

Handbook for the 2025 Annual Meeting of Shareholders

TWSE : 5608

Time: June 25, 2025

**Venue: Conference Room CC+DD, Primasia Conference & Business Center
15F., No. 99, Fusing N. Rd, Taipei City, Taiwan**

***In the event of discrepancies between the English and Chinese versions, the Chinese version shall prevail.**

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I. Agenda

Shih Wei Navigation Co., Ltd. 2025 Shareholders' Meeting Agenda

Time: 9:00 A.M. (Wednesday) June 25, 2025

Meeting type: Video-conferencing assisted shareholders meeting

(physical shareholders meeting supported by video conferencing)

Venue: Conference Room CC+DD, Primasia Conference & Business Center

Address: 15F., No. 99, Fusing N. Road, Taipei, Taiwan

Virtual meeting platform: Taiwan Depository & Clearing Corporation Stockvote Platform (website: <https://www.stockvote.com.tw/>)

Meeting called to order: (announce respective number of shares held by shareholders present)

Chairperson's remarks:

I. Reports on Company Affairs

(I) 2024 business report

(II) Report by Audit Committee on review of the 2024 Financial Statements

(III) Report on the 2024 distribution of remuneration to employees and directors

(IV) Report on remuneration paid during 2024 to directors

(V) Report on the issue of the 7th domestic secured convertible bonds

(VI) Report on the amendment for Ethical Management and Guidelines for Conduct for the Company

II. Matters for Ratification

(I) Ratification of the 2024 Business Report and Financial Statements

(II) Adoption of the Proposal for 2024 Deficit Compensation Statement

III. Matters for Discussion

(I) Amendment to the "Articles of Incorporation"

(II) Amendment to the "Procedures for Election of Directors"

IV. Extraordinary Motions

V. Adjournment

II. Management Presentations (Reports on Company Affairs)

(I) 2024 business report

Shih Wei Navigation Co., Ltd. 2024 Business Report

Foreword

The International Monetary Fund (IMF) stated in its January "World Economic Outlook Report" that the global economic growth forecast for 2024 and 2025 is both 3.3%. Meanwhile, the World Bank estimated the global economic growth forecast for the same years to be 2.7%. In 2024, financial conditions were eased with the United States reducing interest rates three times, ending the year at 4.25~4.5%. China's economic recovery remains uncertain, weighed down by challenges in the real estate sector and weak domestic demand. Geopolitical risks have escalated ranging from the Russia-Ukraine conflict to the threats posed by the Houthi group to passing vessels leading to the Red Sea crisis, and instability in the Middle East. Countries have intervened trade activities through political policy, resulting in a subdued global economic performance. To meet the International Maritime Organization (IMO) carbon reduction targets for each stage, operating costs for shipping industry have increased. High interest rates are also reflected in the cost of capital. The shipping industry is facing a rapidly changing and unpredictable global environment.

The Baltic Dry Index (BDI) saw a slight increase in the first half of 2024. China's stimulus for infrastructure, the rise in coal shipping from Indonesia to China and India, along with iron ore exporting largely from India contributed to BDI increasing up to the highest point of the year 2,419 in March. Due to drought-induced lower water levels, congestion in the Panama Canal disrupted shipping, reaching its peak in January. However, with the arrival of the rainy season and rising water levels, restrictions on the Panama Canal have eased. The situation turned down in Q2. The loose Chinese monetary policy provided temporary stimulus for recovery. However, fiscal policies still lacked the strength to rescue domestic demand and promotion of economic activities. United States election created uncertainty and the usual vigorous peak season which everyone expected for in Q4 did not materialize, leading to no stimulation to the market. The weak demand of steel in China further pressured the market. The data from the World Steel Association indicated that production in 2024 was significantly lower than in 2023, with expectations for a continued downward trend in 2025. The BDI reached the lowest 976 in early

December, continuing into a sluggish start for 2025. The average BDI for 2024 was 1,755, slightly higher than the 1,373 average for 2023.

According to the SSY market report, as of the end of 2024, there were a total of 13,044 dry bulk vessels (deadweight >10,000), an increase of 468 vessels compared to 2023, with total capacity rising by 30.55 million tons. The total amount of scrapped tonnage was 3.53 million tons. In February 2025, Clarksons reported that the dry bulk fleet capacity in 2024 increased by approximately 3%, with Capesize rising by 2%, Panamax by 3%, Handymax by 4%, and Handy vessels by 3%. Dry bulk transportation volume reached a record high in 2024, with reduced Panama Canal traffic leading to rerouting. The escalation of attacks by Houthi militants on ships in the Gulf of Aden increased the need for detours, resulting in higher ton-mile demand. Overall, the dry bulk market in 2024 saw a growth in cargo volume of approximately 3.4%, influenced by various factors.

Business Performance

As of the end of February 2025, our Company and its wholly-owned Panamanian subsidiaries run a fleet of 26 self-owned vessels, consisting of 1 coastal passenger vessel (GRT 98), 1 MPP, 16 Handysize, 2 Supermax, 3 Ultramax, 2 Panamax, and 1 Kamsarmax. The average age of the fleet is approximately 11 years, with a total deadweight of about 1.05 million. After the delivery of a new building (Ultramax) in June 2024, we expect to take two new buildings (Ultramax) in the next two years.

In response to the IMO's medium-term measures to reduce greenhouse gas emissions, regional regulations such as the EU Emissions Trading System (EU ETS) came into effect on January 1, 2024, and the FuelEU Maritime regulation entered into force on January 1, 2025. Facing increasingly stringent regulations, the Company has adopted silicone-based or high-efficiency anti-fouling paints, installed energy-saving and emission-reducing devices, as well as utilized big data analytics to manage operational information and improve fuel efficiency, leading to an increase in overall capital expenditure.

Persistent inflation and interest rate pressures throughout 2024, combined with geopolitical

tensions, the prolonged Russia-Ukraine war, threats from the Houthi armed group, the resurgence of Somali piracy, and the slowdown of China's economy, have negatively impacted business performance. In addition, increased costs stemming from regulatory compliance, extreme climate events, cybersecurity risks, and labor shortages further added to the challenges. Through effective cost management and active fleet renewal, the Company successfully improved its gross margin.

Future Perspectives

The International Monetary Fund (IMF) stated in its January "World Economic Outlook" that global economic growth in 2025 is expected to reach 3.3%. While global economic growth is expected to remain stable, it still falls short of the historical average of 3.7% (from 2000 to 2019). However, geopolitical developments remain unpredictable, and protectionism is on the rise. The United States, leveraging its influence on the global economy, has frequently made new declarations that disrupt market trends—such as initiating tariff wars through trade barriers, withdrawing from the Paris Agreement, and loosening energy regulations—contributing to global economic uncertainty.

The implementation of the ceasefire agreement between Israel and Hamas will determine the restoration of shipping routes in the Red Sea and Gulf of Aden. As the Russia-Ukraine conflict extends beyond three years, it's hoped its conclusion is able to open the opportunities for reconstruction which is waited for long.

BIMCO forecasts dry bulk demand to grow between 0.5% and 1.5% in 2025, while tonnage supply is expected to increase by 3%. CII is expected to slow down vessel speeds and reduce turnover. Increasingly strict environmental regulations and lower freight rates are accelerating the scrapping of older tonnages. With persistently high newbuilding prices and limited shipyard slots, new deliveries are expected to remain constrained. Even no price correction is expected in the short term. In the face of ongoing challenges, the Company remains committed to stable operations in 2025.

I would like to extend our sincere gratitude to all the shareholders of Shih Wei Navigation Co., Ltd. for your continued support and encouragement over the years. Moving forward, we remain

committed to maintaining a high level of diligence and dedication, enhancing the quality of our existing fleet, and integrating new buildings. At the same time, we will continue to monitor the trends of alternative green energies and new technologies to ensure compliance with evolving regulations. While effectively controlling costs, we will also focus on aligning with customer needs, leveraging our resilience and flexibility to navigate a rapidly changing market and operational environment. We will remain vigilant, ready to seize emerging opportunities, create new value, and strengthen our corporate governance to ensure sustainable development. Thank you again for your continued support and we wish all of you good health and prosperity.

Chairwoman & President, Shin-Chyi Lan

Principal Accounting Officer, Fang-Yi Lin

(II) Report by Audit Committee on review of the 2024 financial statements

Shih Wei Navigation Co., Ltd.

Audit Committee's Report

The Board of Directors has prepared and submitted the 2024 financial statements, of which the financial statements have been audited by the CPAs Tseng, Kuo-Yang and Chih, Shih-Chin of KPMG, Taiwan and an Audit Report has been submitted. These have been reviewed by the Audit Committee as correctly portraying the Company's business activities. In accordance with Article 14-4 of the Securities and Exchange Act, this report is submitted for shareholder's examination.

To:

The Company's 2025 General Shareholders' Meeting

Convener of the Audit Committee (Acting): Shann, Shu-Jiun

February 25, 2025

Shih Wei Navigation Co., Ltd.

Audit Committee's Report

The Board of Directors has prepared and submitted the 2024 business report, and proposal for deficit compensation statement. These have been reviewed by the Audit Committee as correctly portraying the Company's business activities. In accordance with Article 219 of the Company Act, this report is submitted for shareholder's examination.

To:

The Company's 2025 General Shareholders' Meeting

Convener of the Audit Committee: Chou, Chen-Shing

March 25, 2025

(III) Report on the 2024 distribution of remuneration to employees and directors

- I. According to Article 32 of the Articles of Incorporation, should the Company make a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration.
- II. The Company had a net loss before tax in 2024 and therefore does not distribute remuneration to employees nor Directors.

