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2025 Annual Report

April 10, 2026

The Annual Report is available at:

<http://mops.twse.com.tw>

Company website URL: <http://www.swnav.com.tw>

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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IV. Auditors

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V. Overseas Securities Exchange: N/A.

VI. Company Website URL: <http://www.swnav.com.tw>

Table of Contents

1. Letter to Shareholders

1.1	The Operating Results for the Previous Fiscal Year -----	1
1.2	Annual Business Plan in 2025 -----	2
1.3	The Effect of External Competition, the Legal Environment, and the Overall Business Environment-----	3
1.4	Future Development Strategies -----	4

2. Corporate Governance Report

2.1	Information on Directors, President, Vice President, Senior VP, and Management Team of Various Departments and Branch Institutions -----	6
2.2	Remuneration of Directors, Supervisors, President, and Vice President-----	19
2.3	Corporate Governance Practices-----	27
2.4	Information on the professional fees of the attesting CPAs-----	128
2.5	Information on replacement of certified public accountant-----	128
2.6	The Company's chairperson, president, and manager in charge of financial or accounting affairs who have worked at the firm of the certified public accountant or its affiliate within the most recent year shall disclose their name, title, and period spent working at the firm of the certified public accountant or its affiliate -----	128
2.7	Changes to equity transfer or pledge loan of directors, managers, and major shareholders whose shareholding ratio exceeds 10% in the most recent year and up to the printing date of the Annual Report-----	128
2.8	Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and the relationship between them -----	131
2.9	The number of shares held by the Company, its directors, supervisors, managers, and businesses directly or indirectly controlled by the Company in the same investee company, and calculation of the comprehensive shareholding ratio -----	136

3. Capital Overview

3.1	Capital and Shares -----	137
3.2	Issuance of Corporate Bonds (Including Overseas Corporate Bonds) -----	146
3.3	Preferred Shares -----	148

3.4	Issuance of Global Depositary Receipts-----	148
3.5	Employee Stock Options -----	148
3.6	Restricted Stock Awards-----	148
3.7	Mergers and Acquisitions (Including Mergers, Acquisitions, and Demergers)---	148
3.8	Implementation of Capital Allocation Plan -----	148

4. Business Overview

4.1	Business activities -----	149
4.2	Market and Sales Overview -----	160
4.3	Information of the Number of Employees, Average Years of Service, and Education in the Last Two Years-----	165
4.4	Environmental Protection Expenditure -----	165
4.5	Labor Relations -----	165
4.6	Cyber security management-----	172
4.7	Important Contracts-----	176

5. Review and Analysis of Financial Conditions and Business Results, and Risk Items

5.1	Financial Status Comparison Analysis Sheet -----	182
5.2	Review and Analysis of Financial Performance-----	183
5.3	Review and Analysis of Cash Flow -----	185
5.4	Effect of Capital Expenditure on Financial Performance in the Most Recent Year -----	186
5.5	Investment Policy in the Most Recent Year, Profit/Loss Analysis, Improvement Plan, and Investment Plan for the Coming Year-----	186
5.6	Risk Analysis and Assessment -----	188
5.7	Other Important Information -----	195

6. Special Records

6.1	Information on Affiliates-----	196
6.2	Status of private placement of securities in the most recent year and up to the publication date of this Annual Report-----	196
6.3	Other Supplemental Information -----	196

7. Corporate events with material impact on shareholders' equity or securities prices set forth in Article 36, Paragraph 2, Subparagraph

**2 of the Securities and Exchange Act in the most recent year and up
to the publication date of this Annual Report ----- 196**

Appendices:

Appendix 1. The Exiting Fleet----- 197

Appendix 2. Summary of the 2025 Board Meeting Minutes ----- 199

Appendix 3. Summary of the 2025 Audit Committee Meeting Minutes - 213

Appendix 4. Summary of the 2025 Remuneration Committee Meeting
Minutes ----- 216

Appendix 5. Code of Ethical Conduct ----- 219

1. Letter to Shareholders

1.1 The Operating Results for the Previous Fiscal Year

1.1.1 Business Plan Implementation Results

Since its establishment in March, 1985, Shih Wei Navigation has been adhering to the service concept of professionalism, innovation, and high efficiency in terms of business management. Looking back at 2025, the global economy and the shipping industry remained in a state of high volatility and uncertainty, the shipping market continued to be affected by rising geopolitical risks, ongoing supply chain restructuring, and the recurrence of protectionism. As global trade flows and shipping demands adapt, the maritime market is experiencing significant volatility. The International Monetary Fund (IMF) stated in its October 2025 “World Economic Outlook Report” that global economic growth is projected to slow from 3.3% in 2024 to 3.2% in 2025, and further decline to 3.1% in 2026. Global investment and consumption remain constrained by restrictive monetary policies. However, AI applications and digital transformation is enhancing industrial efficiency. This provides a crucial support for long-term growth, allowing the overall economy to demonstrate a degree of resilience. As global manufacturing gradually stabilizes, the IMF revised its 2026 global economic growth forecast upward from 3.1% to 3.3% in January 2026, indicating that economic momentum remains resilient.

In terms of Shih Wei’s diversification strategy and management in the hotel industry, our subsidiary, Dancewoods Hotel & Resorts (hereinafter referred to as “Dancewoods Hotel”) has been in operation since March, 2018. The target market clearly focuses on family travelers and groups for conferences and training.

In response to the challenges posed by the normalization of outbound travel on the domestic market, Dancewoods hotel has implemented dynamic pricing strategies and enhanced high-value-added experiences to optimize occupancy performance and ensure a competitive advantage. In addition, by integrating and developing its sub-brands “O’ruru Café”, cat cate “Lulala Sweets”, and the fitness studio “Renee’s Choice - The Elegance of Pilates”, the Hotel has driven an overall revenue increase of 6% compared to 2024. The goal is to maintain stable overall business performance, continue expanding diversified operations, and strengthen our market competitiveness.

1.1.2 Budget Execution

As prescribed in Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company does not need to disclose its 2025 financial forecast, so there is

no statement on 2025 budget execution.

1.1.3 Financial Income, Expenditure, and Profitability Analysis

Please refer to E. Review and Analysis of Financial Conditions and Business Results, and Risk Items.

1.1.4 Research & Development Status : Not applicable.

1.2 Annual Business Plan in 2025

1.2.1 Operating Principles

As of the end of March 2026, Shih Wei Navigation and its wholly-owned Panamanian subsidiaries run a total of 24 self-owned ships, being 1 coastal Passenger Ship, 1 Multi-Purpose, 15 Handysize, 4 Ultramax, 2 Panamax, and 1 Kamsarmax. Shih Wei runs a diversified fleet, with an average age of approximately 12 years, enabling flexible use for both near-sea and ocean-going shipping lines to reduce the impact caused by the changes of economic cycles. After the delivery of a new building (Ultramax) in December 2025, we expect to take another new building (Ultramax) in 2026.

Ship types of Kamsarmax, Panamax, Ultramax and Handymax mainly carry high-quality iron ore, coal, grain, and dry bulk commodities. Handysize and Multi-purpose are mainly used to carry raw materials such as steel, general cargo, machinery, log, cement clinker, fertilizer, grain, and various ores. To comply with the Carbon Intensity Indicator (CII) regulations, the fleet has introduced the carbon intensity monitoring system, installed energy-saving applications on ships, and utilized silicone-based or high-efficiency anti-fouling paints to enhance vessel energy efficiency. By continually refining operational management and improving energy efficiency, we remain committed to our long-term corporate sustainability.

Our subsidiary, Dancewoods Hotel, is the first and only Japanese garden-themed hotel in Taiwan, with an area of 5.75 hectares. The main strategy is to provide differentiated and customized products with the provision of product segmentation, personalization, and sceneization, targeting at the great business opportunities from family travelers and groups for corporate training and travels.

1.2.2 Expected Sales Volume and Its Basis

The Company is mainly engaged in dry bulk shipping and hotel & catering services. The main income is from shipping and hospitality services, and therefore not suitable for the use of sales volume as the basis for measurement. The measurement is only based on the overall economy and market environment, existing contracts, established business plans,

and the promotion goals.

1.2.3 Important Production and Sales Policy

1. In terms of the shipping business, in addition to strengthening the business relationship with the existing customers to maintain stable operation, the Company also actively increase our customer base and strengthen interactions and exchanges for the establishment of long-term relationship.
2. In terms of the tourism business, the Hotel continue to provide warm and refined services to improve customer satisfaction and develop new market to balance the difference in occupancy rates between low and high seasons.

1.3 The Effect of External Competition, the Legal Environment, and the Overall Business Environment

The global dry bulk fleet continues to expand, with rising tonnage supply maintaining a highly competitive market environment. While newbuildings are being delivered, demolition (scrapping) activity remains limited. As a result, supply growth slightly outpaces demand, putting downward pressure on freight rates. Environmental and decarbonization regulations are becoming increasingly stringent. The formal implementation of the EU Emissions Trading System (EU ETS) and the FuelEU Maritime regulation has significantly impacted shipowners fuel options and operational arrangement. Furthermore, while IMO continues to deliberate on its next phase of carbon reduction policies, leaving future regulatory directions uncertain, the pressure to decarbonize remains persistent.

Although the global economy maintains growth, it faces challenges from inflation, interest rate policies, and regional economic imbalances. In particular, China's slow growth momentum, ongoing real estate adjustments, and industrial overcapacity could dampen raw material demand and overall shipping market performance.

Geopolitical tensions remain critical variables. Factors such as the Middle East conflict, security situation in the Red Sea, Somali piracy, and the Russia-Ukraine war continue to escalate operating costs and heighten market uncertainty.

As to dry cargo market, the softening demand for iron ore and coal from China, trade volumes are under pressure. The US government announced that it would impose high port tariffs on vessels or entities related to China's shipbuilding, maritime, and logistics sectors. This move has triggered volatility in market. However, the market turned around in H2, Simandou iron ore project scaled up long-haul route demand. The BDI returned to the 2,000-point level by mid-year, the overall market steadily recovered, with the December

average index rising by more than 50% compared to January, establishing a solid foundation for 2026.

As the normalization of outbound travel and shifting consumer habits intensify competition within the domestic tourism market, Dancewoods Hotel is proactively addressing this structural shift in demand. By optimizing the sales channel mix and implementing advanced Revenue Management, the Hotel employs flexible marketing strategies to navigate market fluctuations, maximizing yield value within the supply-demand balance and steadily maintaining the competitive advantage.

1.4 Future Developmental Strategies

In response to the volatile external environment and industry trends, we remains committed to leveraging its core strengths. Moving forward, we will proactively optimize our fleet capacity by accelerating the replacement of aging tonnage to enhance overall transport efficiency and environmental performance. These measures ensure our readiness for market demands and increasingly stringent international regulations. Simultaneously, we are strengthening our operational management through the integration of digital tools and data analytics, thereby improving quality of decisions and operational agility. Regarding risk management, we will continue to build a robust assessment and contingency framework. By enhancing our early-warning and control capabilities against geopolitical shifts, maritime security threats, and market volatility, we aim to ensure long-term operational resilience and stability.

In line with global decarbonization and sustainability trends, we are proactively advancing our green transformation strategy. We continue to introduce energy-saving equipments, optimize operational efficiency, and conduct assessments for adoption of alternative fuels to reduce carbon emissions and maximize energy performance. This phased approach ensures the realization of our long-term corporate sustainability goals. Furthermore, we are committed to aligning with international standards to enhance our overall performance in Environmental, Social, and Governance (ESG) criteria.

While continuing to provide high-quality hospitality services and expand sub-brand operations, Dancewoods Hotel is also actively cultivating talent, enhancing management efficiency, and improving overall service quality to strengthen competitiveness and embrace market challenges with a more efficient operational model.

The Company will continue to uphold the principles of flexibility and prudent management as we navigate the challenges of an increasingly volatile and rigorous operating environment.

We remain dedicated to delivering exceptional operational performance in this volatile market. Thank you again for your continued support and we wish all of you good health and prosperity.

Chairwoman & President, Shin-Chyi Lan

2. Corporate Governance Report

2.1 Information on Directors, President, Vice President, Senior VP, and Management Team of Various Departments and Branch Institutions

2.1.1 Director Information 1:

March 30, 2026

Title	Nationality/Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Current Positions within the Company and in Other Companies	Spouse or Relatives within the Second Degree of Kinship Acting as Directors, Supervisors, or other Department Heads			Remarks
							Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship	
Chairwoman	Republic of China	Luo Pan Investment Corp.	—	2023.6.28	3 years	1998.4.30	31,941,267	8.65	32,910,027	8.454	0	0	0	0	None	None	None	None	None	
	Republic of China	Representative: Lan, Shin-Chyi (Note1)	Female 41~50	2023.6.28		2020.10.27	84,080	0.023	575,776	0.148	0	0	0	0	President, Oceanlance Maritime Co., Ltd. Vice President, Shih Wei Navigation Co., Ltd. Bidsted & Co. A/S Department of Merchant Marine, National Taiwan Ocean University	President, Shih Wei Navigation Co., Ltd. Director, CR Classification Society Director, The Britannia Steam Ship Insurance Association Holdings Limited Member, Bureau Veritas Asia & Australia Committee Meeting ClassNK Member of Taiwan Committee Chairwoman, Tse-Run Investment Co., Ltd. Chairwoman, Kai-Chieh Investment Co., Ltd. Director, Luo Pan Investment Corp. Director, Huo-Ta Investment Co., Ltd. Supervisor, Dancewood Manor Co., Ltd. Director, Chen- Yun Investment Co., Ltd. Director, Fei-Yuan Investment Co., Ltd. Chairwoman, The Log Carriers Group Foundation, Association of Shipping Services, R.O. C.	President	Lan, hin-Chyi	Same Person	Note 1
Director	Republic of China	Luo Pan Investment Corp.	—	2023.6.28		1998.4.30	31,941,267	8.65	32,910,027	8.454	0	0	0	0	None	None	None	None	None	
	Republic of China	Representative: Lan,Shin-Ying	Female 41~50	2023.6.28		2023.6.28	0	0	0	0	689,788	0.177	0	0	Department of Business Administration/ Finance, University of Illinois Urbana-Champaign EMBA in International Business Management, National Taiwan University The degree of Bachelor of Arts, the department of Japanese Language And Literature College of Liberal Arts, National Taiwan University	Chairwoman and CEO,Dancewoods hotels and resorts Co., Ltd. Chairwoman,Ta-Hsi Management Consulting Co., Ltd. Chairwoman,Luo Pan Investment Corp. Director,Chen- Yun Investment Co., Ltd. Director,Fei-Yuan Investment Co., Ltd. Director, Huo-Ta Investment Co., Ltd. Supervisor,Kun Lun Construction Co., Ltd Supervisor, Pei Lin Investment Corp. Supervisor, Liang Yu Investment Corp	Chairwoman & President	Lan, Shin-Chyi	Sister	

Title	Nationality/Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Current Positions within the Company and in Other Companies	Spouse or Relatives within the Second Degree of Kinship Acting as Directors, Supervisors, or other Department Heads			Remarks
							Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship	
Director	Republic of China	Kuo, Cheng-Yu	Male 51~60	2023.6.28		2014.6.11	55,895	0.015	58,316	0.015	0	0	0	0	Director., Sales & Marketing Department, China Television Company Executive Assistant to President, Triad Marine Corp. Director,Biggin Shipping Corp. MBA in Finance and Marketing, University of Rochester, New York	Chairman, Vista Investment Company	None	None	None	
Independent Director	Republic of China	Chang, Tsang-Yao	Male 61~70	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	Department of economics PhD in Utah State University	Distinguished professor in Feng Chia University	None	None	None	Note 2
Independent Director	Republic of China	Ding, Yun-Kai	Male 51~60	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	LL.M., School of Law, Soochow University	Senior Consultant, Ding & Ding Law Offices Director, Performance Workshop Creative Culture Co., Ltd. Chairperson , Joding International Enterprise Ltd.	None	None	None	
Independent Director	Republic of China	Chou, Chen-Shing	Male 71~80	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	Department of Metallurgy, National Taipei Institute of Industrial Technology Director, VP of Sumitimo Corp. Taiwan.	Executive Director, Jubilee Education Foundation	None	None	None	
Independent Director	Republic of China	Shann, Shu-Jiun	Female 41~50	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	Department of Finance, Baruch College, The City University of New York EMBA in Finance, National Taiwan University	CFO, Hoteck Inc. Independent Director, Danen Technology Corporation Supervisor,Xin Cherie Co., Ltd. Supervisor,Topco Engineering Co., Ltd. Independent Director, Danen Technology Corporation Director, Earendel Capital limited company Chairwoman, Junzanxin Investment Co., Ltd.	None	None	None	

Note 1:The reason, reasonableness, necessity, and future remedial measures, as well as other related information shall be explained when the same person, spouses, or first-degree relatives serve as chairperson and general manager or its equivalent rank (top manager) (e.g., appointment of additional Independent Directors and requiring the appointment of more than half of the Directors from individuals who are not employees or managers):

The Company's Chairperson and President are currently the same person and the arrangement is made to improve operating efficiency and decision-making. Response measures: The Company plans to appoint additional Independent Director(s) and require the appointment of more than half of the Directors from individuals who are not employees or managers in the election to be held in 2023 to enhance the competencies of the Board of Directors and strengthen its supervisory functions.

Note 2: Ceased to hold office due to death on December 28, 2025.

Top Ten Shareholders and Their Shareholding (Capital Contribution) Ratio of Directors Who Represent Institutional Shareholders:

March 30, 2026

Name of Institutional Shareholder	Top Ten Shareholders and Their Shareholding (Capital Contribution) Ratio of Institutional Shareholders
Luo Pan Investment Corp.	Lan, Shin-Chyi (33.16%); Lan, Shun-Ti (30.48%); Ta-Hsi Management Consulting Co., Ltd. (27.45%); Fan, Kai-Chen(3.48%); Fan, Yun-Chieh(3.48%); Chin, Po-Cheng(1.90%) ; Lan, Chun-Sheng (0.05%); Hsu,Chia-Hua (0.000%)

Major shareholders in the table above who are institutional shareholders and their major shareholders:

March 30, 2026

Name of Institution	Top Ten Shareholders and Their Shareholding (Capital Contribution) Ratio of Institutional Shareholders
Ta-Hsi Management Consulting Co., Ltd.	Lan, Shin-Chyi (90%); Tse-Run Investment Co., Ltd. (10%)

Director Information 2:

(1) Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

Title	Qualification	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	Name			
Chairwoman	Lan, Shin-Chyi (Note1)	Graduated from the Department of Merchant Marine, National Taiwan Ocean University. She has many years of experience in the shipping business, and is proficient in shipping management, business leadership, and corporate governance.		0
Director	Lan, Shin-Ying (Note1)	Graduated from the University of Illinois at Urbana-Champaign master of Business Administration/Finance and completed an EMBA in International Business Management from National Taiwan University, specializing in Financial Management and Finance, as well as the development of the tourism industry and corporate management.		0
Director	Kuo, Cheng-Yu	Graduated from the University of Rochester, New York with a master's degree in finance and marketing management, specializing in media industry business and commercial fields.		0

Title	Qualification	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	Name			
Independent Director Member of Audit Committee	Chang, Tsang-Yao	Graduated from Utah State University with a Ph.D. in Economics, currently serving as a distinguished professor in the Department of Finance at Feng Chia University, with expertise in the fields of education, finance, accounting, and corporate governance.	1. Compliance with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. 2. The independent directors of the board of directors and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of the company or any of its affiliates.	0
Independent Director Member of Audit Committee Member of Sustainable Development Committee	Ding, Yun-Kai	Graduated from Soochow University with LL.M., School of Law, currently serving as a senior consultant at Ding & Ding Law Offices, specializing in the legal field, particularly in maritime and project financing, corporate governance, and cultural and creative industries.	3. The independent directors of the board of directors and their spouses and relatives within second degree are not holding shares of the company in their own names or in any third party's name. 4. The independent directors of the board of	0

Title	Qualification	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	Name			
Independent Director Member of Audit Committee Member of Remuneration Committee	Chou, Chen-Shing	Graduated from National Taipei Institute of Industrial Technology, department of Metallurgy, specializing in shipping, education, enterprise management, and corporate governance.	directors and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of any company that has a specific relationship with the company. 5. The independent directors of the board of directors and their spouses and relatives within second degree receive no remuneration from providing business, legal, financial, or accounting service to the company or any of its affiliates in the last two years.	0
Independent Director Member of Audit Committee Member of Remuneration Committee Member of Sustainable Development Committee	Shann, Shu-Jiun	Graduated from Baruch College, the City University of New York, master of Finance. EMBA in Finance, National Taiwan University, professional experience in financial investment management and specializing in enterprise financial operational strategy management.		1

Note 1: Representative of Luo Pan Investment Corp.

