

**SHIH WEI NAVIGATION CO., LTD. AND
SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2024 and 2023**

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

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Independent Auditors' Review Report

To the Board of Directors of
Shih Wei Navigation Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Shih Wei Navigation Co., Ltd. and its subsidiaries as of March 31, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months ended March 31, 2024 and 2023, as well as the changes in equity and cash flows for the three months ended March 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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 the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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 Shih Wei Navigation Co., Ltd. and its subsidiaries as of March 31, 2024 and 2023, and of its consolidated financial performance for the three months ended March 31, 2024 and 2023 and its consolidated cash flows for the three months ended March 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.



The engagement partners on the reviews resulting in this independent auditors' review report are Kuo-Yang Tseng and Shih-Chin Chih.

KPMG

Taipei, Taiwan (Republic of China)

May 9, 2024

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Comprehensive Income****For the three months ended March 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

	For the three months ended March 31			
	2024		2023	
	Amount	%	Amount	%
Operating Revenues (Note 6(r) and Note 7):				
4300 Rental revenue	\$ 740,714	94	799,762	93
4800 Other operating revenue	44,481	6	63,131	7
Operating revenue, net	<u>785,195</u>	<u>100</u>	<u>862,893</u>	<u>100</u>
5000 Operating costs (Note 6(n) and Note 7)	<u>794,903</u>	<u>101</u>	<u>901,305</u>	<u>104</u>
Gross (loss) profit from operations	(9,708)	(1)	(38,412)	(4)
6200 Administrative expenses (Note 6(n) and Note 6(s))	<u>72,253</u>	<u>9</u>	<u>72,064</u>	<u>8</u>
Net operating (loss) income	<u>(81,961)</u>	<u>(10)</u>	<u>(110,476)</u>	<u>(12)</u>
Non-operating income and expenses (Note 6(f)):				
7100 Interest income	29,717	4	35,809	4
7190 Other income	24,669	3	30,043	3
7228 Gains on lease modification	34	-	-	-
7230 Foreign exchange (losses) gains	(94,607)	(12)	15,265	2
7235 Gains on financial assets at fair value through profit or loss	708	-	952	-
7370 Shares of loss of associates and joint ventures accounted for using equity method	(1,935)	-	(878)	-
7510 Interest expense	(132,615)	(17)	(152,791)	(18)
7590 Other expenses	(6,905)	(2)	(3,208)	-
7610 Gains (losses) on disposals of property, plant and equipment	55	-	(1,753)	-
7673 Impairment loss recognised in profit or loss, property, plant and equipment	-	-	(11,771)	(1)
Total non-operating income and expenses	<u>(180,879)</u>	<u>(24)</u>	<u>(88,332)</u>	<u>(10)</u>
Profit (loss) from continuing operations before tax	(262,840)	(34)	(198,808)	(22)
7950 Less: Income tax expenses (Note 6(o))	<u>(12,427)</u>	<u>(2)</u>	<u>7,625</u>	<u>1</u>
Profit (loss)	<u>(250,413)</u>	<u>(32)</u>	<u>(206,433)</u>	<u>(23)</u>
8300 Other comprehensive income :				
8310 Components of other comprehensive income that will not be reclassified to profit or loss				
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	536,639	68	(110,766)	(13)
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss	<u>536,639</u>	<u>68</u>	<u>(110,766)</u>	<u>(13)</u>
8300 Other comprehensive income (loss)	<u>536,639</u>	<u>68</u>	<u>(110,766)</u>	<u>(13)</u>
Total comprehensive income (loss)	<u>\$ 286,226</u>	<u>36</u>	<u>(317,199)</u>	<u>(36)</u>
Profit (loss), attributable to:				
8610 Owners of parent	\$ (213,446)	(27)	(185,167)	(21)
8620 Non-controlling interests	<u>(36,967)</u>	<u>(5)</u>	<u>(21,266)</u>	<u>(2)</u>
	<u>\$ (250,413)</u>	<u>(32)</u>	<u>(206,433)</u>	<u>(23)</u>
Comprehensive income (loss) attributable to:				
8710 Owners of parent	\$ 323,193	41	(295,933)	(34)
8720 Non-controlling interests	<u>(36,967)</u>	<u>(5)</u>	<u>(21,266)</u>	<u>(2)</u>
	<u>\$ 286,226</u>	<u>36</u>	<u>(317,199)</u>	<u>(36)</u>
Basic (loss) earnings per share (Note 6(q))	<u>\$ (0.55)</u>		<u>(0.50)</u>	
Diluted (loss) earnings per share (Note 6(q))	<u>\$ (0.55)</u>		<u>(0.50)</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the three months ended March 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

Equity attributable to owners of parent

	Share capital		Retained earnings				Total other equity interest	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements			
Balance at January 1, 2023	\$ 3,692,671	3,044,890	257,180	1,143,072	2,031,323	3,431,575	(43,174)	10,125,962	73,919	10,199,881
Profit (loss)	-	-	-	-	(185,167)	(185,167)	-	(185,167)	(21,266)	(206,433)
Other comprehensive income	-	-	-	-	-	-	(110,766)	(110,766)	-	(110,766)
Total comprehensive income	-	-	-	-	(185,167)	(185,167)	(110,766)	(295,933)	(21,266)	(317,199)
Appropriation and distribution of retained earnings:										
Cash dividends of ordinary share	-	-	-	-	(553,901)	(553,901)	-	(553,901)	-	(553,901)
Changes in ownership interests in subsidiaries	-	680	-	-	-	-	-	680	(680)	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	146,800	146,800
Balance at March 31, 2023	\$ 3,692,671	3,045,570	257,180	1,143,072	1,292,255	2,692,507	(153,940)	9,276,808	198,773	9,475,581
Balance at January 1, 2024	\$ 3,892,716	3,267,784	460,228	43,174	1,882,052	2,385,454	(62,286)	9,483,668	220,134	9,703,802
Profit (loss)	-	-	-	-	(213,446)	(213,446)	-	(213,446)	(36,967)	(250,413)
Other comprehensive income	-	-	-	-	-	-	536,639	536,639	-	536,639
Total comprehensive income	-	-	-	-	(213,446)	(213,446)	536,639	323,193	(36,967)	286,226
Balance at March 31, 2024	\$ 3,892,716	3,267,784	460,228	43,174	1,668,606	2,172,008	474,353	9,806,861	183,167	9,990,028

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the three months ended March 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	For the three months ended March 31	
	2024	2023
Cash flows from (used in) operating activities:		
Loss before tax	\$ (262,840)	(198,808)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	333,745	367,832
Amortization expenses	416	373
Net gains on financial assets or liabilities at fair value through profit or loss	(708)	(952)
Interest expenses	132,615	152,791
Interest income	(29,717)	(35,809)
Shares of losses of associates and joint ventures accounted for using equity method	1,935	878
Losses (gains) on disposal of property, plant and equipment	(55)	1,753
Impairment loss on non-financial assets	-	11,771
Gains on lease modification	(34)	-
Total adjustments to reconcile profit	438,197	498,637
Changes in operating assets and liabilities:		
Net losses (gains) on financial assets or liabilities at fair value through profit or loss	1,113	(3,485)
Decrease (increase) in accounts receivable	(4,021)	34,617
Decrease (increase) in other receivable	(1,275)	(3,667)
Decrease (increase) in inventories	(24,796)	42,991
Increase in other current assets	101,430	(5,271)
Decrease in contract liabilities	(1,445)	-
Decrease in accounts payable	(1,986)	(14,281)
Increase (decrease) in other payables	7,351	(31,077)
Decrease in other current liabilities	(420)	(39,002)
Total adjustments	514,148	479,462
Cash inflow generated from operations	251,308	280,654
Interest received	29,717	67,854
Interest paid	(146,908)	(155,392)
Income taxes paid	(460)	(48)
Net cash flows from operating activities	133,657	193,068
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(70,239)	(54,223)
Proceeds from disposal of property, plant and equipment	-	12,413
Decrease in refundable deposits	61	-
Acquisition of intangible assets	(766)	-
(Increase) decrease in other financial assets	(5,134)	20,715
(Increase) decrease in prepayments equipment	(1,021,576)	617
Net cash flows from investing activities	(1,097,654)	(20,478)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(30,000)	-
Increase in short-term notes and bills payable	-	20,000
Proceeds from long-term debt	-	101,270
Repayments of long-term debt	(370,513)	(1,237,718)
Increase in other payables to related parties	(30)	(164,920)
Payments of lease liabilities	(935)	(38)
Change in non-controlling interests	-	146,800
Net cash flows used in financing activities	(401,478)	(1,134,606)
Effects of exchange rate changes on cash and cash equivalents	213,403	(42,300)
Net (decrease) increase in cash and cash equivalents	(1,152,072)	(1,004,316)
Cash and cash equivalents at beginning of period	3,384,225	5,374,819
Cash and cash equivalents at end of period	\$ 2,232,153	4,370,503

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

March 31, 2024 and 2023

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

(1) Company history

Shih Wei Navigation Co., Ltd. (the “Company”) was incorporated in the Republic of China (ROC) in March 1985. The Company and its subsidiaries (the Group) mainly engages in cargo shipping services and shipping agency, resort hotels for tourists, as well as sales and lease of cargo vessels.

