Board of Directors of the third-tier subsidiary, Keystone Shipping Co. Ltd., resolved to liquidate the third-tier subsidiary. On the same date, Keystone Shipping Co. Ltd. met the definition of discontinued operations and was classified as a discontinued operation. Keystone Shipping Co. Ltd. ceased operations and was liquidated on August 19, 2024.

(a) There is no cash flow information of the discontinued operation - Keystone Shipping Co. Ltd. for the six-month periods ended June 30, 2025 and 2024.

(b) The financial performance information of the discontinued operation, Keystone Shipping Co. Ltd., is as follows:

	For the three-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Operating expenses	\$ -	(\$ 51)
Operating loss from discontinued operations	-	(51)
Interest income	-	8
Other gains and losses	-	1
Loss for the period from discontinued operations	\$ -	(\$ 42)
Loss attributable to:		
Owners of the parent	\$ -	(\$ 42)
Non-controlling interest	-	-
	\$ -	(\$ 42)
	For the six-month periods ended June 30,	
	2025	2024
Profit or loss for the period from discontinued operations		
Operating expenses	\$ -	(\$ 67)
Operating loss from discontinued operations	-	(67)
Interest income	-	8
Other gains and losses	-	(1)
Loss for the period from discontinued operations	\$ -	(\$ 60)
Loss attributable to:		
Owners of the parent	\$ -	(\$ 60)
Non-controlling interest	-	-
	\$ -	(\$ 60)

(c) For profit and earnings per share from continuing and discontinued operations attributable to owners of the parent: Refer to Note 6(21).

(6) Short-term borrowings

Type of borrowings	June 30, 2025	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 3,014,000	1.83%~2.15%	Structures, land and promissory notes, and pledged time deposits
Unsecured borrowings	431,000	2.20%	-
	<u>\$ 3,445,000</u>		

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 2,929,000	1.80%~2.55%	Structures, land and promissory notes, and pledged time deposits
Unsecured borrowings	386,000	2.16%	-
	<u>\$ 3,315,000</u>		

Type of borrowings	June 30, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	\$ 2,318,400	1.80%~6.54%	Structures, land and promissory notes, and pledged time deposits
Unsecured borrowings	1,079,600	2.12%~6.58%	Promissory notes
	<u>\$ 3,398,000</u>		

Guarantees for the credit line of the Company's short-term borrowings provided by related parties and subsidiaries are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024	Footnote
Jack Hsu	\$ -	\$ -	\$ 1,000,000	Guarantee
Jack Hsu	-	-	200,000	Promissory notes
Heywood Limited	4,900,000	4,900,000	4,700,000	Pledged time deposits/ Joint guarantee/ Promissory notes
Norley Corporation Inc.	300,000	300,000	-	Pledged time deposits

(7) Other payables

	June 30, 2025	December 31, 2024	June 30, 2024
Payables for oil fuels	\$ 26,408	\$ 8,957	\$ 20,917
Payables for employees' compensation and directors' remuneration	9,384	63,916	33,824
Dividends payable	760,959	-	439,015
Payables on Vessel Equipment	17,412	28,808	61,531
Others	133,659	181,457	175,499
	<u>\$ 947,822</u>	<u>\$ 283,138</u>	<u>\$ 730,786</u>

(8) Long-term borrowings

Bank	Collateral	June 30, 2025	December 31, 2024	June 30, 2024
Mega Bank (and syndicate)	Vessel-Tien Shan	\$ - (USD 0 thousand)	\$ 344,295 (USD 10,500 thousand)	\$ 408,870 (USD 12,600 thousand)
		-	344,295	408,870
Less: Current portion-due within one year (shown as other current liabilities)		-	(137,718)	(136,290)
		<u>\$ -</u>	<u>\$ 206,577</u>	<u>\$ 272,580</u>
Interest rates		-	6.61% ~ 7.21%	7.16% ~ 7.21%

The collaterals were shown as 'property, plant and equipment'. Refer to Note 8.

(9) Pensions

A. Defined benefit pension plan

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March.

- (b) For the aforementioned pension plan, the Group recognised pension costs of \$177, \$167, \$355 and \$335 for the three-month and six-month periods ended June 30, 2025 and 2024, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending

December 31, 2025 amount to \$302.

B. Defined contribution pension plan

- (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plan of the Company for the three-month and six-month periods ended June 30, 2025 and 2024 were \$504, \$304, \$967 and \$752, respectively.
- (b) The Company’s mainland China subsidiary, Haihu Maritime Service (Shanghai) Co., Ltd., has a defined contribution retirement plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on the employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. The pension costs for the three-month and six-month periods ended June 30, 2025 and 2024 were \$277, \$257, \$571 and \$509, respectively.
- (c) Some of the overseas subsidiaries of the Company contribute the pension to a certain percentage of the employees’ monthly salaries and wages in accordance with each local laws and pension regulation. Other than the monthly contributions, the Group has no further obligations. The pension costs for the three-month and six-month periods ended June 30, 2025 and 2024 were \$332, \$335, \$948 and \$4,954, respectively.

(10) Share capital

As of June 30, 2025, the Company’s authorised capital was \$7,000,000 and the paid-in capital was \$5,853,533, consisting of 585,353,297 common shares with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

(11) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(12) Retained earnings

A. Based on the Company's Articles of Incorporation, the Company's net income (less income taxes and prior years' losses, if any) is appropriated in the following order:

- (a) 10% for legal reserve.
- (b) Special reserve.
- (c) Appropriation of remaining earnings according to the decision of the Board of Directors and Stockholders.

The Board of Directors can distribute all or part of the distributable dividends and bonus, capital surplus or legal reserve in the form of cash as resolved by a majority vote at their meeting attended by two-thirds of the total number of directors and report to the shareholders which the aforementioned regulation of requiring resolution from the shareholders is not applicable.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. Appropriation of earnings

The appropriations of 2024 and 2023 earnings had been resolved at the stockholders' meeting on June 10, 2025 and June 12, 2024, respectively. Details are summarised below:

	2024		2023	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 150,151		\$ 43,759	
Special reserve	-		6,335	
Cash dividends	760,959	\$ 1.30	439,015	\$ 0.75
	<u>\$ 911,110</u>		<u>\$ 489,109</u>	
Reversal of special reserve	<u>\$ 904,748</u>		<u>\$ -</u>	

(13) Operating revenue

	For the three-month periods ended June 30,	
	2025	2024
Revenue from contracts with customers	\$ 1,081,892	\$ 1,204,858

	For the six-month periods ended June 30,	
	2025	2024
Revenue from contracts with customers	\$ 2,028,191	\$ 2,287,923

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of services over time in the following major categories:

	For the three-month period ended June 30, 2025			
	Bulk carrier	Oil tanker	Management service	Total
Revenue from external customer contracts	\$ 744,425	\$ 332,608	\$ 4,859	\$ 1,081,892
Timing of revenue recognition				
Over time	\$ 744,425	\$ 332,608	\$ 4,859	\$ 1,081,892

	For the three-month period ended June 30, 2024			
	Bulk carrier	Oil tanker	Management service	Total
Revenue from external customer contracts	\$ 780,626	\$ 419,144	\$ 5,088	\$ 1,204,858
Timing of revenue recognition				
Over time	\$ 780,626	\$ 419,144	\$ 5,088	\$ 1,204,858

	For the six-month period ended June 30, 2025			
	Bulk carrier	Oil tanker	Management service	Total
Revenue from external customer contracts	\$ 1,388,286	\$ 629,868	\$ 10,037	\$ 2,028,191
Timing of revenue recognition				
Over time	\$ 1,388,286	\$ 629,868	\$ 10,037	\$ 2,028,191

	For the six-month period ended June 30, 2024			
	Bulk carrier	Oil tanker	Management service	Total
Revenue from external customer contracts	\$ 1,484,693	\$ 793,189	\$ 10,041	\$ 2,287,923
Timing of revenue recognition				
Over time	\$ 1,484,693	\$ 793,189	\$ 10,041	\$ 2,287,923

B. Contract assets and liabilities

The Group has recognised the following revenue-related contract assets and liabilities:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	<u>January 1, 2024</u>
Contract assets				
- bulk carrier	\$ 45,172	\$ -	\$ -	\$ 52,497
Contract liabilities				
- bulk carrier	\$ 19,965	\$ 45,541	\$ 45,324	\$ 52,939

C. Contract liabilities at the beginning of 2025 and 2024 amounting to \$45,541 and \$52,939, respectively, were all recognised as operating revenue for the six-month periods ended June 30, 2025 and 2024, respectively.

(14) Interest income

	<u>For the three-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest income from bank deposits	\$ 35,891	\$ 27,089
Interest income from financial assets measured at amortised cost	32,334	33,003
	<u>\$ 68,225</u>	<u>\$ 60,092</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Interest income from bank deposits	\$ 60,278	\$ 48,852
Interest income from financial assets measured at amortised cost	69,402	62,902
	<u>\$ 129,680</u>	<u>\$ 111,754</u>

(15) Other income

	<u>For the three-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Rent income	\$ 45	\$ 45
Others	544	12
	<u>\$ 589</u>	<u>\$ 57</u>
	<u>For the six-month periods ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Rent income	\$ 91	\$ 91
Others	3,384	804
	<u>\$ 3,475</u>	<u>\$ 895</u>

(16) Other gains and losses

	For the three-month periods ended June 30,	
	2025	2024
Losses on disposals of property, plant and equipment	\$ -	(\$ 22)
Currency exchange (losses) gains	(1,767)	3,598
Other losses	-	(94)
	<u>(\$ 1,767)</u>	<u>\$ 3,482</u>
	For the six-month periods ended June 30,	
	2025	2024
Losses on disposals of property, plant and equipment	\$ -	(\$ 22)
Currency exchange (losses) gains	(1,248)	4,530
Other losses	-	(337)
	<u>(\$ 1,248)</u>	<u>\$ 4,171</u>

(17) Finance costs

	For the three-month periods ended June 30,	
	2025	2024
Interest expense		
Interest expense on bank borrowings	\$ 21,011	\$ 24,410
Lease liabilities	107	185
	<u>\$ 21,118</u>	<u>\$ 24,595</u>
	For the six-month periods ended June 30,	
	2025	2024
Interest expense		
Interest expense on bank borrowings	\$ 42,151	\$ 46,576
Lease liabilities	234	231
	<u>\$ 42,385</u>	<u>\$ 46,807</u>

(18) Expenses by nature

Function Nature	For the three-month periods ended June 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expense	\$ 156,812	\$ 53,285	\$ 210,097	\$ 158,468	\$ 78,013	\$ 236,481
Depreciation	379,352	2,169	381,521	386,961	2,264	389,225
Amortisation	-	168	168	-	137	137

Function Nature	For the six-month periods ended June 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefit expense	\$ 314,608	\$ 89,116	\$ 403,724	\$ 310,235	\$ 136,121	\$ 446,356
Depreciation	785,639	4,407	790,046	763,493	4,596	768,089
Amortisation	-	305	305	-	274	274

(19) Employee benefit expense

Function Nature	For the three-month periods ended June 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Wages and salaries	\$ 120,338	\$ 47,816	\$ 168,154	\$ 121,979	\$ 73,286	\$ 195,265
Labor and health insurance fees	214	1,046	1,260	279	1,244	1,523
Pension costs	-	1,290	1,290	-	1,063	1,063
Other personnel expenses	36,260	3,133	39,393	36,210	2,420	38,630
Total	\$ 156,812	\$ 53,285	\$ 210,097	\$ 158,468	\$ 78,013	\$ 236,481

Function Nature	For the six-month periods ended June 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Wages and salaries	\$ 245,423	\$ 79,261	\$ 324,684	\$ 241,993	\$ 122,584	\$ 364,577
Labor and health insurance fees	375	2,008	2,383	463	2,159	2,622
Pension costs	-	2,841	2,841	-	6,550	6,550
Other personnel expenses	68,810	5,006	73,816	67,779	4,828	72,607
Total	\$ 314,608	\$ 89,116	\$ 403,724	\$ 310,235	\$ 136,121	\$ 446,356

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 1% for employees' compensation, of which no less than 0.3% shall be distributed to rank-and-file employees, and shall not be higher than 5% for directors' remuneration.
- B. For the six-month periods ended June 30, 2025 and 2024, employees' compensation were

accrued at \$4,692 and \$11,275, respectively; while directors' remuneration were accrued at \$4,692 and \$22,549, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on 2.01% of distributable profit of current year for the year ended December 31, 2024. The employees' compensation and directors' remuneration resolved by the Board of Directors were both \$31,958, and the employees' compensation was distributed in the form of cash.