Note 2: Not been a person of any conditions defined in Article 30 of the Company Act.

(2) Diversity and Independence of the Board of Directors:

Diversity of the board of directors:

Diversity policy:

The Company advocates and respects the Board's diversity policies in order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors. We believe that the diversity approach will help to enhance the Company's overall performance. Board members are selected on the basis of merit and have diverse and complementary abilities across industry sectors, including basic composition (e.g., age, gender, nationality, etc.), their individual industry experience and relevant skills (e.g., shipping, insurance, law, accounting, finance, and corporate governance, etc.), as well as business judgment, operational management, leadership, and crisis management. In order for the Board of Directors to accomplish the preferred governance goals of the Company, Article 20 of the Company's Corporate Governance Code stipulates that the Board of Directors shall generally be equipped with the following capabilities: 1. Operational judgment, 2. Ability to perform accounting and financial analysis, 3. Management ability, 4. Crisis handling capabilities, 5. Industrial knowledge, 6. International market perspective, 7. Leadership skills, 8. Decision-making skills.

The diversity orientation, complementarity and achievements of the directors as revealed in the table below and in accordance with the standards set forth in Article 20 of the Company's Corporate Governance Code; In the future, we will continue to revise our diversity policy in accordance with the operation and business models and development needs of the Board of Directors, including but not limited to the criteria of basic requirements and values, professional knowledge and skills, etc., to ensure that board members shall be equipped with knowledge, skills, and attainments generally required for performing their tasks.

Specific management goals:

Management goals and Implementation	Implementation status in 2025	Improved relative of the previous term or the previous year
The independent directors account for half of all directors.	*Four seats of independent directors, accounting for 1/2 of all directors.	An additional independent director has been appointed compared to the previous term, and one independent external advisor, who is not a board member, has been appointed to the

Management goals and Implementation	Implementation status in 2025	Improved relative of the previous term or the previous year
		Compensation Committee and the Sustainability Development Committee, respectively.
At least one seat on the board of directors shall be allocated to a director of a different gender.	Consists of three female directors and four male directors.	Two additional female directors have been added compared to the previous term.
The seats of directors concurrently serving as employees shall not exceed one-third of all directors.	One, accounting for 1/7 of all directors.	Due to operational needs, the Chairwoman will continue to concurrently serve as the company's General Manager.
The term of office of independent directors does not exceed three terms.	The tenure of the independent directors of this session is below 3 years.	Maintain.
All members of the board have the knowledge, skills, and expertise to perform their duties.	All directors meet the criteria of having professional knowledge and skills.	Our Board's professional development surpasses mandatory legal standards. For 2025, training initiatives focused on sustainable governance and human rights in the workplace.

*Note : Following the vacancy of one Independent Director seat due to the passing of a director on December 28, 2025, the Company will conduct a by-election for one Independent Director at the 2026 Annual General Meeting, in accordance with the "Operation Directions for Compliance with the Setting Up and Exercise of Duties by Boards of Directors of Listed Companies."

The implementation status of the board diversity policy is as follows:

Core of diversity Name	Basic composition							Industry experience						Professional ability					
	Nationality	Gender	Employee	Age			Tenure and seniority of independent directors	Shipping	Asset Management	Insurance	Education	Tourism	Legal/Consultant	Business management	Business/Marketing	Finance	Accounting	Law	Corporate governance
				< 30	30 50	> 50													
Lan, Shin-Chyi	Republic of China	Female	V		V			V		V				V	V				V
Lan, Shin-Ying		Female			V			V				V		V	V	V			
Kuo, Cheng-Yu		Male				V		V						V	V	V			
Chang, Tsang-Yao		Male				V	V				V					V			
Ding, Yun-Kai		Male				V	V						V					V	
Chou, Chen-Shing		Male				V	V	V			V			V	V				V
Shann, Shu-Jiun		Female			V		V		V					V	V	V			

Note: There are 0 directors under the age of 30, accounting for 0%; 3 directors are between the ages of 30 and 50, accounting for approximately 42.86%; and 4 directors are over the age of 50, accounting for approximately 57.14%.

Independence of the board of directors:

All current members of the board of directors of the company are in compliance with Article 26-3, Paragraph 3 and Paragraph 4 of the Securities and Exchange Act: None of the board members (including the 4 independent directors)

Not having a marital relationship, or a relative within the second degree of kinship.

All independent directors meet the requirements for active qualifications, passive qualifications, and independence in the Regulations

Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

In addition to the aforementioned regulations, 4 of the 7 directors of the Company are Independent Directors, accounting for 57.14% of the total number of directors, which reflects the independence of the Board of Directors of the Company.

2.1.2 Management Team

March 30, 2026

Title	Nationality	Name	Gender	Elected (Appointed) Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Title	Name	Relationship	
President	Republic of China	Lan, Shin- Chyi	Female	2020.1.31	575,776	0.148	0	0	0	0	President, Oceanlance Maritime Co., Ltd. Vice President, Shih Wei Navigation Co., Ltd. Bidsted&Co. A/S Department of Merchant Marine, National Taiwan Ocean University	Chairwoman, Shih Wei Navigation Co., Ltd. Director, CR Classification Society Director, The Britannia Steam Ship Insurance Association Holdings Limited Member, Bureau Veritas Asia & Australia Committee Meeting ClassNK Member of Taiwan Committee Chairwoman, Tse-Run Investment Co., Ltd. Chairwoman, Kai- Chieh Investment Co., Ltd. Director, Luo Pan Investment Corp. Director, Huo-Ta Investment Co., Ltd. Supervisor, Dancewood Manor Co., Ltd. Director, Yun-Chen Investment Co., Ltd. Director, Fei-Yuan Investment Co., Ltd. Chairwoman, The Log Carriers Group Foundation, Association of Shipping Services, R.O. C.	Chairwoman	Lan, Shin- Chyi	Same Person	Note 1

Title	Nationality	Name	Gender	Elected (Appointed) Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Title	Name	Relationship	
Chief Financial Officer	Republic of China	Hsu, Kang- Lun	Male	2019.11.11	10,971	0.003	0	0	0	0	Manager of Finance Department, Wisdom Marine Lines BA in Business Administration, Tamkang University	Legal representative, Pescadores Travel Co., Ltd. Supervisor, Pescadores Travel Co., Ltd. Representative of Corporate Director, Dancewoods Hotels and Resorts Co., Ltd.	None	None	None	
Chief Operating Officer	Republic of China	Lin, Hsiu- Ching	Female	2023.7.11	124,003	0.032	21,794	0.006	0	0	Manager of Business Department, Shih Wei Navigation Co., Ltd. Department of Shipping and Transportation Management, National Taiwan Ocean University	None	None	None	None	
Assistant Vice President, Accounting Division, Finance Department	Republic of China	Lin, Fang- Ying	Female	2017.4.5	17,387	0.004	0	0	0	0	Manager of Finance Department, Shih Wei Navigation Co., Ltd. Department of Accounting, Soochow University	None	None	None	None	
Assistant Vice President, Business Department	Republic of China	Liu, Chih Chin	Female	2025.8.12	41,883	0.011	0	0	0	0	Senior Manager of Business Department, Shih Wei Navigation Co., Ltd. Department of Business Administration, Tunghai University	None	None	None	None	

Title	Nationality	Name	Gender	Elected (Appointed) Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Title	Name	Relationship	
Assistant Vice President, Crew Management Department and Risk Management Department	Republic of China	Lo, Wen Kai	Male	2025.8.12	7,260	0.002	0	0	0	0	Senior Manager of Crew Management Department and Risk Management Department, Shih Wei Navigation Co., Ltd. Department of Merchant Marine, National Taiwan Ocean University	None	None	None	None	

Note: The reason, reasonableness, necessity, and future remedial measures, as well as other related information shall be explained when the same person, spouses, or first-degree relatives serve as chairperson and general manager or its equivalent rank (top manager) (e.g., appointment of additional Independent Directors and requiring the appointment of more than half of the Directors from individuals who are not employees or managers): The Company's Chairperson and President are currently the same person and the arrangement is made to improve operating efficiency and decision-making. Response measures: The Company plans to appoint additional Independent Directors and require the appointment of more than half of the Directors from individuals who are not employees or managers in the election to be held in 2023 to enhance the competencies of the Board of Directors and strengthen its supervisory functions.

2.2 Remuneration of Directors, Supervisors, President, and Vice President

2.2.1 Remuneration of Directors and Independent Directors

Unit: NT\$ thousand; %

Title	Name	Remuneration of Directors								Sum of (A+B+C+D) and ratio to net income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Sum of (A+B+C+D+E+F+G) and ratio 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	Cash	Stock	Cash	Stock	The Company	All companies in the consolidated financial statements	
Chairperson	Luo Pan Investment Corp.	3,000	3,000	0	0	0	0	0	0	3,000 (6.0582)	3,000 (6.0582)	0	0	0	0	0	0	0	0	3,000 (6.0582)	3,000 (6.0582)	None
	Representative: Lan, Shin-Chyi	3,383	3,383	0	0	0	0	45	45	3,428 (6.9225)	3,428 (6.9225)	0	0	0	0	0	0	0	0	3,428 (6.9225)	3,428 (6.9225)	None
Director	Luo Pan Investment Corp	1,000	1,000	0	0	0	0	0	0	1,000 (2.0194)	1,000 (2.0194)	0	0	0	0	0	0	0	0	1,000 (2.0194)	1,000 (2.0194)	None
	Representative: Lan, Shin-Ying	0	0	0	0	0	0	40	40	40 (0.0808)	40 (0.0808)	0	0	0	0	0	0	0	0	40 (0.0808)	40 (0.0808)	None
Director	Kuo, Chen-Yu	1,000	1,000	0	0	0	0	45	45	1,045 (2.1103)	1,045 (2.1103)	0	0	0	0	0	0	0	0	1,045 (2.1103)	1,045 (2.1103)	None
Independent Director	Chou, Chen-Shing	1,120	1,120	0	0	0	0	67	67	1,187 (2.3971)	1,187 (2.3971)	0	0	0	0	0	0	0	0	1,187 (2.3971)	1,187 (2.3971)	None
Independent Director	Shann, Shu-Jiun	1,120	1,120	0	0	0	0	75	75	1,195 (2.4132)	1,195 (2.4132)	0	0	0	0	0	0	0	0	1,195 (2.4132)	1,195 (2.4132)	None
Independent Director	Chang, Tsang-Yao	1,111	1,111	0	0	0	0	56	56	1,167 (2.3569)	1,167 (2.3569)	0	0	0	0	0	0	0	0	1,167 (2.3569)	1,167 (2.3569)	None
Independent Director	Ding, Yun-Kai	1,120	1,120	0	0	0	0	66	66	1,186 (2.3950)	1,186 (2.3950)	0	0	0	0	0	0	0	0	1,186 (2.3950)	1,186 (2.3950)	None
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: Duo to the Company has pre-tax net loss NT\$26,021 thousand in 2025, director remuneration is not distributed in the absence of profits with the Company's Articles of Incorporation. In accordance with the company's "Director and Executive Compensation Regulations," independent directors are entitled to an annual salary of NT\$1,000 thousand, regardless of the company's operating profit or loss. Additionally, considering that independent directors concurrently serve on the Audit Committee, Compensation Committee and Sustainable Development Committee, they are each entitled to a monthly salary of NT\$10 thousand. The remuneration for independent directors is deliberated by the Compensation 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 March 10, 2026, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2025, it shall 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 is NT\$375 thousand per year and a total fuel cost of NT\$14 thousand.

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

Note 4: On March 10, 2026, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2025, it shall not distribute remuneration to employees.

Note 5: 2025 net loss after tax: NT\$49,519 thousand .

2.2.2 Remuneration of the President and Vice President

Unit: NT\$ thousand; %

Title	Name	Salary (A)		Severance Pay and Pension (B) (Note 1)		Bonuses and Allowances (C)		Employee Bonus (D)(Note 2)				Sum of (A+B+C+D) and ratio to net income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		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			
President	Lan, Shin-Chyi	0	0	0	0	0	0	0	0	0	0	0	0	None
Chief Financial Officer	Hsu, Kang-Lun	2,103	2,103	108	108	838	838	0	0	0	0	3,049 (6.1579)	3,049 (6.1579)	None
Chief Operating Officer	Lin, Hsiu-Ching	2,127	2,127	108	108	838	838	0	0	0	0	3,073 (6.2048)	3,073 (6.2048)	None

Note 1: It refers to the amount appropriated in the most recent year.

Note 2: On March 10, 2026, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2025, it shall not distribute remuneration to employees.

Note 3: 2025 net loss after tax: NT\$49,519 thousand.

Note 4: Approved by the resolution of the Board of Directors on December 29, 2020. Ms. Lan, Shin-Chyi served as the Chairwoman and the President from January 1, 2021 and no salary was paid for services as the President.

2.2.3 Individual Remuneration Paid to Each of the Listed Company's Top Five Management Personnel

Unit: NT\$ thousand; %

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances (C)		Employee Bonus (D)				Sum of (A+B+C+D) and ratio to net income (%)		Compensat ion Paid to Directors from an Invested Company Other than the Company's Subsidiary
		The Company	All companies in the consolidate d 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			
Chief Operating Officer	Lin, Hsiu- Ching	2,127	2,127	108	108	838	838	0	0	0	0	3,073 (6.2048)	3,073 (6.2048)	None
Chief Financial Officer	Hsu, Kang-Lun	2,103	2,103	108	108	838	838	0	0	0	0	3,049 (6.1579)	3,049 (6.1579)	None
Assistant Vice President, Accounting Division, Finance Department	Lin, Fang- Ying	1,490	1,490	91	91	591	591	0	0	0	0	2,172 (4.3856)	2,172 (4.3856)	None
Senior Manager, Marine Department	Lin, Cheng- Chuan	1,471	1,471	90	90	594	594	0	0	0	0	2,154 (4.3506)	2,154 (4.3506)	None
Manager, Risk Managerment Department	Du,Song- Lin	1,444	1,444	89	89	593	593	0	0	0	0	2,125 (4.2908)	2,125 (4.2908)	None

2.2.4 Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

Unit: NT\$ thousand; %

	Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial Officer	President	Lan, Shin-Chyi	0	0	0	0
	Chief Financial Officer	Hsu, Kang-Lun				
	Chief Operating Officer	Lin, Hsiu-Ching				
	Finance Department Assistant Vice President, Accounting Division	Lin, Fang-Ying				
	Assistant Vice President, Business Department	Liu, Chih-Chin				
	Assistant Vice President, Crew Management Department and Risk Management Department	Lo, Wen-Kai				

Note 1: On March 10, 2026, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2025, it shall not distribute remuneration to employees.

Note 2: 2025 net loss after tax: NT\$49,519 thousand .

Note 3: The scope of application for the term "managerial officer" shall be based on the FSC's Tai-Cai-Zheng-3 No. 0920001301 Order dated March 27, 2003. Its scope shall be as follows:

- (1) The President and those with equivalent powers
- (2) Vice Presidents and those with equivalent powers
- (3) Assistant Vice Presidents and those with equivalent powers
- (4) Supervisor of the Finance Department
- (5) Supervisor of Accounting Department
- (6) Other individuals with the authority of managing company affairs and signatory rights

2.2.5 Comparison and analysis of remunerations to Directors, President, and Vice Presidents as a percentage of net profit after tax in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance and future risks:

1. Ratio of Total Remuneration to Net Income

Unit: %

Name	The Company		All companies in the consolidated financial statements	
	2024	2025	2024	2025
Directors	(4.9630)	(26.7536)	(4.9630)	(26.7536)
President and Vice President	(2.3045)	(12.3627)	(2.3045)	(12.3627)

2. The Company's remuneration of Directors is determined in accordance with the Articles of Incorporation. The Board of Directors is authorized to determine the amount based on prevailing rates in the industry in a fair and reasonable manner. The remuneration paid to the President and Vice President shall be determined in accordance with the Company's salary standards.
3. The Company's procedures for determining the remuneration of Directors requires the Remuneration Committee to formulate a proposal to be passed by the Board of Directors.
4. The Company's remuneration of Directors is determined in accordance with the Company's overall business performance each year and the Company's Articles of Incorporation. It is distributed after it is passed in a resolution of a meeting of the Board of Directors. The remuneration of the President and Vice President shall be determined in accordance with the basis specified above and personal performance shall also be included as a basis for calculating payment. Therefore, the Company's business performance directly affects the distribution of remuneration.
5. Correlation with future risks: The Company has purchased liability insurance for Directors and important officers from "Chung Kuo Insurance Company". The insurance amount has been increased to US\$10 million. The purchase of the liability insurance reduces the

Company's unknown risks and offsets the potential damage in the performance of duties by Directors and important officers.