(IV) Report on remuneration paid during 2024 to directors

- I. The Company's 2024 director remuneration policy, individual remuneration details, amount, and association with outcomes of performance reviews are reported to the shareholders' meeting report in accordance with Article 10-1 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".
- II. The Company's Directors' remuneration policy adheres to Article 30 of the Company's Articles of Incorporation. The remuneration for directors is authorized by the Board of Directors and determined based on the extent of their participation in, and the value of their contribution to, the Company's operations, with reference to industry standards. Furthermore, in accordance with the Company's "Compensation Guidelines for Board Directors and Managers," the compensation for individual directors is determined based on the value of their degree of contribution to the Company's operations.
- III. Details on the remuneration for directors in 2024 are as follows:

Title	Name	Remuneration of Directors								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Remuneration (A)		Severance Pay and Pension (B)		Remuneration of Director (C) (Note 1)		Business Expenses (D)				Salary, Bonuses, and Allowances (E) (Note 2)		Severance Pay and Pension (F) (Note 3)		Remuneration of Employees (G) (Note 4)						
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
Cash	Stock															Cash	Stock					
Chairperson	Luo Pan Investment Corp.	3,000	3,000	0	0	0	0	0	0	3,000	3,000	0	0	0	0	0	0	0	0	3,000	3,000	None
										(1.1142)	(1.1142)									(1.1142)	(1.1142)	
	Representative: Lan, Shin-Chyi	3,453	3,453	0	0	0	0	50	50	3,503	3,503	0	0	0	0	0	0	0	0	3,503	3,503	None
										(1.3010)	(1.3010)									(1.3010)	(1.3010)	
Director	Luo Pan Investment Corp.	1,000	1,000	0	0	0	0	0	0	1,000	1,000	0	0	0	0	0	0	0	0	1,000	1,000	None
										(0.3714)	(0.3714)									(0.3714)	(0.3714)	
	Representative Lan,Shin-Ying	0	0	0	0	0	0	30	30	30	30	0	0	0	0	0	0	0	0	30	30	None
										(0.0111)	(0.0111)									(0.0111)	(0.0111)	
Director	Kuo, Chen-Yu	1,000	1,000	0	0	0	0	50	50	1,050	1,050	0	0	0	0	0	0	0	0	1,050	1,050	None
										(0.3900)	(0.3900)									(0.3900)	(0.3900)	
Independent Director	Chou, Chen-Shing	1,120	1,120	0	0	0	0	80	80	1,200	1,200	0	0	0	0	0	0	0	0	1,200	1,200	None
										(0.4457)	(0.4457)									(0.4457)	(0.4457)	
Independent Director	Shann, Shu-Jiun	1,120	1,120	0	0	0	0	72	72	1,192	1,192	0	0	0	0	0	0	0	0	1,192	1,192	None
										(0.4427)	(0.4427)									(0.4427)	(0.4427)	
Independent Director	Chang, Tsang-Yao	1,120	1,120	0	0	0	0	74	74	1,194	1,194	0	0	0	0	0	0	0	0	1,194	1,194	None
										(0.4434)	(0.4434)									(0.4434)	(0.4434)	
Independent Director	Ding, Yun-Kai	1,120	1,120	0	0	0	0	74	74	1,194	1,194	0	0	0	0	0	0	0	0	1,194	1,194	None
										(0.4434)	(0.4434)									(0.4434)	(0.4434)	

1. Please describe the policy, system, standards and structure of the remuneration packages of the Independent Directors and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment: The Company had a pre-tax net loss of NT\$294,192 thousand in 2024 and therefore does not distribute remuneration to Directors. In accordance with the "Regulations on Directors' and Managers' Salaries and Benefits" of the company, independent directors shall be paid an annual salary of NT\$1,000 thousand, irrespective of business profit or loss, based on their degree of participation in the company's operations and their contribution value. Additionally, considering that independent directors concurrently serve as members of the Audit Committee, the Remuneration Committee and the Sustainable Development Committee, they are each paid a monthly stipend of NT\$10 thousand. The remuneration of independent directors is deliberated by the Remuneration Committee and submitted to the Board of Directors for approval.

2. Except as disclosed above, remuneration received by directors in the latest year for on-balance sheet services (e.g., acting as a non-employee consultant) rendered to the Company: None

Remarks: The remuneration of Directors of the Company includes the transportation allowance for each attendance in meetings of the Board of Directors. The Company also considers its annual business performance and the annual self-assessment of Directors' performance to determine the adjustments of the remuneration.

Note 1: On Feb 25, 2025, the Board of Directors approved the Company had a net loss before tax in 2024 and therefore does not distribute remuneration to Directors.

Note 2: All payments to Directors who are also employees of the Company (including the position of President, Vice President, other management personnel and staff), including salary, additional pay, severance pay, bonuses, incentive payments, transportation, special allowance, other allowances, housing, and company car. Where housing, car and other forms of transport, or personal allowances are provided, the nature and cost of assets provided should be disclosed and the rent, gas, and other expenses be paid as incurred or at fair market price. Where a driver is also provided, it should be specified in the notes that the Company pays compensation to the driver but does not include the amount in remuneration. From February 16, 2022 the Company provided a car for the Chairperson of the Board at a cost of NT\$2,250 thousand, depreciation expense NT\$375 thousand per year and 2023 fuel cost of NT\$10 thousand.

Note 3: It refers to the amount appropriated in the most recent year.

Note 4: On March 25, 2025, the Board of Directors approved not distribute remuneration Directors.

Note 5: 2024 net loss after tax: NT\$ 269,253 thousand.

(V) Report on the issue of the 7th domestic secured convertible bonds

The Company's 7th domestic secured convertible bonds have a total face value of NT\$600 million, with each bond having a face value of NT\$100,000. The bonds are issued at 102.44% of the face value, with the issuance date set for December 17, 2024. They will be listed for over-the-counter trading and will mature three years from the issuance date. The bonds have a coupon rate of 0%, and the conversion price at the time of issuance is NT\$19.30 per share.

(VI) Report on the amendment for Ethical Management and Guidelines for Conduct for the Company

- I. Considering the practical operational requirements, it is proposed to amend the Ethical Management and Guidelines for Conduct for the Company.
- II. The comparison table of amended articles is as follows:

After amendment	Before amendment	Explanation of the amendment
Article 25 (Handling of unethical conduct by company personnel) As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a whistleblowing reward depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. The Company has established and publicly announced the internal independent whistleblowing mailbox legal@swnav.com.tw for use by insiders and outsiders of the Company. A whistleblower shall at least furnish the following information: I. The whistleblower's name and I.D. number and an address, telephone number	Article 25 (Handling of unethical conduct by company personnel) As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a whistleblowing reward depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. The Company has established and publicly announced the internal independent whistleblowing mailbox legal@swnav.com.tw for use by insiders and outsiders of the Company. A whistleblower shall at least furnish the following information: I. The whistleblower's name and I.D. number <u>(whistleblowing reports may</u>	In consideration of emphasizing that whistleblowers should be held accountable for the matters they report, and to prevent incomplete information or misuse of the system resulting from anonymous reports, as well as to uphold the fairness and effectiveness of the integrity mechanism, this provision has been revised.

<p>and e-mail address where it can be reached. <u>If the whistleblower does not provide a name or the aforementioned information, the Company may refuse to accept the report. However, if the whistleblowing content is anonymous but deemed necessary for investigation by the responsible department of the Company, it may still be processed and handled accordingly, and will be considered as a reference for internal review.</u></p> <p>II. The informed party's name or other information sufficient to distinguish its identifying features.</p> <p>III. Specific facts available for investigation. (The remainder is omitted.)</p>	<p><u>be submitted anonymously</u>), and an address, telephone number and e-mail address where it can be reached.</p> <p>II. The informed party's name or other information sufficient to distinguish its identifying features.</p> <p>III. Specific facts available for investigation. (The remainder is omitted.)</p>	
<p>Article 29 Date of establishment on December 29, 2014. The 1st amendment was on May 12, 2016. The 2nd amendment was on March 30, 2017. The 3rd amendment was on March 26, 2020. <u>The 4th amendment was on May 6, 2025.</u></p>	<p>Article 29 Date of establishment: <u>Passed by the Board of Directors on</u> December 29, 2014 The 1st amendment was <u>passed by the Board of Directors on</u> May 12, 2016 The 2nd amendment was <u>passed by the Board of Directors on</u> March 30, 2017 The 3rd amendment was <u>passed by the Board of Directors on</u> March 26, 2020.</p>	<p>This article is newly added and includes the revision date.</p>

III. Matters for Ratification

Item 1 Proposed by the Board

Proposal: Ratification of the 2024 Business Report and Financial Statements.

Explanation: The Company's Financial Statements and Consolidated Financial Statements for 2024 (including the Balance Sheet, Consolidated Income Statement, Statement of Changes in Equity, and Cash Flow Statement) have been audited by the Tseng, Kuo-Yang and Chih, Shih-Chin of KPMG, Taiwan. They were submitted along with the business report to the Audit Committee for review and are hereby filed for ratification.
(Please refer to pages 13 to 28).

Resolution:



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KPMG

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Independent Auditors' Report

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

Opinion

We have audited the financial statements of Shih Wei Navigation Co., Ltd. ("the Company"), which comprise the balance sheet as of December 31, 2024 and 2023, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Cut-off of Revenue Recognition from Subsidiaries Accounted for Using the Equity Method

Please refer to notes 4(k) to the financial statements for the accounting principles on the recognition of revenues.

Description of the key audit matter:

As the cut-off of revenue recognition from subsidiaries accounted for using the equity method of the Company involves manual operations and is subject to judgment, and the amount of revenue is material, we considered the cut-off of revenue recognition from subsidiaries accounted for using the equity method as the key audit matter.

How the matter was addressed in our audit:

- According to the understanding of the design and implementation of the internal controls related to the rental revenue recognition from subsidiaries accounted for using the equity method, we designed the audit procedures of the existence of rental revenue to evaluate the operating effectiveness of these internal controls.
- We performed a test of details of rental revenues by inspecting the accounting records and external supporting documents to verify the correctness of sales amounts and the situation of collection.
- We performed confirmation procedures of rental agreement to verify the existence of the charterers and the sales terms.
- We execute sale cut-off tests for a certain period before and after the balance sheet date to check the correctness of the timing of the revenue recognition.

2. Impairment assessment of property, plant and equipment from Subsidiaries Accounted for Using the Equity Method

Please refer to notes 4(J) to the financial statements for the accounting policy on impairment of non-financial assets.

Description of the key audit matter:

The Company is mainly engaged in the shipping and tourism industry, wherein the shipping business is affected by the global economic situation and fierce competition within its market, creating an impact on the company's operating performance on tourism industry to continue to suffer losses, which may result in a risk of asset impairment.

The management's subjective judgment on numerous assumptions and estimates used in the asset impairment assessment process is highly uncertain, which may lead in the estimation results to have a significant impact on the consolidated financial statement. Hence, impairment assessment has been considered as one of our key audit matters.