Employees' compensation and directors' remuneration for 2024 were both \$31,958 as resolved by the Board of Directors and were in agreement with those amounts recognised in the 2024 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(20) Income tax

A. Income tax expense

Components of income tax expense:

	For the three-month periods ended June 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 4,894	\$ 14,407
Tax on undistributed surplus earnings	74,757	-
Prior year income tax under estimation	1,342	728
Total current tax	80,993	15,135
Deferred tax:		
Origination and reversal of temporary differences	14	515
Total deferred tax	14	515
Income tax expense	\$ 81,007	\$ 15,650

	For the six-month periods ended June 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 18,504	\$ 15,533
Tax on undistributed surplus earnings	74,757	-
Prior year income tax under estimation	947	1,016
Total current tax	94,208	16,549
Deferred tax:		
Origination and reversal of temporary differences	\$ 39	\$ 689
Total deferred tax	39	689
Income tax expense	\$ 94,247	\$ 17,238

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(21) Earnings per share

	For the three-month period ended June 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 116,547	585,353	\$ 0.20
Loss from discontinued operations attributable to the parent	(13)	-	-
Profit attributable to ordinary shareholders	\$ 116,534	585,353	\$ 0.20
<u>Diluted earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 116,547	585,353	\$ 0.20
Loss from discontinued operations attributable to the parent	(13)	-	-
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	206	-
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 116,534	585,559	\$ 0.20

For the three-month period ended June 30, 2024			
		Weighted average number of ordinary shares outstanding	Earnings per share
	Amount after tax	(shares in thousands)	(in dollars)
<u>Basic earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 318,252	585,353	\$ 0.54
Profit from discontinued operations attributable to the parent	383,224	-	0.66
Profit attributable to ordinary shareholders	<u>\$ 701,476</u>	<u>585,353</u>	<u>\$ 1.20</u>
<u>Diluted earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 318,252	585,353	\$ 0.54
Profit from discontinued operations attributable to the parent	383,224	-	0.66
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	253	-
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 701,476</u>	<u>585,606</u>	<u>\$ 1.20</u>
For the six-month period ended June 30, 2025			
		Weighted average number of ordinary shares outstanding	Earnings per share
	Amount after tax	(shares in thousands)	(in dollars)
<u>Basic earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 129,761	585,353	\$ 0.22
<u>Diluted earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 129,761	585,353	\$ 0.22
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	836	-
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 129,761</u>	<u>586,189</u>	<u>\$ 0.22</u>

For the six-month period ended June 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 643,849	585,353	\$ 1.10
Profit from discontinued operations attributable to the parent	411,077	-	0.70
Profit attributable to ordinary shareholders	<u>\$ 1,054,926</u>	<u>585,353</u>	<u>\$ 1.80</u>
<u>Diluted earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders of the parent	\$ 643,849	585,353	\$ 1.10
Profit from discontinued operations attributable to the parent	411,077	-	0.70
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	507	-
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 1,054,926</u>	<u>585,860</u>	<u>\$ 1.80</u>

(22) Supplemental cash flow information

Investing activities with partial cash payments:

	For the six-month periods ended June 30,	
	2025	2024
Purchase of property, plant and equipment	\$ 82,354	\$ 1,456,467
Less: Beginning balance of prepayment for equipment (Note 1)	(8,051)	(6,991)
Add: Ending balance of receivable on equipment (Note 3)	-	6,665
Add: Ending balance of prepayment for equipment (Note 1)	264	30,455
Add: Beginning balance of payable on equipment (Note 2)	28,808	111,117
Less: Ending balance of payable on equipment (Note 2)	(17,412)	(61,531)
Cash paid during the period	<u>\$ 85,963</u>	<u>\$ 1,536,182</u>

Note 1: Shown as other non-current assets.

Note 2: Shown as other payables.

Note 3: It was the beginning balance of prepayment for equipment of Vessel-Heng Shan. While Vessel - Heng Shan was sold on April 30, 2024, the prepayment for equipment will be collected from the counterparty, which was shown as other receivables.

B. Financing activities with no cash flow effects:

	For the six-month periods ended June 30,	
	2025	2024
Cash dividends yet to be paid	<u>\$ 760,959</u>	<u>\$ 439,015</u>

(23) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2025	\$ 3,315,000	\$ 344,295	\$ 9,524	\$ 3,668,819
Additions	-	-	5,349	5,349
Proceeds from borrowings	130,000	-	-	130,000
Repayment of borrowings	-	(334,530)	-	(334,530)
Reductions	-	-	(97)	(97)
Payment of principal	-	-	(2,733)	(2,733)
Impact of changes in foreign exchange rate	-	(9,765)	(463)	(10,228)
At June 30, 2025	<u>\$ 3,445,000</u>	<u>\$ -</u>	<u>\$ 11,580</u>	<u>\$ 3,456,580</u>

	Short-term borrowings	Long-term borrowings	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2024	\$ 3,055,000	\$ 1,558,148	\$ 15,428	\$ 4,628,576
Proceeds from borrowings	337,500	-	-	337,500
Repayment of borrowings	-	(1,216,586)	-	(1,216,586)
Payment of principal	-	-	(3,040)	(3,040)
Impact of changes in foreign exchange rate	5,500	67,308	420	73,228
At June 30, 2024	<u>\$ 3,398,000</u>	<u>\$ 408,870</u>	<u>\$ 12,808</u>	<u>\$ 3,819,678</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Name of related parties	Relationship with the Group
Jack Hsu	Chairman
Kairos Marine Limited (Formerly Oak Agencies Limited)	Other related party
Asia Century Navigation Co., Ltd. (Asia Century)	Other related party
Diamonds Ocean Limited (Diamonds Ocean)	Other related party
World Sea Navigation Limited (World Sea)	Other related party
Rajaish Bajpae	Other related party
Oak Maritime (HK) Inc.	Other related party
Oak Group Services (Singapore) Pte. Ltd.	Other related party
WiderWorld Company Limited	Other related party

(2) Significant related party transactions and balances

A. Operating revenue

	For the three-month periods ended June 30,	
	2025	2024
Management revenue:		
Other related party	<u>\$ 4,859</u>	<u>\$ 5,088</u>
	For the six-month periods ended June 30,	
	2025	2024
Management revenue:		
Other related party	<u>\$ 10,037</u>	<u>\$ 10,041</u>

Management revenue is the agent revenue arising from vessel agent contracts. Sales of services are based on the price lists in force and terms that would be available to third parties.

B. Operating costs

	For the three-month periods ended June 30,	
	2025	2024
Commission fee:		
Other related party	\$ 8,774	\$ 10,799
	For the six-month periods ended June 30,	
	2025	2024
Commission fee:		
Other related party	\$ 16,196	\$ 20,678

Commission fee represent commission expenses arising from vessel agent contracts. Profit from discontinued operations amounted to \$0, \$964, \$0 and \$1,698 for the three-month and six-month periods ended June 30, 2025 and 2024, respectively. Sales of services are based on the price lists in force and terms that would be available to third parties.