2.3 Corporate Governance Practices

2.3.1 Operations of the Board of Directors

1. Operations of the Board of Directors:

The board of directors met 7 times in 2025. The details of attendance are as follows:

Position	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remarks
Chairwoman	Representative of Luo Pan Investment Corp.: Lan, Shin-Chyi	7	0	100	
Directors	Kuo, Cheng-Yu	7	0	100	
Directors	Representative of Luo Pan Investment Corp.: Lan, Shin-Ying	6	1	85.71	
Independent Director	Chang, Tsang-Yao	7	0	100	Position vacated due to passing on Dec 28, 2025
Independent Director	Ding, Yun-Kai	7	0	100	
Independent Director	Chou, Chen-Shing	6	1	85.71	
Independent Director	Shann, Shu-Jiun	7	0	100	

Other important information:

- Should any of the following take place in a board meeting, the date and number of the meeting, the content of proposal, independent director's opinions, and the Company's response to such opinions should be recorded:
 - Matters listed in Article 14-3 of the Securities and Exchange Act: No objections or qualified opinions from any of the independent directors. For details, please refer to Appendix 2.
 - Aside from the above matters, other resolutions adopted by the board of directors to which an independent director has expressed objections or qualified opinions on record or in writing: None.
- Details, including names of directors, proposals, reasons for conflict of interest, and voting, of circumstances where directors recuse themselves due to conflict of interest:

Content of proposal	Recusal from conflicts of interest	Reasons for recusal from conflicts of interests and participation in voting
Deliberation of the proposed 2024 performance bonus of the Chairwoman on March 25.	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan Shin-Chyi, the Chairwoman, and Ms. Lan, Shin-Ying, a Director, recusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.
Discussion of the proposed for the distribution of the 2025 annual dragon boat festival and mid-autumn festival bonus for the Chairwoman and managers on	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan Shin-Chyi, the Chairwoman, and Ms. Lan, Shin-Ying, a Director, recusal from discussion and voting on one's own remuneration is observed to

March 25.		avoid conflicts of interest.
Discussion of the proposal for the remuneration of the Company's Chairwoman.	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan Shin-Chyi, the Chairwoman, and Ms. Lan, Shin-Ying, a Director, recusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.
Deliberation of the proposed 2025 year-end bonus for the Chairwoman and managers on December 23.	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan Shin-Chyi, the Chairwoman, and Ms. Lan, Shin-Ying, a Director, recusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.
Discussion of the proposal for the salary adjustment of the Chief Executive Officer of the Company's subsidiary, Dancewoods Hotels & Resorts Co., Ltd.	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan, Shin-Ying, a Director, and Ms. Lan Shin-Chyi, the Chairwoman, recusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.
3 TWSE/TPEX listed companies shall disclose the frequency and period, scope, method and content of evaluation of their board of directors' self- (or peer) evaluation, and fill in the attached table (2) on evaluation of the board of directors. 4 Objectives (including establishing an audit committee and enhancing information transparency) for enhancing the functions of the board and performance in the current year and the most recent year: Objectives for enhancing the functions of the board of directors: (1) Implementation of corporate governance and enhancing of information transparency: The Company upholds operational transparency. The board of directors operates in accordance with the "Rules and Procedures for Board of Directors Meetings". In addition, in order to avoid improper disclosure of information and ensure the consistency and accuracy of the information published to the outside world, the Shih Wei Navigation Procedures for Handling Material Inside Information was established in 2009 and is followed. (2) Enhance the function of the board of directors: The Company arranges continuing education courses to facilitate directors' access to relevant information. In addition, in 2010, the Company formulated the Board of Directors Performance Evaluation Guidelines of the Company, and the results are reported to the board of directors every year. (3) The Company set up the Audit Committee on June 28, 2017. (4) The Company set up the Sustainable Development Committee on November 12, 2024. Implementation of evaluation: The Company adheres to the principle of operational transparency, and publishes important resolutions on the MOPS immediately after the board of directors meeting to protect shareholders' equity.		

2 Assessment of the Board of Directors

2. Assessment of the Board of Directors																
Frequency	Period	Scope	Method	Content												
Triennially	January 1, 2025 to December 31, 2025	Performance evaluation of the board of directors	An external professional organization, the Taiwan Corporate Governance Association, was commissioned to conduct an evaluation of the overall Board of Directors through questionnaires and on-site interviews from October to December 2025.	Assessment in 4 aspects: 1.The Board's professional competencies. 2.The Board's decision making performance. 3.The Board's attention to and oversight of internal control. 4.The Board's attitude toward ESG.												
Annually	January 1, 2025 to December 31, 2025	Performance evaluation of the board of directors	Internal self-evaluation of the board of directors	<table><tr><th>Assessment aspect</th><th>Score</th></tr><tr><td>Participation in the Company's operations</td><td>4.42 /5</td></tr><tr><td>Improving the quality of board decisions</td><td>4.83 /5</td></tr><tr><td>Board composition and structure</td><td>5.00 /5</td></tr><tr><td>Election and continuing education of directors</td><td>4.71 /5</td></tr><tr><td>Internal control</td><td>4.86 /5</td></tr></table>	Assessment aspect	Score	Participation in the Company's operations	4.42 /5	Improving the quality of board decisions	4.83 /5	Board composition and structure	5.00 /5	Election and continuing education of directors	4.71 /5	Internal control	4.86 /5
Assessment aspect	Score															
Participation in the Company's operations	4.42 /5															
Improving the quality of board decisions	4.83 /5															
Board composition and structure	5.00 /5															
Election and continuing education of directors	4.71 /5															
Internal control	4.86 /5															

Annually	January 1, 2025 to December 31, 2025	Performance evaluation of individual directors	Self-evaluation of directors	<table><tr><th>Assessment aspect</th><th>Score</th></tr><tr><td>Mastery of company goals and duties</td><td>4.83 /5</td></tr><tr><td>Awareness of director duties</td><td>5.00 /5</td></tr><tr><td>Participation in the Company's operations</td><td>4.77 /5</td></tr><tr><td>Internal relationship management and communication</td><td>4.94 /5</td></tr><tr><td>Profession and continuing education of directors</td><td>4.94 /5</td></tr><tr><td>Internal control</td><td>4.94 /5</td></tr></table>		Assessment aspect	Score	Mastery of company goals and duties	4.83 /5	Awareness of director duties	5.00 /5	Participation in the Company's operations	4.77 /5	Internal relationship management and communication	4.94 /5	Profession and continuing education of directors	4.94 /5	Internal control	4.94 /5
Assessment aspect	Score																		
Mastery of company goals and duties	4.83 /5																		
Awareness of director duties	5.00 /5																		
Participation in the Company's operations	4.77 /5																		
Internal relationship management and communication	4.94 /5																		
Profession and continuing education of directors	4.94 /5																		
Internal control	4.94 /5																		
Annually	January 1, 2025 to December 31, 2025	Performance evaluation of The Audit Committee	Internal self-evaluation of the board of directors	<table><tr><th>Assessment aspect</th><th>Score</th></tr><tr><td>Participation in the Company's operations</td><td>4.75 /5</td></tr><tr><td>Awareness of functional committee duties</td><td>4.80 /5</td></tr><tr><td>Improving the quality of committee decisions</td><td>5.00 /5</td></tr><tr><td>Composition and election of members</td><td>5.00 /5</td></tr><tr><td>Internal control</td><td>5.00 /5</td></tr></table>		Assessment aspect	Score	Participation in the Company's operations	4.75 /5	Awareness of functional committee duties	4.80 /5	Improving the quality of committee decisions	5.00 /5	Composition and election of members	5.00 /5	Internal control	5.00 /5		
Assessment aspect	Score																		
Participation in the Company's operations	4.75 /5																		
Awareness of functional committee duties	4.80 /5																		
Improving the quality of committee decisions	5.00 /5																		
Composition and election of members	5.00 /5																		
Internal control	5.00 /5																		
Annually	January 1, 2025 to December 31, 2025	Performance evaluation of The Compensation Committee	Internal self-evaluation of the board of directors	<table><tr><th>Assessment aspect</th><th>Score</th></tr><tr><td>Participation in the Company's operations</td><td>5.00 /5</td></tr><tr><td>Awareness of functional committee duties</td><td>4.80 /5</td></tr><tr><td>Improving the quality of committee decisions</td><td>5.00 /5</td></tr><tr><td>Composition and election of members</td><td>4.67 /5</td></tr><tr><td>Internal control</td><td>5.00 /5</td></tr></table>		Assessment aspect	Score	Participation in the Company's operations	5.00 /5	Awareness of functional committee duties	4.80 /5	Improving the quality of committee decisions	5.00 /5	Composition and election of members	4.67 /5	Internal control	5.00 /5		
Assessment aspect	Score																		
Participation in the Company's operations	5.00 /5																		
Awareness of functional committee duties	4.80 /5																		
Improving the quality of committee decisions	5.00 /5																		
Composition and election of members	4.67 /5																		
Internal control	5.00 /5																		

Annually	January 1, 2025 to December 31, 2025	Performance evaluation of Sustainable Development committee	Internal self-evaluation of the board of directors		
				Assessment aspect	Score
				Participation in the Company's operations	5.00 /5
				Awareness of functional committee duties	4.67 /5
				Improving the quality of committee decisions	4.86 /5
				Composition and election of members	5.00 /5
				Internal control	5.00 /5

The Board of Directors amended the Board of Directors Performance Evaluation Guidelines on February 25, 2025, which required that the Board of Directors shall conduct a performance evaluation of the Board of Directors, its members, and the functional committees at least once a year. The internal evaluation shall be conducted at the end of each year in accordance with these Guidelines for the current year's performance evaluation. The results of the performance evaluation show that the members of the functional committees have given positive evaluations for the efficiency and operations of the functional committees and consider them to be fully functioning. The Company completed the performance evaluation of functional committees (including the performance evaluation of the Remuneration Committee, the Audit Committee and the Sustainable Development Committee) in February 2026 and submitted it to the Board of Directors on March 10, 2026. Conduct an external performance evaluation once every three years, carried out by an independent professional organization, the Taiwan Integrity Management Association. The evaluation results were submitted to the Board of Directors on December 23, 2025. Going forward, the Company will implement improvement plans in accordance with the recommendations provided by the professional institution. To strengthen interaction between the Board of Directors and the management team, starting in 2026, quarterly meetings will be held to exchange updates on operational status and strategies, enabling the Board to effectively oversee the Company's operations.

2.3.2 Operations of the Audit Committee:

1 Operations of the Audit Committee

The Audit Committee met 7 times in 2025. The details of the attendance are as follows:

Position	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remarks
Independent Director	Ding, Yun-Kai	7	0	100	
Independent Director	Chou, Chen-Shing	6	1	85.71	
Independent Director	Shann, Shu-Jiun	7	0	100	
Independent Director	Chang, Tsang-Yao	7	0	100	Position vacated due to passing on Dec 28, 2025

Note 1: The Company set up an audit committee to replace the function of a supervisor on June 28, 2017.

Other important information :

The professional Qualifications , Experience and independence of Audit Committee members :

The Audit Committee comprises four members since June 28, 2023.

Refer to B. Corporate Governance Report/ (III) Director Information 2: /1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors

The primary responsibility of The Audit Committee is to assist the board of directors in performing its duty to oversee the accounting, auditing, and financial reporting processes in the Company and the quality of financial management.

Matters reviewed by the Audit Committee in 2025 include:

1. Financial statement audit and accounting policies and procedures
2. Internal control system and related policies and procedures
3. Material loans, endorsements, or guarantees
4. Compliance
5. Remuneration of the certified public accountants (CPAs)
6. The offering, or issuance of equity-type securities
7. Establish a "Risk Management Policy and Procedures."
8. Acquisition of Major Asset Transactions

Financial Assessment Report:

The Board of Directors has prepared and submitted the 2025 Business Report, Financial Statements, and proposal for deficit compensation, of which the financial statements have been audited by the CPAs Chih, Shih-Chin and Tseng, Kuo-Yang of KPMG, Taiwan and an Audit Report has been submitted. The preceding have been reviewed by the Audit Committee as correctly portraying the Company's business activities.

Assess the effectiveness of the internal control system:

The Audit Committee evaluated the effectiveness of the Company's internal control system policies and procedures, and reviewed the Company's audit department, CPAs, and periodic reports from management. With reference to the guidance released by COSO in 2013, Internal Control — Integrated Framework, the audit committee believes that the Company's risk management and internal control systems are effective, and that the Company has adopted the control mechanisms necessary to monitor and correct violations.

Appointment of CPAs:

The Audit Committee is entrusted with the responsibility of reviewing the remuneration of the certified public accounting firm to ensure the reasonableness of the fees for auditing services since 2nd Quarter 2022. The Company passed the remuneration evaluation of Tseng, Kuo-Yang and Chih, Shih-Chin, both certified public accountants of KPMG, Taiwan, on March 25, 2025.

- 1 Should any of the following take place in an audit committee meeting, the date and number of the meeting, the content of proposal, the Audit Committee's resolutions and the Company's response to the Audit Committee's opinions should be recorded:
 - (1) Matters listed in Article 14-5 of the Securities and Exchange Act: No objections or qualified opinions from any of the independent directors. See Appendix III for details of the operation during the year.
 - (2) Aside from the above matters, other resolutions that are passed by a two-thirds majority or more of the board of directors but without being passed by the Audit Committee: None.
- 2 Details, including names of independent directors, proposals, reasons for conflict of interest, and voting, of circumstances where independent directors recuse themselves due to conflict of interest: None.
- 3 Communications between independent directors and internal audit officers and CPAs (including communications regarding important matters with respect to the Company's finance and business activities, means and results):
 - (1) The chief internal auditor regularly emails the electronic files of the audit reports that are completed every month to independent directors for review. There is no review record of objections in 2024. Attendance in a non-voting capacity in the audit committee and board of directors meetings to make audit business reports; the independent directors had no objection.

Summary of Communication between Independent Directors and Internal Audit Supervisor:

Date	Communication Content	Communication Outcome
2025.3.25	1. Execution of the audit report according to the annual audit plan up to February. 2. Explanation of the content of the "2024 Audit Plan Implementation Report."	No objections.
2025.5.26	1. Execution of the audit report according to the annual audit plan up to April. 2. When the authorized approver for company procurement is on a business trip, the approval shall be made by the immediate superior.	No objections.

2025.8.12	Execution of the audit report according to the annual audit plan up to July.	No objections.
2025.11.13	Execution of the audit report according to the annual audit plan up to October.	The independent directors recommended supplementing the description of industry information for the company's external investments. The Company has made the requested additions, and the independent directors have been informed and have no objections.

(2)CPA audits the Company sends the financial statements and related reports to the independent directors for review. The CPA attended the meeting on February 25, 2025, and discussed key audit items in the 2024 financial statements with the independent directors, who expressed their acknowledgment and did not express any objections.

For details, visit the Company website/Corporate Governance Area/Corporate Governance Structure /Communications between independent directors and internal audit officers and CPAs

Summary

of Communication between Independent Directors and CPAs:

Date	Communication Content	Communication Outcome
2025.2.25	1.The CPAs provided explanations regarding significant audit adjustments for the company's financial and profit and loss statements for the year 2024. 2.The CPAs discussed and communicated the questions raised by the attendees. 3.Communication of key audit matters in the audit report.	The annual financial statement has been approved by the Audit Committee and submitted to the Board of Directors for approval, after which it was announced and reported to the regulatory authorities on time.
2025.8.12	1.The CPAs provided explanations regarding significant audit adjustments for the company's financial and profit and loss statements for the second quarter of 2025. 2.The CPAs discussed and communicated the questions raised by the attendees.	The financial statement for the second quarter of 2025 has been approved by the Audit Committee and submitted to the Board of Directors for approval, after which it was announced and reported to the regulatory authorities on time.

2.3.3 Corporate Governance- Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the Reasons

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1.Has the Company established and disclosed its Corporate Governance Best Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	√		The Company has established its Corporate Governance Best-Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and disclosed it on the company website.	No significant discrepancy
2.Shareholding structure and shareholders' rights (1)Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters? If yes, have these procedures been implemented accordingly?		√	(1)The Company has designated a spokesperson and acting spokesperson mailbox and appointed personnel and the stock transfer agent, Mega Securities Co., Ltd., to handle the shareholders' feedbacks, questions and disputes.	(1) No significant discrepancy
(2)Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	√		(2)The Company has set up a stock affairs unit to provide relevant information and appointed a stock transfer agent to assist in handling stock-related affairs. In addition, the Company also keeps abreast of the identity of its shareholders and the parties with ultimate control of the major shareholders.	(2) No significant discrepancy
(3)Has the Company built and implemented a risk management system and a firewall between the	√		(3)The Company has established and implemented the "Rules Governing Financial and Business Matters	(3) No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
Company and its affiliates? (4)Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	√		Between this Corporation and its Related Parties”. (4)The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct”, clearly prohibiting insider trading.	(4) No significant discrepancy
3.Composition and responsibilities of the board of directors (1)Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? (2)Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	√	√	(1)Please refer to B. Corporate Governance Report /(3) Director Information 2/2 Board Diversity and Independence for details. (2)In addition to the establishment of the Remuneration Committee and Audit Committee, in 2024 the Company established the Sustainable Development Committee, the Company will set up other functional committees as prescribed by law or for the purpose of establishing a sound corporate governance mechanism.	(1) No significant discrepancy (2) No significant discrepancy
(3)Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance	√		(3)1.Shih Wei Navigation Co., Ltd. revised its “Rules for Performance Evaluation of Board of Directors” on February 25, 2025, which has been implemented after being approved by the board of directors.	(3) No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms? (4)Does the Company regularly evaluate its external auditors' independence?	√		2.Please refer to (1) The Operation of the Board of Directors (ii) The Implementation Status of Evaluation of the Board of Directors for (a) the scope and method of performance evaluation of the board of directors, and (b) the evaluation indicators and scoring standards. 3.Use of the Evaluation Results: The results of the performance evaluation of the board of directors shall be used as a reference for director selection or nomination. The individual directors' performance evaluation results are used as a reference for the determination of their individual compensations. (4)The Company's Audit Committee makes annual evaluation of the independence of the CPAs and submits the evaluation results to the board of directors. The CPAs also issue the Independence Statement for the entrusted audit work. The Statement on Independence of the CPAs for 2025 Finance and Business Tax Certifications was passed in the board meeting dated March 25, 2025. The	(4) No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			Audit Quality Indicators (AQIs) information provided by the CPA firm was obtained in 2025, and the audit quality of the CPA firm and the audit team will be evaluated in accordance with the Guidelines on Audit Quality Indicators (AQIs) published by the competent authority. The resolution was passed by the Audit Committee on March 26 and submitted to the board of directors for approval on March 25, 2025. The evaluation mechanism is as follows. 1. Confirm that the CPAs and the directors of the Company are unrelated parties. 2. Conduct the rotation of CPAs in accordance with the Corporate Governance Best Practice Principles. 3. In accordance with the prescriptions of the U.S. Sarbanes Oxley Act, the CPA firms have to obtain prior approval from the Audit Committee before the appointment of annual certification and other cases. 4. Regularly obtain the Statement of Independence from the CPAs. 5. Obtain the 13 audit quality indicators (AQIs)	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			information provided by the CPA firm and make evaluation of the audit quality of the CPA firm and the audit team in accordance with the Guidelines on Audit Quality Indicators (AQIs) published by the competent authority. The evaluation results are as follows. 1.The independence between the CPAs and the Company is in compliance with the Certified Public Accountant Act, the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and relevant regulations stipulated in the Securities and Exchange Commission (SEC) and Public Company Accounting Oversight Board (PCAOB) in the U.S. 2.The Company has not appointed certification to the same CPAs for 5 consecutive years.	
4.Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility	√		4.The Company passed the board resolution on March 26, 2021 and appointed the CFO, Mr. Kang-Lun Hsu, with the qualification of more than 3 years of experience as the finance manager, to concurrently	No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?			serve as the chief corporate governance officer from April 7, 2021, and the staff of the Administrative Affairs Office of the Administration Department to assist in handling corporate governance-related matters. The chief corporate governance officer is mainly in charge of handling matters related to the board of directors and shareholders' meetings, preparing the minutes of the board meetings and shareholders' meetings, assisting the directors with their appointment and continuing education, providing directors with information needed to perform their duties, assisting directors with legal compliance, reporting to the board of directors the results of review on whether the qualification of independent directors are compliant with legal regulations at the time of nomination, election, and during their tenure, handling matters related to changes in directors, and other matters stipulated in the Articles of Incorporation or contracts. Please refer to Note (1) for details with regard to the continuing education for the chief corporate	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			governance officer.	
5.Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a “Stakeholders Section” on its company website? Does the Company appropriately respond to stakeholders’ questions and concerns on important corporate social responsibility issues?	√		Please refer to the “Stakeholders Section” on the Company website for detailed contact information provided for all stakeholders, the issues of concern, and communication channels as well as frequency. The Company respects the rights of the stakeholders, identifies the stakeholders and understands their reasonable expectation and needs by means of appropriate communication methods and stakeholder engagement, and properly responds to important issues concerning corporate social responsibility they concern about. All the units and departments take their part in stakeholder communication. The company reports to the Board of Directors on the communication with stakeholders at least once a year, prior to the publication of the annual Sustainability Report.. Moreover, the Company voluntarily filed the 2024 ESG Report on August 20, 2025 and reported to the board of directors on August 12, 2025 the completion and progress of the sustainability report, including communication with various stakeholders.	No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
6.Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	√		Shih Wei Navigation has designated the Stock Transfer Agent of Mega Securities Co., Ltd. to handle shareholder-related matters.	No significant discrepancy
7. Information Disclosure				
(1)Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	√		(1)The Company discloses information regarding financials, business, and corporate governance status on the Market Observation Post System (MOPS) and the Company website as prescribed.	(1) No significant discrepancy
(2)Does the Company use the information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	√		(2)The Company has designated personnel to be in charge of gathering information and disclosing major information. The CFO serves as the spokesman and the Senior manager of the Business Department as the acting spokesman. In addition, the English website is also set up, and information of legal person briefing is also available on the Company website.	(2) No significant discrepancy
(3)Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish		√	(3) The Company follows relevant laws and regulations to announce and report the annual financial statements on time after the end of the	(3) Though the Company didn't announce and report the annual financial statement