How the matter was addressed in our audit:

- Obtaining the impairment evaluation report of each CGU provided by the management, inspecting the accuracy of information from internal and external sources, and evaluating the management's reasonableness in identifying impairment.
- Evaluating the assumptions used by the management when conducting impairment testing, including whether the classification of CGU, cash flow forecasts, and discount rates, are appropriate, as well as checking the setting of the evaluation model calculation formula.
- Analyzing the recoverable amount using a third-party expert evaluation report, reviewing the reasonableness of relevant assumptions, and assessing the qualifications and independence of the experts.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2025

Notes to Readers

The accompanying parent company only financial statements are intended only to present the 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 audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

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

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(a))	\$ 374,912	2	312,253	2	2100	Short-term borrowings (Note 6(g))	\$ 500,000	4	500,000	4
1110	Current financial assets at fair value through profit or loss (Note 6(b))	26,612	-	23,931	-	2170	Accounts payable	5	-	-	-
1170	Accounts receivable, net	20	-	-	-	2219	Other payables, others	44,093	-	40,774	-
1210	Other receivables related parties, net (Note 7)	216	-	181	-	2220	Other payables to related parties (Note 7)	2,737,826	18	2,178,078	16
1220	Current tax assets	1,835	-	-	-	2230	Current tax liabilities	-	-	115,029	1
1476	Other current financial assets (Note 6(f))	309,960	2	223,230	2	2280	(note)	424	-	-	-
1479	Other current assets, others	<u>5,653</u>	-	<u>4,625</u>	-	2322	Long-term borrowings, current portion (Note 6(h))	120,000	1	120,000	1
		<u>719,208</u>	<u>4</u>	<u>564,220</u>	<u>4</u>	2399	Other current liabilities, others	<u>1,016</u>	-	<u>907</u>	-
Non-current assets:								<u>3,403,364</u>	<u>23</u>	<u>2,954,788</u>	<u>22</u>
1510	Total non-current financial assets at fair value through profit or loss (Note 6(c))	73,025	-	51,000	-	Non-Current liabilities:					
1550	Investments accounted for using equity method, net (Note 6(c) and (d))	13,838,772	90	13,045,308	94	2540	long-term borrowings (Note 6(h))	180,000	1	300,000	2
1600	Total property, plant and equipment(Note 6(e))	101,685	1	99,195	1	2570	Deferred tax liabilities (Note 6(k))	709,768	5	716,018	5
1755	Right-of-use assets	883	-	-	-	2531	Bonds payable (Note 6(i))	1,051,605	7	477,974	3
1840	Deferred tax assets (Note 6(k))	21,268	-	3,635	-	2580	Lease liability- non current	<u>466</u>	-	<u>-</u>	-
1960	prepayments for investments (Note 6(c))	600,094	4	-	-		Total liabilities	<u>1,941,839</u>	<u>13</u>	<u>1,493,992</u>	<u>10</u>
1980	Other non-current financial assets (Note 6(f))	54,000	1	123,577	1		Equity attributable to owners of parent: (Note 6(k))	<u>5,345,203</u>	<u>36</u>	<u>4,448,780</u>	<u>32</u>
1990	Other non-current assets, others(Note(k))	<u>47,972</u>	-	<u>45,513</u>	-	Share capital:					
		14,737,699	96	13,368,228	96	3110	Ordinary shares	3,892,716	25	3,892,716	28
						3200	Capital surplus	3,305,627	21	3,267,784	23
						Retained earnings:					
						3310	Legal reserve	460,228	3	460,228	3
						3320	Special reserve	62,286	-	43,174	-
						3350	Unappropriated retained earnings (accumulated deficit)	<u>1,586,995</u>	<u>10</u>	<u>1,882,052</u>	<u>14</u>
								<u>2,109,509</u>	<u>13</u>	<u>2,385,454</u>	<u>17</u>
						3400	Total other equity interest	<u>803,852</u>	<u>5</u>	<u>(62,286)</u>	-
							Total equity	<u>10,111,704</u>	<u>64</u>	<u>9,483,668</u>	<u>68</u>
Total assets		<u>\$ 15,456,907</u>	<u>100</u>	<u>13,932,448</u>	<u>100</u>		Total liabilities and equity	<u>\$ 15,456,907</u>	<u>100</u>	<u>13,932,448</u>	<u>100</u>

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		Amount	%	Amount	%
	Operating Revenues:				
4300	Total rental revenue	\$ 112	-	-	-
4600	Total service revenue	157,151	100	170,185	100
	Operating revenue, net	157,263	100	170,185	100
5000	Total operating costs	5,413	3	4,276	3
	Gross profit (loss) from operations	151,850	97	165,909	97
6200	Total administrative expenses (Note 6(j) and (n))	140,979	90	153,964	90
	Net operating income (loss)	10,871	7	11,945	7
	Non-operating income and expenses (Note 6(h)):				
7100	Interest income	21,997	14	8,025	5
7190	Other income, others	19,100	12	22,867	13
7225	Gains on disposals of investments	332	-	1,669	1
7230	Foreign exchange gains	(127,357)	(81)	17,691	10
7210	Gains on disposals of property, plant and equipment	-	-	435	-
7235	Gains (losses) on financial assets at fair value through profit or loss	826	1	(2,130)	(1)
7375	Share of profit (losses) of associates and joint ventures accounted for using equity method	(191,912)	(122)	(438,426)	(258)
7590	Miscellaneous disbursements	(86)	-	(101)	-
7510	Interest expense	(27,963)	(18)	(19,693)	(12)
	Total non-operating income and expenses	(305,063)	(194)	(409,663)	(242)
	Profit (loss) from continuing operations before tax	(294,192)	(187)	(397,718)	(235)
7950	Less: Income tax (profit) expenses (Note 6(k))	(24,939)	(16)	78,282	46
	Profit (loss)	(269,253)	(171)	(476,000)	(281)
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	2,354	1	(1,731)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	470	-	(346)	-
		1,884	1	(1,385)	(1)
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	866,138	551	(19,112)	(11)
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	866,138	551	(19,112)	(11)
8300	Other comprehensive income	868,022	552	(20,497)	(12)
	Total comprehensive income	\$ 598,769	381	(496,497)	(293)
	Basic earnings per share				
	Basic earnings per share (Note 6(m))	\$ (0.69)		(1.26)	
	Diluted earnings per share (Note 6(m))	\$ (0.69)		(1.26)	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings				Exchange differences on translation of foreign financial statements	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings		
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
Profit (loss) for the year months ended December 31, 2023	-	-	-	-	(476,000)	(476,000)	-	(476,000)
Other comprehensive income for the year months ended December 31, 2023	-	-	-	-	(1,385)	(1,385)	(19,112)	(20,497)
Comprehensive income for the year months ended December 31, 2023	-	-	-	-	(477,385)	(477,385)	(19,112)	(496,497)
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	203,048	-	(203,048)	-	-	-
Special reserve appropriated	-	-	-	(1,099,898)	1,099,898	-	-	-
Cash dividends of ordinary share	-	-	-	-	(553,901)	(553,901)	-	(553,901)
Due to recognition of equity component of convertible bonds (preference share) issued	-	61,636	-	-	-	-	-	61,636
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(14,835)	(14,835)	-	(14,835)
Capital increase by cash	200,000	160,000	-	-	-	-	-	360,000
Conversion of convertible bonds	45	51	-	-	-	-	-	96
Changes in ownership interests in subsidiaries	-	(304)	-	-	-	-	-	(304)
Share-based payment transactions	-	1,511	-	-	-	-	-	1,511
Balance at December 31, 2023	3,892,716	3,267,784	460,228	43,174	1,882,052	2,385,454	(62,286)	9,483,668
Profit (loss) for the year months ended December 31, 2024	-	-	-	-	(269,253)	(269,253)	-	(269,253)
Other comprehensive income for the year months ended December 31, 2024	-	-	-	-	1,884	1,884	866,138	868,022
Comprehensive income for the year months ended December 31, 2024	-	-	-	-	(267,369)	(267,369)	866,138	598,769
Appropriation and distribution of retained earnings:								
Special reserve	-	-	-	19,112	(19,112)	-	-	-
Due to recognition of equity component of convertible bonds (preference share) issued	-	45,503	-	-	-	-	-	45,503
Changes in ownership interests in subsidiaries	-	(7,660)	-	-	(8,576)	(8,576)	-	(16,236)
Balance at December 31, 2024	\$ 3,892,716	3,305,627	460,228	62,286	1,586,995	2,109,509	803,852	10,111,704

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

SHIH WEI NAVIGATION CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Loss before tax	\$ (294,192)	(397,718)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	3,323	1,973
Amortization expenses	1,588	1,494
Net losses on financial assets or liabilities at fair value through profit or loss	(826)	2,130
Interest expenses	27,963	19,693
Interest income	(21,997)	(8,025)
Dividend income	(2,119)	(929)
Share-based payments transactions	-	1,511
Shares of losses of associates and joint ventures accounted for using equity method	191,912	438,426
Gains on disposal of property, plant and equipment	-	(435)
Total adjustments to reconcile profit	<u>199,844</u>	<u>455,838</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) in financial assets mandatorily classified as at fair value through profit or loss	(23,880)	(66,958)
(Increase) decrease in other receivable due from related parties	(35)	35
(Increase) in other current assets	(1,732)	(2,690)
Changes in operating liabilities:		
Increase (decrease) in accounts payable	5	(19)
Increase (decrease) in other payables	3,526	(55,791)
Increase (decrease) in other payable to related parties	70,656	(53,763)
Increase in other current liabilities	109	62
(Decrease) in net defined benefit liabilities	(1,033)	(1,025)
Cash inflow generated from operations	(46,732)	(122,029)
Interest received	21,997	8,025
Interest paid	(18,930)	(14,554)
Income taxes paid	(116,278)	(233,822)
Net cash flows from operating activities	<u>(159,943)</u>	<u>(362,380)</u>
Cash flows from (used in) investing activities:		
Investment in subsidiaries	(733,794)	(1,316,366)
Proceeds from capital reduction of investments accounted for using equity method	(18,122)	(35,019)
Acquisition of non-current assets classified as held for sale	-	349,415
Acquisition of property, plant and equipment	(5,424)	(1,588)
Proceeds from disposal of property, plant and equipment	-	1,381
Decrease (increase) in refundable deposits	24	(324)
(Increase) in other financial assets	(17,153)	(154,815)
Dividends received	18,467	785,591
Net cash flows from investing activities	<u>(756,002)</u>	<u>(371,725)</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	-	62,000
Proceeds from issuing bonds	609,919	534,550
Proceeds from long-term debt	-	630,000
Repayments of long-term debt	(120,000)	(645,944)
Increase in other payables to related parties	489,092	337,580
Payments of lease liabilities	(407)	-
Cash dividends paid	-	(553,901)
Proceeds from issuing shares	-	360,000
Net cash flows used in financing activities	<u>978,604</u>	<u>724,285</u>
Net (decrease) increase in cash and cash equivalents	62,659	(9,820)
Cash and cash equivalents at beginning of period	312,253	322,073
Cash and cash equivalents at end of period	<u><u>\$ 374,912</u></u>	<u><u>312,253</u></u>

See accompanying notes to parent company only financial statements.



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

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

Opinion

We have audited the consolidated financial statements of Shih Wei Navigation Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2024 and 2023, the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to notes 4(n) to the consolidated financial statements for the accounting policy on revenue recognition and notes 4(r) for descriptions of revenue recognition.

As the cut-off of revenue recognition of the Group involves manual operations and is subject to judgment, and the amount of revenue is material, we considered the cut-off of revenue recognition as the key audit matter.