C. Operating expenses

	For the three-month periods ended June 30,	
	2025	2024
Consultancy fee:		
Other related party	\$ 1,572	\$ 606
Administrative service expense:		
Other related party	\$ 359	\$ -
	For the six-month periods ended June 30,	
	2025	2024
Consultancy fee:		
Other related party	\$ 2,189	\$ 1,196
Administrative service expense:		
Other related party	\$ 726	\$ -

D. Other payables

(a) Advances from related parties and agency payable:

	June 30, 2025	December 31, 2024	June 30, 2024
Other payables:			
Other related party	\$ 39,604	\$ 45,848	\$ 13,898

(b) Consultancy payable

	June 30, 2025	December 31, 2024	June 30, 2024
Other related party	\$ 2,014	\$ 614	\$ -

(c) Administrative service payable

	June 30, 2025	December 31, 2024	June 30, 2024
Other related party	\$ 690	\$ 2,300	\$ -

E. For details of the guarantee provided by the Company's chairman to the Company, refer to Note 6(6).

F. Commission fee paid for disposal of vessel:

	Accounts	Objects	For the six-month period ended June 30, 2025
Other related party	Profit from discontinued operations	Heng Shan	\$ 6,906

There were no related transactions for the six-month period ended June 30, 2025.

(3) Key management compensation

	For the three-month periods ended June 30,	
	2025	2024
Salaries and other short-term employee benefits	\$ 8,965	\$ 15,767
Post-employment benefits	162	160
	<u>\$ 9,127</u>	<u>\$ 15,927</u>
	For the six-month periods ended June 30,	
	2025	2024
Salaries and other short-term employee benefits	\$ 15,699	\$ 26,694
Post-employment benefits	323	319
	<u>\$ 16,022</u>	<u>\$ 27,013</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged assets	Book value			Pledge purpose
	June 30, 2025	December 31, 2024	June 30, 2024	
Time deposits (shown as "current financial assets at amortised cost")	\$ 3,108,123	\$ 3,268,919	\$ 2,429,583	Short-term loans
Bank deposits (shown as "other current assets")	-	66,448	61,200	Long-term loans
Guarantee deposits (shown as "other non-current assets")	8,320	8,278	8,610	Deposit of golf certificates and office renting
Property, plant and equipment Vessels and equipment-net	-	4,067,735	4,234,255	Long-term loans and short-term borrowings
Land and building and structures	98,195	98,770	99,345	Credit lines of short-term borrowings
	<u>\$ 3,214,638</u>	<u>\$ 7,510,150</u>	<u>\$ 6,832,993</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingent liabilities

None.

(2) Commitments

A. The Group has outstanding notes payable for bank financing amounting to \$7,642,100.

B. As of June 30, 2025, the Company's subsidiaries have the continuing medium and long-term charter agreements. The details are as follows:

Contracting parties	Contract periods	Contract contents
NORDEN A/S	2024.03.22-2026.03.22	Medium and long-term charter of international service routes of Sarah
H-LINE SHIPPING CO., LIMITED.	2024.05.29-2026.09.29	Medium and long-term charter of international service routes of Wah Shan
Rio Tinto Shipping(Asia) Pte. Ltd.	2024.06.17-2026.06.30	Medium and long-term charter of international service routes of Bao Shan
Rio Tinto Shipping(Asia) Pte. Ltd.	2025.02.26-2026.02.25	Medium and long-term charter of international service routes of Mineral Oak
NORDEN A/S	2024.03.10-2026.03.10	Medium and long-term charter of international service routes of Oceana
Rio Tinto Shipping(Asia) Pte. Ltd.	2025.03.02-2026.03.01	Medium and long-term charter of international service routes of Yue Shan

The future aggregate receivables under non-cancellable charters are as follows:

(Unit: Thousands of US dollars)

	June 30, 2025
Less than one year	\$ 34,423
Between one and five years	2,230
Over five years	-
	<u>\$ 36,653</u>

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Financial instruments by category

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets at amortised cost			
Cash and cash equivalents	\$ 3,293,632	\$ 3,098,099	\$ 3,484,138
Financial assets at amortised cost (including current portion)	3,109,373	3,274,331	2,611,710
Accounts receivable, net	359,511	467,769	470,690
Other receivables	32,159	185,081	106,245
Other financial assets	-	66,448	61,200
Guarantee deposits (shown as "other non-current assets")	8,320	8,278	8,610
	<u>\$ 6,802,995</u>	<u>\$ 7,100,006</u>	<u>\$ 6,742,593</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 3,445,000	\$ 3,315,000	\$ 3,398,000
Other payables	947,822	283,138	730,786
Other payables - related parties	42,308	48,762	13,898
Long-term borrowings (including current portion)	-	344,295	408,870
	<u>\$ 4,435,130</u>	<u>\$ 3,991,195</u>	<u>\$ 4,551,554</u>
Lease liabilities	<u>\$ 11,580</u>	<u>\$ 9,524</u>	<u>\$ 12,808</u>

B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD; other certain subsidiaries' functional currency: USD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

June 30, 2025			
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,310	29.30	\$ 38,395
USD : CAD	288	1.37	8,424
SGD : USD	429	0.79	9,871
<u>Net effect in consolidated entities with foreign currency</u>			
USD : NTD	\$ 658,818	29.30	\$ 19,303,359
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 16,106	29.30	\$ 471,900
JPY : USD	12,129	0.01	2,426
NTD : USD	1,906	0.03	1,906
SGD : USD	178	0.79	4,083

December 31, 2024			
	Foreign currency		
	amount		Book value
	(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,132	32.79	\$ 37,108
NTD : USD	926	0.03	926
USD : CAD	315	1.44	10,320
SGD : USD	307	0.74	7,340
<u>Net effect in consolidated</u>			
<u>entities with foreign currency</u>			
USD : NTD	\$ 657,126	32.79	\$ 21,547,157
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 16,590	32.79	\$ 543,986
JPY : USD	10,013	0.01	2,101
NTD : USD	1,585	0.03	1,585
SGD : USD	115	0.74	2,760
June 30, 2024			
	Foreign currency		
	amount		Book value
	(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,126	32.45	\$ 36,550
NTD : USD	2,528	0.03	2,528
USD : CAD	284	1.37	9,229
SGD : USD	98	0.74	2,353
<u>Net effect in consolidated</u>			
<u>entities with foreign currency</u>			
USD : NTD	\$ 641,490	32.45	\$ 20,816,344
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 16,700	32.45	\$ 541,915
CAD : USD	121	0.73	2,864
JPY : USD	6,368	0.01	1,281
NTD : USD	1,402	0.03	1,402
SGD : USD	76	0.74	1,822

- iii. The unrealised exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods and six-month periods ended June 30, 2025 and 2024, amounted to (\$94), \$2,901, \$337

and \$3,669, respectively.

- iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

For the six-month period ended June 30, 2025			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 384	\$ -
USD : CAD	1%	84	-
SGD : USD	1%	99	-
<u>Net effect in consolidated entities with foreign currency</u>			
USD : NTD	1%	-	\$ 193,034
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 4,719	\$ -
JPY : USD	1%	24	-
NTD : USD	1%	19	-
SGD : USD	1%	41	-
For the six-month period ended June 30, 2024			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 366	\$ -
NTD : USD	1%	25	-
USD : CAD	1%	92	-
SGD : USD	1%	24	-
<u>Net effect in consolidated entities with foreign currency</u>			
USD : NTD	1%	-	\$ 208,163

For the six-month period ended June 30, 2024			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 5,419	\$ -
CAD : USD	1%	29	-
JPY : USD	1%	13	-
NTD : USD	1%	14	
SGD : USD	1%	18	

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the six-month periods ended June 30, 2025 and 2024, the Group's borrowings at variable rate were denominated in New Taiwan dollars and United States dollars.
- ii. The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.
- iii. At June 30, 2025, December 31, 2024 and June 30, 2024, if interest rates on NTD-denominated borrowings had been 1% higher/lower with all other variables held constant, pre-tax profit for the six-month periods ended June 30, 2025 and 2024 would have been \$10,540 and \$ 8,185 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.
- iv. At June 30, 2025, December 31, 2024 and June 30, 2024, if interest rates on USD-denominated borrowings had been 1% higher/lower with all other variables held constant, pre-tax profit for the six-month periods ended June 30, 2025 and 2024 would have been \$0 and \$2,044 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the contract cash flows of the accounts receivable based on the agreed terms.

- ii. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control was used in the assessment of customers' credit quality through customers' past default records, current financial status and the economic situation and forecast of the industry. According to the Group's historical experience of credit loss, there were no significant differences in losses from different customers' groups, thus, the Group set expected credit loss rate based on the age of accounts receivable and did not distinguish customer groups. The Group used provision matrix method to calculate lifetime expected credit losses.
- iii. The Group adopts the assumption under IFRS 15 and IFRS 9, if the contract payments were past due over 180 days based on the terms and obligation completed, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The Group adopts the assumption under IFRS 15 and IFRS 9, that is, the default occurs when the contract payments are past due over 3 years.
- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
 - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
 - (ii) The disappearance of an active market for that financial asset because of financial difficulties;
 - (iii) Default or delinquency in interest or principal repayments;
 - (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.
- vi. The Group wrote-off the financial assets, which cannot reasonably be expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On June 30, 2025, December 31, 2024 and June 30, 2024, no written-off financial assets are still under recourse procedures.

- vii. The Group used the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable and lease payments receivable. On June 30, 2025, December 31, 2024 and June 30, 2024, the provision matrix is as follows:

<u>June 30, 2025</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
0 to 180 days	0%	\$ 355,289	\$ -
181 days - 3 years	50%-100%	8,445	4,223
Over 3 years	100%	96	96
Total		<u>\$ 363,830</u>	<u>\$ 4,319</u>

<u>December 31, 2024</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
0 to 180 days	0%	\$ 457,856	\$ -
181 days - 3 years	50%-100%	22,860	12,947
Over 3 years	100%	-	-
Total		<u>\$ 480,716</u>	<u>\$ 12,947</u>

<u>June 30, 2024</u>	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
0 to 180 days	0%	\$ 455,464	\$ -
181 days - 3 years	50%-100%	35,731	20,505
Over 3 years	100%	-	-
Total		<u>\$ 491,195</u>	<u>\$ 20,505</u>

- viii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	<u>2025</u>	<u>2024</u>
January 1	\$ 12,947	\$ 9,317
Provision for impairment	-	10,507
Reversal of impairment loss	(7,884)	(26)
Effect of exchange rate changes	(744)	707
June 30	<u>\$ 4,319</u>	<u>\$ 20,505</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, external regulatory or legal requirements.
- ii. Surplus cash held by the operating entities over and above balance required for working

capital management are transferred to the Group treasury.

- iii. Details of the Group's borrowings that have met the drawdown conditions but have not yet been used are as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Floating rate			
Expiring within one year	\$ 1,665,900	\$ 1,576,170	\$ 984,850
Expiring beyond one year	-	573,825	649,000
Fixed rate			
Expiring within one year	1,963,000	1,963,000	2,288,500
	<u>\$ 3,628,900</u>	<u>\$ 4,112,995</u>	<u>\$ 3,922,350</u>

Details of the Group's borrowings that have not yet met the drawdown conditions but have obtained borrowing facilities from banks are as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Fixed rate			
Expiring within one year	\$ 1,582,200	\$ -	\$ -
Expiring beyond one year	1,465,000	-	-
	<u>\$ 3,047,200</u>	<u>\$ -</u>	<u>\$ -</u>

- iv. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

<u>Non-derivative financial liabilities June 30, 2025</u>	<u>Less than one year</u>	<u>Between one and five years</u>	<u>Over five years</u>
Short-term borrowings	\$ 3,458,723	\$ -	\$ -
Other payables (including related parties)	990,130	-	-
Lease liabilities	6,439	5,681	-
<u>Non-derivative financial liabilities December 31, 2024</u>	<u>Less than one year</u>	<u>Between one and five years</u>	<u>Over five years</u>
Short-term borrowings	\$ 3,327,959	\$ -	\$ -
Other payables (including related parties)	331,900	-	-
Lease liabilities	5,109	4,998	-
Long-term borrowings (including current portion)	156,160	216,929	-

Non-derivative financial liabilities June 30, 2024	Less than one year	Between one and five years	Over five years
Short-term borrowings	\$ 3,406,578	\$ -	\$ -
Other payables (including related parties)	744,684	-	-
Lease liabilities	6,441	7,263	-
Long-term borrowings (including current portion)	160,381	291,038	-

(3) Fair value information

- A. Financial instruments, which are not measured at fair value, includes cash and cash equivalents, accounts receivable, other receivables, financial assets at amortised cost (including current portion), Guarantee deposits, other financial assets, short-term borrowings, Other payables (including related parties), lease liabilities and long-term borrowings (including current portion). The carrying amounts of these instruments are approximate to their fair values.
- B. Finance department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of non-financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value. Investment property is evaluated regularly by the Group's financial department based on the valuation methods and assumptions announced by the Finance Supervisory Commission, Securities and Futures Bureau or through outsourced appraisal performed by the external valuer. The Group has no financial assets and liabilities and non-financial assets and liabilities measured at fair value as at June 30, 2025, December 31, 2024 and June 30, 2024.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.
- D. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: None.
- E. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 3.
- F. Significant inter-company transactions during the reporting periods: Refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's Chief Operating Decision-Maker operates businesses by the type of carriers. Under IFRS 8, the reportable segments are bulk carrier segment and oil tanker segment.