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?			fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline. Please see https://emops.twse.com.tw/server-java/t58query	within two months after the end of the fiscal year, the quarterly financial statements and the monthly operating situation are announced and reported within the prescribed time limit in accordance with the law.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	√		(1)Employee benefits and rights and employee care: Please refer to D. Operation Overview/ 5. Labor-Management Relations for details. (2)Investor relations, supplier relations, and stakeholders' rights : 1.The Company maintains good relationships with its suppliers. An annual supplier evaluation is conducted, covering five key aspects: price, quality, service attitude, environmental practices, and dhuman rights. Iconcations, spectations, and dhuman. promptly coordinates with the supplier to request improvements or returns/replacements. In	No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			cases of supply or management deficiencies, the supplier is required to provide an explanation and an improvement plan. If no consensus is reached on the improvements or if the requirements cannot be met, the company will terminate the cooperation. All 91 suppliers assessed in 2025 were found to be qualified, and there were no cases where cooperation had to be terminated due to negative environmental or social impacts. In addition, there were no incidents of forced labor or use of child labor among the major suppliers. 2.The Company has set a Contact Us Page on the website, providing diverse communication channels. In addition, relevant major information is uploaded to MOPS as prescribed to provide online inquiries for stakeholders and investors. (3) Continuing education for directors and independent directors: Please see Note (2) for details. Relevant information is also available on the Operation of Board of Directors Page of the Company website.	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			(4) Implementation of risk management policies and risk assessment standards: The management team pays close attention to and controls various risks at all times, and each department takes corresponding measures in accordance with its scope of work. The Finance Department is in charge of economic and financial risk management, the Business Department takes care of the credit and market risk management, the Crew Management Department, Risk Management Department, and Marine Department are responsible for the risk management concerning crew and ship safety. Currently, all departments pay attention to and implementing risk assessment and management at all times. In addition, relevant information is also disclosed on the Risk Management Page of the Company website. (5)Implementation of customer policy: The Company has set up a spokesman system, and the contact information of all departments is also available on the Company website to facilitate	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			smooth communication with customers. (6)The Company has purchased the directors & officers liability insurance from Chung Kuo Insurance Company, Ltd. to protect all directors (including independent directors) and officers. Please refer to B. Corporate Governance Report/ II. Remuneration paid during the most recent fiscal year to directors, president, and vice president / (5) The linkage to future risk exposure.	
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. In the 12th Corporate Governance Evaluation released in 2026, the Company ranked within the top 6% to 20% among listed companies. Based on the evaluation results, the Company established a Sustainability Development Commitment in 2024. Following the voluntary implementation ISO14064-1 organizational-level greenhouse gas inventory in 2023, as of March 31, 2026 the Company completed 2023 and 2024 external verification for the parent company and its ship operation subsidiaries. The Company will continue to strengthen matters and measures related to corporate governance.				

Remarks:

(1) Chief corporate governance officer' s continuing education

Position	Name	Date of appointment	Date of continuing education	Organizer	Course name	Hours of continuing education
Chief Financial Officer	Hsu, Kang Lun	2021.04.07	2025.05.16	Taiwan Stock Exchange Corporation	2025 Annual Seminar on Prevention of Insider Trading	3
			2025.05.27	BCSD Taiwan	Financial Empowerment for Natural Capital Forum	2
			2025.06.10	Taiwan Stock Exchange Corporation	CDP Taiwan Forum - "Enhancing Climate Disclosure for Corporate Climate Resilience	3
			2025.07.09	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	2025 Cathay Sustainable Finance and Climate Change Summit	6

Explanation: In accordance with Article 24 of the "Guidelines for the Establishment and Exercise of Authority by the Board of Directors of Listed Companies," governance officers are required to undergo professional development training for a minimum of twelve hours annually.

(2) Directors' continuing education

Position	Name	Date of appointment	Date of training	Organizer	Course name	Hours of training
Chair	Lan, Shin-Chyi	2023.06.28	2025.07.09	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	2025Cathay Sustainable Finance and Climate Change Summit	6
			2025.10.03	Taiwan Stock Exchange Corporation	2025 Annual Seminar on Prevention of Insider Trading	3
Director	Lan, Shin-Ying	2023.06.28	2025.03.20	Taiwan Academy of Banking and Finance	Corporate Governance Lecture Series	3
			2025.09.09	BCSD Taiwan	Seminar on Exploring Nature Materiality	3

Position	Name	Date of appointment	Date of training	Organizer	Course name	Hours of training
Director	Kuo, Cheng-Yu	2023.06.28	2025.05.16	Taiwan Stock Exchange Corporation	2025 Annual Seminar on Prevention of Insider Trading	3
			2025.06.10	Taiwan Stock Exchange Corporation	CDP Taiwan Forum - "Enhancing Climate Disclosure for Corporate Climate Resilience	3
Independent Director	Chou, Chen-Shing	2023.06.28	2025.03.20	Taiwan Academy of Banking and Finance	Corporate Governance Lecture Series	3
			2025.06.10	Taiwan Stock Exchange Corporation	CDP Taiwan Forum - "Enhancing Climate Disclosure for Corporate Climate Resilience	3
			2025.07.09	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	2025Cathay Sustainable Finance and Climate Change Summit	3
			2025.08.22	Chinese National Association of Industry and Commerce	2025 Taishin-Shin Kong Net-Zero Summit Forum	3
Independent Director	Ding, Yun-Kai	2023.06.28	2025.06.10	Taiwan Stock Exchange Corporation	CDP Taiwan Forum - "Enhancing Climate Disclosure for Corporate Climate Resilience	3
			2025.07.09	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	Cathay Sustainable Finance and Climate Change Summit	6
			2025.09.08	Taiwan Stock Exchange Corporation	CDP Questionnaires Alignment with IFRS S2: Case Studies & Explanations	6
			2025.09.09	BCSD Taiwan	Seminar on Exploring Nature Materiality	3

Position	Name	Date of appointment	Date of training	Organizer	Course name	Hours of training
Independent Director	Shann, Shu- Jiun	2023.06.28	2025.06.10	Taiwan Stock Exchange Corporation	CDP Taiwan Forum - "Enhancing Climate Disclosure for Corporate Climate Resilience	3
			2025.07.09	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	Cathay Sustainable Finance and Climate Change Summit	6
Independent Director	Chang, Tsang-Yao	2023.06.28	2025.03.18	Taiwan Academy of Banking and Finance	Corporate Governance Lecture Series	3
			2025.09.09	BCSD Taiwan	Seminar on Exploring Nature Materiality	3
			2025.10.16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6

Explanation: The date of assumption of office is the date of the current board of directors' election (or appointment).

2.3.4 Operations and organization of the Remuneration Committee:

The Remuneration Committee of the Company was formally established and announced on December 20, 2011. Its main responsibilities are:

- (1) Set and review regularly the annual and long-term performance targets for directors and managers and the remuneration policies, systems, standards, and structures.
- (2) Assess regularly the progress of directors and managers toward their performance targets, and set the contents and amounts of individual compensation packages.

(1) Members of Remuneration Committee

The professional Qualifications , Experience and independence of Remuneration Committee members :

The Remuneration Committee comprises two independent directors and one member.

Conditions Identity Name		Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as a Remuneration Committee member
Independent Director	Chou, Chen-Shing	Refer to B. Corporate Governance Report/ (III) Director Information 2: /1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors	1. Compliance with Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.	0
Independent Director	Shann, Shu-Jiun			0
Member	Chen, Chien-Ting	EMBA in Finance, National Taiwan University Master of Business Administration, National Taiwan University Major experience includes serving as a director of Celxpert Energy Corporation, etc., specializing in Finance management and commercial fields	2. The Members of Remuneration Committee and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of the company or any of its affiliates. 3. The Members of Remuneration Committee and their spouses and relatives within second	0

			degree are not holding shares of the company in their own names or in any third party's name. 4. The Members of Remuneration Committee and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of any company that has a specific relationship with the company. 5. The Members of Remuneration Committee and their spouses and relatives within second degree receive no remuneration from providing business, legal, financial, or accounting service to the company or any of its affiliates in the last two years.	
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Note : Not been a person of any conditions defined in Article 30 of the Company Act.

(2) Operations of the Remuneration Committee

- 1 The Remuneration Committee comprises two independent directors and one member.
- 2 The term of office of the current members: From July 11, 2023 to June 27, 2026, the Remuneration Committee has met 3 times. The qualifications and attendance of the members in 2025 are as follows:

Position	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remarks
Convener	Chou, Chen-Shing	3	0	100	
Independent Director	Shann, Shu-Jiun	3	0	100	
Member	Chen, Chien-Ting	3	0	100	

Other important information:

- 1 Describe the date, term, agenda, and resolutions of the board meeting and the response to the Remuneration Committee's recommendations where the board did not adopt or modify the Remuneration Committee's recommendations (e.g., describe the difference and reasons where the board of directors approves a better compensation package than what is

recommended by the Remuneration Committee): None.

- 2 If a member opposes a resolution the Committee has adopted or has qualified opinions for which there is a written record or a statement, the date and session of the meeting, the resolution, opinions of all the members, and the handling of their opinions shall be indicated: None.

See Appendix 4 for details of operation during the year.

2.3.5 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons :

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	√		In 2024, with the authorization of the Board of Directors, the Company formally established the Sustainability Development Committee under its organizational structure. The original "Corporate Social Responsibility Promotion Group" was disbanded after completing its phased tasks and approved relevant operating standards such as the "Sustainable Development Code of Practice", "Sustainable Information Management Methods" and "Risk Management Policies and Procedures". The Administration Department serves as the part-time unit responsible for coordinating and promoting the Company's sustainability initiatives. Under the Sustainability Development Committee, cross-functional teams have been established, Forcepation the Force. Group,' and the 'Public Welfare Task Force,' all convened by the General Manager. In accordance with	No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			domestic and international regulations and global trends, these groups oversee environmental, social, and corporate ernconn governem governance. sustainability projects, information reporting and disclosure, and participation in external sustainability evaluations. Progress is reported to the Board of Directors at least once a year to ensure the effectiveness of supervision. The various sustainability efforts have been consolidated and submitted to the Board of Directors for review, serving as a basis for formulating or revising sustainability-related strategies. During the reporting year, the Company reported to therateard on strategies. During the reporting year, the Company reported to therateard on the statusic ptsle pulwululation Nemulation stem status to therated strategic objectives, philanthropic engagement strategies, participation in corporate governance evaluations, TCFD (Task Force on Climate-related Financial Disclosures) assessments, ESG	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			information disclosure, and report progress in the implementation capability. On August 12, 2025, the completion of the 2024 Sustainability Report was submitted to the Board of Directors for discussion and was approved by resolution. The Board of Directors regularly listens to reports from the management team and, when necessary, discusses strategic issues and key significant events, including those related to ESG (Environmental, Social, and Governance). They assess the economic, environmental, and social impacts and supervise the management team to make adjustments as needed. If necessary, the responsible departments will provide follow-up reports on these matters at the next Board meeting. For details on the ESG-related proposals presented to the Board by the company in 2025, please refer to Appendix 2. Summary of the 2025 Board Meeting Minutes or the information in the Sustainability Report.	
2. Does the company conduct risk assessments of	√		The materiality principle of our company's	No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?			sustainability report follows the GRI Universal Standards 2021 for material topic disclosures (GRI 3: Material Topics 2021) and the EU's Double Materiality principle. This involves assessing the actual or potential impacts of the company's economic activities on the external economy, environment, and people (including human rights). Based on this assessment, we identify material topics and develop relevant strategies. The Board of Directors serves as the highest guiding body for our company's sustainability and risk management proposals. In 2023, we initiated the implementation of a risk management project and established a dedicated "Risk Management Task Force." On November 2, 2023, the "Risk Management Policy and Procedures" were approved by the Audit Committee and the Board of Directors. This systematic approach aims to comprehensively grasp and integrate various risk management issues. It includes incorporating climate risks by referring to the recommendations of the Task Force on	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Climate-Related Financial Disclosures (TCFD) released by the Financial Stability Board (FSB). We identified the top ten risks and proposed risk management measures to enhance the company's risk management effectiveness, ensuring that high-risk items remain within acceptable limits to achieve corporate goals. The 2025 risk management operations report was presented to the Audit Committee and the Board of Directors on December 23, 2025. The disclosure covers the sustainability performance of our company from January 1, 2025, to December 31, 2025, at major locations. The risk assessment boundary primarily includes the parent company and its subsidiary companies engaged in shipping operations, based on the relevance to core business operations and the impact of significant issues. The risk assessment for Environmental, Social, and Governance issues is summarized in the following table:	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description			
			Environmental			
			Material Topics	Top Ten Risks		Action Strategies and Plans
			Climate Change Management	● Environmental Risks		1. Implement ISO 14064-1 organizational greenhouse gas inventory and report quarterly to the Board of Directors for supervision and management oversight
				● Regulatory Compliance		2. Conduct education and training to enhance the relevant knowledge of employees, ensuring full understanding of international regulatory requirements such as the United Nations Framework Convention on Climate Change and

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			the European Union Emissions Trading System 3. Implement the StormGeo's-Insight system for fleet monitoring of vessel carbon intensity indicators 4. Introduce Enterprise Risk Management (ERM) mechanisms, incorporating climate change-related risks into the overall risk management framework	
			GHG Emissions and Energy Management 1. Utilized low-sulfur fuel and silicone-based antifouling paint or high-performance coatings, reduced speed when entering ports to improve air quality, and replaced	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			onboard lighting with LED lights. (Nine vessel was replaced in 2025.) Sold four older vessels and built one new energy-efficient vessel. Engine Power Limitation (EPL) devices were installed on some vessels to comply with EEXI requirements, and newly built vessels were designed with a recirculating water piping system. 2. To comply with EU regulations and effectively manage the impacts of climate change, we have obtained the qualification for carbon allowance trading and management	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			under the EU Emissions Trading System (EU ETS). We digitally manage the annual carbon emissions of our fleet operating within the EU, administer and surrender EU Allowances (EUA), and simultaneously evaluate the use of biofuels to reduce carbon emissions. 3. By integrating weather forecasting with software-based CII (Carbon Intensity Indicator) monitoring, to reduce fuel consumption. 4. Pilot Program for Energy-Saving Rotation of Chiller Units at the headquarters office, replaced analog AC control panels with digital	

Item	Implementation status					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
					temperature controllers and decommissioned unused air supply outlets. 5. HQ Lighting Retrofit, Replaced existing 40W LED panel lights with high-efficiency 18W units, while optimizing the layout to reduce the total fixture count from 178 to 164. 6. Replaced two office photocopiers with low-energy models to enhance overall energy efficiency.	
			Social			
			Material Topics	Top Ten Risks	Action Strategies and Plans	
			Occupa-tional Safety and	● Business Continuity and Incident	1. The Company has established a Human Rights Policy and actively	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Health and Crisis Management Regulatory Compliance and Legal Adherence	promoted its implementation across the supply chain. Regular fire drills and health promotion training were conducted to enhance workplace safety awareness. Safety equipment, including reflective thermal vests, workwear, and helmets, was provided for personnel boarding vessels. For employees with specific work requirements, flexible remote working arrangements were made available. In addition, the Company offers health checkups that exceed legal standards. 2. Safety and health training

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
				sessions are held periodically, incorporating real case studies to enhance learning. Accident investigations are conducted to identify root causes and develop preventive measures. The Company actively monitors weather and sea conditions and issues warnings to assist vessels in choosing the safest and most efficient routes. High-risk operations are closely supervised to ensure the proper use of personal protective equipment, and labor contractors are required to strengthen pre-employment training. In the event of an

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	Yes	No	Summary description	
			accident involving injury or fatality, the Company provides full assistance to the affected employees or their families in handling insurance and compensation matters. Furthermore, 3. the Company is implementing electronic Safety Management System (SMS) documentation and has completed the deployment of a cloud-based human resources system, aimed at improving management efficiency and accessibility to crew compliance resources. 4. Conducted Mindfulness Meditation Courses with a total of 172 participants and	

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	Yes	No	Summary description	
				86 training hours, helping employees achieve mental and physical balance amidst their busy lives. 5. Held one on-site Ship-Shore Exchange Seminar in Xiamen. 6. The entire fleet has completed installing RO reverse osmosis Maifan stone water filtration systems and has been provided with water quality testing pens to enhance drinking water quality.
			Social Engage-ment Assessment of risks related to local community and reputational risks for the company, which were not listed	1. The Company organized one beach cleanup events, removed 638 kg of marine debris. 2. Participated in the " Liuqiu Ecocup" initiative by

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			among the top ten risks 3. donating 559 second-hand bags. For the fourth consecutive year, the Company sponsored the After-School Tutoring Program at the Secret Base for Indigenous Children in Wutai, Pingtung, donating fresh fruits, and donate book "Sabau! Haucha — Wang Yu-pang: Images Speaking Rukai" 12 copies to the Wutai Base and Rukai Culture Museum. the 2025 Little Picasso Drawing Competition was held to provide creative and educational resources to Tainan children in remote areas.	