(2) Approval date and procedures of the consolidated financial statements:

These consolidated financial statements were authorized for issue by the Board of Directors on May 9, 2024.

(3) New standards, amendments and interpretations adopted:

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

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

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

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

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	January 1, 2027

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

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IAS21 “Lack of Exchangeability”

(4) Summary of material accounting policies:

(a) Statement of compliance

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

Except for following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2023. For the related information, please refer to note 4.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

List of the subsidiaries included in the consolidated financial statements:

Name investor	Name of investee	Scope of business	Percentage of ownership			Notes
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Dong Lien Maritime S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
The Company	Fortunate Maritime S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
The Company	Dancewoods Hotel & Resort (Dancewoods)	Resort hotel service and recreational grounds and facilities	51.65 %	51.65 %	51.37 %	
Dong Lien Maritime S.A. Panama	Audrey Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Brave Pescadores S.A.	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Bright Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Brilliant Pescadores S.A.	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Danceflora Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Dancewood Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Elegant Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Endurance Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name investor	Name of investee	Scope of business	Percentage of ownership			Notes
			March 31, 2024	December 31, 2023	March 31, 2023	
Dong Lien Maritime S.A. Panama	Eternity Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Excellent Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Fair Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Federal Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Forever Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Fourseas Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Gallant Pescadores S.A.	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Genius Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Glaring Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Grand Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	- %	- %	100.00 %	
Dong Lien Maritime S.A. Panama	Honor Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Huge Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Indigo Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Leader Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Modest Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Moon Bright Shipping Corporation	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Patriot Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Penghu Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Pharos Pescadores S.A. Panama	Cargo shipping services and shipping agency	- %	- %	100.00 %	
Dong Lien Maritime S.A. Panama	Poseidon Pescadores S.A. Panama	Cargo shipping services and shipping agency	- %	- %	100.00 %	
Dong Lien Maritime S.A. Panama	Shining Pescadores S.A. (Panama)	Cargo shipping services and shipping agency	- %	- %	100.00 %	
Dong Lien Maritime S.A. Panama	Skyhigh Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Spinnaker Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Stamina Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Summit Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Superior Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Trump Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Unicorn Brilliant S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Valor Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Vigor Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name investor	Name of investee	Scope of business	Percentage of ownership			Notes
			March 31, 2024	December 31, 2023	March 31, 2023	
Dong Lien Maritime S.A. Panama	Well Pescadores S.A. Panama	Cargo shipping services and shipping agency	- %	- %	100.00 %	
Dong Lien Maritime S.A. Panama	Wise Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	
Dong Lien Maritime S.A. Panama	Wonderful Pescadores S.A. Panama	Cargo shipping services and shipping agency	100.00 %	100.00 %	100.00 %	

Note: The subsidiaries completed their liquidation and dissolution in September 2023.

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

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

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

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

An entity shall classify a liability as current when:

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(d) Income taxes

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

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

(Continued)

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

(e) Employee benefits

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

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

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

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2023.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 46,487	37,292	49,850
Bank deposits	620,866	826,052	740,342
Cash equivalents	<u>1,564,800</u>	<u>2,520,881</u>	<u>3,580,311</u>
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 2,232,153</u>	<u>3,384,225</u>	<u>4,370,503</u>

- (i) The above cash and cash equivalent had not been pledged as collateral for borrowings.
- (ii) Bank deposits which did not meet the definition of cash equivalent have been transferred to other financial assets. Please refer to Note 6(c).
- (iii) Please refer to Note 6(t) for the interest rate risk and sensitivity analysis on the financial assets and liabilities of the Group.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

	<u>March 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>March 31,</u> <u>2023</u>
Current:			
Shares of exchange-listed and OTC-listed companies	\$ 21,108	19,729	14,798
Convertible bonds	-	1,601	-
Overseas bods	4,631	4,631	-
Fund	1,559	1,591	-
 Embedded derivatives-redemption rights (Note 6(k))	 50	 200	 -
	<u>\$ 27,348</u>	<u>27,752</u>	<u>14,798</u>
Non-current :			
Unlisted common shares	<u>\$ 51,000</u>	<u>51,000</u>	<u>-</u>
Total	<u>\$ 78,348</u>	<u>78,752</u>	<u>14,798</u>

(i) For information on the Group's hedge on credit, currency and interest rate of its financial instruments, please refer to Note 6(t).

(ii) The above financial assets had not been pledged as collateral for borrowings.

(c) Other financial assets

Other financial assets were as follows:

	<u>March 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>March 31,</u> <u>2023</u>
Current:			
Restricted assets	\$ <u>295,173</u>	<u>286,120</u>	<u>201,157</u>
Non-current:			
Restricted assets	\$ <u>144,975</u>	<u>148,435</u>	<u>56,471</u>

The other financial assets of the Group had been pledged as collateral. Please refer to Note 8.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(d) Investments accounted for using equity method

The components of investments accounted for using equity method at the reporting date were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Related party	<u>\$ 38,852</u>	<u>40,788</u>	<u>26,871</u>

(i) Related party

The Group's subscription of 1,945 thousand ordinary shares, amounting to \$35,019 thousand, during the cash capital increase of Thermolysis Co., Ltd. conducted in July 2023 was not in proportion to its shareholding ratio, resulting in the Group's ownership percentage in Thermolysis Co., Ltd. to increase from 6.06% to 9.18% ; and in December 2023, employee share options were converted into ordinary shares, resulting in the Group's ownership percentage in Thermolysis Co., Ltd. to increase from 9.18% to 9.16% and a change in the net equity value of associate using the equity method. Moreover, Thermolysis Co., Ltd.'s employee share options were converted into ordinary shares in March 2024, resulting in the Group's ownership percentage in Thermolysis Co., Ltd. to decrease from 9.16% to 9.15%.

Net income attribute to the Group :

	March 31, 2024	March 31, 2023
Profit from continuing operation	<u>\$ 1,935</u>	<u>878</u>

(ii) Pledge

As of March 31, 2024, December 31 and March 31, 2023, the above investments accounted for using the equity method of the Group had not been pledged as collateral.

(e) Subsidiaries that have material non-controlling interest

Subsidiaries that have material non-controlling interest were as follows:

<u>Subsidiaries</u>	<u>Country of registration</u>	<u>Percentage of non-controlling interests</u>		
		<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Dancewoods Hotel & Resort	Taiwan	48.35 %	48.35 %	48.63 %

Dancewoods Hotel & Resort conducted cash capital increase in December 2023, wherein the Group did not to subscribed proportionally to its shareholding ratio, resulting in its original shareholding percentage in Dancewoods Hotel & Resort to increase from 51.37% to 51.65%.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The following information on the aforementioned subsidiaries have been prepared in accordance with IFRS endorsed by the FSC. Intra-group transactions were not eliminated in this information.

Dancewoods Hotel & Resort financial information

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 119,356	219,189	196,407
Non-current assets	2,882,175	2,910,435	2,963,758
Current liabilities	(1,084,670)	(1,091,121)	(2,582,263)
Non-current liabilities	(1,609,283)	(1,654,466)	(240,409)
Net assets	<u>\$ 307,578</u>	<u>384,037</u>	<u>337,493</u>
Non-controlling interest	<u>\$ 183,167</u>	<u>220,134</u>	<u>198,773</u>

	For the three months ended March 31	
	2024	2023
Operating revenue	<u>\$ 44,558</u>	<u>63,217</u>
Profit (loss) from continuing operations	(76,458)	(43,729)
Other comprehensive income	-	-
Comprehensive income	<u>\$ (76,458)</u>	<u>(43,729)</u>
Net income attribute to non-controlling interest	<u>\$ (36,967)</u>	<u>(21,266)</u>
Comprehensive income attribute to non-controlling interest	<u>\$ (36,967)</u>	<u>(21,266)</u>
Net cash flows from operating activities	\$ (122,041)	(20,351)
Net cash flows from investing activities	(5,027)	(5,298)
Net cash flows from financing activities	36,422	108,354
Net increase (decrease) in cash and cash equivalents	<u>\$ (90,646)</u>	<u>82,705</u>

(f) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group, for the three months ended March 31, 2024 and 2023 were as follows:

	Land	Buildings	Vessel Equipment	Equipment under finance Leases	Other Equipment	Total
Cost or deemed cost:						
Balance on January 1, 2024	\$ 684,976	2,523,165	26,204,513	-	688,139	30,100,793
Additions	-	2,256	61,909	-	6,074	70,239
Disposals and retirements	-	-	(691,124)	-	(19)	(691,143)
Prepayments for equipment (reclassification)	-	-	-	-	5,140	5,140
Effect of change in foreign exchange rates	-	-	1,092,783	-	-	1,092,783
Balance on March 31, 2024	<u>\$ 684,976</u>	<u>2,525,421</u>	<u>26,668,081</u>	<u>-</u>	<u>699,334</u>	<u>30,577,812</u>