How the matter was addressed in our audit:

- According to the understanding of the design and implementation of the internal controls related to the rental revenue recognition, we designed the audit procedures of the existence of rental revenue to evaluated the operating effectiveness of these internal controls.
- We performed a test of details of rental revenues by inspecting the accounting records and external supporting documents to verify the correctness of sales amounts and the situation of collection.
- We performed confirmation procedures of rental agreement to verify the existence of the charterers and the sales terms.
- We execute sale cut-off tests for a certain period before and after the balance sheet date to check the correctness of the timing of the revenue recognition.

2. Impairment assessment of property, plant and equipment

Please refer to notes 4(1) to the consolidated financial statement for the accounting policy on impairment of non-financial assets.

The Group's main business items are shipping and tourism business. The shipping industry is affected by the global economic situation and fierce competition in the shipping market. The operating performance of the tourism industry continues to suffer losses, so there is a risk of asset impairment.

Numerous assumptions and estimates used in the asset impairment assessment process, which involves management's subjective judgment and is highly uncertain. The estimation results have a significant impact on the consolidated financial statement, so we considered impairment assessment as the key audit matter.

How the matter was addressed in our audited:

- Obtain the impairment evaluation report of each CGU provided by the management, inspecting the accuracy of information from internal and external sources and evaluate management's reasonableness in identifying impairment.
- Evaluate the assumptions used by management when conducting impairment testing, including whether the classification of CGU, cash flow forecasts and discount rates are appropriate, and check the setting of the evaluation model calculation formula.
- Evaluate the recoverable amount determined using a third-party expert evaluation report, review the reasonableness of relevant assumptions, and evaluate the qualifications and independence of the expert.

Other Matters

Shih Wei Navigation Co., Ltd. has prepared its parent-company-only financial statements as of and for the year ended December 31, 2024, on which we have issued an unmodified opinion. Shih Wei Navigation Co., Ltd. has prepared its parent-company-only financial statements as of and for the year ended December 31, 2023, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance including the Audit Committee or supervisors are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2025

Notes to Readers

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

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (Note 6(a) and Note 6(t))	\$ 2,203,455	12	3,384,225	16	2100	Short-term borrowings (Note 6(h) and Note 6(t))	\$ 776,000	4	776,000	4
1110	Current financial assets at fair value through profit or loss (Note 6(b) and Note 6(t))	45,438	-	27,752	-	2110	Short-term notes and bills payable (Note 6(j) and Note 6(t))	99,781	-	100,000	-
1170	Accounts receivable, net (Note 6(t) and Note 7)	39,952	-	27,766	-	2130	Current contract liabilities (Note 6(r))	109,454	1	115,602	1
1206	Other non-operating receivables, others (Note 6(t))	60,356	-	52,793	-	2170	Accounts payable (Note 6(t) and Note 7)	179,718	1	154,420	1
1220	Total current tax assets	1,835	-	-	-	2200	Other payables (Note 6(t) and Note 7)	179,359	1	205,969	1
130X	Inventories	172,467	1	119,594	1	2220	Other payables to related parties (Note 6(t) and Note 7)	316	-	66,675	-
1460	Non-current assets classified as held for sale, net (Note (f))	273,938	1	-	-	2230	Current tax liabilities	-	-	115,029	1
1476	Other current financial assets (Note 6(c), 6(t) and Note 8)	379,386	2	286,120	1	2250	Current provisions (Note 6(l) and Note 9)	13,114	-	49,128	-
1479	Other current assets	78,480	-	224,207	1	2280	Current lease liabilities (Note 6(m) and Note 6(t))	5,393	-	3,389	-
		<u>3,255,307</u>	<u>16</u>	<u>4,122,457</u>	<u>19</u>	2322	Long-term borrowings, current portion (Note 6(i) and Note 6(t))	1,334,991	6	3,597,222	17
						2399	Other current liabilities, others	2,416	-	2,145	-
								<u>2,700,542</u>	<u>13</u>	<u>5,185,579</u>	<u>25</u>
Non-current assets:						Non-Current liabilities:					
1510	Non-current financial assets at fair value through profit or loss (Note 6(b) and Note 6(t))	73,025	-	51,000	-	2530	Bonds payable (Note 6(k) and Note 6(t))	1,051,605	5	477,974	2
1550	Investments accounted for using equity method (Note 6(d))	50,458	-	40,788	-	2540	Long-term borrowings (Note 6(i) and Note 6(t))	6,108,695	29	5,055,984	24
1600	Property, plant and equipment (Note 6(f) and Note 8)	16,313,287	79	16,489,518	79	2570	Deferred tax liabilities (Note 6(o))	709,768	3	716,018	3
1755	Right-of-use assets (Note 6(g))	18,291	-	11,791	-	2580	Non-current lease liabilities (Note 6(m) and Note 6(t))	13,218	-	8,469	-
1840	Deferred tax assets (Note 6(o))	21,268	-	3,635	-			<u>7,883,286</u>	<u>37</u>	<u>6,258,445</u>	<u>29</u>
1915	Prepayments for equipment (Note 9)	1,003,221	5	232,416	1			<u>10,583,828</u>	<u>50</u>	<u>11,444,024</u>	<u>54</u>
1980	Other non-current financial assets (Note 6(c), 6(t) and Note 8)	77,356	-	148,435	1	Total liabilities					
1990	Other non-current assets, others (Note 6(n) and Note 7)	50,327	-	47,786	-	Equity attributable to owners of parent (Note 6(p)):					
		<u>17,607,233</u>	<u>84</u>	<u>17,025,369</u>	<u>81</u>	3110	Ordinary shares	3,892,716	19	3,892,716	18
						3200	Capital surplus	3,305,627	16	3,267,784	16
						Retained earnings :					
						3310	Legal reserve	460,228	2	460,228	2
						3320	Special reserve	62,286	-	43,174	-
						3350	Unappropriated retained earnings (accumulated deficit)	1,586,995	8	1,882,052	9
								<u>2,109,509</u>	<u>10</u>	<u>2,385,454</u>	<u>11</u>
						3400	Other equity interests	803,852	4	(62,286)	-
						Total equity attributable to owners of parent:		10,111,704	49	9,483,668	45
						36XX	Non-controlling interests (Note 6(e))	167,008	1	220,134	1
								<u>10,278,712</u>	<u>50</u>	<u>9,703,802</u>	<u>46</u>
						Total equity		<u>\$ 20,862,540</u>	<u>100</u>	<u>21,147,826</u>	<u>100</u>
						Total liabilities and equity					
Total assets		<u>\$ 20,862,540</u>	<u>100</u>	<u>21,147,826</u>	<u>100</u>						

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

SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2024		2023	
		Amount	%	Amount	%
	Operating Revenues (Note 6(r) and Note 7):				
4300	Rental revenue	\$ 3,310,635	95	3,225,739	93
4800	Other operating revenue	182,137	5	235,393	7
	Operating revenue, net	3,492,772	100	3,461,132	100
5000	Operating costs (Note 6(n) and Note 7)	3,180,361	91	3,325,045	96
	Gross (loss) profit from operations	312,411	9	136,087	4
6200	Administrative expenses (Note 6(n) and Note 6(s))	296,013	8	303,295	9
	Net operating (loss) income	16,398	1	(167,208)	(5)
	Non-operating income and expenses (Note 6(d) and Note 6(f)):				
7100	Interest income	117,751	3	184,395	5
7190	Other income (Note 6(l))	153,545	4	90,113	3
7228	Gains on lease modification	34	-	-	-
7230	Foreign exchange (losses) gains	(156,082)	(4)	23,690	1
7235	Gains on financial assets at fair value through profit or loss	5,933	-	(1,822)	-
7370	Shares of loss of associates and joint ventures accounted for using equity method	(8,452)	-	(7,145)	-
7510	Interest expense	(514,108)	(15)	(614,485)	(18)
7590	Other expenses	(17,873)	(1)	(14,316)	(1)
7610	Gains (losses) on disposals of property, plant and equipment	78,661	2	23,237	1
7673	Impairment loss recognised in profit or loss, property, plant and equipment	(105,661)	(3)	(10,065)	-
	Total non-operating income and expenses	(446,252)	(14)	(326,398)	(9)
	Profit (loss) from continuing operations before tax	(429,854)	(13)	(493,606)	(14)
7950	Less: Income tax (profit) expenses (Note 6(o))	(24,939)	(1)	78,282	2
	Profit (loss)	(404,915)	(12)	(571,888)	(16)
8300	Other comprehensive income :				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	2,354	-	(1,731)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	470	-	(346)	-
		1,884	-	(1,385)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	866,138	25	(19,112)	(1)
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	866,138	25	(19,112)	(1)
8300	Other comprehensive income (loss)	868,022	25	(20,497)	(1)
	Total comprehensive income (loss)	\$ 463,107	13	(592,385)	(17)
	Profit (loss), attributable to:				
8610	Owners of parent	\$ (269,253)	(8)	(476,000)	(13)
8620	Non-controlling interests	(135,662)	(4)	(95,888)	(3)
		\$ (404,915)	(12)	(571,888)	(16)
	Comprehensive income (loss) attributable to:				
8710	Owners of parent	\$ 598,769	17	(496,497)	(14)
8720	Non-controlling interests	(135,662)	(4)	(95,888)	(3)
		\$ 463,107	13	(592,385)	(17)
	Basic (loss) earnings per share (Note 6(q))	\$ (0.69)		(1.26)	
	Diluted (loss) earnings per share (Note 6(q))	\$ (0.69)		(1.26)	

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 years ended December 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			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent	Non-controlling interests	Total equity
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)	-	-	-	-	(476,000)	(476,000)	-	(476,000)	(95,888)	(571,888)
Other comprehensive income	-	-	-	-	(1,385)	(1,385)	(19,112)	(20,497)	-	(20,497)
Total comprehensive income	-	-	-	-	(477,385)	(477,385)	(19,112)	(496,497)	(95,888)	(592,385)
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	203,048	-	(203,048)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(553,901)	(553,901)	-	(553,901)	-	(553,901)
Reversal of special reserve	-	-	-	(1,099,898)	1,099,898	-	-	-	-	-
Due to recognition of equity component of convertible bonds (preference share) issued	-	61,636	-	-	-	-	-	61,636	-	61,636
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(14,835)	(14,835)	-	(14,835)	-	(14,835)
Issue of shares	200,000	160,000	-	-	-	-	-	360,000	-	360,000
Conversion of convertible bonds	45	51	-	-	-	-	-	96	-	96
Changes in ownership interests in subsidiaries	-	(304)	-	-	-	-	-	(304)	304	-
Share-based payments	-	1,511	-	-	-	-	-	1,511	-	1,511
Changes in non-controlling interests	-	-	-	-	-	-	-	-	241,799	241,799
Balance at December 31, 2023	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)	-	-	-	-	(269,253)	(269,253)	-	(269,253)	(135,662)	(404,915)
Other comprehensive income	-	-	-	-	1,884	1,884	866,138	868,022	-	868,022
Total comprehensive income	-	-	-	-	(267,369)	(267,369)	866,138	598,769	(135,662)	463,107
Appropriation and distribution of retained earnings:										
Special reserve appropriated	-	-	-	19,112	(19,112)	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	(7,660)	-	-	(8,576)	(8,576)	-	(16,236)	16,236	-
Share-based payments	-	45,503	-	-	-	-	-	45,503	-	45,503
Changes in non-controlling interests	-	-	-	-	-	-	-	-	66,300	66,300
Balance at December 31, 2024	\$ 3,892,716	3,305,627	460,228	62,286	1,586,995	2,109,509	803,852	10,111,704	167,008	10,278,712