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	Yes	No	Summary description	
			4. The Company donated refurbished computers through the ASUS Digital Inclusion Project, as well as second-hand warm clothing to an animal protection association, and pre-loved goods to community reuse platforms including Hualien Wuwei House and Wanhua Dashuigou, supporting the development of a circular economy. 5. Charitable engagement included hosting an ice hockey match and gift box fundraising sale, with all proceeds donated to social causes. Employees also participated in the “Dream Gift Campaign” through	

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	Yes	No	Summary description		
					sponsorship and donations. A blood donation drive was held, offering public welfare leave as an incentive. During the holiday season, the Company purchased environmentally friendly products, including the Lingmi Sunshine Gift Box and the Star Wish Rice from the Taiwan Association for Family of Autistic Children, to support environmental protection, social care, and employee well-being.
			Governance		
			Material Topics	Top Ten Risks	
	Economic	● Operating	1. The Company implemented		

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Performance Capital and Liquidity With peer companies to create economies of scale in terms of procurement and maintenance for cost reduction	systematic management processes, further refining vessel operation and maintenance procedures to ensure cost reduction while maintaining service quality. 2. The Business Department prioritized high-yield chartering strategies, thereby reducing the reliance on borrowing and increasing capital-raising efficiency. 3. The Company offered low-carbon vessels with competitive environmental performance to secure higher charter rates, while simultaneously accelerating the fleet modernization process by phasing out aging vessels.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description			
					4. In the event of any adverse incident, relevant departments are responsible for conducting root cause analysis, formulating response measures and preventive strategies to minimize losses and prevent recurrence.	
			Risk Management	Coverage of All Risk Items	1. Fleet Renewal: The Company continued to modernize its fleet by phasing out aging vessels and acquiring new energy-efficient ships, aligning with long-term sustainability goals. 2. Regulatory Compliance: The Company successfully obtained qualifications for carbon allowance trading and	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			management under the EU Emissions Trading System (EU ETS). In compliance with the system, the Company properly managed and submitted EU Allowances (EUA), while actively assessing the adoption of biofuels to further reduce carbon emissions. 3. Crew Training: The Company strengthened its seafarer training programs to enhance operational proficiency in low-carbon fuels and advanced equipment, ensuring readiness for emerging environmental requirements. 4. Equipment Support: To mitigate climate-related risks, such as fuel freezing, the	

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	Yes	No	Summary description			
					Company provided winterizing supplies including antifreeze and other essential materials to its fleet. 5. Incident Analysis: In response to real-life incidents and deficiencies identified during Port State Control (PSC) inspections, the Company conducted root cause analysis and issued fleet-wide notifications to prevent recurrence.	

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	Yes	No	Summary description	
			Ship Safety ● Vessel Inspection and Rating ● Regulatory Compliance	1. Equipment Management: The Company carried out regular replacement of steel wires, mooring ropes, and pelican hooks to prevent deterioration and ensure operational reliability. 2. Personnel Training: Held one on-site Ship-Shore Exchange Seminar in Xiamen. 3. Incident Response: In the event of an incident, the Company promptly notified insurance providers and port authorities for investigation. Remedial actions were implemented in accordance with the Safety Management System (SMS), as well as guidance

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	Yes	No	Summary description	
				from the flag state, classification societies, and the P&I Club, with permanent repairs completed expediently. 4. Preventive Measures: Monthly cross-departmental safety review meetings were held to examine incidents, followed by fleet-wide case notifications and safety bulletins. Additional efforts were made to reinforce awareness of international collision regulations among crew members. 5. Monitoring and Support: Resident port captains were assigned to observe onboard operations,

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	Yes	No	Summary description	
			offering real-time recommendations and coaching. In addition, the Company conducted irregular ship visits to provide supplementary inspections and operational support. 6. Information Infrastructure Upgrade: Progressively equipping the fleet with Starlink satellite systems to enhance data transmission speed and quality, while strengthening the reliability of emergency communications to ensure maritime safety.	

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	Yes	No	Summary description	
3. Environmental Issues				
(1) Has the Company set an environmental management system designed to industry characteristics?	√		(1) Our company operates in the maritime industry and has established a management system in accordance with the safety operation and environmental protection regulations set by the International Maritime Organization (IMO). This system is responsible for managing the safe operation and environmental protection of our fleet. Each year, the effectiveness of this management system is audited by a third-party verification body, the ClassNK (Nippon Kaiji Kyokai). Starting from 2023, we have introduced the ISO 14064-1 organizational greenhouse gas inventory, gradually building a documented and systematic management mechanism with comprehensive procedures.	(1) No significant discrepancy
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	√		(2) Due to the nature of the industry, resupply is inconvenient. Therefore, engine and generator parts that have reached a certain level of wear are often reconditioned and recycled to extend their usage cycle and reduce environmental	(2) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			impact. To reduce emissions, the Company has adopted the use of low-sulfur fuel and applied silicone-based anti-fouling coatings or high-performance marine paints to minimize hull resistance and fuel consumption. Vessels reduce speed upon entering ports to help improve air quality. In 2025, nine vessels were retrofitted with LED lighting to enhance energy efficiency. In compliance with Energy Efficiency Existing Ship Index (EEXI) requirements, Engine Power Limitation (EPL) devices were installed on selected vessels. Furthermore, newly built vessels have been designed with closed-loop water piping systems to enhance environmental sustainability. Additionally, the energy-saving measures at our headquarters in 2025 are as follows: 1. HQ Energy-Saving Rotation of Chiller Units, replaced analog AC control panels with digital temperature controllers and decommissioned unused air supply outlets. 2. HQ Lighting Retrofit, Replaced existing 40W	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	√		LED panel lights with high-efficiency 18W units, while optimizing the layout to reduce the totalmfixture count from 178 to 164. (3) Climate Risks and Opportunities The inclusion of the maritime industry in the EU's Emissions Trading System (EU ETS) starting from 2024, along with the International Maritime Organization's adjustment of carbon reduction strategies in 2023, has impacted corporate operations. To understand the potential risks of climate change and to align with the international sustainability trend of disclosing climate-related financial information, we refer to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We conduct an analysis of risks and opportunities based on the disclosure framework of "Governance," "Strategy," "Risk Management," and "Metrics and Targets." This analysis is used to develop corresponding	(3) No significant discrepancy

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	Yes	No	Summary description	
			response measures. The summary is as follows, with details available in the company's 2025 Sustainability Report. 1. Conduct an annual inventory of greenhouse gas emissions. In 2023, we introduced the ISO 14064-1 organizational greenhouse gas inventory. Based on the International Maritime Organization (IMO) carbon reduction strategies, we have adjusted our carbon reduction targets to achieve net-zero emissions by 2050. We will regularly review our progress and adjust our carbon reduction actions to respond to the impacts of future carbon taxes, carbon fees, or carbon trading. 2. In compliance with IMO regulations, we have engaged third-party certification bodies to verify the Energy Efficiency Existing Ship Index (EEXI) values of our vessels. Based on the condition of each vessel, we will choose appropriate measures (such as energy-saving equipment) to meet the requirements.	

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	Yes	No	Summary description	
(4) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	√		3.Implement energy-saving and carbon reduction measures to comply with SEEMP Part III requirements. 4.Evaluate and implement various carbon reduction projects to increase the use of energy-saving and carbon-reducing devices. 5.Sell old vessels and those with declining market demand, and establish a fleet of new, environmentally friendly, fuel-efficient ships. 6.Seek economical green alternative energy sources. 7.Invest in the green energy industry and sustainable development bonds. (4) Our company's greenhouse gas emissions, water consumption, and total waste weight, along with related management policies, are all disclosed in the Sustainability Report and Market Observation Post System. Starting from 2022, these data are verified by a third party annually. 1. GHG Emissions Management	(4) No significant discrepancy

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	Yes	No	Summary description	
			The scope of our company's greenhouse gas management is determined based on operational control, covering the headquarters office of the parent company and the operating fleets of subsidiary companies. Scope 1 emissions mainly stem from fuel consumption in passenger vessel and fuel consumption of vessels operated by subsidiaries during non-charter periods; Scope 2 emissions primarily arise from purchased electricity for the headquarters office and purchased electricity for all vessels; Scope 3 emissions are mainly attributed to fuel consumption of vessels operated by subsidiaries during charter periods. Since the adoption of the ISO 14064-1 organizational greenhouse gas inventory standard in 2023, we have completed voluntary inventories for Scope 1 to Scope 3 (Categories 1 to 6). As of March 31, 2026 the Company was complete 2023 and 2024 external verification for the parent company and its ship operation subsiries. In 2023, we submitted to the	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Board of Directors the schedule for completing greenhouse gas inventories and verifications for both the parent and subsidiary companies and quarterly oversight by the Board has been implemented to fulfill its supervisory responsibilities. In greenhouse gas reduction efforts, Four Seas Shipping primarily follows the International Maritime Organization's (IMO) International Maritime Climate Change Strategy. In 2023, we revised our short, medium, and long-term carbon reduction goals accordingly. Our fleet improves energy efficiency by selling older vessels and replacing outdated equipment. Additionally, in our offices, we replace gasoline cars with more environmentally friendly alternatives and procure equipment with energy-saving certifications to reduce greenhouse gas emissions. GHG emissions in the past 2 years: Unit: tonCO₂e	

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	Yes	No	Summary description				
			Year	Scope 1	Scope 2	Scope 3	
			2025	9,151.1966	163.6498	291,975.9585	
			2024	16,638.1668	193.8221	320,662.1862	
			Note: The 2024 greenhouse gas (GHG) emission data has been verified by CR, with a formal verification opinion issued. The 2025 GHG emission data has not yet undergone third-party verification. For the most up-to-date information, please refer to the 2025 Sustainability Report or the Market Observation Post System (MOPS).				
			2. Water Stewardship Based on our policy of conserving water resources, our company promotes among employees the adjustment of water usage to low flow, thus conserving water resources. Water Consumption in the past two years Unit: million liters				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons									
	Yes	No	Summary description										
			<table><tr><td>Year</td><td>Head Office</td><td>The Fleet</td></tr><tr><td>2025</td><td>1.651</td><td>8.068</td></tr><tr><td>2024</td><td>1.573</td><td>8.255</td></tr></table>	Year	Head Office	The Fleet	2025	1.651	8.068	2024	1.573	8.255	
			Year	Head Office	The Fleet								
			2025	1.651	8.068								
			2024	1.573	8.255								
			Note: The fleet water usage data only includes water obtained from third-party sources. Currently, data for water intake from the sea is unavailable										
3. Waste Management													
Shih Wei Navigation Shipping has updated its waste management plan in accordance with the MEPC.277(70) resolution adopted by the Marine Environment Protection Committee (MEPC) of the International Maritime Organization (IMO). This plan outlines procedures for waste collection, treatment, storage, and discharge to collectively maintain marine environmental protection.To reduce waste at source, the Company introduced RO maifan filtration systems and provided with water quality testing pens in 2024 to replace plastic bottled water													

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	Yes	No	Summary description	
			previously purchased by crew members. This initiative enhances crew health and well-being while significantly reducing plastic waste. The Company targets a 1% reduction in total plastic waste in the first year, followed by a 3% annual reduction thereafter, with the goal of reducing approximately 200,000 plastic bottles within five years. Installation of RO maifan filtration systems reached 46% of the fleet in 2024 and was completed across the entire fleet in 2025. For detailed information on waste disposal processes and total amounts, please refer to our company's Sustainability Report for the year 2024. Head Office is considered a typical office environment, and the waste generated consists mainly of staff domestic waste. In line with our company's environmental policy and compliance with relevant government regulations, we implement waste classification into general waste and recyclables (such as paper, plastic	

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	Yes	No	Summary description	
			bottles, and aluminum cans). We engage a third-party cleaning company to handle waste management uniformly. After properly recycling reusable materials, the remaining waste that cannot be recycled is ultimately disposed of through incineration or landfill. In 2024, the Company continued to implement its policy of 100% reusable lunchbox usage for corporate meetings and maintained its commitment to prohibiting single-use utensils. Employees were encouraged to bring their own eco-friendly lunch containers, and customized reusable meal services were provided in collaboration with nearby restaurants, effectively reducing daily waste generation. Additionally, the Company replaced traditional document incineration with water-based destruction methods for confidential materials. This shift significantly reduced greenhouse gas emissions and further reinforced the Company's commitment to long-term environmental	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			sustainability.	
4. Social Issues (1)Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	√		(1)To fulfill corporate social responsibility and protect the basic human rights of all the employees, customers, and stakeholders, the Company follows the international human rights conventions such as the Universal Declaration of Human Rights (UDHR), United Nations Guiding Principles on Business and Human Rights (UNGPs), Global Compact, ILO Declaration on Fundamental Principles and Rights at Work, and Maritime Labor Convention (MLC) in the formulation of its human rights commitments and implementation guidelines, including freedom of association, caring for the disadvantaged groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment discrimination, etc., and complies	(1) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			with local labor-related laws and regulations where the Company is located. As prescribed in the Seafarer Act in Taiwan, crew members shall be at least 16 years old, and the qualifications of the crew members shall be compliant with international conventions on training, certification, and duty standards for seafarers as well as the prescriptions in other international conventions. In addition, the crew members have to pass the Examination for Marine Personnel or the seafarer training and apply for the certification issued by competent authority before becoming seafarers. Those under 16 years of age cannot obtain a certificate, and the Company does not employ seafarers without a certificate. In addition, in accordance with the Company's MLC Compliance Manual (SW-MLC-01 P.01-3), the minimum age limit is 18 years old in the Company's policy of employment of seafarers. Hence, there is no such thing as use of child	

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	Yes	No	Summary description	
			labor in the Company. In addition, according to the requirements of Section A-VI/1 of the STCW95, all the seafarers employed as the seafarer staff shall receive approved basic training for “compliance with emergency procedures”, “prevention of pollution of the marine environment”, “work safety practices”, “effective communication environment”, “interpersonal relationships”, “seafarer health and prevention of workplace burnout” and so on before being assigned duties. The foreign seafarers of the Company are from the Chinese labor service companies, which are regularly audited by a third-party unit to ensure their appropriateness in terms of operating qualifications. To achieve the goal of sustainable management, the Chinese labor service companies the Company cooperates with have all passed the ISO certification and obtained the ISO 9001:2015 quality management system certification.	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	√		(2) Please refer to 4. Business Overview/ 4.5 Labor Relations	(2) No significant discrepancy
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	√		(3) Please refer to 4. Business Overview/ 4.5 Labor Relations /7. Work Environment and Protection Measures for Employees' Personal Safety The Company is dedicated to providing a safe and healthy work environment for both onshore personnel and sea crews. In terms of the work environment onshore, the Company has designated occupational safety and health personnel to be in charge of the planning of safety and health education, regularly holding educational publicity concerning safety and health, and conducting fire drills and training in the building, and a	(3) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			24-hour security system has been set up to protect the safety and property of both the employees and the Company. In 2025, the Company conducted Occupational Safety and Health Management training programs to employee safety and disaster prevention awareness, and conducting Mindfulness Meditation Courses to help colleagues achieve mental and physical balance amidst their busy lives. For the sea going service, ship safety operation and safety drills, on-board safety and health inspection as well as on-board safety and health meetings are conducted on a regularly basis to jointly maintain a safe and healthy work environment. The Company has established the Safety Management System Procedures and the Maritime Labour Convention Compliance Manual that set out regulations for workers, activities, and workplaces. In addition, there	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			are professionals (qualified internal auditors of the Company and the third-party verification agencies, ClassNK or Bureau Veritas) responsible for the inspection of the occupational safety and health management system as required by law. In terms of health promotion, the all of Company's fleet has been completed the installation of RO Maifan stone water purifiers and provided with water quality testing pensin 2025, to improve the quality of onboard drinking water and safeguard crew health. In addition, the Company signed telemedicine cooperation agreements with medical institutions to provide more comprehensive healthcare services for seafarers. For the reporting year, the number of occupational injury incidents among onshore personnel was zero, while 9 cases were recorded among sea crews , one of which was a particularly severe accident resulting in the	

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	Yes	No	Summary description	
			death of one crew member. For further details, please refer to the explanation provided in the 2025 Sustainability Report. In the fiscal year 2025, the Company reported zero incidents of fire, with no casualties or injuries. Additionally, there were no casualties or injuries in relation to the total number of employees during this period.	
(4) Has the Company established effective career development training programs for employees?	√		(4) Please refer to 4. Business Overview/4.5 Labor-Management Relations/ 4.5.2 Employee Education and Training	(4) No significant discrepancy
(5) Does the Company comply with relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement customer protection and grievance policies?	√		(5) The Company upholds the principles of integrity and responsible service, values customer rights and long-term partnerships, and is committed to providing safe, reliable, and compliant maritime services. Given that the Company operates primarily in a business-to-business (B2B) maritime services context and does not involve consumer products	(5) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(6)Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	√		subject to health or labeling requirements, the Company nevertheless adheres to applicable laws, regulations, and international standards. Accordingly, the Company has established a comprehensive customer rights protection and grievance mechanism to safeguard the legitimate interests of its customers. The Board of Directors passed the “Customer Rights Policy and Customer Grievance Mechanism” on December 23, 2025; the policy has been published on the Company’s official website. (6) The company views suppliers as partners and is committed to establishing long-term cooperative relationships with them to jointly build a safe maritime transportation supply chain. In 2023, the company revised its "Supplier Management Policy" and "Supplier Management Measures" to establish and maintain requirements for supplier capabilities	(6) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			and quality. We maintain a "Supplier Directory" and regularly evaluate the cooperation with suppliers based on criteria including price, quality, service attitude, and sustainable governance, with evaluations conducted at least once a year. In our agreements with suppliers, we have included the link to the company's human rights policy in employees' email signatures and the supplier order system. Moving forward, we will continue to enhance advocacy and communication, sincerely hoping that our value chain partners will also value and jointly uphold human rights. In 2025, no major suppliers were found to employ child labor. The Company has cooperative relations with hundreds of suppliers around the world, including agencies, port and dock operators, ship repair service providers and so on. It is hoped that through the joint efforts with the suppliers, better environmental protection,	

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	Yes	No	Summary description	
			safety and health standards can be further established. In the selection process of suppliers, credit investigation or the letter of guarantee issued by a bank might be necessary as supplementary documentation to lower the possibility for suppliers to face operational risk. The suppliers' service performance assessment is conducted through daily work contact and irregular mutual visits so that the suppliers can continue to make improvement to meet the requirements. The Company is in the industry that serve the global market. Therefore, for our suppliers all over the world, it is always required that they comply with the Company's regulations and laws and regulations of the local governments to continue improvement of the environmental protection measures for environmental protection, safety and health to jointly maintain the quality of the environment.	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			The Company not only require its suppliers to abide by the local government laws and regulations for the compliance with relevant environmental protection, industrial safety, and health regulations, verbal description or explanations on signed contracted are also provided for the suppliers to fulfill their responsibilities. The supplier's internal control and evaluation form is in place, and the procurement unit makes assessment of suppliers we are going to cooperate with and fills in the supplier evaluation record, and then submits it to the responsible supervisor for approval. The same procedure applies when the supplier information is updated. The items for evaluation include price, quality, service enthusiasm, environmental, human rights and other indicators. The files are archived for future reference and serve as the basis for payment operations. For those evaluated as	