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Land</u>	<u>Buildings</u>	<u>Vessel Equipment</u>	<u>Equipment under finance Leases</u>	<u>Other Equipment</u>	<u>Total</u>
Balance on January 1, 2023	\$ 684,976	2,506,349	29,153,683	-	682,043	33,027,051
Additions	-	2,480	50,721	-	1,022	54,223
Disposals and retirements	-	(1,985)	(52,459)	-	(3,530)	(57,974)
Prepayments for equipment (reclassification)	-	476	-	-	-	476
Reclassified to asset held for sale	-	-	(545,765)	-	-	(545,765)
Effect of change in foreign exchange rates	-	-	(246,554)	-	-	(246,554)
Balance on March 31, 2023	<u>\$ 684,976</u>	<u>2,507,320</u>	<u>28,359,626</u>	<u>-</u>	<u>679,535</u>	<u>32,231,457</u>
Depreciation and impairment loss:						
Balance on January 1, 2024	\$ -	360,692	12,751,476	-	499,107	13,611,275
Depreciation for the period	-	14,191	300,464	-	18,142	332,797
Disposals and retirements	-	-	(471,044)	-	(19)	(471,063)
Effect of change in foreign exchange rates	-	-	533,457	-	-	533,457
Balance on March 31, 2024	<u>\$ -</u>	<u>374,883</u>	<u>13,114,353</u>	<u>-</u>	<u>517,230</u>	<u>14,006,466</u>
Balance on January 1, 2023	\$ -	305,793	13,444,729	-	430,514	14,181,036
Depreciation for the period	-	13,653	335,384	-	18,636	367,673
Disposals and retirements	-	(346)	(41,000)	-	(2,462)	(43,808)
Reclassified to assets held for sale	-	-	(360,142)	-	-	(360,142)
Impairment losses	-	-	11,771	-	-	11,771
Effect of change in foreign exchange rates	-	-	(113,023)	-	-	(113,023)
Balance on March 31, 2023	<u>\$ -</u>	<u>319,100</u>	<u>13,277,719</u>	<u>-</u>	<u>446,688</u>	<u>14,043,507</u>
Carrying value:						
Balance on January 1, 2024	<u>\$ 684,976</u>	<u>2,162,473</u>	<u>13,453,037</u>	<u>-</u>	<u>189,032</u>	<u>16,489,518</u>
Balance on March 31, 2024	<u>\$ 684,976</u>	<u>2,150,538</u>	<u>13,553,728</u>	<u>-</u>	<u>182,104</u>	<u>16,571,346</u>
Balance on January 1, 2023	<u>\$ 684,976</u>	<u>2,200,556</u>	<u>15,708,954</u>	<u>-</u>	<u>251,529</u>	<u>18,846,015</u>
Balance on March 31, 2023	<u>\$ 684,976</u>	<u>2,188,220</u>	<u>15,081,907</u>	<u>-</u>	<u>232,847</u>	<u>18,187,950</u>

- (i) Operating leases relate to leases of vessel equipment and equipment under finance leases, with lease terms within 25 months and extendable for another 4-15 months. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the assets upon maturity of the lease.
- (ii) The Group entered into sales agreement in March 2024, at the amounts of \$223,936 thousand (USD \$6,998 thousand), wherein the delivery procedures had been completed in accordance with the contract, resulting in the disposal gain of \$55 thousand to be recognized as disposal of property, plant and equipment in the consolidated comprehensive income statement.
- (iii) Non-current assets held for sale

The Group signed the sale agreement in March 2023; the sale and receipt of the relevant payment were completed in May 2023. The above-mentioned assets which book value was \$197,394 thousand (USD \$6,482 thousand) were measured at the lower of book value and fair value less costs of sales, and an impairment loss of \$11,771 thousand was recognized under other gains and losses in the consolidated statement of comprehensive income.

- (iv) As of March 31, 2024, December 31 and March 31, 2023, the above property, plant and equipment were pledged as collateral. Please refer to Note 8.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Other Equipment</u>	<u>Total</u>
Carrying value:				
Balance on January 1, 2024	\$ <u>128</u>	<u>11,023</u>	<u>640</u>	<u>11,791</u>
Balance on March 31, 2024	\$ <u>619</u>	<u>10,304</u>	<u>1,192</u>	<u>12,115</u>
Balance on January 1, 2023	\$ <u>214</u>	<u>-</u>	<u>1,189</u>	<u>1,403</u>
Balance on March 31, 2023	\$ <u>192</u>	<u>-</u>	<u>1,052</u>	<u>1,244</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of right of use assets for the three months ended March 31, 2024 and 2023. Please refer to Note 6(g) for more details.

(h) Short-term loans

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Secured bank loans	\$ <u>746,000</u>	<u>776,000</u>	<u>714,000</u>
Unused short-term credit lines	\$ <u>176,000</u>	<u>334,230</u>	<u>182,700</u>
Range of interest rate	<u>2%~2.97%</u>	<u>2%</u>	<u>2.08%~2.52%</u>

(i) Borrowing and repayment

For the three months ended March 31, 2024 and 2023, the Group borrowed the amounts of \$120,000 thousand and \$0 thousand. In addition, the Group repaid the amounts of \$150,000 thousand and \$0 thousand, respectively.

The Group pledged its assets as collateral for its loans. Please refer to Note 8.

(i) Long-term loans

The details were as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Secured bank loans	\$ 8,548,430	8,653,206	10,819,270
Less: current portion	<u>(2,525,133)</u>	<u>(3,597,222)</u>	<u>(4,103,863)</u>
Total	\$ <u>6,023,297</u>	<u>5,055,984</u>	<u>6,715,407</u>
Unused long-term credit lines	\$ <u>200,000</u>	<u>200,000</u>	<u>-</u>
Range of interest rate	<u>2.38%~7.17%</u>	<u>2.38%~7.53%</u>	<u>1.94%~6.66%</u>

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Dancewoods Hotel & Resort signed a syndicated loans contract with a financial institution in the second quarter of 2017, and signed an extension contract in December 2023. The credit period extends from the first drawdown date to the expiration date of 12 years. The loan amount is 2.3 billion, and the repayment method includes maturity repayment and amortization. As of March 31, 2024, the company had allocated long-term and short-term borrowings of \$2,282,080 thousand, which were paid off gradually from August 2023 to May 2029. According to the contract, Dancewoods Hotel & Resort shall maintain the following financial ratios during the duration of the contract:

- 1) Interest coverage ratio [(net profit before tax + depreciation + amortization + interest expense) / interest expense]: should be maintained at more than 1.5 times.
- 2) Net worth: not less than \$400,000 thousand.

These financial ratios are based on the annual financial report of Dancewoods Hotel & Resort. The above financial ratios have been reviewed since the 2025 annual financial report and are reviewed annually. If the borrower defaults on any of the above financial commitments during the current period, the borrower may adjust it before providing the non-consolidated financial report for the next year that has been audited and certified by accountants. If the adjusted financial ratios audited by accountants comply with the above financial statements, ratio, it will not be regarded as a default event, but starting from the latest interest rate adjustment base date after the review date, the loan interest rate shall be increased by an additional 0.05% until the next review of financial ratios meets the financial ratios in this paragraph.

(ii) Borrowing and repayment

For the three months ended March 31, 2024 and 2023, the Group borrowed the amounts of \$0 thousand and \$101,270 thousand, with maturities set in May 2029 and March 2024, respectively. In addition, the Group repaid \$370,513 thousand and \$1,237,718 thousand, respectively.

(iii) Collateral for bank loan

The Group pledged its assets as collateral for its loans; please refer to Note 8.

(j) Short-term notes and bills payable

	March 31, 2024		
	Guarantee or acceptance institution	Range of interest rates(%)	Amount
Commercial paper payable	Mega Bills	2.53%	\$ 100,000
Less: Discount on short-term notes and bills payable			(197)
Total			\$ 99,803

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2023			
	Guarantee or acceptance institution	Range of interest rates(%)	Amount
Commercial paper payable	Mega Bills	2.51%	\$ 100,000
Less: Discount on short-term notes and bills payable			-
Total			\$ <u>100,000</u>
March 31, 2023			
	Guarantee or acceptance institution	Range of interest rates(%)	Amount
Commercial paper payable	Mega Bills	2.20~3.14%	\$ 80,000
Less: Discount on short-term notes and bills payable			(261)
Total			\$ <u>79,739</u>

For the March 31, 2024 and 2023, the Group borrowed the amount of \$0 thousand and \$20,000 thousand; with an interest rate of 2.53% and 3.14% maturing in April 2024 and May 2023, respectively.