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 years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	<u>2024</u>	<u>2023</u>
Cash flows from (used in) operating activities:		
Loss before tax	\$ (429,854)	(493,606)
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	1,352,963	1,404,256
Amortization expenses	1,248	1,494
Net gains on financial assets or liabilities at fair value through profit or loss	(5,933)	1,822
Interest expenses	514,108	614,485
Interest income	(117,751)	(184,395)
Dividend income	(2,145)	(929)
Share-based payments	-	1,511
Shares of losses of associates and joint ventures accounted for using equity method	8,452	7,145
(Gains) on disposal of property, plant and equipment	(78,661)	(23,237)
Impairment loss on non-financial assets	105,661	10,065
Gains on lease modification	(34)	-
Total adjustments to reconcile profit	<u>1,777,908</u>	<u>1,832,217</u>
Changes in operating assets and liabilities:		
Net (gains) on financial assets or liabilities at fair value through profit or loss	(33,778)	(69,613)
(Increase) decrease in accounts receivable	(10,260)	22,826
(Increase) decrease in inventories	(44,138)	78,520
Decrease (increase) in other current assets	152,394	(55,413)
Decrease in contract liabilities	(10,625)	(91,488)
Increase (decrease) in accounts payable	15,170	(55,087)
Decrease in other payables	(32,192)	(72,219)
Increase (decrease) in other current liabilities	37	(545)
Decrease in net defined benefit liabilities	(1,033)	(1,025)
Total adjustments	<u>1,813,483</u>	<u>1,588,173</u>
Cash inflow generated from operations	1,383,629	1,094,567
Interest received	117,751	184,395
Interest paid	(546,563)	(633,540)
Income taxes paid	(116,278)	(233,822)
Net cash flows from operating activities	<u>838,539</u>	<u>411,600</u>
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(18,122)	(35,019)
Acquisition of property, plant and equipment	(1,640,628)	(180,184)
Proceeds from disposal of property, plant and equipment	1,070,657	1,177,316
Increase in refundable deposits	(59)	(1,356)
(Increase) in other financial assets	(21,450)	(156,390)
(Increase) in prepayments equipment	(745,223)	(226,452)
Increase in prepayments for business facilities	(1,161)	-
Dividends received	2,145	929
Net cash flows from investing activities	<u>(1,353,841)</u>	<u>578,844</u>
Cash flows from (used in) financing activities:		
Increase in short-term loans	-	62,000
Increase in short-term notes and bills payable	-	40,000
Proceeds from issuing bonds	609,919	534,550
Proceeds from long-term debt	1,627,359	730,000
Repayments of long-term debt	(3,241,859)	(4,159,034)
Decrease in other payables to related parties	(66,201)	(242,255)
Payments of lease liabilities	(4,429)	(616)
Cash dividends paid	-	(553,901)
Proceeds from issuing shares	-	360,000
Change in non-controlling interests	66,300	241,799
Net cash flows used in financing activities	<u>(1,008,911)</u>	<u>(2,987,457)</u>
Effects of exchange rate changes on cash and cash equivalents	<u>343,443</u>	<u>6,419</u>
Net decrease in cash and cash equivalents	<u>(1,180,770)</u>	<u>(1,990,594)</u>
Cash and cash equivalents at beginning of period	<u>3,384,225</u>	<u>5,374,819</u>
Cash and cash equivalents at end of period	<u><u>\$ 2,203,455</u></u>	<u><u>3,384,225</u></u>

See accompanying notes to consolidated financial statements.

Item 2**Proposed by the Board**

Proposal: Proposal for the ratification of the 2024 deficit compensation statement.

Explanation: 1. It is proposed to reserve all appropriable earnings to meet future needs and not to allocate dividends.

2. The 2024 deficit compensation statement is provided as follows:

SHIH WEI NAVIGATION CO., LTD
2024 Deficit Compensation Statement

Unit: NT\$

Item	Amount	Remarks
Unappropriated retained earnings of prior years	1,862,940,141	
Add:		
Recognition of actuarial gains (or losses) on employee benefit plans in retained earnings	1,883,484	
Reversal of special reserve	62,286,434	
Less:		
2024 net loss after tax	(269,252,359)	
Changes in ownership interests in subsidiaries	(8,576,173)	
Distributable surplus available	1,649,281,527	
Less:		
Distribution items:		
Dividend to shareholders	-	
Unappropriated retained earnings	1,649,281,527	

Resolution:

IV. Matters for Discussion

Item 1 Proposed by the Board

Proposal: Amendment to the "Articles of Incorporation". Please proceed to discuss.

Explanation: 1. This provision is enacted in accordance with the Financial Supervisory Commission's Order No. 1130385442 dated November 8, 2024. It is proposed to amend the "Articles of Incorporation".

2. The comparison table of amended articles is as follows:

After amendment	Before amendment	Explanation of the amendment
<p>Article 32</p> <p>In case the Company makes a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration. <u>Of the employees' remuneration mentioned above, an amount not less than 10% shall be allocated to non-managerial employees.</u> However, if the Company has accumulated losses (including adjustment on non-distributed earnings), the Company shall set aside a part of the surplus profit first for making up the losses.</p> <p>The aforementioned employee remuneration may be distributed in stocks or cash and the Directors' remuneration may only be distributed in cash.</p> <p>The procedures in the two preceding paragraphs must be approved by the Board of Directors and reported to the shareholders' meeting.</p> <p>(The following is omitted.)</p>	<p>Article 32</p> <p>In case the Company makes a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration. However, if the Company has accumulated losses (including adjustment on non-distributed earnings), the Company shall set aside a part of the surplus profit first for making up the losses.</p> <p>The aforementioned employee remuneration may be distributed in stocks or cash and the Directors' remuneration may only be distributed in cash.</p> <p>The procedures in the two preceding paragraphs must be approved by the Board of Directors and reported to the shareholders' meeting.</p> <p>(The following is omitted.)</p>	<p>This provision is enacted in accordance with the Financial Supervisory Commission's Order No. 1130385442 dated November 8, 2024.</p>

After amendment	Before amendment	Explanation of the amendment
<p>Article 35</p> <p>The Articles of Incorporation were established on February 28, 1985.</p> <p>The 1st amendment was on March 27, 1986.</p> <p>The 2nd amendment was on December 10, 1986.</p> <p>~</p> <p>The 25th amendment was on June 21, 2022.</p> <p>The 26th amendment was on June 25, 2024.</p> <p><u>The 27th amendment was on June 25, 2025.</u></p>	<p>Article 35</p> <p>The Articles of Incorporation were established on February 28, 1985.</p> <p>The 1st amendment was on March 27, 1986.</p> <p>The 2nd amendment was on December 10, 1986.</p> <p>~</p> <p>The 25th amendment was on June 21, 2022.</p> <p>The 26th amendment was on June 25, 2024.</p>	<p>Update the date of the amendment.</p>

Resolution:

Item 2**Proposed by the Board**

Proposal: Amendment to the "Procedures for Election of Directors". Please proceed to discuss.

Explanation: 1. In accordance with the reference example of the "Procedures for Election of Directors and Supervisors of oo Co., Ltd.", it is proposed to amend certain provisions of the Company's "Procedures for Election of Directors".

2. The comparison table of amended articles is as follows:

After amendment	Before amendment	Explanation of the amendment
<p>Article 4</p> <p>Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</p> <p>When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p> <p>When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called</p>	<p>Article 4</p> <p>Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.</p> <p>When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</p> <p>When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, or <u>the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or Subparagraph 8 of the "Standards for Determining Unsuitability for TPEX</u></p>	<p>I. Certain wording has been revised.</p> <p>II. The independent directors have already been appointed, and the content of Item 3 has been revised accordingly.</p>

After amendment	Before amendment	Explanation of the amendment
within 60 days from the date of occurrence to hold a by-election to fill the vacancies.	<u>Listing under Article 10, Paragraph 1 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX</u> ", a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.	
Article 5 The cumulative voting method shall be used for election of the directors at the Company. Each share shall carry voting rights equivalent to the number of directors to be elected, which may be cast cumulatively for one candidate or distributed among multiple candidates.	Article 5 The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.	Certain Chinese wording has been revised.
Article 9 This Article is deleted.	Article 9 <u>When a candidate is a shareholder, the candidate must indicate in the "candidate" column of the ballot his/her name on the account and account number. If the candidate is not a shareholder, he/she shall indicate his/her name and National ID number. If the candidate is the government or an institution, the name of the government or institution shall be provided in the candidate's column on the ballot; the name of the government or institution along with that of its representative may also be provided. In cases of several representatives, names of all the additional representatives shall be</u>	In accordance with the revisions made to comply with the candidate nomination system for the election of directors, shareholders shall elect directors from the list of nominated candidates. Prior to the convening of the shareholders'

After amendment	Before amendment	Explanation of the amendment
	<u>provided.</u>	meeting, shareholders will be able to review the names, educational backgrounds, and work experience of each candidate. As the identification of candidates can be sufficiently ensured through the candidate list, using the shareholder account number or ID number to verify candidate identity is no longer necessary. Therefore, this article has been deleted.
<p>Article <u>9</u></p> <p>Ballots are considered void in any of the following circumstances:</p> <p>I. The ballot was not in the form provided <u>by the convener.</u></p> <p>II. A blank ballot is placed in the ballot box.</p> <p>III. The writing is unclear and indecipherable or has been altered.</p> <p>IV. If the candidate <u>filled in does not</u></p>	<p>Article <u>10</u></p> <p>Ballots are considered void in any of the following circumstances:</p> <p>I. The ballot was not in the form provided by <u>the board of directors.</u></p> <p>II. A blank ballot is placed in the ballot box.</p> <p>III. The writing is unclear and indecipherable or has been altered.</p> <p>IV. <u>Name on the account and account</u></p>	<p>I. To align with the deletion of Article 9, the current Article 10 is renumbered as Article 9.</p> <p>II. In accordance with Article</p>

After amendment	Before amendment	Explanation of the amendment
<p><u>match any of the director candidates, the vote shall be deemed invalid.</u></p> <p>V. If any words other than those indicating the allocation of voting rights are written on the ballot.</p>	<p><u>number provided on the ballot disagree with those shown in the shareholders' roster if the candidate is a shareholder; the name and ID number provided on the ballot are verified to be invalid if the candidate is not a shareholder.</u></p> <p>V. There is additional information <u>than the name on the account (name) or account number (ID number) of the candidate</u> and the assigned voting rights.</p> <p>VI. <u>The candidate's name written in the ballot coincides with other shareholders, but no information such as shareholder ID or ID card number has been provided for identification.</u></p>	<p>173 of the Company Act, under certain circumstances (such as when the board of directors fails to issue a notice of convocation), shareholders may, with the approval of the competent authority, convene a meeting on their own. It is proposed to revise Subparagraph 1 of this article accordingly. Furthermore, in line with the adoption of the candidate nomination system for the election of directors, shareholders</p>

After amendment	Before amendment	Explanation of the amendment
		shall elect directors from the list of nominated candidates. Therefore, Subparagraphs 4 and 5 of this article are revised, and Subparagraph 6 is deleted.
Article 10 (The remainder is omitted.)	Article 11 (The remainder is omitted.)	To align with the deletion of Article 9, the current Article 11 is renumbered as Article 10, with no amendments made to its content.
Article 11 (The remainder is omitted.)	Article 12 (The remainder is omitted.)	To align with the deletion of Article 9, the current Article 12 is renumbered as Article 11, with no amendments made to its content.