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	Yes	No	Summary description	
			qualified or for our long-term contract suppliers, the procurement unit can directly make procurement from them without the price comparison and negotiation. However, it is still necessary to check the market conditions every year and conduct continuous appraisal of the suppliers on a regular basis to protect the interest of the Company. The Company identifies reputable suppliers through the membership roster of ISSA (International Ship Suppliers Association). Suppliers registered with ISSA must adhere to its ethical standards, which include prohibitions on malicious price-cutting competition, collusion, disparaging competitors, exaggerating product information, and enticing employees of competing firms to resign, among others. This ensures the safety of cargo transportation and provides greater security in transactions. Additionally, we require suppliers to provide compliant product information, such	

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	Yes	No	Summary description	
			as asbestos-free certification, whenever materials are arranged for shipment.	
5. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financing information? Does the Company obtain third-party assurance or certification for the reports above?	√ √		The Company's Sustainability Report is compiled in accordance with the GRI Universal Standards 2021, SASB Standards - Marine Transportation, and TCFD. It is scheduled to be published at the end of August. An independent assurance statement will be obtained from external verification by Bureau Veritas Certification (Taiwan). The Sustainability Report is available on the Company's website at (https://www.swnav.com.tw/sustainability/esg/download)	No significant discrepancy
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: On November 12, 2024, the board of directors of the Company approved the establishment of the Company's "Sustainable Development Best Practice Principles ", and its operation and regulations are not significantly different from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies "				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
7. Other important information to facilitate better understanding of the company’s promotion of sustainable development: The Company takes specific actions and implements its ESG policies from every little thing at work and in the daily life. For details, please refer to the Company's Sustainability Report, the summary is as follows: Governance 1. Advancement in Sustainable Governance (1) Conducted an external assessment of Board performance to enhance oversight effectiveness and strengthen governance quality. (2) Established ESG performance appraisals, linking employee compensation and remuneration directly to sustainability targets. 2. Board Diversity and Independence (1) The Board consists of seven members, with independent directors accounting for 57.14% and female directors representing 43% of the total. (2) Both the Remuneration Committee and the Sustainable Development Committee have appointed one external expert member each, who are not members of the Board, to enhance professionalism and independence. Environmental 1. Greenhouse Gas (GHG) Management & Sustainable Investment (1) Following the voluntary implementation ISO 14064-1 organizational-level greenhouse gas inventory in 2023, as of March 31, 2026 the Company was complete 2023 and 2024 external verification for the parent company and its ship operation subsidiaries. (2) Actively advancing the preparatory work for Dancewoods Hotel’s GHG inventory and establishing a formal verification schedule to ensure group-wide carbon transparency. (3) Continuing to invest invested in Thermolysis Co., Ltd. to support recycled materials and the circular economy. Furthermore, the Company consistently allocates capital to sustainable bonds in response to the development of sustainable finance. 2. Investment in Energy-Saving and Carbon Reduction Technologies				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(1) Expanded the application of silicone-based anti-fouling coatings and high-performance marine paints to reduce hull resistance and fuel consumption. (2) Gradual replacement of vessel lighting systems with LED lights, enhancing fuel efficiency, reducing carbon emissions, and improving ease of maintenance. 3. Marine Ecological Protection (1) The Company’s fleet operated a total of 374.9379 days within Emission Control Areas (ECAs) and reduced speed to 10 knots in Seasonal Management Areas (SMAs) to protect marine species such as the North Atlantic right whale. (2) Voluntarily participated in the “Blue Whales Blue Skies,” receiving Blue Sky recognition from the State of California. 4. Beach Cleanup and Plastic Reduction Achievements (1) Through the Elite Task Force initiative, a total of 638 kilograms of marine debris was cleared. The per capita waste removal rate reached 31.9 kilograms per hour during the second cleanup in 2025. (2) RO (reverse osmosis) Maifan stone water purifiers and waste compactors were installed across the fleet, with an estimated targets a 1% reduction in total plastic waste in the first year, followed by a 3% annual reduction thereafter, with the goal of reducing approximately 200,000 plastic bottles within five years.				
Social				
1. Deepening Public Welfare in Rural Areas (1) Continued sponsorship of the after-school tutoring program at the Secret Base for children in Wutai Township, Pingtung, with a total investment of NT\$698,542. (2) Organized the “2025 Little Picasso Painting Competition” , invite Tainan children with the initiative incorporated into the welfare report. (3) Procurement for Public Welfare, the Company purchased environmentally friendly products, including the Lingmi Sunshine Gift Box and the Star Wish Rice from the Taiwan Association for Family of Autistic Children, to support environmental protection, social care, and employee well-being.				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
2. Crew Health and Well-being				
(1) Collaborated with Taipei Medical University Hospital to provide remote medical services, initiating two emergency telemedicine interventions during the year.				
(2) The entire fleet has completed installing RO reverse osmosis Maifan stone water filtration systems and has been provided with water quality testing pens to enhance drinking water quality.				
(3) The fleet is progressively adopting the Starlink system to improve onboard vessel communication quality.				
3. Human Rights Protection Achievements				
Three new suppliers signed the Human Rights Policy. All 91 suppliers assessed in the annual supply chain evaluation were rated as compliant.				

Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities	The Board of Directors of the Company serves as the highest governing body for climate change and sustainability issues, with the Chairman personally leading as the core of oversight and decision-making. To implement risk control and strategic execution, the Board has established the "Sustainability Development Committee." Under its functional guidance, a

Item	Implementation status
	cross-departmental "Risk Management Team" and a "GHG Inventory Task Force" have been formed to oversee climate risk identification and GHG management. 1. Executive Implementation and Assessment by Management Management and the Risk Management Team perform quarterly dynamic assessments and metric tracking of climate-related risks and opportunities. They conduct rolling updates of response strategies based on current operational status to ensure that climate strategies are effectively integrated into business operational plans. 2. Board Oversight and Communication • Regular Reporting: Management reports quarterly to the Board on the status of GHG inventory, assurance progress, and energy management implementation, ensuring that the governing body maintains real-time oversight of reduction performance. • Oversight of Major Decisions: On an annual basis, climate risk and opportunity identification is completed in accordance with the TCFD framework. Following approval by the Chairman and prior to the publication of the Sustainability Report, the impacts of climate risks on business and finance are reported to the Board. This process serves to refine climate resilience and low-carbon transition strategies to meet stakeholder expectations.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Company identifies climate-related risks and opportunities in alignment with the TCFD (Task Force on Climate-related Financial Disclosures) framework. The impacts on the Company's operations, strategy, and financial performance are summarized as follows: (1) Transitional Risks (Policy/Regulatory, Technology, Market and Reputation) • Short Term:

Item	Implementation status
	Increasingly stringent international carbon regulations (e.g., IMO CII/EEEXI、EU ETS、FuelEU Maritime) have led to rising carbon taxes and compliance costs. Furthermore, insufficient vessel energy efficiency may result in market chartering restrictions. Strategic measures include implementing reporting, optimizing vessel speed and route management, and introducing the StormGeo system to enhance operational efficiency and reduce carbon tax liabilities. • Medium Term: The growing demand for low-carbon technologies and fuel transitions, coupled with rising capital expenditures (e.g., investing in Thermolysis to explore new markets) and fluctuating supply chain raw material prices, may compress profit margins. Strategic measures involve continuous investment in green industries, procurement of energy-saving and eco-friendly products, and the promotion of paperless digital offices to reduce waste and material costs. • Long Term: During the comprehensive transition toward net-zero emissions, the Company risks losing market competitiveness if the transition is delayed. Strategic measures focus on investing in sustainability bonds and implementing long-term fleet renewal programs to secure green financial resources and market positioning. (2) Physical Risks (Extreme Weather Impacts) • Short Term: The rising frequency of extreme weather events (e.g., storms, typhoons) leads to vessel damage, route delays, and excessive fuel consumption, thereby increasing maintenance expenses. Strategic measures include employing climate routing systems for

Item	Implementation status
	monitoring, securing Protection and Indemnity (P&I insurance), Hull & Machinery (H&M) and various insurance coverages, and incorporating climate clauses in contracts to mitigate risks. • Medium Term: Continued extreme weather may disrupt supply chain stability. Strategic measures involve strengthening crew technical training and emergency drills, alongside adopting new technologies to ensure operational stability and enhance customer confidence. • Long Term: Continued extreme weather may disrupt supply chain stability. Strategic measures involve strengthening crew technical training and emergency drills, alongside adopting new technologies to ensure operational stability and enhance customer confidence. (3) Climate Opportunities (Resource Efficiency, Products/Services, Markets and Resilience) • Short Term: Optimizing route and vessel speed management reduces fuel consumption, resulting in direct operational cost savings. • Medium and long Term: A successful green transition will attract high-quality, ESG-focused customers and increase revenue from green shipping services. By investing in energy-efficient equipment (e.g., office energy-saving devices) and low-carbon technologies (e.g., Thermolysis investments), the Company not only reduces annual electricity costs but also expands into new markets and benefits from global carbon trading, thereby strengthening financial performance.

Item	Implementation status
	(4) Financial Implications The financial impacts of climate risk are primarily reflected in increased costs (such as carbon tax payments, higher insurance premiums, and investments in low-carbon equipment) and asset impairments (such as vessel damage and losses from delayed deliveries). The company's response strategies focus on improving resource efficiency (such as regular hull cleaning) and applying financial instruments (such as investments in green bonds), ensuring that it can capture opportunities in the low-carbon market despite cost fluctuations while maintaining operational resilience and financial stability..
3. Describe the financial impact of extreme weather events and transformative actions.	The Company evaluates the financial impacts of climate change through two primary lenses: Extreme Weather Events and Transition Initiatives. (1) Financial Impacts of Extreme Weather Events (Physical Risks) The financial impact of extreme weather (e.g., severe typhoons, storms) is primarily reflected in increased operational costs and the risk of asset impairment: • Repair and Maintenance Expenses: Severe weather events can cause structural damage to vessels, leading to unanticipated repair costs and operational losses resulting from delivery delays. • Risk Transfer and Hedging: To ensure stable cash flow, the Company allocates a comprehensive insurance portfolio (including Hull & Machinery, Loss of Hire, and Term Deposit Insurance) based on fleet size. We mitigate the risk of potential massive financial losses through the payment of annual insurance premiums. • Fuel and Technical Monitoring Costs: Adverse weather reduces navigational efficiency and increases fuel consumption. The Company invests in digital weather routing services, accepting higher technical service costs to minimize unexpected excess fuel expenditures.

Item	Implementation status
	(2) Financial Impacts of Transition Initiatives (Transition Risks and Opportunities) In response to international low-carbon regulations and market expectations, the Company transforms risks into operational resilience through capital expenditures and optimized resource allocation: • Compliance Costs and Carbon Tax Liabilities: With the implementation of carbon pricing mechanisms such as the EU ETS, the Company faces the risk of rising carbon fees. We focus resources on fleet energy efficiency enhancement programs (e.g., regular hull cleaning, retrofitting energy-saving devices) to reduce regulatory fees associated with excess emissions. • Long-term Technical Investment and Positioning: The Company allocates funds toward low-carbon startup materials and technology development (e.g., investments in Thermolysis). While this increases long-term investment expenditure in the short term, the primary objective is to secure commercial opportunities within the future green supply chain and diversify business impacts from the energy transition. • Optimization of Financial Structure: We integrate environmental performance with financing tools by deploying financial instruments such as Sustainability-Linked Bonds. Additionally, investments in energy-saving facilities for office environments—while incurring short-term renovation costs—generate long-term benefits by reducing operational electricity expenses. (3) Summary of Financial Implications In summary, climate-related financial impacts are primarily concentrated in volatility regarding insurance premiums and maintenance costs (Physical) and capital investments in low-carbon technology and regulatory compliance (Transition). The Company incorporates climate change into its annual budget planning and continues to optimize cost management

Item	Implementation status
	through technical investments, ensuring financial stability and long-term competitiveness throughout the transition process.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company has fully integrated climate change risks into its Enterprise Risk Management (ERM) framework to ensure that climate issues are closely aligned with business strategies. The integrated management process is detailed below: (1) System Integration and Governance Structure In accordance with our "Risk Management Policy and Procedures," the Board of Directors serves as the highest oversight body and authorizes management to form a "Risk Management Team." Climate change has been categorized as a critical risk factor for regular assessment, managed alongside traditional risks—such as financial, operational, and regulatory risks—to ensure a unified identification process. (2) Identification and Assessment Process The Risk Management Task Force identifies climate-related risks and opportunities annually, referencing the TCFD framework and the latest international standards (e.g., IFRS S2). We categorize climate risks into "Transitional Risks" and "Physical Risks" and conduct correlation analyses with the "Top 10 Corporate Risks." During the assessment, we determine the priority of significant climate risks by analyzing the "likelihood of occurrence" and the "degree of financial impact" for each issue. (3) Rolling Management and Monitoring Mechanism The Risk Management Task Force meets quarterly to conduct dynamic tracking of identified climate risks, such as EU ETS policy changes or the impact of extreme weather on shipping routes. Each responsible department must execute response strategies based on assessment results (e.g., fleet optimization, application of weather routing) and review the effectiveness of action plans during meetings to achieve rolling updates and

Item	Implementation status
	corrections. (4) Reporting and Decision-Making Alignment The results of climate risk identification and management performance are reported to the Board of Directors on a regular basis (quarterly/annually) following approval by the Chairman. This mechanism allows the Board to grasp the material impact of climate risks on the Company's overall assets and business, enabling them to adjust annual budget allocations and long-term investment strategies. This ensures that climate resilience is deeply integrated into corporate governance and the overall risk management system.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company employs the TCFD framework to conduct climate scenario analysis, evaluating business resilience under different warming pathways. The scenario settings and financial impacts are detailed as follows: (1) Scenario Selection and Parameter Settings • Transition Risk Scenario (IEA NZE 2050) – Description: Simulates a global achievement of net-zero emissions by 2050, characterized by extremely stringent carbon reduction regulations. – Key Parameters and Assumptions: Focused on "Carbon Pricing" and the "IMO Carbon Intensity Indicator (CII)". It assumes that EU ETS credit prices will rise annually and that the demand for low-carbon vessels in the global shipping market becomes a mandatory standard. – Analysis Factors: Includes carbon tax expenditures, premiums for low-carbon fuels (e.g., biofuels), and capital expenditures for retrofitting energy-saving equipment. • Physical Risk Scenario (IPCC AR6 SSP5-8.5) – Description: Simulates high greenhouse gas emissions leading to a global temperature

Item	Implementation status
	increase exceeding 4°C, with a high frequency of extreme weather events. – Key Parameters and Assumptions: Focused on "Sea-level Rise" and the "Frequency and Intensity of Tropical Cyclones (Typhoons)". It assumes that extreme storms will lead to an increase in global port closure days and route deviation rates. – Analysis Factors: Includes vessel damage repair costs, demurrage losses arising from delivery delays, and adjustments to insurance premium rates. (2) Primary Financial Impact and Resilience Assessment • Short to Medium-Term Impact: Financial pressure primarily stems from increased compliance costs and capital expenditures. The imposition of carbon taxes and fees will raise operating expenses, while fleet renewal requires significant capital investment. By implementing StormGeo weather routing and hull cleaning optimization, the Company can effectively offset a portion of the increased fuel costs to maintain operating margins. • Long-Term Impact: Without a successful transition, the Company faces significant financial shocks from asset impairment and business contraction in the long run. However, scenario simulations indicate that through continuous investment in low-carbon technologies (e.g., All-Enery) and green bonds, the Company expects to reduce its carbon fee burden and expand into the green shipping market. • Summary of Operational Resilience: The Company maintains a robust financial structure. Through diversified investments and a fleet rejuvenation strategy, we possess sufficient resilience across various scenarios to address the impacts of climate change and ensure the achievement of our business objectives.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and	To proactively address the pressures of climate transition, the Company has established a phased transition plan and developed quantitative metrics to monitor the effectiveness of our

Item	Implementation status
the indicators and targets used to identify and manage physical risks and transition risks.	risk management: (1) Climate Transition Plan Through fleet optimization and technological transformation, the Company has established a short, medium, and long-term net-zero pathway: • Short Term (by 2030): Execute the fleet renewal program by selling high-energy-consumption aging vessels. The existing fleet adopts high-performance silicone-based anti-fouling coatings and Propeller Boss Cap Fins (PBCF) to reduce navigational resistance. Simultaneously, the StormGeo weather routing and data analysis system is being introduced to build a technical database for operational performance. • Medium Term (by 2040): Continue introducing new energy-saving and eco-friendly vessels while evaluating the feasibility of adopting biofuels. We will optimize propulsion systems and equipment retrofitting to deepen carbon reduction efforts. • Long Term (by 2050): Transition fully to green energy applications and commit to the vision of net-zero emissions through high-efficiency equipment upgrades. (2) Risk Management Metrics and Targets The Company has set specific monitoring metrics for both transition and physical risks to manage climate impacts quantitatively: • Transition Risk Metrics and Targets: – Core Metrics: Tracking EU ETS carbon tax costs, IMO EEXI/CII regulatory compliance rates, and total Greenhouse Gas (GHG) emissions across Scope 1 and Scope 2. – Reduction Targets: Using 2023 as the base year, the target is set to reduce GHG emissions by an annual average of 2.9%. Phased reduction targets include a 20% reduction by 2030, a 70% reduction by 2040, and the ultimate goal of reaching Net

Item	Implementation status
	Zero by 2050. - Physical Risk Metrics and Targets: - Core Metrics: Monitoring annual days of suspended operations due to extreme weather, route deviation rates, and unexpected fluctuations in fuel costs. Management Goals: Through 100% coverage of real-time weather routing and regular emergency response drills, we aim to minimize the impact of climate events on operational losses, ensuring navigational safety and the reliability of contract fulfillment.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company has not yet implemented an internal carbon pricing mechanism.
8.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	To implement the net-zero transition, the Company has established carbon reduction targets and action pathways. The details are as follows: (1) Climate Targets and Planning Timeline Using 2023 as the base year for greenhouse gas (GHG) emissions, the Company has set phased reduction targets, committing to achieving Net Zero by 2050: - Short-term Target (2030): A 20% reduction in total GHG emissions compared to the base year (targeting an average annual reduction rate of 2.9%). - Medium-term Target (2040): A 70% reduction in total GHG emissions compared to the base year. - Long-term Target (2050): Achievement of Net-Zero emissions. (2) Covered Activities and Emission Scopes - Emission Scopes: Targets cover Scope 1 (Direct Emissions), Scope 2 (Energy Indirect Emissions), and specific Scope 3 categories (Other Indirect Emissions, such as business

Item	Implementation status
	travel and employee commuting) as inventoried per ISO 14064-1:2018. • Primary Activities: Includes global fleet operations (comprising vessel fuel consumption and electricity use) and energy resource utilization at office locations. (3) Mitigation Strategies and Concrete Actions To achieve the aforementioned targets, the Company is promoting the following carbon reduction projects: • Technical Optimization: Constructing new energy-efficient vessels, retrofitting the existing fleet with Propeller Boss Cap Fins (PBCF), and applying high-performance silicone-based anti-fouling coatings. • Operational Excellence: Implementing intelligent vessel speed management and optimizing route planning. • Resource Management: Implementing shipboard waste reduction and water recycling management to minimize our operational footprint. (4) Annual Progress Tracking Mechanism The Company performs annual GHG inventories and commissions independent third-party verification to ensure data accuracy and transparency. Management reviews the progress of various carbon reduction projects on a quarterly basis and conducts rolling updates of the implementation pathways based on international regulations and technological advancements. (5) Use of Carbon Offsets and Renewable Energy Certificates (RECs) At this stage, the Company prioritizes "Substantive Internal Reductions" (such as energy efficiency improvements and equipment upgrades) as the core means of achieving its goals. To date, the Company has not utilized carbon offsets or Renewable Energy Certificates (RECs) to meet these targets. We will continue to evaluate the development of international

Item	Implementation status
	carbon reduction tools to ensure that our net-zero strategies remain aligned with global standards.
9.Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	For details, please refer to sections 1-1 and 1-2.