(k) Bonds Payable

The information on the issuance of secured convertible bonds of the Group was as follows:

	March 31, 2024	December 31, 2023
Total amount of secured convertible bonds issued	\$ 500,000	500,000
Unamortized balance of discount on bonds payable	(19,753)	(21,926)
Cumulative converted amount	(100)	(100)
Balance of bonds payable at the end of the period	\$ <u>480,147</u>	<u>477,974</u>
Embedded derivatives-redemption rights (listed in FVTPL-current)	\$ <u>50</u>	<u>200</u>
Components of equity-conversion rights(listed in APIC-share option)	\$ <u>61,624</u>	<u>61,624</u>

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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	For the three months ended March 31 2024
Embedded derivatives-redemption rights (listed in financial assets at fair value through profit or loss)	\$ 550
Interest expense	\$ 2,173

The Group did not issue, repurchase, or repay, any corporate bonds payable between January 1 and March 31, 2024. Please refer to Note 6 (k) for more details.

(l) Current provisions

	March 31, 2024	December 31, 2023	March 31, 2023
Litigation provision	\$ 51,200	49,128	48,720

Litigation provision was estimated by the management based on a lawsuit filed by the International Transport Workers Federation (ITF) in 2020. There were no significant changes in provisions for the three months ended March 31, 2024 and 2023. Please refer to note 9 for more details.

(m) Lease liabilities

The Group's lease liabilities were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Current	\$ 3,308	3,389	1,072
Non-current	\$ 8,457	8,469	88

Please refer to Note 6(t) for maturity analysis.

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31	
	2024	2023
Interest on lease liabilities	\$ 90	6
Expenses relating to short-term leases	\$ 287	177
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ 184	611

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The amount recognized in the statement of cash flows for the Group was as follows:

	For the three months ended March 31	
	2024	2023
Total cash outflow for leases	\$ 1,496	750

(i) Real estate leases

The Group leases land, buildings and equipment for its office use, with lease terms ranging from 3 to 5 years.

(ii) Other leases

The Group also has short-term leases or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(n) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

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

	For the three months ended March 31	
	2024	2023
Operating expense	\$ 3	3

(ii) Defined contribution plans

The contributions of the Group to the Bureau of Labor Insurance for the employee pension benefits were as follows:

	For the three months ended March 31	
	2024	2023
Operating costs	\$ 652	695
Operating expenses	1,615	1,596
Total	\$ 2,267	2,291

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Income tax

- (i) The components of income tax for the three months ended March 31, 2024 and 2023 were as follows:

	For the three months ended March 31	
	2024	2023
Deferred tax expenses		
Occurrence and reversal of temporary differences	\$ (12,427)	7,625
Income tax expenses	\$ (12,427)	7,625
Company	Approved year	
The Company	2021	
Dancewoods Hotel & Resort	2021	

(p) Capital and other equity

- (i) Issuance of ordinary shares

On March 30, 2023, the Company's Board of Directors resolved to issue 20,000 thousand ordinary shares, at a par value of \$10 per share. The amendment of the registration of the issuance of new ordinary shares had been approved on September 1, 2023 by the Ministry of Economic Affairs, resulting in the fully paid share capital to increase to \$3,892,671 thousand.

In 2023, the Company issued 4 thousand new shares at face value, amounting to \$ 45 thousand, due to the exercise of conversion rights of the bond holders, resulting in the paid-in capital after conversion of \$3,892,716 thousand to be recognized. All relevant legal registration procedures have been completed as of the reporting date.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Capital surplus

The components of the capital surplus were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Share capital	\$ 2,742,374	2,742,374	2,582,374
Treasury stock transactions	701	701	701
The difference between consideration received or paid and the carrying amount of subsidiaries' net assets during actual disposal or acquisition	3,603	3,603	3,603
Changes in percentage of ownership interest in subsidiaries	4,057	4,057	5,041
Conversion of bonds	372,330	372,330	372,267
Employee stock options	13,737	13,737	12,226
Share option	61,624	61,624	-
Other	69,358	69,358	69,358
	\$ 3,267,784	3,267,784	3,045,570

(iii) Retained earnings

The Company's articles of incorporation require that after-tax earnings shall first be offset against any deficit, and 10% of the remaining balance shall be set aside as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Special reserve may be appropriated for operations or to meet regulations. The remaining earnings, if any, may be appropriated according to the proposal presented in the annual shareholders' meeting by the Board of Directors.

In accordance with the Company's Articles of Incorporation, which were approved during the shareholders' meeting held on June 21, 2022, as the Company distributes all or part of its dividends, or legal reserve, or capital in cash, the Company should hold a Board meeting to pass the resolution by more than half of the directors present at the Board meeting, which requires a quorum of two thirds of all the directors present. Thereafter, the resolution will have to be submitted to the Shareholder's meeting.

In response to competition in maritime market, the Company's dividend policy is based on the principle of prudence, under which the Company considers its long-term financing structure and operations. Thus, when earnings and funds become sufficient for operations and expansion, cash dividends or stock dividends will be distributed. The distribution of cash dividends should be at least 10% of earnings.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with the rule issued by the FSC, a portion of the current-period earnings and undistributed prior-period earnings shall be reclassified as special earnings reserve during earnings distribution. The amount to be reclassified should equal the current-period total net reduction of other shareholders' equity. Similarly, a portion of undistributed prior period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. The amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions. As of March 31, 2024, the special earnings reserve was amounted \$43,174 thousand.

3) Earnings distribution

Earnings distribution for the years ended December 31, 2023, was decided by the resolution adopted at the board meeting held on March 26, 2024. The earnings were distributed as follows:

	For the year end December 31,	
	2023	
	Amount per	Amount
	share (dollars)	Amount
Dividends distributed to ordinary shareholders:		
Cash	\$ 1.50	553,901

4) OCI accumulated in reserves, net of tax

	Exchange
	differences on
	translation of
	foreign financial
	statements
Balance on January 1, 2024	\$ (62,286)
Exchange differences on foreign operations	536,639
Balance on March 31, 2024	\$ 474,353
Balance on January 1, 2023	\$ (43,174)
Exchange differences on foreign operations	(110,766)
Balance on March 31, 2023	\$ (153,940)

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Earnings per share

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

(i) Basic earnings per share (NT dollars)

	For the three months ended	
	March 31	
	<u>2024</u>	<u>2023</u>
Profit (Loss) attributable to ordinary shareholders of the company	\$ <u>(213,446)</u>	<u>(185,167)</u>
Weighted-average number of ordinary shares(shares in thousands)	<u>389,272</u>	<u>369,267</u>
	<u>\$ (0.55)</u>	<u>(0.50)</u>

(ii) Diluted earnings per share (NT dollars)

	For the three months ended	
	March 31	
	<u>2024</u>	<u>2023</u>
Profit (Loss) attributable to the company (diluted)	\$ <u>(213,446)</u>	<u>(185,167)</u>
Weighted-average number of ordinary shares(shares in thousands)	389,272	369,267
The impact of conversion of convertible corporate bonds(Note)	-	-
Employee stock bonus (Note)	-	-
Weighted-average number of ordinary shares(shares in thousands)	<u>389,272</u>	<u>369,267</u>
	<u>\$ (0.55)</u>	<u>(0.50)</u>

Note: The item has an anti-dilutive effect on January 1 to March 31, 2024 and 2023, and hence it is not included in the calculation of diluted earnings per share.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Revenue from contracts with customers

(i) Details of revenue

	For the three months ended March 31, 2024		
	Shipping segment	Tourism segment	Total
Primary geographical markets:			
Taiwan	\$ -	44,544	44,544
Asia	599,465	-	599,465
Europe	128,558	-	128,558
Other	12,628	-	12,628
	<u>\$ 740,651</u>	<u>44,544</u>	<u>785,195</u>
Major products/services lines:			
Rental income	\$ 740,651	63	740,714
Other operating income	-	44,481	44,481
	<u>\$ 740,651</u>	<u>44,544</u>	<u>785,195</u>
	For the three months ended March 31, 2023		
	Shipping segment	Tourism segment	Total
Primary geographical markets:			
Taiwan	\$ 2,521	63,189	65,710
Asia	710,097	-	710,097
Europe	84,666	-	84,666
Other	2,420	-	2,420
	<u>\$ 799,704</u>	<u>63,189</u>	<u>862,893</u>
Major products/services lines:			
Rental income	\$ 799,704	58	799,762
Other operating income	-	63,131	63,131
	<u>\$ 799,704</u>	<u>63,189</u>	<u>862,893</u>

(ii) Contract balances

	March 31, 2024	December 31, 2023	March 31, 2023
Contract liabilities	<u>\$ 117,192</u>	<u>115,602</u>	<u>164,016</u>

The opening balances of contract liabilities amounting to \$99,226 thousand and \$177,110 thousand, as of January 1, 2024 and 2023 were recognized as income for the three months ended March 31, 2024 and 2023, respectively.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(s) Remunerations to employees and directors

The Company's articles of incorporation require that earnings shall first be offset against any deficit, then, a minimum of 2% will be distributed as employee remuneration and a maximum of 5% will be allocated as directors' remuneration.

No remunerations to employees and directors were accrued for the three months ended March 31, 2024 and 2023 due to the net loss after tax incurred by the Company. Related information would be available on the Market Observation Post System website.