After amendment	Before amendment	Explanation of the amendment
Article <u>12</u> (The remainder is omitted.)	Article <u>13</u> (The remainder is omitted.)	To align with the deletion of Article 9, the current Article 13 is renumbered as Article 12, with no amendments made to its content.
Article <u>13</u> Date of establishment on May 19,1997. The 1st amendment was on June 25, 2002. The 2nd amendment was on June 27, 2007. The 3rd amendment was on June 28, 2017. The 4th amendment was on June 24, 2020. <u>The 5th amendment was on June 25, 2025.</u>	None.	This article is newly added, and the date of amendment has been included.

Resolution:

Extraordinary Motions

Adjournment

Appendix (I)

Shih Wei Navigation Co., Ltd. Articles of Incorporation

Chapter 1. General Provisions

Article 1: The Company is organized pursuant to the provisions of a company limited by shares under the Company Act. It is named "四維航業股份有限公司" and its name in English is "Shih Wei Navigation Co., Ltd.".

Article 2: The Company engages in the following businesses:

1. G401011 Shipping agency services.
2. G301011 Ship transportation.
3. F114060 Wholesale of ship and component parts.
4. F214060 Retail sale of ship and component parts thereof.
5. ZZ99999 All business items that are not prohibited or restricted by law, except those subject to special approval.

Article 3: The Company shall be exempt from the restrictions on total investment amount for not exceeding forty percent of the paid-up capital.
The Company may provide external endorsements and guarantees.

Article 4: The Company's headquarters is located in Taipei City. The Company may set up branch offices in locations and important ports in Taiwan or foreign countries as resolved by the Board of Directors, if necessary.

Article 5: Deleted.

Chapter 2. Shares

Article 6: The Company's total capital is NT\$5 billion divided into 500 million shares with a par value of NT\$10 per share. The Board of Directors is authorized to issue the unissued shares in installments if deemed necessary.

Article 7: The Company's stocks shall be registered, and signed or sealed by the Director that represents the Company. The stocks shall be issued after the required certification procedures in accordance with the law.
Stocks issued by the Company after the initial public offering are not required to be printed.

The Company shall contact the centralized securities depository enterprise institution for registration of the share certificates issued by the Company in accordance with the preceding paragraph.

Article 8: The Company's shareholders shall administer stock-related operations in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" and related regulations and consult the shareholder services agent of the Company.

Article 9: Deleted.

Article 10: Deleted.

Article 11: Title transfer and registration of stocks shall be suspended within 60 days before the annual general shareholders' meeting is held, within thirty days before a shareholders' provisional meeting is held, or within 5 days before the base date for distribution of stock dividends and bonuses or other benefits determined by the Company.

Chapter 3. Shareholders' Meeting

Article 12: The company holds two types of shareholders' meetings: annual general meetings and extraordinary shareholders' meetings.

1. The annual general meeting is convened at a time no later than six months after the end of the financial year.
2. Extraordinary meetings are held whenever necessary.

Article 13: Notice of the annual general meeting shall be distributed 30 days prior to the meeting date. Notice of the extraordinary shareholders' meeting shall be distributed to shareholders 15 days in advance, which shall include the date, venue and purpose of the meeting.

Article 13-1: The Board of Directors may pass a resolution to convene the shareholders' meeting virtually or by other method announced by the central competent authority.

The operational procedures and other compliance matters shall be processed in accordance with the regulations of the competent authority.

Article 14: Unless otherwise required by regulations, the Company's shareholders' meeting can only be convened with the attendance of shareholders who hold a majority of all issued and outstanding shares of the Company, and the resolutions must be adopted with at least a majority of the votes in attendance.

Article 15: Each shareholder of the Company shall be entitled to one vote per share. No voting power shall be granted, however, to company shares prescribed in Article 179 of the Company Act.

When the Company convenes a shareholders' meeting, shareholders may exercise their voting rights by correspondence or electronic means. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person.

Article 16: Where a shareholder cannot attend the shareholders' meeting, the shareholder may appoint a proxy according to the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" established based on Article 177 of the Company Act and Article 25-1 of the Securities and Exchange Act.

Article 17: If a shareholders meeting is convened by the Board of Directors, the chair shall be appointed in accordance with Article 208, paragraph 3 of the Company Act. Where a shareholders' meeting is convened by a party with power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 18: Resolutions made during the shareholders' meeting shall be compiled into meeting minutes and processed according to Article 183 of the Company Act.

Chapter 4. Directors

Article 19: The Company shall have five to eleven Directors in the Board of Directors which shall include at least three Independent Directors. The

elections of general directors are shall be based on the candidate nomination system. Directors must be elected at the shareholders' meeting from among persons of legal capacity. The term of office shall be three years and Directors are eligible for re-election. The Company may purchase liability insurance for Directors based on a resolution of the meeting of the Board of Directors.

The total shareholding ratio of all directors shall be determined in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" established based on Article 26, paragraph 2 of the Securities and Exchange Act.

Article 19-1: The number of Independent Directors of the Company shall be no less than three. The Company adopts a nomination system for elections. Independent supervisors shall be elected from among the nominees in the shareholders' meeting. With respect to seats, professional qualifications, shareholdings, restrictions on taking part-time jobs, nomination, election/appointment and other compliance-related requirements for Independent Directors, the Company shall follow the relevant regulations announced by the competent authority in charge of the securities industry.

Article 19-2: The Company may establish functional committees such as the Audit Committee. The charter of the committees and the exercise of their powers shall be implemented after approval in a meeting of the Board of Directors. The Audit Committee shall consist of all Independent Directors.

Article 20: The Board of Directors shall elect a Chairperson from among the Directors by a majority vote at a meeting attended by over two thirds of the directors.

Article 21: The Chairperson of the Board of Directors shall internally preside over

the shareholders' meeting and the meeting of the Board of Directors. The Chairperson shall also shall externally represent the Company and organize all business operations.

Article 22: The powers of the Board of Directors are as follows:

1. Making decisions on business policies and plans.
2. Approval of the Articles of Incorporation.
3. Approval of the budget and final accounts.
4. Formulation of proposals on earnings distribution.
5. Appointment and dismissal of the manager and representative.
6. Guidance and supervision of business operations.
7. Other tasks required by law.

Article 23: A meeting of the Board of Directors must be convened at least once every three months.

Directors shall be notified of board meetings seven days prior to the meeting with the reason indicated. However, meetings can be held in shorter notices in case of emergency, or with the request of more than half of the Directors. Notifications of board meetings may be in writing or via fax or email.

With regard to board meetings specified in the preceding paragraph, the first meeting of the Board of Directors for each term shall be convened in accordance with Article 203 of the Company Act. All other board meetings shall be convened and chaired by the Chairperson.

Article 24: Except where otherwise provided in the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the Directors in attendance at a board meeting attended by a majority of all Directors. Resolutions shall be signed or sealed by the chair and retained at the Company. If a Director is unable to attend a meeting, he/she may appoint a proxy to attend the meeting by completing the company's proxy forms for each meeting and specifying the scope of delegation.

Each proxy may only represent one absent director.

If a meeting of the Board of Directors is held by video conference, all Directors attending the video conference shall be deemed to have attended the meeting in person.

Chapter 5. Deleted

Article 25: Deleted.

Article 26: Deleted.

Article 27: Deleted.

Chapter 6. Managers and Employees

Article 28: The Company may appoint managers whose appointment, dismissal and remuneration shall be processed in accordance with Article 29 of the Company Act.

The Company may appoint a President, Chief Executive Officer, Deputy Chief Executive Officer, and a number of consultants based on resolutions of board meeting.

Article 29: Deleted.

Article 30: The Board is authorized to determine the compensation for the directors, taking into account the extent and value of the services provided for the Company's operation and with reference to the standards of industry.

Article 30-1: Deleted.

Chapter 7. Accounting

Article 31: At the end of each fiscal year, the Board of Directors shall review the accounts submitted by the finance department and prepare the following documents, which shall be delivered to the Audit Committee for review 30 days before a general shareholders' meeting is convened. The Audit Committee may also appoint a CPA to perform the audit and file a report to the shareholders' meeting for ratification.

1. Business reports.
2. Financial statements.
3. Proposals for distribution of earnings or make-up of deficit.

Article 32: In case the Company makes a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration. However, if the Company has accumulated losses (including adjustment on non-distributed earnings), the Company shall set aside a part of the surplus profit first for making up the losses.

The aforementioned employee remuneration may be distributed in stocks or cash and the Directors' remuneration may only be distributed in cash.

The procedures in the two preceding paragraphs must be approved by the Board of Directors and reported to the shareholders' meeting.

Any earnings in the final accounts of the Company for the fiscal year shall be allocated to make up for cumulative losses (including adjustments for undistributed earnings) and the Company shall set aside 10% of the earnings as statutory surplus reserve. However, this requirement shall not apply if the cumulative statutory surplus reserve has reached the Company's total paid-up capital. In addition, a special reserve shall be set aside or reversed pursuant to the laws or regulations of the competent authority. The net deduction of other rights and interests accumulated in the previous period shall be included in the special surplus reserve of the same amount from the undistributed surplus of the previous period. If there is still insufficient, the net profit of the current period plus the net profit after tax of the current period shall be included in the current period. The amount of undistributed surplus is withdrawn. The Board of Directors shall draft an earnings distribution proposal regarding the remainder of the surplus as well as accumulated undistributed earnings at the beginning of the period (including adjusted and undistributed earnings) for approval at the shareholders' meeting⁴⁴ to allocate dividends and bonuses to

shareholders.