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

Information Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e /NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

Our company's greenhouse gas emissions data covers the headquarters office of the parent company, one passenger vessel, and the ships operated by subsidiary companies, and is audited according to the ISO 14064-1 standard.

1. The parent company entity should begin its audit from 2026.
2. Subsidiaries included in the consolidated financial statements should commence their audits from 2027.

Emission Source Scope/ Category		Year	
		2024	2025
Scope 1	Category 1	16,638.1668	9,151.1966
	Category 1- Marine Fuel Oil	5,018.6289	4,243.3423
Scope 2	Category 2	193.8221	163.6498
Scope 3	Category 3	37.9429	50.1546
	Category 4	1,304.6862	1,115.2317
	Category 5 <u>Downstream</u> <u>Leased Assets -</u>	319,319.5571	290,810.5722

	fuel consumption of vessels during charter periods		
Total		337,494.1751	301,290.8050
Revenue from operations (NT\$ million)		3,493	3,184
Ton-nautical Mile		385,525,733,199.019	343,125,963,653.681
intensity (metric tons CO ₂ e /NT\$ million)		96.6201	94.6265
intensity (metric tons CO ₂ e / Ton-nautical Mile)		0.000000841	0.000000860

Note :

1. The 2024 greenhouse gas (GHG) emission data has been verified by CR, with a formal verification opinion issued. The 2025 GHG emission data has not yet undergone third-party verification. For the most up-to-date information, please refer to the 2025 Sustainability Report or the Market Observation Post System (MOPS).
2. Ton-nautical Mile/Ton-mile is calculated by multiplying the weight of the cargo in tons by the distance traveled by the vessel in nautical miles.
3. The Company's emission intensity (metric tons CO₂e /NT\$ million) is calculated using total emissions as the numerator. The emission intensity (metric tons CO₂e / Ton-nautical Mile) is calculated using emissions from marine fuel consumption as the numerator.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

1. The carbon dioxide emissions data of our company's fleet is obtained from the Fuel Oil Consumption Certificate issued by the Nippon Kaiji Kyokai (ClassNK) in Japan.
2. The 2024 Greenhouse Gas Inventory was prepared in accordance with the ISO 14064-1:2018 standard. The reporting boundary encompasses

the parent company's headquarters, one passenger vessel, and the ships operated by subsidiary companies. The Company has obtained a Greenhouse Gas Verification Opinion Statement from the CR Classification Society. We received a reasonable assurance level for Scope 1 and Scope 2, and a limited assurance level for other indirect GHG emissions.

3. The 2025 Sustainability Report is scheduled to be published by the end of August, with complete verification information disclosed in the report.
4. In 2023, our company officially implemented the ISO 14064-1 organizational greenhouse gas inventory, as of March 31, 2026 the Company was complete 2023 and 2024 external verification for the parent company and its ship operation subsidiaries.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

The base year and reduction targets for greenhouse gas emissions

To plan greenhouse gas reduction strategies, our company officially adopted the ISO 14064-1 organizational greenhouse gas inventory in 2023. The reporting boundary includes the parent company and subsidiary companies operating ships, with the base year set as 2023. The emissions for Scope 1 and Scope 2 are 14,453.081 metric tons CO₂e and 118.669 metric tons CO₂e, respectively. From the base year onwards, we aim to achieve a minimum reduction of 2.9% annually to reach the target of reducing emissions by 20% by 2030.

Strategies and specific action plans for greenhouse gas reduction.

Our company is committed to reducing greenhouse gas emissions impact with a proactive approach to enhance operational competitive advantage. Here's the breakdown for our operational fleet and head office:

Fleet

1. Sold four aging vessels and introduced one new energy-efficient vessel to establish a younger, environmentally friendly, and fuel-efficient

fleet. This is expected to reduce greenhouse gas emissions by approximately 17.81 grams-CO₂/ tonne-mile.

2. Upgraded vessel lighting to LED bulbs; nine vessels completed full LED conversion in 2025, Estimated annual fuel savings of approximately 363.12 MT, with an annual reduction in energy consumption of 6,536.25 GJ and a decrease in greenhouse gas emissions of approximately 130.723 tonnes of CO₂e per year.
3. Applied silicone-based anti-fouling coatings on hulls to reduce navigation resistance, improve fuel efficiency, and protect marine biodiversity.
4. Vessels using Hempaguard X7 Silicon hull coating can save an average of about 13.5% in fuel annually compared to those using traditional hull coatings (economy SPC antifouling).
5. After verification by the third-party certification body ClassNK Consulting Service Co., Ltd. (NKCS), some vessels have been equipped with Engine Power Limitation (EPL) devices to reduce GHG emissions and comply with EEXI requirements.
6. Installed propeller boss cap fins on vessels to effectively reduce fuel consumption.

Head Office

1. HQ Lighting Retrofit, Replaced existing 40W LED panel lights with high-efficiency 18W units, while optimizing the layout to reduce the total fixture count from 178 to 164.
2. Operational management systems uses Azure cloud servers, reducing the need for paper printing. Based on the 2024 electricity emission factor, the estimated carbon reduction is approximately 2,056.7808 kgCO₂e annually .
3. Implemented air-conditioning system monitoring to optimize operating times.

Progress in Achieving Reduction Targets

In response to adjustments in the maritime industry's carbon reduction strategies by the International Maritime Organization (IMO), the company has revised its carbon reduction targets accordingly and reset the base year to 2024 following the implementation of ISO 14064-1.

Reviewing the greenhouse gas emission data and intensity for the company in 2025, the set carbon reduction targets have been achieved. The

Company's total greenhouse gas emissions in 2025 decreased by 19.78% compared to 2023 and by 10.73% compared to 2024. The emissions intensity (metric tons CO₂e /Ton-nautical Mile) also declined compared to 2023.

2.3.6 Ethical Corporate Management- Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	√		(1) The Company has set up the Procedures for Ethical Management and Guidelines for Conduct, and complies with the Company Act, Securities and Exchange Act, and other relevant laws and regulations listed companies shall abide by to implement integrity management.	(1) No significant discrepancy
(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to	√		(2) The Company strengthens the promotion of ethics and moral concepts and encourages our employees to report to independent directors, managers, internal audit supervisors or other appropriate personnel when they suspect or	(2) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies? (3) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	√		discover violations of laws, regulations, or Codes of Ethical Conduct. (3) To ensure that the behavior of employees, directors, independent directors and managers is compliant with ethical standards and to enable our stakeholders to better understand the Company's ethical standards, the Code of Ethical Conduct has been formulated with reference to relevant regulations stipulated by the competent authorities.	(3) No significant discrepancy
2. Ethical Management Practice (1) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	√		(1) The Company conducts business activities in a fair and transparent manner. Before doing business, the legitimacy of the agents, suppliers, customers and other business partners as well as whether they have any unethical conduct are put into consideration to avoid dealing with those with records of	(1) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2) Has the Company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	√		dishonest conduct. When signing a contract, it is advisable that the content shall include the principle of good faith and there shall also be a term stipulating that when the counterparty of the transaction is involved in dishonest behavior, the contract shall be terminated or rescinded at any time. (2) The Administration Department is in charge of the promotion of corporate integrity management, and the main responsibilities include ensuring relevant anti-fraud measures for integrity management, formulating the dishonest behavior prevention program, reducing the risk of unethical behavior in business, promoting the publicity and training of integrity policies, planning and implementing a reporting system, assisting the board of directors and the management to evaluate the implementation status, and reporting to the board of directors once a year in accordance with the Procedures for Ethical	(2) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(3) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	√		Management and Guidelines for Conduct. The Administration Department reported to the board of directors on the 2025 operation and implementation of integrity management on December 23, 2025. The board of directors has established various organizations and channels, such as the Audit Committee, Remuneration Committee, and the internal audits with the care of a good administrator to prevent unethical behavior and ensure the implementation of the integrity management policy. (3) The Company has adopted the policy for preventing conflicts of interest and provided appropriate communication and complaint channels. In addition, the independent directors make regular review of the audit reports and have meetings with the audit supervisor to understand the matters concerning conflict of interest and keep the communication channels with stakeholders smooth for implementation.	(3) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(4) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessment and advise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	√		(4) The Company has established an accounting system and an internal control system that are functioning normally. The auditors of the Company conduct audit in accordance with the audit plans for the implementation of integrity management and fraud prevention. The Company did not involve in any incidents related to fraud, insider trading, anti-competitive behavior, anti-trust and monopoly behavior, and market manipulation in 2025, nor were there any related legal proceedings and penalties. In addition, during the reporting period, the fleet of Shih Wei Navigation called at ports of the 20 most corrupt countries based on the Corruption Perceptions Index (CPI) published by the Transparency International (TI) for a total of 0 times.	(4) No significant discrepancy
(5) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	√		(5) A total of 14 sessions of education and training on integrity management and regulatory compliance were held in 2025, 6 sessions for directors, totaling 18 participant-hours with 6	(5) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			participants, and 8 sessions for employees, totaling 63.25 participant-hours with 71 participants . In 2025, there were no violations of integrity management throughout the year.	
3. Implementation of Compliant Procedures (1) Has the Company established specific whistleblowing and reward procedures, set up conveniently accessible whistleblowing channels, and appointed appropriate personnel specifically responsible for handing complaints received from whistle-blowers?	√		(1) To enhance governance transparency, Company has established a whistleblowing system and set up a whistleblowing mailbox on the company website. The “Integrity in Business Code of Conduct, Operating Procedures, and Guidelines” include an independent whistleblowing mailbox, legal@swnav.com.tw , encourage employees and external parties may report violations of integrity regulations or improper conduct by letter/email. A reward will be given for each whistleblower's report, depending on the severity of the incident. Regarding the reported incidents : those involving ordinary employees should be reported to their department heads; those involving directors or Senior	(1) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2) Has the Company established standard operating procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanism ensuring such complaints are handled in a confidential manner?	√		management should be reported to the independent directors. Company's Administration Department is responsible for handling whistleblower reports. (2) The following items have been added to our "Integrity in Business Code of Conduct, Operating Procedures, and Guidelines" : I. Standard Operating Procedures for Investigation : All personnel handling whistleblower reports shall provide a written statement guaranteeing confidentiality regarding the whistleblower's identity and the content of the report. The Company also undertakes to protect the whistleblower from undue harm due to the whistleblower's report. Company's Administration Department shall handle whistleblower reports according to the following procedures : a. Whistleblower reports involving general employees shall be submitted to their department heads; whistleblower reports	(2) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			involving directors or senior executives shall be submitted to independent directors. b. The Company's Administration Department and the aforementioned supervisor or personnel shall immediately investigate the relevant facts, and, if necessary, obtain assistance from regulatory compliance or other relevant departments. c. If it is confirmed that the accused party has violated relevant laws or the Company's integrity management policies and regulations, the accused party shall be immediately required to cease the relevant conduct, and appropriate action shall be taken. If necessary, the matter shall be reported to the competent authorities, transferred to judicial authorities for investigation, or legal proceedings shall be initiated to	

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			seek damages in order to protect the Company's reputation and interests. d. All reports, investigation processes, and results shall be documented in writing and retained for five years, possibly electronically. If litigation related to the report occurs before the retention period expires, the relevant documents shall continue to be retained until the litigation is concluded. e. If a report is verified to be true, the relevant departments of the company shall be responsible for reviewing the relevant internal control systems and operating procedures and proposing improvement measures to prevent the recurrence of similar incidents. II. Follow-up Measures After Investigation After the investigation of a report is completed, the designated department of the company shall report the report, its handling, and subsequent	

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(3) Has the Company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	√		review and improvement measures to the Board of Directors. III. Confidentiality Mechanisms All personnel handling reports shall provide a written statement guaranteeing the confidentiality of the whistleblower's identity and the content of the report. The company also promises to protect the whistleblower from improper handling due to the report. The Company ensures the confidentiality and protection of whistleblower identity and report contents. (3) Our company's "Integrity in Business Code of Conduct, Operating Procedures, and Guidelines" stipulates that all personnel handling whistleblower cases must provide a written statement maintaining confidentiality regarding the whistleblower's identity and the content of the whistleblower's report. We also promise to protect whistleblowers from undue harm as a result of their whistleblower reports.	(3) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			In 2025, one report was received each year. Following investigations conducted in accordance with our standard procedures, no evidence was found to support the allegations, there were no incidents of violation regarding ethical management in 2025. Company reported the handling and results of the complaint to the board of directors on December 23, 2025.	
4. Strengthening Information Disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	√		The Company ensures its disclosure of complete, proper, accurate, timely, an understandable information to the competent authorities and the general public. Please refer to the MOPS or the Integrity Management Page on the Company's website for details.	No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
5. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: The Company has formulated the Procedures for Ethical Management and Guidelines for Conduct for specific regulations concerning the matters the company personnel should pay attention to when performing business. Regulations stipulated in the work rules shall be announced during the orientation for new employees. So far, neither the Company nor its internal personnel have been imposed any penalties, conforming to the prescriptions set forth in the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies with no major abnormalities.				
6. Other important information to facilitate a better understanding of the status of operation of the Company’s ethical corporate management policies (e.g., the Company’s reviewing and amending of its ethical corporate management best practice principles): The Company has been upholding the business philosophy of maintaining safety of lives, safety of ships, safety of cargos, and safety of environments with the spirit of honesty and integrity. The Corporate Governance Best Practice Principles, the Procedures for Ethical Management and Guidelines for Conduct, and the Codes of Ethical Conduct have also been formulated to prevent offering or acceptance of bribes, illegal political donations, improper charitable donations or sponsorship, offering or acceptance of unreasonable presents or hospitalities, or other improper benefits. Relevant information is also publicized in the education & training for the personnel in the Company on a regular basis. Information of implementation status is also disclosed on the Company’s website, in the annual reports and the Public Reports.				

2.3.7 Other useful information for explaining corporate governance practices:

The corporate governance area of the MOPS and the Company's website regularly report the meeting of the board of directors and the continuing education of directors and independent directors.

2.3.8 Status of implementation of the internal control system:

1. Statement on Internal Control:

Shih Wei Navigation Co., Ltd.
Statement on Internal Control

Date: March 10, 2026

This statement relates to the Internal Control System of the Company and the results of a self-assessment for the year 2025:

- I. The Company is fully aware that the establishment, implementation and maintenance of its internal control system is the responsibility of the Board of Directors and the management personnel. In this regard the Company has established such a system. The aim of the system is to provide reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguarding of asset security), reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations.
- II. There are inherent limitations to even the most well designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the three aforementioned objectives. Moreover, the operating environment and situation may change and impact the effectiveness of the internal control system. Nevertheless, self-supervision measures have been built into the Company's internal control system to facilitate immediate rectification once procedural flaws have been identified.
- III. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The internal control system judgment criteria adopted by the Regulations divides internal control into five elements based on the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Monitoring. Each element further contains several items. For more information on the aforementioned items, see the Regulations.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
- V. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that as of December 31, 2025,^{Note 2} its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for knowledge of the degree of achievement of operational effectiveness and efficiency objectives, reliability of reporting, timeliness, transparency, and compliance with applicable laws and regulations, is effectively designed and operating,

and reasonably assures the achievement of the aforementioned objectives.

VI. This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. VII. This Statement has been passed by the Board of Directors Meeting of the Company held on March 10, 2026, where 0 of the 6 attending Directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Shih Wei Navigation Co., Ltd.

Chairwoman and President: Lan, Shin-Chyi

Note 1: In the design and implementation of the internal control system of the publicly offered company, if there are major deficiencies during the year, an explanatory paragraph should be added after Paragraph 4 of the Statement on Internal Control to list and explain the major deficiencies found in the self-assessment as well as the actions taken by the Company for improvement and improvements made before the balance sheet date.

Note 2: The date of the declaration is "the end of the fiscal year".

2. Those who entrust an accountant to review the internal control system must disclose the accountant's review report: None.

2.3.9 Important resolutions of the shareholders' meeting and board of directors in the most recent year and up to the publication date of this Annual Report:

1. Important resolutions of the 2025 General Shareholders' Meeting and their implementation:

Date	Important issues	Implementation
June 25, 2025	1. Ratification of the 2024 Business Report and Financial Statements	Resolution passed.
	2. Ratification of the proposal for 2024 Deficit Compensation Statement	Resolution passed.
	3. Amendment to the "Articles of Incorporation"	Matters are being handled in accordance with the amended rules
	4. Amendment to the "Procedures for Election of Directors"	Matters are being handled in accordance with the amended rules

2. Key resolutions passed in the 2025 board meetings: See Appendix 2.

2.3.10 The main content of different opinions expressed by directors or supervisors on important resolutions passed by the board of directors for which there exist records or written statements, in the most recent year and up to the date of publication of the Annual Report:
None.

2.4 Information on the professional fees of the attesting CPAs :

Information on CPA (External Auditor) Professional Fees

Unit: NT\$ thousand

Name of accounting firm	Names of CPAs	Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remarks
KPMG, Taiwan	Chih, Shih-Chin Tseng, Kuo-Yang	January 1, 2024 to December 31, 2024	3,480	615	4,095	
		January 1, 2025 to December 31, 2025	3,480	870	4,350	

(1) If the accounting firm is replaced and the audit fees paid during the replacement year are less than the public audit fees of the previous year, the amount and reasons for the difference in audit fees before and after the replacement must be disclosed: None.

(2) If the audit fees are reduced by more than 15% from the previous year, the amount, proportion, and reasons for the reduction in audit fees shall be disclosed: None.

2.5 Information on Replacement of CPAs: None.

2.6 The Company's chairperson, president, and manager in charge of financial or accounting affairs who has worked at the firm of the certified public accountant or its affiliate within the most recent year shall disclose their name, title, and period spent working at the firm of the certified public accountant or its affiliate: None.