(t) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 6(t) of the consolidated financial statements for the year ended December 31, 2023.

(i) Credit risk

1) Credit risk exposure

The carrying amounts of financial assets and contract assets represent the maximum credit risk exposure.

2) Concentration of credit risk

As of March 31, 2024, December 31 and March 31, 2023, the accounts receivable amounted to \$32,925 thousand, \$27,766 thousand and \$15,211 thousand, constituting 0.15%, 0.13% and 0.06%, respectively, of the consolidated total assets. The Group does not have any significant credit risk due to most of its reputable customers.

3) Accounts receivable of credit risk

As of the reporting date, the amount of the Group's maximum exposure to credit risk, which could cause a financial loss to the Group due to the counterparties' failure to discharge an obligation, was the carrying amount of the financial assets recognized in the consolidated balance sheets.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Liquidity risk

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

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>within 6 months</u>	<u>6-12months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>More than 5 years</u>
March 31, 2024							
Non-derivative financial liabilities							
Secured bank loans	\$ 9,294,430	9,972,192	2,328,854	1,090,501	2,313,737	2,975,139	1,263,961
Short-term notes and bills payable	99,803	100,000	100,000	-	-	-	-
Non-interest bearing liabilities	428,058	428,058	428,058	-	-	-	-
Lease liabilities	11,765	12,411	1,843	1,755	3,511	5,302	-
Bonds payable	480,147	500,000	-	-	-	500,000	-
	<u>\$10,314,203</u>	<u>11,012,661</u>	<u>2,858,755</u>	<u>1,092,256</u>	<u>2,317,248</u>	<u>3,480,441</u>	<u>1,263,961</u>
December 31, 2023							
Non-derivative financial liabilities							
Secured bank loans	\$ 9,429,206	10,451,629	2,649,006	2,204,727	1,650,342	2,648,358	1,299,196
Short-term notes and bills payable	100,000	100,000	100,000	-	-	-	-
Non-interest bearing liabilities	427,064	427,064	427,064	-	-	-	-
Lease liabilities	11,858	12,556	1,799	1,887	3,160	5,710	-
Bonds payable	477,974	500,000	-	-	-	500,000	-
	<u>\$10,446,102</u>	<u>11,491,249</u>	<u>3,177,869</u>	<u>2,206,614</u>	<u>1,653,502</u>	<u>3,154,068</u>	<u>1,299,196</u>
March 31, 2023							
Non-derivative financial liabilities							
Secured bank loans	\$11,533,270	11,678,222	1,812,663	1,864,048	5,736,941	2,254,941	9,629
Notes and accounts payable	79,739	80,000	80,000	-	-	-	-
Non-interest bearing liabilities	621,152	621,152	621,152	-	-	-	-
Lease liabilities	1,160	2,114	1,057	288	263	506	-
	<u>\$12,235,321</u>	<u>12,381,488</u>	<u>2,514,872</u>	<u>1,864,336</u>	<u>5,737,204</u>	<u>2,255,447</u>	<u>9,629</u>

The Group does not expect its the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Market risk

1) Currency risk

The Group's significant exposures to foreign currency risk was as follows:

	March 31, 2024			December 31, 2023			March 31, 2023			
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	
<u>Financial assets</u>										
<u>Monetary items</u>										
NTD:USD	\$	13,938	32.0000	446,008	9,267	30.7050	284,546	3,156	30.4500	96,089
JPY:USD		40,949	0.0066	167,438	63,747	0.0071	250,461	26,003	0.0075	5,950
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD:NTD		60,996	32.0000	1,887,879	58,696	30.7050	1,802,268	37,996	30.4500	1,156,985
USD:JPY		25,839	0.0066	5,465	18,772	0.0071	4,119	44,615	0.0075	10,208

A strengthening (weakening) of 1% of the NTD against the USD for the three months ended March 31, 2024 and 2023, would have increased (decreased) the net profit after tax by \$10,239 thousand and \$8,522 thousand, respectively. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases. The analysis assumes that all other variables remain constant, and is performed on the same basis for the three months ended March 31, 2024 and 2023.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months and three months ended March 31, 2024 and 2023, foreign exchange gain (loss) (including realized and unrealized portions) amounted to \$(94,607) thousand and \$15,265 thousand, respectively.

2) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.5% when reporting to the management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 0.5% basis points, the Group's net income would have increased or decreased by \$9,294 thousand and \$11,533 thousand for the three months ended March 31, 2024 and 2023, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing at variable rates.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) Other market price risk

The Group was exposed to equity price risk on its investments classified as financial assets at FVTPL. For the three months ended March 31, 2024 and 2023, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

<u>Prices of securities at the reporting date</u>	<u>For the three months ended March 31</u>			
	<u>2024</u>		<u>2023</u>	
	<u>Other comprehensive income after tax</u>	<u>Net income</u>	<u>Other comprehensive income after tax</u>	<u>Net income</u>
Increasing 5%	\$ -	3,915	-	740
Decreasing 5%	\$ -	(3,915)	-	(740)

(iv) Fair value of financial instruments

1) The Categories and Fair values of Financial Instruments

The Group assesses its financial instruments at fair value through profit or loss on a recurring basis by using the fair value method.

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	<u>March 31, 2024</u>				
	<u>Book Value</u>	<u>Fair Value</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>		
Financial assets at fair value through profit or loss					
Non derivative financial assets mandatorily measured at fair value through profit or loss	\$ 78,348	27,298	-	51,050	78,348
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 2,232,153	-	-	-	-
Accounts receivable	32,925	-	-	-	-
Other receivabale	280,282	-	-	-	-
Other financial assets-current and non-current	440,148	-	-	-	-
Subtotal	\$ 2,985,508	-	-	-	-

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

		March 31, 2024				
		Fair Value				
Book Value	Level 1	Level 2	Level 3	Total		
Financial liabilities at amortized cost						
Bank loans	\$ 9,294,430	-	-	-	-	
Short-term notes and bills payable	99,803	-	-	-	-	
Notes payable and accounts payable	158,521	-	-	-	-	
Other payables (include related parties)	269,537	-	-	-	-	
Lease liabilities	11,765	-	-	-	-	
Bonds payable	<u>480,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Subtotal	<u>\$ 10,314,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
		December 31, 2023				
		Fair Value				
Book Value	Level 1	Level 2	Level 3	Total		
Financial assets at fair value through profit or loss						
Non derivative financial assets mandatorily measured at fair value through profit or loss	<u>\$ 78,752</u>	<u>27,552</u>	<u>-</u>	<u>51,200</u>	<u>78,752</u>	
Financial assets measured at amortized cost						
Cash and cash equivalents	\$ 3,384,255	-	-	-	-	
Accounts receivable	27,766	-	-	-	-	
Other receivabale	52,793	-	-	-	-	
Other financial assets-current and non-current	434,555	-	-	-	-	
Subtotal	<u>\$ 3,899,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

		December 31, 2023				
		Fair Value				
Book Value	Level 1	Level 2	Level 3	Total		
Financial liabilities at amortized cost						
Bank loans	\$ 9,429,206	-	-	-	-	
Short-term notes and bills payable	100,000	-	-	-	-	
Notes payable and accounts payable	154,420	-	-	-	-	
Other payables (include related parties and dividends payable)	272,644	-	-	-	-	
Lease liabilities	11,858	-	-	-	-	
	<u>477,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Subtotal	<u>\$ 10,446,102</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
		March 31, 2023				
		Fair Value				
Book Value	Level 1	Level 2	Level 3	Total		
Financial assets at fair value through profit or loss						
Non derivative financial assets mandatorily measured at fair value through profit or loss	\$ <u>14,798</u>	<u>14,798</u>	<u>-</u>	<u>-</u>	<u>14,798</u>	
Financial assets measured at amortized cost						
Cash and cash equivalents	\$ 4,370,503	-	-	-	-	
Accounts receivable	15,211	-	-	-	-	
Other receivabale	35,152	-	-	-	-	
Other financial assets-current and non-current	257,628	-	-	-	-	
Subtotal	<u>\$ 4,678,494</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2023				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at amortized cost					
Bank loans	\$ 11,533,270	-	-	-	-
Short-term notes and bills payable	79,739	-	-	-	-
Notes payable and accounts payable	192,793	-	-	-	-
Other payables (include related parties and dividends payable)	428,359	-	-	-	-
Lease liabilities	<u>1,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>\$ 12,235,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

2) Valuation techniques for financial instruments not measured at fair value

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

2.1) Financial assets and financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data are used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate the fair values.

3) Valuation techniques for financial instruments measured at fair value

3.1) Non-derivative financial instruments

Financial instruments traded in active markets are based on quoted market prices. Market prices quoted from main exchanges and over-the-counter are the basis of fair value of equity instruments and credit instrument traded in active markets.

If the quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of non-active market.