There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information in this year.

(2) Measurement of segment information

The Chief Operating Decision-Maker assesses the performance of the operating segments based on the profit or loss before income tax. This measurement basis excludes the effects of non-recurring expenditures from the operating segments.

(3) Information about segment profit or loss

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	For the six-month period ended June 30, 2025			
	Bulk carrier	Oil tanker	Other segments	Total
Revenues from third parties	\$ 1,388,286	\$ 629,868	\$ 10,037	\$ 2,028,191
Segment income	\$ 42,462	\$ 138,362	\$ 40,957	\$ 221,781
Depreciation and amortization charge	\$ 475,352	\$ 310,287	\$ 4,712	\$ 790,351

	For the six-month period ended June 30, 2024			
			Other	
	Bulk carrier	Oil tanker	segments	Total
Revenues from third parties	\$ 1,484,693	\$ 793,189	\$ 10,041	\$ 2,287,923
Segment income (loss)	\$ 389,036	\$ 272,278	(\$ 5,293)	\$ 656,021
Depreciation and amortization charge	\$ 425,270	\$ 307,192	\$ 4,870	\$ 737,332

(4) Reconciliation for segment income

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.

Reconciling profit before income tax and interest expense of reportable segments to profit from continuing operations before income tax is as follows:

	For the six-month periods ended June 30,	
	2025	2024
Reportable segment income	\$ 180,824	\$ 661,314
Other segment income (loss)	40,957	(5,293)
Total operating segment income	221,781	656,021
Others	2,227	5,066
Income from continuing operations before tax	\$ 224,008	\$ 661,087

Sincere Navigation Corporation and Subsidiaries
Loans to others
For the six-month period ended June 30, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six-month period ended June 30, 2025	Balance at June 30, 2025	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 2)	Footnote
													Item	Value			
0	Sincere Navigation Corporation	None													\$ 4,593,128	\$ 6,124,171	
1	Heywood Limited	Sincere Navigation Corporation	Receivables from related parties	Y	\$ 544,484	\$ 471,730	\$ 471,730	-	2	-	Working capital	-	-	-	5,694,162	5,694,162	The maximum amount amounted to USD 16,590 thousand for the current period, and the actual amount was USD 16,100 thousand at the end of period.
1	Heywood Limited	Norley Corporation Inc.	Receivables from related parties	Y	2,955,690	2,373,300	2,373,300	-	2	-	Working capital	-	-	-	5,694,162	5,694,162	The maximum amount amounted to USD 89,000 thousand for the current period, and the actual amount was USD 81,000 thousand at the end of period.
2	Sincere Navigation Corporation (Singapore) Pte. Ltd.	Norley Corporation Inc.	Receivables from related parties	Y	498,150	439,500	439,500	-	2	-	Working capital	-	-	-	1,733,584	1,733,584	The maximum amount amounted to USD 15,000 thousand for the current period, and the actual amount was USD 15,000 thousand at the end of period.

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: In accordance with the finance procedures of the Company, for business transaction purposes, limit on total financial shall not exceed 40% of the Company's net value.

For short-term lending purpose, maximum financing to each subsidiary and total financing is limited 30% to 40% of the Company's net value, respectively. The maximum financing between the subsidiaries which are directly or indirectly 100% owned by the Company or between the subsidiaries which are directly or indirectly 100% owned by the Company and the Company is limited to 100% of the lender's net value.

Note 3: Nature of loans is filled as follows:

- (1) Fill in 1 for business transactions.
- (2) Fill in 2 for short-term financing.

Sincere Navigation Corporation and Subsidiaries
Provision of endorsements and guarantees to others
For the six-month period ended June 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of June 30, 2025 (Note 4)	Outstanding endorsement/ guarantee amount at June 30, 2025 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Sincere Navigation Corporation	Ocean Grace Limited	2	\$ 15,310,428	\$ 627,669	\$ -	\$ -	\$ -	68.32%	\$ 38,276,070	Y	N	N	Guarantee balance is USD 0 thousand
0	-	Norley Corporation Inc.	2	15,310,428	10,677,870	10,460,100	-	-	68.32%	38,276,070	Y	N	N	Guarantee balance is USD 357,000 thousand (Note 9)
1	Norley Corporation Inc.	Sincere Navigation Corporation	3	11,857,959	300,000	300,000	300,000	325,230	2.53%	29,644,898	N	Y	N	Guarantee balance is NTD 300,000 thousand
2	Heywood Limited	Sincere Navigation Corporation	3	5,694,162	5,100,000	5,100,000	2,489,000	2,782,892	89.57%	14,235,405	N	Y	N	Guarantee balance is NTD 5,100,000 thousand (Note 8)
3	Ocean Wise Limited	Norley Corporation Inc.	3	583,820	574,350	-	-	-	-	1,459,550	N	N	N	Guarantee balance is USD 0 thousand
4	Poseidon Marine Ltd.	Norley Corporation Inc.	3	836,454	574,350	404,340	-	-	48.34%	2,091,135	N	N	N	Guarantee balance is USD 13,800 thousand (Note 9)
5	Maxson Shipping Inc.	Norley Corporation Inc.	3	705,096	574,350	483,450	-	-	68.57%	1,762,740	N	N	N	Guarantee balance is USD 16,500 thousand (Note 9)
6	Ocean Grace Limited	Norley Corporation Inc.	3	1,497,201	1,151,535	1,128,050	-	-	75.34%	3,743,003	N	N	N	Guarantee balance is USD 38,500 thousand (Note 9)
7	Carmel Splendor Limited	Norley Corporation Inc.	3	784,415	484,542	474,660	-	-	60.51%	1,961,038	N	N	N	Guarantee balance is USD 16,200 thousand (Note 9)
8	Steady Way Limited	Norley Corporation Inc.	3	612,148	358,920	351,600	-	-	57.44%	1,530,370	N	N	N	Guarantee balance is USD 12,000 thousand (Note 9)
9	Sharon Glory Limited	Norley Corporation Inc.	3	1,154,622	747,750	732,500	-	-	63.44%	2,886,555	N	N	N	Guarantee balance is USD 25,000 thousand (Note 9)
10	Helmsman Navigation Co. Ltd.	Norley Corporation Inc.	3	473,803	388,830	380,900	-	-	80.39%	1,184,508	N	N	N	Guarantee balance is USD 13,000 thousand (Note 9)