The Board of Directors shall distribute the dividends, bonuses, capital reserve, and statutory surplus reserve, in part or in whole, in cash after a resolution by a majority in a meeting attended by at least two thirds of the Directors. Such resolution shall be submitted to the shareholders' meeting and the requirement for a resolution in a shareholders' meeting in the preceding paragraph shall not apply.

Article 32-1: In response to the competition in the sea freight market, the Company's dividend distribution policy shall be focused on maintaining the soundness of the Company's long-term financial and the growth and expansion of future operations. The Company shall prioritize the retention of funding necessary for operations and expansion before distributing the remaining earnings in the form of cash dividends or stock dividends. Cash dividends shall not be lower than 10% of total dividends.

Chapter 8. Appendices

Article 33: The organizational regulations and enforcement rules of the Company shall be established separately by the Board of Directors.

The establishment and amendment of the Articles of Incorporation shall require a resolution passed by the shareholders' meeting in accordance with Article 277 of the Company Act.

Article 34: Any matters that are not addressed in the Articles of Incorporation shall be governed by the Company Act and other relevant regulations.

Article 35: The Articles of Incorporation were established on February 28, 1985.

The 1st amendment was on March 27, 1986.

The 2nd amendment was on December 10, 1986.

The 3rd amendment was on March 14, 1992.

The 4th amendment was on February 25, 1993.

The 5th amendment was on January 1, 1994.

The 6th amendment was on March 1, 1994.

The 7th amendment was on June 20, 1994.

The 8th amendment was on November 25, 1996.

The 9th amendment was on May 19, 1997.
The 10th amendment was on April 30, 1998.
The 11th amendment was on July 3, 2000.
The 12th amendment was on June 14, 2001.
The 13th amendment was on June 25, 2002.
The 14th amendment was on June 24, 2003.
The 15th amendment was on May 28, 2004.
The 16th amendment was on April 26, 2005.
The 17th amendment was on June 23, 2006.
The 18th amendment was on June 27, 2007.
The 19th amendment was on June 19, 2009.
The 20th amendment was on June 18, 2010.
The 21st amendment was on June 28, 2012.
The 22nd amendment was on June 11, 2014.
The 23rd amendment was on June 28, 2016.
The 24rd amendment was on June 28, 2017.
The 25rd amendment was on June 21, 2022.
The 26rd amendment was on June 25, 2024

*The English version is the translation of the Chinese version and if there is any conflict between the meaning of terms in the Chinese version and English translation, the meaning of the Chinese version shall prevail.

Appendix (II)

Shih Wei Navigation Co., Ltd. Rules of Procedure for Shareholder Meetings

Passed in the general shareholders' meeting on May 19, 1997

The 1st amendment was on June 25, 2002

The 2nd amendment was on April 26, 2005.

The 3rd amendment was on June 24, 2020.

The 4th amendment was on Aug 26, 2021

The 5th amendment was on Jun 21, 2022

The 6th amendment was on Jun 28, 2023

Article 1. To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2. The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

The hosting of video conference shareholders' meetings by the Company shall be regulated otherwise in Regulations Governing the Administration of Shareholder Services of Public Companies, clearly stated in the Articles of Incorporation, and approved by the Board of Directors. The video conference shareholders' meeting shall also be decided by a majority vote in a Board meeting with at least two thirds of directors in attendance, and the decision shall be reported during a shareholders' meeting.

Changes to the method for convening the shareholders' meeting of the Company shall require a resolution of the Board of Directors, and the change must be implemented

before the meeting notices are sent.

This Corporation shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors and upload them to the Market Observation Post System (MOPS) 30 days before the date of a general shareholders' meeting or 15 days before the date of a special shareholders' meeting. This Corporation shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS 21 days before the date of the General Shareholders' Meeting or 15 days before the date of the special shareholders' meeting. However, in the case that this Company's has a paid-in capital reaching NT\$10 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the shareholders' register at the time of holding of the General Shareholders' Meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by 30 days prior to the day on which the General Shareholders' Meeting is to be held. In addition, 15 days before the date of the shareholders' meeting, this Corporation shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

This Corporate shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:

- I. For physical shareholders' meetings, to be distributed on-site at the meeting.
- II. For hybrid shareholders' meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- III. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Matters pertaining to election or discharge of Directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Article 185, Paragraph 1 of the Company Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as special motions.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Shareholders may submit proposals for urging the Company to promote public interests or fulfill its social responsibilities. The procedures shall be based on related regulations in Article 172-1 of the Company Act. Each shareholder may only submit one proposal. If a shareholder submits more than one proposal, the proposal shall not be included in the agenda.

Prior to the book closure date before a regular shareholders meeting is held, this

Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting virtually or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation

notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5. Shareholders' meetings shall be held at locations that are suitable and convenient for shareholders to attend. Meetings shall not begin earlier than 9 AM or later than 3 PM.

Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders' meeting.

Article 6. This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by

more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.

In the event of a virtual shareholders' meeting, this Corporation shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article6-1 To convene a virtual shareholders' meeting, this Corporation shall include the follow particulars in the shareholders' meeting notice:

- I. How shareholders attend the virtual meeting and exercise their rights.
- II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (II) Shareholders not having registered to attend the affected shareholders' meeting by video conference shall not attend the postponed or resumed session.
 - (III) In case of a shareholders' meeting with video conferencing, when the video conferencing cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders' meeting by video conferencing, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the meeting by video conferencing shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting by video conferencing shall be deemed abstaining from voting on all proposals on meeting agenda of that

shareholders' meeting.

(IV) Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.

III. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. In addition to the conditions stated in Article 44, Paragraph 9, Item 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall at least be provided with connection equipment and necessary assistance, and the period during which shareholders may submit a request to the Company and other relevant issues shall be specified.

Article 7. If the shareholders' meeting is convened by the board, the Chairperson of the board shall preside over the meeting. If the Chairperson is unable to perform his duties due to leave of absence or for any other reason, the Chairperson shall designate a Director to act on the Chairperson's behalf. Where the Chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and understands the financial and business conditions of this Corporation. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8. This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders' meeting is held online, this Corporation shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders' meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Without the approval of this Corporation, shareholders may not record or reproduce, publish, transmit, or disseminate the audio or video files through other methods.

Article 9. Attendance at shareholders' meetings shall be calculated based on numbers of shares.

The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time, and announce related information including the number of shares without voting rights and the

number of shares in attendance at the same time.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on

the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chairperson declaring the meeting open until the chairperson declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12. Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a

poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders' meeting, after the chairperson declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chairperson announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chairperson announces the voting session ends, and results of votes and elections shall be announced immediately.

When this Corporation convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders'

meeting online, except for extraordinary motions, they may not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14. The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, as well as the names of those not elected as Directors and the numbers of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual

meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.

Article 16. On the day of a shareholders' meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event of a virtual shareholders' meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During this Corporation's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17. Staff handling administrative affairs of a shareholders meeting shall wear identification cards.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card.

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19. In the event of a virtual shareholders' meeting, this Corporation shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chairperson has announced the meeting adjourned.

Article 20. When this Corporation convenes a virtual-only shareholders' meeting, both the chairperson and secretary shall be in the same location, and the chairperson shall declare the address of their location when the meeting is called to order.

Article 21. In the event of a virtual shareholders' meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues. In the event of a virtual shareholders' meeting, when declaring the meeting open, the chairperson shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public

Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chairperson has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders' meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders' meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When this Corporation convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from

voting on all proposals on meeting agenda of that shareholders' meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under the second half of Article 12, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.

Article 22. When convening a virtual-only shareholders' meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. In addition to the conditions stated in Article 44, Paragraph 9, Item 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall at least be provided with connection equipment and necessary assistance, and the period during which shareholders may submit a request to the Company and other relevant issues shall be specified.

Article 23. These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Appendix (III)

Shih Wei Navigation Co., Ltd. Procedures for Ethical Management and Guidelines for Conduct

Article 1 (Purpose of adoption and scope of application)

The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these Procedures for Ethical Management and Guidelines for Conduct are adopted pursuant to the provisions of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies", with a view to providing all personnel of the Company with clear directions for the performance of their duties.

The scope of application of these Procedures and Guidelines includes the subsidiaries of the Company, any incorporated foundation in which the Company's accumulated contributions, direct or indirect, exceed 50% of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by the Company. (hereinafter referred to as the Group enterprises and organizations).

Article 2 (Applicable subjects)

For the purposes of these Procedures and Guidelines, the applicable subjects include Directors, managerial officers, employees, and persons having substantial control (hereinafter referred to as "company personnel").

Any provision, promise, request, or acceptance of any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name by any personnel of the Company through a third party will be presumed to be an act by the personnel of the Company.

Article 3 (Prohibition of unethical conduct)

Company personnel are prohibited from engaging in unethical conduct. "Unethical conduct" refers to a breach of ethics, unlawful act, or breach of fiduciary duty by company personnel in the course of their duties.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, managerial officers, employees, persons having substantial control, or other interested parties.

Article 4 (Types of benefits)

"Benefits" in these Principles means any items of value, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 5 (Compliance, preventive measures, and dedicated units)

The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEX listing rules, or other laws or regulations regarding commercial activities as the underlying basic premise to facilitate ethical corporate management.

The Company shall uphold ethical management principles and implements ethical business operations. The Company shall not engage in business activities with higher risks of unethical conduct within its scope of business and shall strengthen related preventive measures.

The Company's internal control mechanisms and internal audit procedures shall include preventive measures against unethical conduct to ensure effective prevention and detection of corruption.

The Company's compliance management (hereinafter referred to as the "Company's dedicated unit") shall be responsible for the revision and execution of these Procedures and Guidelines and provide consulting services as well as education and training programs. The results shall be reported by the Compliance Officer to the Board of Directors from time to time.

Article 6 (Duties of the Board of Directors and recusal for conflict of interests)

The Company's board of directors shall exercise the due care of good administrators to ensure that the Company prevents unethical conduct, reviews the results of the preventive measures, and continue to make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

The Company's directors shall exercise a high degree of self-discipline. A director may offer his opinion and answer related questions but is prohibited from participating in discussion of or voting on any proposal of a board of director's meeting where the director or any institution that the director represents is an interested party, and such participation is likely to prejudice the interests of the

company; neither shall a director vote on such proposal as proxy for any other director in such circumstances. The directors shall exercise self-discipline and must not support one another in improper dealings.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both the immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.

Article 7 (Prohibition against providing or accepting improper benefits)

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any money, gratuity, service, preferential treatment, entertainment, dining, or any other benefits, the conduct of the company personnel shall comply with the provisions of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies" and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

- I. The conduct is in compliance with the laws and regulations of the location in which the Company is conducting business operations.
- II. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
- III. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
- IV. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of

participants, class of accommodations, and the time period for the event or visit have been specified in advance.