The Group's financial instruments, such as stock of listed companies and beneficiary certificates, are trade in active markets, and the fair value is based on quoted market prices.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

3.2) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. Fair value of forward currency is usually determined by the forward currency exchange rate. Measurement of structured derivatives is based on option pricing models (i.e. Black-Scholes model) or other valuation methods (i.e. Monte Carlo simulation).

- 4) There were no transfers from each level for the three months ended March 31, 2024 and 2023.
- 5) Reconciliation of Level 3 fair values

	Non-derivative mandatorily measured at fair value through profit or loss
Opening balance, January 1, 2024	\$ 51,200
Total gains and losses	<u>(150)</u>
Ending Balance, March 31, 2024	<u><u>\$ 51,050</u></u>

For the six months ended March 31, 2024 and 2023, the total gains and losses that were included in “other gains and losses” were as follows:

	<u>2024</u>
Total gains and losses recognized	
In profit or loss, and presented in “gains and losses on financial assets at fair value through profit or loss”	\$ (150)

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

The Group’s financial instruments that use Level 3 inputs to measure fair value include “financial assets measured at fair value through profit or loss – debt investments” and “fair value through other comprehensive income – equity investments”.

Most of the Group’s financial instruments that use Level 3 inputs have only one significant unobservable input. Only equity investment with no-active markets have multiple significant unobservable inputs. The significant unobservable inputs of the equity investments with no-active markets are independent, therefore, there is no correlation between them.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurement</u>
Redemption rights of convertible bonds	Binomial Tree convertible bonds pricing model	·Volatility:31.12%	·The estimated fair value would increase if the volatility was higher.
Financial assets at fair value through profit or loss – equity investment without an active market	Market approach	·The multiplier of price-to-book ratio (March 31, 2024, was 0.99) ·Market illiquidity discount (March 31, 2024, was 20%)	The estimated fair value would decrease (increase) if: ·The multiplier and the market illiquidity discount were higher (lower)

- 7) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's measurement on the fair value of financial instruments is deemed reasonable despite different valuation models or assumptions may lead to different results. For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	<u>Inputs</u>	<u>Fluctuation in inputs</u>	<u>Profit or loss</u>		<u>Other comprehensive income</u>		
			<u>Favorable</u>	<u>Unfavorable</u>	<u>Favorable</u>	<u>Unfavorable</u>	
March 31, 2024							
Financial assets at fair value through profit or loss							
	Equity investments without an active market	Multiplier of price-to-book ratio	5%	2,550	(2,550)	-	-
December 31, 2023							
Financial assets at fair value through profit or loss							
	Equity investments without an active market	Multiplier of price-to-book ratio	5%	2,550	(2,550)	-	-

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(u) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(u) of the consolidated financial statements for the year ended December 31, 2023.

(v) Capital management

Management believes that there were no changes in the Group's approach to the targets, policies and procedures in capital management as disclosed in the consolidated financial statements for the year ended December 31, 2023. Also, they believe that for the three months ended March 31, 2024, there were also no changes in the Group's capital management information. For other related information, please refer to Note 6(v) of the consolidated financial statements for the year ended December 31, 2023.

(7) Related-party transactions

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party and Group during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
Benefit Transport S.A.	Other related party
Pei Lin Investment Corp.	"
Luo Pan Investment Corp.	"
Liang Yu Investment Corp.	"
Fei Yuan Investment Corp.	"
Huo Da Investment Corp.	"
Dancewood Manor Co., Ltd.	"
Da Si Management Consulting Co., Ltd.	"
Kun Lun Construction Co., Ltd.	"
King Chou Investment, Ltd.	"
Kei Jai Investment, Ltd.	"
Chung Ai Investment, Ltd.	"

(b) Significant transactions with related parties

(i) Operating revenue

The amounts of significant sales by the Group to related parties were as follows:

Account	Relationship	For the three months ended March 31	
		2024	2023
Other operating income	Other related party	\$ <u>29</u>	<u>68</u>

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
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Other operating revenue incurred from providing related parties with catering services.

(ii) Operating cost

Relationship	For the three months ended March 31	
	2024	2023
Other related party	\$ 2,099	876

(iii) Receivables from related parties

Account	Relationship	March 31, 2024	December 31, 2023	March 31, 2023
Account receivable	Other related party	\$ 2	23	5

(iv) Payables to related parties

Account	Relationship	March 31, 2024	December 31, 2023	March 31, 2023
Account payable	Other related party	\$ 74	40	98
Other payables- related parties	Other related party	\$ 50	50	50

(v) Other

Account	Relationship	For the three months ended March 31	
		2024	2023
Rental Expense	Other related party	\$ 272	186
Service fee	"	\$ 143	143
Miscellaneous expenses	"	\$ 9	-

(vi) Loans from related parties

Related party name	March 31, 2024	December 31, 2023	March 31, 2023
Pei Lin Investment Corp.	\$ 33,333	33,333	33,333
Huo Da Investment Corp.	33,000	33,000	128,000
	\$ 66,333	66,333	161,333

The interests payable on loans from related parties (classified as other payables to related parties) were \$119 thousand, \$292 thousand and \$290 thousand as of March 31, 2024, December 31 and March 31, 2023, respectively. and the related interest expenses were \$389 thousand and \$1,039 thousand for the three months ended March 31, 2024 and 2023, respectively.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vii) Other transactions with related parties

The Group leased part of the office and received rentals (classified as other income) from related parties based on the contracts. The information were listed as below:

Relationship	For the three months ended	
	March 31	
	2024	2023
Other related party	\$ 17	17

The rental prices offered to related parties are based on the market prices.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended	
	March 31	
	2024	2023
Short-term employee benefits	\$ 2,659	3,062
Post-employment benefits	54	58
	\$ 2,713	3,120

(8) Assets pledged as security:

The carrying amounts of assets pledged as security were as follows:

Assets pledged as security	Liabilities secured by pledge	March 31, 2024	December 31, 2023	March 31, 2023
Other financial assets-current and noncurrent	Bank loans	\$ 440,148	434,555	257,628
Property, plant and equipment	Bank loans	15,460,914	15,395,785	17,027,138
Property, plant and equipment	Bonds payable	92,531	92,531	-
		\$ 15,993,593	15,922,871	17,284,766

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(9) Significant commitments and contingencies

(a) ITF randomly investigated the Group' s subsidiaries, Dong Lien Maritime S.A. Panama, Genius Pescadores S.A.(Panama), Fourseas Pescadores S.A. Panama, Summit Pescadores S.A. Panama, Stamina Pescadores S.A. Panama, Audrey Pescadores S.A. Panama, Moon Bright Shipping Corporation, Federal Pescadores S.A. Panama, Unicorn Brilliant S.A. Panama, Valor Pescadores S.A. Panama, and Modest Pescadores S.A. Panama, wherein they were found to have violated certain local regulations, resulting in the Group to recognize the related provisions as of March 31,2024 due to a possible obligation that may require an outflow of resources of economic benefits. Currently, this case is still under negotiation.Please refer to Note 6(l)for further details.

(b) Vessel purchase and construct contract

For the year ended December 31, 2023, the Group signed a contract to purchase 3 bulk carriers at appropriate separate price of USD \$39,000 thousand, and \$39,000 thousand and \$39,000 thousand, and the Group has separately paid \$ USD \$11,100 thousand, and \$9,675 thousand, and \$19,050 thousand.

(10) Losses due to major disasters: None

(11) Subsequent events: None

(12) Other

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

By item	By function	For the three months ended March 31					
		2024			2023		
		Cost of sale	Operating expense	Total	Cost of sale	Operating expense	Total
Employee benefits							
Salary		196,920	31,068	227,988	246,130	30,934	277,064
Labor and health insurance		1,418	2,679	4,097	1,534	3,248	4,782
Pension		652	1,618	2,270	695	1,599	2,294
Others		26,927	1,702	28,629	27,833	1,576	29,409
Depreciation		331,592	2,153	333,745	366,635	1,197	367,832
Depletion		-	-	-	-	-	-
Amortization		-	416	416	-	373	373

(b) Seasonality of operation

The Group's operations were not affected by seasonality or cyclicity factors.

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	DONG LIEN MARITIME S.A. PANAMA	FOREVER PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	ETERNITY PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	VALOR PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	16,000	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	WISE PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	16,000	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	VIGOR PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	MOON BRIGHT SHIPPING CORPORATION	Other receivables from related parties	Yes	32,000	32,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	FEDERAL PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	48,000	48,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	MODEST PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	48,000	48,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	PENGHU PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	48,000	48,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	SKYHIGH PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	16,000	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	DANCEWOOD PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	16,000	16,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	BRAVE PESCADORES S.A.	Other receivables from related parties	Yes	16,000	16,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	GENIUS PESCADORES S.A. (PANAMA)	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	DONG LIEN MARITIME S.A. PANAMA	SPINNAKER PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	ENDURANCE PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	SUMMIT PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	INDIGO PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	25,600	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	AUDREY PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	16,000	16,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	WONDERFUL PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	16,000	16,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	HUGE PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	25,600	-	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	ELEGANT PESCADORES S.A. (PANAMA)	Other receivables from related parties	Yes	32,000	32,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	FAIR PESCADORES S.A. PANAMA	Other receivables from related parties	Yes	64,000	64,000	64,000	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	FORTUNATE MARITIME S.A. PANAMA	Other receivables from related parties	Yes	32,000	32,000	-	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	The Company	Other receivables from related parties	Yes	1,632,000	1,472,000	1,471,879	-	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	12,650,407	12,650,407
1	DONG LIEN MARITIME S.A. PANAMA	Dancewoods Hotel & Resort	Other receivables from related parties	Yes	416,000	416,000	416,000	2.38 %	Short-term financing	-	Repayments of borrowing and operating capital	-	-	-	3,795,122	5,060,163

Note 1: Limitation of financing was based on 30% of the lending company's net equity on March 31, 2024; if the loan to overseas company whose voting shares are 100% owned directly or indirectly by the lender or lending to parent, the limitation of financing would have been based on 100% of the lending company's net equity on March 31, 2024.