Sincere Navigation Corporation and Subsidiaries
Provision of endorsements and guarantees to others
For the six-month period ended June 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of June 30, 2025 (Note 4)	Outstanding endorsement/ guarantee amount at June 30, 2025 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
11	Pacifica Maritime Limited	Norley Corporation Inc.	3	\$ 1,979,214	\$ 1,794,600	\$ 1,758,000	\$ -	\$ -	88.82%	4,948,035	N	N	N	Guarantee balance is USD 60,000 thousand (Note 9)
12	Everwin Maritime Limited	Norley Corporation Inc.	3	1,457,802	897,300	879,000	-	-	60.30%	3,644,505	N	N	N	Guarantee balance is USD 30,000 thousand (Note 9)
13	Kenmore Shipping Inc.	Norley Corporation Inc.	3	1,448,063	1,046,850	1,025,500	-	-	70.82%	3,620,158	N	N	N	Guarantee balance is USD 35,000 thousand (Note 9)

Note 1: The numbers filled in for the endorsements/ guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: According to the Company's "Procedures for Provision of Endorsements and Guarantees":

[The Company]

- (1) The limit on endorsements and guarantees provided for an individual party shall not exceed the Company's equity.

Those which are provided for an individual party due to business relationship, shall not exceed the total amount of transactions with the Company in the most recent year.

- (2) The ceiling on total endorsements and guarantees shall not exceed 250% of the Company's equity.

[The Company and subsidiaries]

- (1) The limit on endorsements and guarantees provided for an individual party shall not exceed the Company's equity.

- (2) The ceiling on total endorsements and guarantees shall not exceed 300% of the Company's equity.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Note 8: Heywood Limited provided an endorsement guarantee for the Company. The board of directors proposed for the contract renewal before the expiration of the original contract, resulting in a duplication of the credit line. This situation involves an amount of NTD 200 million and will expire on July 31, 2025.

Note 9: Poseidon Marine Ltd., Maxson Shipping Inc., Ocean Grace Limited, Carmel Splendor Limited, Steady Way Limited, Sharon Glory Limited, Helmsman Navigation Co. Ltd, Pacifica Maritime Limited, Everwin Maritime Limited and Kenmore Shipping Inc.

provided the vessels, Yue Shan, Tai Shan, Tien Shan, Sarah, Rebekah, Wah Shan, Oceana, Elbhoff, Maxim and Kondor, as collateral, with the Company acting as the joint guarantor. This guaranteed amount was included in the Company's guaranteed amount provided for Norley Corporation Inc.

As of June 30, 2025, the vessel mortgage procedures for the companies mentioned have not yet been completed.

Sincere Navigation Corporation and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
For the six-month period ended June 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Sincere Navigation Corporation	None		-	-	\$ -	-	\$ -	-
Heywood Limited (Heywood)	Sincere Navigation Corporation	Heywood's parent company	\$ 471,730 (USD 16,100 thousand)	-	-	-	-	-
Heywood Limited (Heywood)	Norley Corporation Inc. (Norley)	Associates	\$ 2,373,300 (USD 81,000 thousand)	-	-	-	-	-
Sincere Navigation Corporation (Singapore) Pte. Ltd.	Norley Corporation Inc. (Norley)	Associates	\$ 439,500 (USD 15,000 thousand)	-	-	-	-	-

Table 3

Sincere Navigation Corporation and Subsidiaries
Significant inter-company transactions during the reporting period
For the six-month period ended June 30, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
1	Sincere Navigation Corporation (Singapore) Pte. Ltd.	Norley Corporation Inc.	3	Other receivables	\$ 439,500	As per the Company's policy	2.21%
2	Norley Corporation Inc.	Sincere Navigation Corporation	2	Guarantees	300,000	„	1.51%
3	Heywood Limited	Sincere Navigation Corporation	2	„	2,489,000	„	12.51%
3	„	Sincere Navigation Corporation	2	Other receivables	471,730	„	2.37%
3	„	Norley Corporation Inc.	3	„	2,373,300	„	11.93%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary is numbered '1'.

(2) Subsidiary to parent company is numbered '2'.

(3) Subsidiary to subsidiary is numbered '3'.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the year to consolidated total operating revenues for income statement accounts.

Note 4: The inter-company transactions below 1% of consolidated assets or revenue are not disclosed.

Table 4

Sincere Navigation Corporation and Subsidiaries
Information on investees
For the six-month period ended June 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 5

Investor	Investee	Location	Main business activities	Initial investment amount (Note 1)		Shares held as at June 30, 2025 (Note 2)			Net profit (loss) of the investee for the six- month period ended June 30, 2025	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2025	Footnote
				Balance as at June 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Sincere Navigation Corporation	Norley Corporation Inc.	Republic of Liberia	Investment holdings	\$ 29,300 (USD 1,000 thousand)	\$ 32,790 (USD 1,000 thousand)	500	100%	\$ 11,654,942	\$ 92,678	\$ 99,004	Subsidiary
"	Heywood Limited	Marshall Islands	Investment holdings	29,300 (USD 1,000 thousand)	32,790 (USD 1,000 thousand)	500	100%	5,692,708	56,105	56,105	Subsidiary
"	Sincere Navigation Corporation (Singapore) Pte. Ltd.	Singapore	Shipping	2,930 (USD 100 thousand)	3,279 (USD 100 thousand)	100,000	100%	1,955,709	119,223	118,891	Subsidiary
Norley Corporation Inc.	Kenmore Shipping Inc.	Marshall Islands	Oil tanker	996,493 (USD 34,010 thousand)	1,243,069 (USD 37,910 thousand)	500	100%	1,448,063	8,370	-	Second-tier subsidiary
"	Jetwall Co. Ltd.	"	Investment holdings	921,661 (USD 31,456 thousand)	1,169,160 (USD 35,656 thousand)	500	100%	1,456,367	8,632	-	Second-tier subsidiary
"	Victory Navigation Inc.	"	"	- (USD 0 thousand)	360,870 (USD 11,006 thousand)	-	-	-	64	-	Second-tier subsidiary
"	Poseidon Marine Ltd	"	Shipping	234,693 (USD 8,010 thousand)	262,648 (USD 8,010 thousand)	500	100%	836,454	2,987	-	Second-tier subsidiary
"	Maxson Shipping Inc.	"	"	307,650 (USD 10,500 thousand)	344,295 (USD 10,500 thousand)	500	100%	705,096	1,461	-	Second-tier subsidiary
"	Ocean Wise Limited	Republic of Liberia	"	655,441 (USD 22,370 thousand)	733,512 (USD 22,370 thousand)	500	100%	583,820	1,600	-	Second-tier subsidiary
"	Pacifica Maritime Limited	Marshall Islands	Oil tanker	1,965,737 (USD 67,090 thousand)	2,285,135 (USD 69,690 thousand)	500	100%	1,979,214	6,263	-	Second-tier subsidiary
"	Sky Sea Maritime Limited	"	Investment holdings	1,239,112 (USD 42,291 thousand)	1,271,940 (USD 38,791 thousand)	500	100%	1,496,718 (	4,185)	-	Second-tier subsidiary