- V. Attendance at traditional festival events that are open to and welcome the attendance of the general public.
- VI. Rewards, emergency assistance, condolence or consolation payments from the management.
- VII. Other circumstances that comply with the rules of the Company.

Article 8 (Procedures for handling the acceptance of improper benefits)

Except under any of the circumstances set forth in the preceding article, when any personnel of the Company are provided with or are promised, either directly or indirectly, money, gratuity, service, preferential treatment, entertainment, dining, or any other benefits by a third party, the matter shall be handled in accordance with the following procedures:

- I. If there is no relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
- II. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of the Company's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

A relationship of interest between the party providing or offering the benefit and the official duties of the Company's personnel, as referred to in the preceding paragraph, refers to one of the following circumstances:

- I. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
- II. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
- III. Other circumstances in which a decision regarding the Company's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of the Company shall make a proposal, based on the nature and value of the property under Paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after it is reported to the President and

approved.

Article 9 (Prohibition on offering and acceptance of bribes)

When conducting business, the Company and the directors, managerial officers, employees, and persons having substantial control shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, including rebates, commissions, facilitation payments, or offer or accept improper benefits in any other form to or from clients, agents, contractors, suppliers, public servants, or other interested parties, unless the laws of the territories where the Company operates permit it to do so.

Article 10 (Prohibition on providing making illegal political donations and political neutrality)

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and its directors, managers, employees, and persons having substantial control shall comply with the Political Donations Act and own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages. Company personnel are not permitted to discuss politics or engage in political activities during work hours or in the workplace. They are also not permitted to post posters, propaganda, or speech materials for political activities.

Article 11 (Prohibition on improper charitable donations or sponsorship)

When making or offering donations and sponsorship, the Company and its directors, managerial officers, employees, and persons having substantial control shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 12 (Prohibition of and handling procedure for facilitating payments)

The Company shall neither provide nor promise any facilitating payment.

If any company personnel provide or promise a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the dedicated unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

Article 13 (Prohibition against unreasonable gifts, hospitality or other improper benefits)

The Company and its directors, managerial officers, employees, and persons with substantial control shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationships or influence commercial transactions.

Article 14 (Prohibition on leaks of trade secrets and unfair competition)

Company personnel shall follow related operational regulations pertaining to the business secrets of the Company, and may not disclose to any other party any business secrets of the Company of which they have learned, nor may they inquire about or compile any business secrets of the Company unrelated to their individual duties.

The Company shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 15 (Prohibition against insider trading)

The Company and its directors, managerial officers, employees, and persons with substantial control shall comply with the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information which they may be exposed to engage in insider trading. Company personnel are also prohibited from divulging such undisclosed information to any other party in order to prevent the use of information not available on the market for profit.

Article 16 (Confidentiality agreement)

Any organization or person outside of the Company that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by the Company shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of the Company acquired as a result, and that they may not use such information without the prior consent of the Company.

Article 17 (Compliance and announcement of policy of ethical management)

The Company shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

The Company shall disclose its policy of ethical management in its internal rules,

annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as investor press conferences, in order to make its partners and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 18 (Ethical management evaluation prior to development of commercial relationships)

Before developing a commercial relationship with another party, the Company shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the counterparty in commercial interactions conducts business in a fair and transparent manner and will not request, offer, or take bribes.

When the Company carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

- I. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
- II. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
- III. Whether enterprise's business operations are located in a country with a high risk of corruption.
- IV. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
- V. The long-term business condition and degree of goodwill of the enterprise.
- VI. Consultation with the enterprise's business partners on their opinion of the enterprise.
- VII. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

Article 19 (Statement of ethical management policy to counterparties in commercial dealings)

When company personnel engage in commercial activities, they shall make a statement to the counterparty in commercial interactions about the Company's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefits, including kickbacks, commissions, facilitating payments, or offer or accept improper benefits in whatever form or name.

Article 20 (Avoidance of commercial dealings with unethical operators)

Company personnel shall avoid business transactions with an agent, supplier, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement the Company's ethical management policy.

Article 21 (Stipulation of terms of ethical management in contracts)

Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management a part of the terms and conditions of the contract, stipulating at the least the following matters:

- I. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of commissions, rebates, or other benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim damages from the other party, and may also deduct the full amount of the damages from the contract price payable.
- II. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
- III. Specific and reasonable payment terms, including the place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 22 (Accounting and internal control)

The Company shall establish an effective accounting system and may not have under-the-table accounts or keep secret accounts. The system shall undergo regular reviews so as to ensure that the design and enforcement of the systems continue to be effective.

The Company shall establish an effective internal control system and set up an internal audit unit under the jurisdiction of the Board of Directors. It shall report to the members of the Audit Committee and the Board of Directors at least once every

quarter.

Article 23 (Handling of unethical conduct by company personnel)

Upon discovering or receiving a complaint about involvement of any personnel in unethical conduct, the Company shall ascertain the relevant facts without delay; if it is verified that there is indeed a violation of applicable laws and regulations or the Company's ethical corporate management policies, the Company shall immediately require the violator to cease the conduct and shall punish the individual accordingly. Where necessary, the Company shall file for damage claims through legal proceedings to protect the reputation and interests of the Company.

With respect to unethical conduct that have occurred, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.

The dedicated unit of the Company shall submit to the board of directors a report on the unethical conduct, actions taken, and subsequent reviews and corrective measures.

Article 24 (Actions against unethical conduct by others towards the Company)

If company personnel discover that another party has engaged in unethical conduct towards the Company, and such unethical conduct involves alleged illegality, the Company shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, the Company shall additionally notify the governmental anti-corruption agency.

Article 25 (Handling of unethical conduct by company personnel)

As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a whistleblowing reward depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

The Company has established and publicly announced the internal independent whistleblowing mailbox legal@swnav.com.tw for use by insiders and outsiders of the Company.

A whistleblower shall at least furnish the following information:

- I. The whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached.
- II. The informed party's name or other information sufficient to distinguish its

identifying features.

III. Specific facts available for investigation.

Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. The Company also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

The dedicated unit of the Company shall observe the following procedures in handling whistleblowing matters:

- I. The case shall be reported to the department head if it involves the rank and file and to an independent director if it involves a director or a senior executive.
- II. The responsible unit of the Company and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
- III. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
- IV. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
- V. With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
- VI. The responsible unit of the Company shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

Article 26 (Information disclosure)

The Company shall disclose the status of its ethical management on the company website, annual reports, and prospectuses.

Article 27 (Review and amendment of the Procedures and Guidelines)

The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage directors, managerial officers, and employees to make suggestions, based on which the Procedures and Guidelines established will be reviewed and improved to increase the effectiveness of ethical management.

Article 28 (Implementation)

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors. The same applies to all subsequent amendments.

When the Company submits these Procedures and Guidelines to the board of directors for discussion in accordance with the preceding paragraph, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. Any objection or reservation expressed by an independent director who is unable to attend the meeting in person shall be made in writing and in advance, except with just cause, and recorded in the meeting minutes of a board meeting.

Regulations related to the Procedures for Ethical Management and Guidelines for Conduct shall apply *mutatis mutandis* to the Audit Committee.

Date of establishment: Passed by the Board of Directors on December 29, 2014

The 1st amendment was passed by the Board of Directors on May 12, 2016

The 2nd amendment was passed by the Board of Directors on March 30, 2017

The 3rd amendment was passed by the Board of Directors on March 26, 2020

Appendix (IV)

Shih Wei Navigation Co., Ltd. Procedures for Election of Directors

Established on May 19, 1997

The 1st amendment was on June 25, 2002.

The 2nd amendment was on June 27, 2007.

The 3rd amendment was on June 28, 2017.

The 4th amendment was on June 24, 2020.

Article 1 Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 2 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- I. Ability to make sound business judgments.
- II. Ability to conduct accounting and financial analysis.
- III. Business management ability.
- IV. Ability to respond to a crisis.

- V. Industry knowledge.
- VI. An international market perspective.
- VII. Leadership ability.
- VIII. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of the Company shall consider adjusting its composition based on the results of performance evaluation.

Article 3 The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 4 Elections of directors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, or the

related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or Subparagraph 8 of the "Standards for Determining Unsuitability for TPEX Listing under Article 10, Paragraph 1 of the Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX", a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 5 The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 6 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 7 The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 8 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9 When a candidate is a shareholder, the candidate must indicate in the "candidate" column of the ballot his/her name on the account and account number. If the candidate is not a shareholder, he/she shall indicate his/her name and National ID number. If the candidate is the government or an institution, the name of the government or institution shall be provided in the candidate's column on the ballot; the name of the government or institution along with that of its representative may also be provided. In cases of several representatives, names of all the additional representatives shall be provided.

Article 10 Ballots are considered void in any of the following circumstances:

- I. The ballot was not in the form provided by the board of directors.
- II. A blank ballot is placed in the ballot box.
- III. The writing is unclear and indecipherable or has been altered.
- IV. Name on the account and account number provided on the ballot disagree with those shown in the shareholders' roster if the candidate is a shareholder; the name and ID number provided on the ballot are verified to be invalid if the candidate is not a shareholder.
- V. There is additional information than the name on the account (name) or account number (ID number) of the candidate and the assigned voting rights.
- VI. The candidate's name written in the ballot coincides with other shareholders, but no information such as shareholder ID or ID card number has been provided for identification.

Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair or the master of ceremonies onsite.

The ballots for the election referred to in the preceding paragraph and the electronic voting data shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit

pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 12 The board of directors of the Company shall issue notifications to the persons elected as directors.

Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Appendix (V)

Status of Holdings of Directors

(Shareholding on the book closure date of the annual general shareholders' meeting of the current year: April 27, 2025)

Position	Name or title	Number of shares held on the book closure date	Shareholding ratio
Chairwoman	Luo Pan Investment Corp. Institutional shareholder representative: Lan, Shin-Chyi	32,910,027	8.45%
Directors	Luo Pan Investment Corp. Institutional shareholder representative: Lan, Shin-Ying	32,910,027	8.45%
Directors	Kuo, Chen-Yu	58,316	0.02%
Independent Directors	Chang, Tsang-Yao	0	0%
Independent Director	Ding, Yun-Kai	0	0%
Independent Director	Chou, Chen-Shing	0	0%
Independent Director	Shann, Shu-Jiun	0	0%
Total directors' shareholdings		32,968,343	8.47%

Note:

- I. The shareholding ratio in this table is calculated based on the Company's total number of outstanding shares, i.e., 389,271,614 shares, as of the book closure date for the annual general shareholders' meeting hits year.
- II. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the mandatory amount of shares held by all Directors is 15,570,864 shares. The Company has established an Audit Committee and therefore the minimum legal required amount of shares held by supervisors does not apply.

Appendix (VI)

Impact on Business Performance and EPS Resulting from Non-remunerative Share Allotment in the Resolution this Year

Not Applicable.