Note 2: Limitation of financing was based on 40% of the lending company's net equity on March 31, 2024, if the loan to overseas company whose voting shares are 100% owned directly or indirectly by the lender or lending to parent, the limitation of financing would have been based on 100% of the lending company's net equity on March 31, 2024.

Note 3: The amounts of the actual borrowings at the end of the period had been eliminated during the preparation of the consolidated financial statements.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The company	DONG LIEN MARITIME S.A. PANAMA	1	9,806,861	935,125	818,393	722,393	-	8.35 %	58,841,166	Yes	No	No
0	The company	ELEGANT PESCADORES S.A. (PANAMA)	1	9,806,861	388,498	365,356	365,356	-	3.73 %	58,841,166	Yes	No	No
0	The company	BRAVE PESCADORES S.A.	1	9,806,861	157,888	143,968	143,968	4,396	1.47 %	58,841,166	Yes	No	No
0	The company	GENIUS PESCADORES S.A. (PANAMA)	1	9,806,861	610,367	595,006	595,006	4,852	6.07 %	58,841,166	Yes	No	No
0	The company	MOON BRIGHT SHIPPING CORPORATION	1	9,806,861	314,353	291,200	291,200	-	2.97 %	58,841,166	Yes	No	No
0	The company	VIGOR PESCADORES S.A. PANAMA	1	9,806,861	119,971	106,971	106,971	-	1.09 %	58,841,166	Yes	No	No
0	The company	FOREVER PESCADORES S.A. PANAMA	1	9,806,861	267,374	250,614	250,614	-	2.56 %	58,841,166	Yes	No	No
0	The company	ETERNITY PESCADORES S.A. PANAMA	1	9,806,861	235,517	215,827	215,827	-	2.20 %	58,841,166	Yes	No	No
0	The company	FEDERAL PESCADORES S.A. PANAMA	1	9,806,861	340,021	313,244	313,244	-	3.19 %	58,841,166	Yes	No	No
0	The company	MODEST PESCADORES S.A. PANAMA	1	9,806,861	592,946	568,876	568,876	-	5.80 %	58,841,166	Yes	No	No
0	The company	PENGHU PESCADORES S.A. PANAMA	1	9,806,861	440,650	415,114	415,114	-	4.23 %	58,841,166	Yes	No	No
0	The company	DANCEWOOD PESCADORES S.A. PANAMA	1	9,806,861	399,643	387,760	387,760	7,482	3.95 %	58,841,166	Yes	No	No
0	The company	SPINNAKER PESCADORES S.A. PANAMA	1	9,806,861	320,632	310,245	310,245	-	3.16 %	58,841,166	Yes	No	No
0	The company	ENDURANCE PESCADORES S.A. PANAMA	1	9,806,861	565,616	551,696	551,696	8,767	5.63 %	58,841,166	Yes	No	No
0	The company	INDIGO PESCADORES S.A. PANAMA	1	9,806,861	426,960	416,160	416,160	-	4.24 %	58,841,166	Yes	No	No
0	The company	AUDREY PESCADORES S.A. PANAMA	1	9,806,861	378,056	367,736	367,736	3,260	3.75 %	58,841,166	Yes	No	No
0	The company	WONDERFUL PESCADORES S.A. PANAMA	1	9,806,861	388,376	378,055	378,055	6,507	3.86 %	58,841,166	Yes	No	No
0	The company	Dancewoods Hotel & Resort	1	9,806,861	2,168,832	2,123,045	2,123,045	-	21.65 %	58,841,166	Yes	No	No

Note 1:1. Subsidiaries in which the Company directly or indirectly holds more than 50% of its total outstanding ordinary shares.

2. The parent company which directly or indirectly holds more than 50% of its voting rights

Note 2:Limit on endorsement/guarantee given to a single entity was 100% of the net equity on March 31, 2024.

Note 3:Limit on endorsement/guarantee given to a single entity was 600% of the net equity on March 31, 2024.

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Securities held as of March 31, 2024 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The company	Convertible bond of Taiwan Kolin Co., Ltd	-	Financial assets at fair value through profit or loss - current	40	-	- %	-	
The company	Wisdom Marine International Inc.	-	"	90,000	5,256	0.01 %	5,256	
The company	Evergreen Marine Co.	-	"	4,000	688	- %	688	
The company	Yulon Motor Co., Ltd.	-	"	45,800	3,119	- %	3,119	
The company	Taiwan Business Bank, Ltd.	-	"	307,200	4,961	- %	4,961	
The company	Energenesis Biomedical Co., Ltd.	-	"	50,000	2,940	0.07 %	2,940	
The company	XS2327851874(F17301) (CHILE 3.504/15/53)	-	"	2,000	4,631	- %	4,631	
The company	Cathay U.S. Treasury 20+ Year Bond ETF	-	"	50,000	1,559	- %	1,559	
The company	Sunny Bank	-	Financial assets at fair value through profit or loss - non-current	5,100,000	51,000	0.15 %	51,000	
Dancewoods Hotel & Resort	Rich super green energy Corporation	-	Financial assets at fair value through profit or loss - current	1,140,000	-	19.00 %	-	
Dancewoods Hotel & Resort	Chang Hwa Commercial Bank, Ltd.	-	"	512	9	- %	9	
Dancewoods Hotel & Resort	Energenesis Biomedical Co., Ltd.	-	"	25,000	1,470	0.02 %	1,470	
Dancewoods Hotel & Resort	Intech Biopharm Co., Ltd.	-	"	60,000	1,665	0.04 %	1,665	
Dancewoods Hotel & Resort	Zyxel Group Corporation	-	"	10,000	467	- %	467	
Dancewoods Hotel & Resort	Unitech Printed Circuit Board Co., Ltd.	-	"	20,000	533	- %	533	

- (iv) Individual securities acquired or disposed with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None
- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None
- (ix) Trading in derivative instruments: None

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The company	Dong Lien Maritime S.A. Panama and subsidiaries	1	Operating revenue	31,466	Receive in net 30-90 days	5%
0	The company	Dong Lien Maritime S.A. Panama and subsidiaries	1	Other revenue	3,790	Receive in net 30-90 days	1%
0	The company	Dancewoods Hotel & Resort	2	Operating revenue	15	Receive in net 30-90 days	-%
0	The company	Dancewoods Hotel & Resort	2	Other receivable to related parties	354	Receive in net 30-90 days	-%
0	The company	Dancewoods Hotel & Resort	2	Other revenue	1,249	Receive in net 30-90 days	-%
0	The company	Fortunate Maritime S.A. Panama	2	Operating revenue	1,193	Receive in net 30-90 days	-%
1	Dancewoods Hotel & Resort	The company	2	Operating revenue	14	Receive in net 30-90 days	-%
2	Dong Lien Maritime S.A. Panama and subsidiaries	The company	1	Other receivable to related parties	1,471,879	Receive in accordance with the agreements	7%
2	Dong Lien Maritime S.A. Panama and subsidiaries	Dancewoods Hotel & Resort	3	Interest revenue	2,195	Receive in net 30-90 days	-%
2	Dong Lien Maritime S.A. Panama and subsidiaries	Dancewoods Hotel & Resort	3	Other receivable to related parties	416,000	Receive in accordance with the agreements	1%

Note 1: Company numbering as follows:

1. Parent company-0
2. Subsidiaries starts from 1

Note 2: The numbering of the relationship between transaction parties as follows:

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

Note 3: The calculation of the ratio of the transaction amount to the consolidated total revenue or total assets, if it is an asset and liability item, is calculated based on the ending balance to the consolidated total assets.

Note 4: The company may decide whether the important transactions in this table need to be presented in accordance with the principle of materiality.