Sincere Navigation Corporation and Subsidiaries
Information on investees
For the six-month period ended June 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 5

Investor	Investee	Location	Main business activities	Initial investment amount (Note 1)		Shares held as at June 30, 2025 (Note 2)			Net profit (loss) of the investee for the six- month period ended June 30, 2025	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2025	Footnote
				Balance as at June 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Norley Corporation Inc.	Elroy Maritime Service Inc.	Marshall Islands	Maritime service	\$ 11,134 (USD 380 thousand)	\$ 12,460 (USD 380 thousand)	500	100%	\$ 1,380	\$ 3,986	-	Second-tier subsidiary
"	Glory Selah Limited	"	Investment holdings	- (USD 0 thousand)	67,711 (USD 2,065 thousand)	-	-	-	(13)	-	Second-tier subsidiary
"	Steady Way Limited	"	Shipping	608,268 (USD 20,760 thousand)	720,068 (USD 21,960 thousand)	500	100%	612,148	1,321	-	Second-tier subsidiary
"	Brighton Shipping Inc.	"	"	590,261 (USD 20,145 thousand)	660,569 (USD 20,145 thousand)	500	100%	265,825	28,340	-	Second-tier subsidiary
"	Rockwell Shipping Limited	"	"	521,711 (USD 17,806 thousand)	583,854 (USD 17,806 thousand)	500	100%	270,123	700	-	Second-tier subsidiary
"	Howells Shipping Inc.	"	"	427,867 (USD 14,603 thousand)	514,900 (USD 15,703 thousand)	500	100%	340,056	1,180	-	Second-tier subsidiary
"	Helmsman Navigation Co. Ltd.	"	"	486,272 (USD 16,596 thousand)	576,983 (USD 17,596 thousand)	500	100%	473,803	890	-	Second-tier subsidiary
"	Carmel Splendor Limited	"	"	782,603 (USD 26,710 thousand)	918,448 (USD 28,010 thousand)	500	100%	784,415	450	-	Second-tier subsidiary
"	Sharon Glory Limited	"	"	1,151,783 (USD 39,310 thousand)	1,341,439 (USD 40,910 thousand)	500	100%	1,154,622	2,199	-	Second-tier subsidiary

Sincere Navigation Corporation and Subsidiaries
Information on investees
For the six-month period ended June 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 5

Investor	Investee	Location	Main business activities	Initial investment amount (Note 1)		Shares held as at June 30, 2025 (Note 2)			Net profit (loss) of the investee for the six- month period ended June 30, 2025	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2025	Footnote
				Balance as at June 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Norley Corporation Inc.	Base Camp Limited	Samoa Islands	Investment holdings	\$ 4,102 (USD 140 thousand)	\$ 4,591 (USD 140 thousand)	10,000	100%	(\$ 698)	(\$ 1,647)	-	Second-tier subsidiary
"	Delight Way Limited	Marshall Islands	Shipping	293 (USD 10 thousand)	328 (USD 10 thousand)	500	100%	184	(42)	-	Second-tier subsidiary
"	Majestic Bloom Limited	"	"	293 (USD 10 thousand)	328 (USD 10 thousand)	500	100%	203	(42)	-	Second-tier subsidiary
Jetwall Co. Ltd.	Everwin Maritime Limited	"	Oil tanker	747,736 (USD 25,520 thousand)	974,519 (USD 29,720 thousand)	500	100%	1,457,802	8,660	-	Third-tier subsidiary
Victory Navigation Inc.	Everprime Shipping Limited	"	Shipping	- (USD 0 thousand)	328 (USD 10 thousand)	-	-	-	89	-	Third-tier subsidiary
Sky Sea Maritime Limited	Ocean Grace Limited	"	"	955,473 (USD 32,610 thousand)	954,517 (USD 29,110 thousand)	500	100%	1,497,201	(4,135)	-	Third-tier subsidiary
Elroy Maritime Service Inc.	Oak Maritime (Canada) Inc.	Canada	Maritime serve	9,040 (USD 308 thousand)	10,117 (USD 308 thousand)	1,000	100%	(3,000)	3,983	-	Third-tier subsidiary
Glory Selah Limited	Bridge Poiema Limited	Marshall Islands	Shipping	- (USD 0 thousand)	328 (USD 10 thousand)	-	-	-	33	-	Third-tier subsidiary
Heywood Limited	Century Shipping Limited	Hong Kong	Investment holdings	14,650 (USD 500 thousand)	16,395 (USD 500 thousand)	50,000	100%	3,836	-	-	Second-tier subsidiary

Note 1: The above balances of initial investments as at June 30, 2025 and December 31, 2024 were translated at the closing exchange rates at the balance sheet date.

Note 2: The above carrying amounts of shares held as at June 30, 2025 and net profit (loss) of the investee for the six-month period ended June 30, 2025 were translated at the closing exchange rates at the balance sheet and the average exchange rates for the six-month period ended June 30, 2025.

Sincere Navigation Corporation and Subsidiaries
Information on investments in Mainland China
For the six-month period ended June 30, 2025

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended June 30, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Accumulated amount of remittance from Mainland China as of June 30, 2025	Net income (loss) of investee for the six-month period ended June 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2025 (Note 2)	Book value of investments in Mainland China as of June 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2025	Footnote
				Remitted to Mainland China	Remitted back to Taiwan								
Haihu Maritime Service (Shanghai) Co., Ltd.	Maritime service	\$ 15,855 (USD 500 thousand)	2	\$ 15,855 (USD 500 thousand)	\$ - \$ -	\$ 15,855 (USD 500 thousand)	\$ 15,855 (USD 500 thousand)	(\$ 1,573) (RMB 358 thousand)	100%	(\$ 1,573) (RMB 358 thousand)	(\$ 539) (RMB 132 thousand)	\$ -	

Note 1: Investment methods are classified into the following three categories.

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China. (The investee in the third area is Base Camp Limited)
- (3) Others.

Note 2: Investment income (loss) recognised during the period was based on financial statements reviewed by the Company's CPA.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Haihu Maritime Service (Shanghai) Co., Ltd.	\$ 15,855	\$ 95,130	\$ 9,186,257

Table 6