(b) Information on investees:

The following is the information on investees for the three months ended March 31, 2024 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2024	December 31, 2023	Shares (thousands)	Percentage of ownership	Carrying value			
The company	Dong Lien Maritime S.A. Panama	Panama	Cargo shipping services and shipping agency	4,630,809	4,443,406	144,712,775	100.00 %	12,650,407	(111,272)	(111,272)	Subsidiary (Note 1 and 2)
The company	Fortunate Maritime S.A. Panama	Panama	"	282,400	270,972	88,250	100.00 %	546,458	2,136	2,136	"
The company	Dancewoods Hotel & Resort	Taiwan	Resort hotels service and recreational grounds and facilities	1,030,457	1,030,457	41,590,163	51.65 %	195,668	(76,458)	(39,491)	"
The company	Thermolysis Co., Ltd	Taiwan	Pollution prevention equipment manufacturing and retail	65,018	65,018	3,945,454	9.15 %	38,852	(21,384)	(1,935)	Related Party

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SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2024	December 31, 2023	Shares (thousands)	Percentage of ownership	Carrying value			
Dong Lien Maritime S.A. Panama	Audrey Pescadores S.A. Panama	Panama	Cargo shipping services and shipping agency	160,000	153,525	50,000	100.00 %	153,686	224	Exempt from disclosure (Note 3)	Sub-subsidiary (Note 1 and 2)
Dong Lien Maritime S.A. Panama	Brave Pescadores S.A. Panama	Panama	"	368,000	353,108	115,000	100.00 %	404,042	(280)	"	"
Dong Lien Maritime S.A. Panama	Bright Pescadores S.A. Panama	Panama	"	64,000	61,410	20,000	100.00 %	63,893	-	"	"
Dong Lien Maritime S.A. Panama	Brilliant Pescadores S.A. Panama	Panama	"	32,000	30,705	10,000	100.00 %	31,898	-	"	"
Dong Lien Maritime S.A. Panama	Danceflora Pescadores S.A. Panama	Panama	"	352,000	337,755	110,000	100.00 %	389,444	(1,977)	"	"
Dong Lien Maritime S.A. Panama	Dancewood Pescadores S.A. Panama	Panama	"	256,000	245,640	8,000,000	100.00 %	231,418	(6,075)	"	"
Dong Lien Maritime S.A. Panama	Elegant Pescadores S.A. (Panama)	Panama	"	480,000	460,575	150,000	100.00 %	439,807	(15,734)	"	"
Dong Lien Maritime S.A. Panama	Endurance Pescadores S.A. Panama	Panama	"	160,000	153,525	50,000	100.00 %	178,616	(1,239)	"	"
Dong Lien Maritime S.A. Panama	Eternity Pescadores S.A. Panama	Panama	"	400,000	383,813	125,000	100.00 %	358,758	(15,695)	"	"
Dong Lien Maritime S.A. Panama	Excellent Pescadores S.A. (Panama)	Panama	"	64,000	61,410	20,000	100.00 %	64,407	-	"	"
Dong Lien Maritime S.A. Panama	Fair Pescadores S.A. Panama	Panama	"	287,827	276,179	89,946	100.00 %	299,840	(55)	"	"
Dong Lien Maritime S.A. Panama	Federal Pescadores S.A. Panama	Panama	"	448,000	429,870	140,000	100.00 %	419,840	(299)	"	"
Dong Lien Maritime S.A. Panama	Forever Pescadores S.A. Panama	Panama	"	379,840	364,468	118,700	100.00 %	368,170	(4,503)	"	"
Dong Lien Maritime S.A. Panama	Fourseas Pescadores S.A. Panama	Panama	"	320,000	307,050	100,000	100.00 %	408,572	(6,916)	"	"
Dong Lien Maritime S.A. Panama	Gallant Pescadores S.A. Panama	Panama	"	264,784	254,069	82,745	100.00 %	211,053	(12,281)	"	"
Dong Lien Maritime S.A. Panama	Genius Pescadores S.A. (Panama)	Panama	"	320	307	10	100.00 %	126,556	(10,426)	"	"
Dong Lien Maritime S.A. Panama	Glaring Pescadores S.A. Panama	Panama	"	176,000	168,878	55,000	100.00 %	106,009	(1,240)	"	"
Dong Lien Maritime S.A. Panama	Honor Pescadores S.A. Panama	Panama	"	64,000	61,410	20,000	100.00 %	63,971	(269)	"	"
Dong Lien Maritime S.A. Panama	Huge Pescadores S.A. Panama	Panama	"	96,000	92,115	30,000	100.00 %	99,705	34	"	"
Dong Lien Maritime S.A. Panama	Indigo Pescadores S.A. Panama	Panama	"	64,000	61,410	20,000	100.00 %	147,530	(3,995)	"	"
Dong Lien Maritime S.A. Panama	Leader Pescadores S.A. Panama	Panama	"	96,000	92,115	30,000	100.00 %	96,138	-	"	"
Dong Lien Maritime S.A. Panama	Modest Pescadores S.A. Panama	Panama	"	400,000	383,813	125,000	100.00 %	286,568	(12,834)	"	"
Dong Lien Maritime S.A. Panama	Moon Bright Shipping Corporation	Panama	"	464,000	445,223	145,000	100.00 %	357,125	(5,997)	"	"
Dong Lien Maritime S.A. Panama	Patriot Pescadores S.A. Panama	Panama	"	848,000	462,076	265,000	100.00 %	610,181	(254)	"	"
Dong Lien Maritime S.A. Panama	Penghu Pescadores S.A. Panama	Panama	"	640,000	614,100	200,000	100.00 %	561,966	4,948	"	"
Dong Lien Maritime S.A. Panama	Skyhigh Pescadores S.A. Panama	Panama	"	480,000	460,575	150,000	100.00 %	359,834	(4,803)	"	"
Dong Lien Maritime S.A. Panama	Spinnaker Pescadores S.A. Panama	Panama	"	224,000	214,935	70,000	100.00 %	226,094	3,028	"	"
Dong Lien Maritime S.A. Panama	Stamina Pescadores S.A. Panama	Panama	"	304,000	291,698	95,000	100.00 %	192,508	461	"	"

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note
				March 31, 2024	December 31, 2023	Shares (thousands)	Percentage of ownership	Carrying value			
Dong Lien Maritime S.A. Panama	Summit Pescadores S.A. Panama	Panama	Cargo shipping services and shipping agency	96,000	92,115	30,000	100.00 %	436,352	7,686	Exempt from disclosure (Note 3)	Sub-subsidiary (Note 1 and 2)
Dong Lien Maritime S.A. Panama	Superior Pescadores S.A. Panama	Panama	"	80,000	76,763	25,000	100.00 %	79,895	-	"	"
Dong Lien Maritime S.A. Panama	Trump Pescadores S.A. Panama	Panama	"	192,000	184,230	60,000	100.00 %	201,589	(44)	"	"
Dong Lien Maritime S.A. Panama	Unicorn Brilliant S.A. Panama	Panama	"	933,818	896,027	291,818	100.00 %	929,685	(13,671)	"	"
Dong Lien Maritime S.A. Panama	Valor Pescadores S.A. Panama	Panama	"	153,600	92,115	48,000	100.00 %	303,598	56	"	"
Dong Lien Maritime S.A. Panama	Vigor Pescadores S.A. Panama	Panama	"	174,400	167,342	54,500	100.00 %	306,186	(9,292)	"	"
Dong Lien Maritime S.A. Panama	Wise Pescadores S.A. Panama	Panama	"	415,686	398,864	129,902	100.00 %	252,139	(5,259)	"	"
Dong Lien Maritime S.A. Panama	Wonderful Pescadores S.A. Panama	Panama	"	160,000	153,525	50,000	100.00 %	161,990	(3,147)	"	"

Note 1: It is calculated based on financial statements reviewed by an accountant.

Note 2: In preparing the consolidated financial statements, the transactions have been eliminated.

Note 3: The profit or loss of the investee company is already included in its investment company and will not be expressed separately herein for the avoidance of confusion.

(c) Information on investment in mainland China: None

(d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
Luo Pan Investment Corp.		32,910,027	8.45 %

(Continued)

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information:

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

	<u>Shipping segment</u>	<u>Tourism segment</u>	<u>Adjustment and eliminations</u>	<u>Total</u>
<u>For the Three Months Ended March 31, 2024</u>				
Revenue:				
Revenue from external customers	\$ 740,651	44,544	-	785,195
Intersegment revenues	<u>15</u>	<u>14</u>	<u>(29)</u>	<u>-</u>
Total revenue	<u>\$ 740,666</u>	<u>44,558</u>	<u>(29)</u>	<u>785,195</u>
Reportable segment profit or loss	<u>\$ (182,921)</u>	<u>(79,919)</u>	<u>-</u>	<u>(262,840)</u>
<u>For the Three Months Ended March 31, 2023</u>				
Revenue:				
Revenue from external customers	\$ 799,704	63,189	-	862,893
Intersegment revenues	<u>15</u>	<u>28</u>	<u>(43)</u>	<u>-</u>
Total revenue	<u>\$ 799,719</u>	<u>63,217</u>	<u>(43)</u>	<u>862,893</u>
Reportable segment profit or loss	<u>\$ (176,345)</u>	<u>(22,463)</u>	<u>-</u>	<u>(198,808)</u>