2.7 Changes to equity transfer or pledge loan of directors, managers, and major shareholders whose shareholding ratio exceeds 10% in the most recent year

and up to the printing date of the Annual Report

2.7.1 Changes in the equity of directors, managers, and major shareholders:

Unit: Share

Position	Name	2025		In 2026 up to March 30	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairperson and major shareholder	Luo Pan Investment Corp.	0	0	0	0
	Representative : Lan, Shin-Chyi	468,053	0	0	0
Director	Representative : Lan, Shin-Ying	0	0	0	0
Director	Kuo, Chen-Yu	0	0	0	0
Independent Director	Chang, Tsang- Yao	0	0	0	0
Independent Director	Ding, Yun-Kai	0	0	0	0
Independent Director	Chou, Chen- Shing	0	0	0	0
Independent Director	Shann, Shu-Jiun	0	0	0	0
President	Lan, Shin-Chyi	468,053	0	0	0
Chief Financial Officer	Hsu, Kang-Lun	0	0	0	0
Chief Operating Officer	Lin, Hsiu-Ching	0	0	0	0
Assistant Vice President, Accounting Division, Finance Department	Lin, Fang-Ying	0	0	0	0

Position	Name	2025		In 2026 up to March 30	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Assistant Vice President, Business Department	Liu, Chih-Chin	0	0	0	0
Assistant Vice President, Crew Management Department and Risk Management Department	Lo, Wen-Kai	0	0	0	0

2.7.2 Information on the related parties of equity transfers: None.

2.7.3 Information on where the counterparties of equity pledges are related parties: None.

2.8 Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and the relationship between them

Information disclosing relationships among the top ten shareholders

March 30, 2026

Unit: Share

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
1	Luo Pan Investment Corp.	32,910,027	8.45	0	0	0	0	None	None	
	Representative : Lan, Shin-Chyi	575,776	0.15	0	0	0	0	Responsible person of Huo Da Investment Corp.	First degree of kinship	
								Responsible person of Pei Lin Investment Corp.	First degree of kinship	
								Representative/	Second	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
								Responsible person of Luo Pan Investment Corp.	degree of kinship	
	Representative / Responsible person: Lan,Shin-Ying	0	0	689,788	0.18	0	0	Responsible person of Huo Da Investment Corp. Responsible person of Pei Lin Investment Corp. Representative/ Responsible person of Luo Pan Investment Corp.	First degree of kinship First degree of kinship Second degree of kinship	
2	Pei Lin Investment Corp.	15,264,319	3.92	0	0	0	0	None	None	
	Responsible person: Lan	741	0	Shareholder did not provide		Shareholder did not provide		Responsible person of Luo	First degree of	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
	Chang, Chien-Chien							Pan Investment Corp. Responsible person of Huo Da Investment Corp.	kinship The individual	
3	Huo Da Investment Corp.	14,574,437	3.74	0	0	0	0	None	None	
	Responsible person: Lan Chang, Chien-Chien	741	0	Shareholder did not provide Shareholder did not provide				Responsible person of Luo Pan Investment Corp. Responsible person of Huo Da Investment Corp.	First degree of kinship The individual	
4	Vista Investment Co., Ltd.	3,974,783	1.02	0	0	0	0	None	None	
	Responsible person: Kuo, Cheng-	58,316	0.015	Shareholder did not provide Shareholder did not provide				None	None	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
	Yu									
5	Chung-Ai Investment Co., Ltd.	3,878,031	1.00	0	0	0	0	None	None	
	Responsible person: Chen, Shu-Zhen	229,530	0.06	Shareholder did not provide Shareholder did not provide				None	None	
6	HSBC Bank (Taiwan) Limited – Custodian for Morgan Stanley International Limited Investment Account	3,165,453	0.81	0	0	0	0	None	None	
7	Citibank (Taiwan) Limited – Custodian for DFA Investment Dimensions Group	2,664,634	0.68	0	0	0	0	None	None	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
	Emerging Markets Core Equity Portfolio Investment Account									
8	Citibank Custody – Barclays Capital Securities Limited Investment Account	1,861,650	0.48	0	0	0	0	None	None	
9	Deutsche Bank AG, Taipei Branch – Custodian for SPDR (R) Index Shares Funds – SPDR S&P Emerging Markets ETF Investment Account	1,660,265	0.43	0	0	0	0	None	None	
10	Chen, Chun-Ding	1,400,000	0.36	Shareholder did not provide		Shareholder did not provide		None	None	

2.9 The number of shares held by the Company, its directors, supervisors, managers, and businesses directly or indirectly controlled by the Company in the same investee company, and calculation of the comprehensive shareholding ratio:

March 31, 2026; Unit: shares; %

Investee company	Investment by the Company		Directors, supervisors, managers, and direct or indirect control investment in the business		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
DONG LIEN MARITIME S.A. PANAMA	163,077,000	100%	0	0	163,077,000	100%
FORTUNATE MARITIME S.A. PANAMA	88,250	100%	0	0	88,250	100%
Dancewoods Hotels and Resorts Co., LTD.	44,630,104	55.43%	2,020,070	2.51%	46,650,174	57.94%
Thermolysis Co.,Ltd.	4,769,168	8.96%	0	0	4,769,168	8.96%

3. Capital Overview:

3.1 Capital and Shares:

3.1.1 Sources of Capital

1. Capital and Shares

March 31, 2026 Unit: Share

Type of Stock	Authorized Capital			Remarks
	Outstanding shares (listed on the TWSE)	Unissued shares	Total	
Registered common shares	389,276,138	110,728,386	500,000,000	Due to the conversion of corporate bonds into 4,524 common shares, the relevant change has not yet been approved for registration by the Ministry of Economic Affairs.

2. Capital formulation process

Unit: Share; NT\$

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
1985.03	100	120,000	12,000,000	120,000	12,000,000	Established by cash	None	
1992.03	100	290,000	29,000,000	290,000	29,000,000	Cash capital increase of NT\$17,000,000	None	
1993.05	100	530,000	53,000,000	530,000	53,000,000	Cash capital increase of NT\$24,000,000	None	
1994.08	10	9,500,000	95,000,000	9,500,000	95,000,000	Cash capital increase of NT\$42,000,000	None	Note 1
1996.12	10	19,999,000	199,990,000	19,999,000	199,990,000	Cash capital increase of NT\$104,990,000	None	
1997.07	10	260,000,000	2,600,000,000	80,000,000	800,000,000	Cash capital increase of NT\$584,810,000 Capitalization of profits of NT\$15,200,000	None	Note 2

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
1998.06	10	260,000,000	2,600,000,000	120,165,000	1,201,650,000	Cash capital increase of NT\$240,000,000 Capitalization of profits of NT\$81,650,000 Capitalization of capital surplus of NT\$80,000,000	None	Note 3
1999.11	10	260,000,000	2,600,000,000	129,778,200	1,297,782,000	Capitalization of capital surplus of NT\$96,132,000	None	Note 4
2000.12	10	260,000,000	2,600,000,000	142,876,020	1,428,760,200	Capitalization of profits of NT\$57,004,626 Capitalization of capital surplus of NT\$73,973,574	None	Note 5
2001.10	10	260,000,000	2,600,000,000	147,127,548	1,471,275,480	Capitalization of profits of NT\$42,515,280	None	Note 6
2002.10	10	260,000,000	2,600,000,000	152,577,012	1,525,770,120	Capitalization of profits of NT\$54,494,640	None	Note 7
2003.10	10	260,000,000	2,600,000,000	154,102,782	1,541,027,820	Capitalization of profits of NT\$15,257,700	None	Note 8
2004.08	10	260,000,000	2,600,000,000	193,351,580	1,933,515,800	Capitalization of profits of NT\$161,602,780 Capitalization of capital surplus of NT\$146,397,640 Corporate bonds converted to shares of NT\$84,487,560	None	Note 9
2004.10	10	260,000,000	2,600,000,000	200,941,783	2,009,417,830	Corporate bonds converted to shares of NT\$75,902,030	None	Note 10
2004.11	10	260,000,000	2,600,000,000	201,357,792	2,013,577,920	Corporate bonds converted to shares of NT\$4,160,090	None	Note 11
2005.06	10	380,000,000	3,800,000,000	252,497,240	2,524,972,400	Capitalization of profits of NT\$360,376,140 Capitalization of capital surplus of NT\$151,018,340	None	Note 12
2006.08	10	380,000,000	3,800,000,000	278,496,964	2,784,969,640	Capitalization of profits of NT\$259,997,240	None	Note 13

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
2007.01	10	380,000,000	3,800,000,000	303,496,964	3,034,969,640	Cash capital increase of NT\$250,000,000	None	Note 14
2007.04	10	380,000,000	3,800,000,000	306,621,089	3,066,210,890	Corporate bonds converted to shares of NT\$31,241,250	None	Note 15
2007.08	10	380,000,000	3,800,000,000	330,986,143	3,309,861,430	Corporate bonds converted to shares of NT\$81,139,990 Capitalization of profits of NT\$162,510,550	None	Note 16
2007.10	10	380,000,000	3,800,000,000	334,929,997	3,349,299,970	Corporate bonds converted to shares of NT\$39,438,540	None	Note 17
2008.01	10	380,000,000	3,800,000,000	336,985,716	3,369,857,160	Corporate bonds converted to shares of NT\$20,557,190	None	Note 18
2008.08	10	380,000,000	3,800,000,000	347,260,359	3,472,603,590	Capitalization of profits of NT\$102,746,430	None	Note 19
2009.08	10	500,000,000	5,000,000,000	356,350,031	3,563,500,310	Capitalization of profits of NT\$90,896,720	None	Note 20
2010.03	10	500,000,000	5,000,000,000	366,350,031	3,663,500,310	Cash capital increase of NT\$100,000,000	None	Note 21
2013.03	10	500,000,000	5,000,000,000	403,350,031	4,033,500,310	Cash capital increase of NT\$370,000,000	None	Note 22
2015.06	10	500,000,000	5,000,000,000	403,393,133	4,033,931,330	Corporate bonds converted to shares of NT\$431,020	None	Note 23
2015.10	10	500,000,000	5,000,000,000	423,560,635	4,235,606,350	Capitalization of profits of NT\$201,675,020	None	Note 24
2018.12.28	10	500,000,000	5,000,000,000	279,267,090	2,792,670,900	Capital reduction against previous losses of NT\$1,442,935,450	None	Note 25
2022.1.22	10	500,000,000	5,000,000,000	329,267,090	3,292,670,900	Cash capital increase of NT\$500,000,000	None	Note 26
2022.12.13	10	500,000,000	5,000,000,000	369,267,090	3,692,670,900	Cash capital increase of NT\$400,000,000	None	Note 27
2023.9.1	10	500,000,000	5,000,000,000	389,267,090	3,892,670,900	Cash capital increase of NT\$200,000,000	None	Note 28

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
2024.3.13	10	500,000,000	5,000,000,000	389,271,614	3,892,716,140	Corporate bonds converted to shares of NT\$45,240	None	Note 29

Note 1: The par value per share was changed from NT\$100 to NT\$10 on August 30, 1994.

Note 2: Capital increase approved in the (86) Tai-Cai-Zheng (1) No. 49756 Letter of the Securities and Futures Institute (SFI) dated June 20, 1997.

Note 3: Capital increase approved in the (87) Tai-Cai-Zheng (1) No. 47698 Letter of the Securities and Futures Institute (SFI) dated June 1, 1998.

Note 4: Capital increase approved in the (88) Tai-Cai-Zheng (1) No. 86186 Letter of the Securities and Futures Institute (SFI) dated September 30, 1999.

Note 5: Capital increase approved in the (89) Tai-Cai-Zheng (1) No. 101706 Letter of the Securities and Futures Institute (SFI) dated December 20, 2000.

Note 6: Capital increase approved in the (90) Tai-Cai-Zheng (1) No. 154105 Letter of the Securities and Futures Institute (SFI) dated August 28, 2001.

Note 7: Capital increase approved in the Tai-Cai-Zheng (1) No. 0910152190 Letter of the Securities and Futures Institute (SFI) dated September 19, 2002.

Note 8: Capital increase approved in the Tai-Cai-Zheng (1) No. 0920137438 Letter of the Securities and Futures Institute (SFI) dated August 19, 2003.

Note 9: Approved in Jing-Shou-Shang No. 09301146050 Letter dated August 13, 2004 and 09301149710 Letter dated August 17, 2004.

Note 10: Approved in Jing-Shou-Shang No. 09301198810 Letter dated October 29, 2004.

Note 11: Approved in Jing-Shou-Shang No. 09301221720 Letter dated November 22, 2004.

Note 12: Approved in Jing-Shou-Shang No. 09401116330 Letter dated June 28, 2005.

Note 13: Approved in Jing-Shou-Shang No. 09501186410 Letter dated August 23, 2006.

Note 14: Approved in Jing-Shou-Shang No. 09601013410 Letter dated January 19, 2007.

Note 15: Approved in Jing-Shou-Shang No. 09601080570 Letter dated April 16, 2007.

Note 16: Approved in Jing-Shou-Shang No. 09601184910 Letter dated August 01, 2007 and 09601215500 Letter dated August 31, 2007.

Note 17: Approved in Jing-Shou-Shang No. 09601254340 Letter dated October 18, 2007.

Note 18: Approved in Jing-Shou-Shang No. 09701002880 Letter dated January 09, 2008.

Note 19: Approved in Jing-Shou-Shang No. 09701202660 Letter dated August 22, 2008.

Note 20: Approved in Jing-Shou-Shang No. 09801185570 Letter dated August 19, 2009.

Note 21: Approved in Jing-Shou-Shang No. 09901050820 Letter dated March 18, 2010.

Note 22: Approved in Jing-Shou-Shang No. 10201051230 Letter dated March 25, 2013.

Note 23: Approved in Jing-Shou-Shang No. 10401100970 Letter dated June 26, 2015.

Note 24: Approved in Jing-Shou-Shang No. 10401213880 Letter dated October 14, 2015.

Note 25: Approved in Jing-Shou-Shang No. 10701163600 Letter dated December 28, 2018.

Note 26: Approved in Jing-Shou-Shang No. 11101008360 Letter dated January 22, 2022.

Note 27: Approved in Jing-Shou-Shang No. 11101231790 Letter dated December 13, 2022.

Note 28: Approved in Jing-Shou-Shang No. 11230164950 Letter dated September 1, 2023.
Note 29: Approved in Jing-Shou-Shang No. 11330005370 Letter dated March 13, 2024.

3. Shelf Registration for Issuing Bonds N/A.

3.1.2 List of major Shareholders (list all shareholders with a stake of 5% or greater, or the names of the top ten shareholders, and specify the number of shares and stake held by each shareholder on the list)

March 30, 2026

Major Shareholder's Name	Number of shares held	Shareholding ratio (%)
Luo Pan Investment Corp.	32,910,027	8.45
Pei Lin Investment Corp.	15,264,319	3.92
Huo Da Investment Corp.	14,574,437	3.74
Vista Investment Company	3,974,783	1.02
Chung Ai Investment Co., Ltd.	3,878,031	1.00
HSBC Bank (Taiwan) Limited – Custodian for Morgan Stanley International Limited Investment Account	3,165,453	0.81
Citibank (Taiwan) Limited – Custodian for DFA Investment Dimensions Group Emerging Markets Core Equity Portfolio Investment Account	2,664,634	0.68
Citibank Custody – Barclays Capital Securities Limited Investment Account	1,861,650	0.48
Deutsche Bank AG, Taipei Branch – Custodian for SPDR (R) Index Shares Funds – SPDR S&P Emerging Markets ETF Investment Account	1,660,265	0.43
Chen, Chun-Ding	1,400,000	0.36

3.1.3 Dividend Policy and Implementation Status

1. Dividend Policy in the Articles of Incorporation

(1) 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. Of the employees' remuneration mentioned above, an amount not less than 10% shall be allocated to non-executive employees. However, should the Company accumulate losses (including adjustment on non-distributed earnings), the Company ought to 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' meeting 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.

- (2) 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.
- (3) Implementation status of the aforementioned dividend policy approved by the shareholders' meeting: As the Company incurred losses in 2024, it did not distribute remuneration to employees or directors in the 2025 shareholders' meeting.

2. Implementation Status

Current-year dividend distribution proposal to shareholders' meeting: (Passed by the Board of Directors but not yet approved by the shareholders' meeting)

The proposed distribution in the Company's 2024 deficit compensation statement passed by the Board of Directors on March 25, 2025 is as follows. It is filed to the 2025 shareholders' meeting for ratification:

- (1) Shareholder bonus: None.
- (2) Director's remuneration: None.
- (3) Employee's remuneration: None.

3. Analysis of expected major changes: None.

3.1.4 Effects of the Stock Dividends Proposed by the Shareholders' Meeting on the Company's Business Performance and Earnings Per Share: Not applicable.

3.1.5 Remuneration of Employees and Directors

1. Percentage or range of remuneration distributed to employees and Directors as stipulated in the Company's Articles of Incorporation: 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. Of the employees' remuneration mentioned above, an amount not less than 10% shall be allocated to non-executive employees. However, should the Company accumulate losses (including adjustment on non-distributed earnings), the Company ought to 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.

2. Basis for estimating the amount of remuneration of employees and directors , basis for calculating the number of shares to be distributed as employee remuneration , the actual distributed amount for the current period, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount: Not applicable. The Company had a net loss before tax in 2025 and therefore does not distribute remuneration to employees or Directors.

3. Remuneration distribution passed by the Board of Directors:

- (1) Employee and director, and supervisor remuneration will be distributed in cash or stocks. The amount of, reason for, and treatment of discrepancy, if any, from the recognized costs should be disclosed:

The Company had a net loss before tax in 2025 and therefore does not distribute remuneration to employees or directors.

(2) The amount of employee bonus to be paid in stocks out of the current company-level financial statement in terms of the sum of net profit after tax and employee remuneration : Not applicable. There is no distribution of employee's remuneration in stock dividends in this period.

4. Actual distribution of employee bonuses and remuneration of Directors and Supervisors of the previous year (including number of shares, amount and stock price); and discrepancies, if any, from the recognized remuneration for employee and remuneration for Directors and Supervisors and the causes and treatments of the discrepancies:

The Company had a net loss before tax in 2024 and therefore does not distribute remuneration to employees or directors. There is no difference between the estimated amount and the actual amount distributed

3.1.6 Buyback of Treasury Stock: None.

3.2 Issuance of Corporate Bonds (Including Overseas Corporate Bonds):

Issuance of Corporate Bonds

Type of corporate bonds	Sixth Domestic Secured Convertible Bonds	Seventh Domestic Secured Convertible Bonds
Issue (transaction) date	June 21, 2023	December 17, 2024
Face value	NT\$100,000	NT\$100,000
Place of issue and trading	Taipei Exchange/ Republic of China	Taipei Exchange/ Republic of China
Issue price	NT\$107.7100	NT\$102.4400
Issue amount	NT\$500,000,000	NT\$600,000,000
Coupon rate	0%	0%
Term	3 years Maturity date: June 21, 2026	3 years Maturity date: December 17, 2027
Guarantor	Sunny Bank Ltd.	First Commercial Bank
Trustee	Trust department of Hua Nan Commercial Bank Ltd.	Bank SinoPac
Underwriter	Sino Pac Securities	Sino Pac Securities
Attesting lawyer	Jheding International Law Offices / Chen, You-Liang	Louis & Charles Attorneys at Law / Charles Chiu
Attesting CPA	Not applicable	Not applicable
Redemption method	Lump sum payment in cash upon maturity except for conversion conducted in accordance with Article 10 of the Company's Regulations Governing the Issuance and Conversion of Sixth Domestic Secured Convertible Bonds or early redemption in accordance with Article 18 of the aforementioned regulations by bondholders or buyback conducted by TPEX.	Lump sum payment in cash upon maturity except for conversion conducted in accordance with Article 10 of the Company's Regulations Governing the Issuance and Conversion of Seventh Domestic Secured Convertible Bonds or early redemption in accordance with Article 18 of the aforementioned regulations by bondholders or buyback conducted by TPEX.
Unredeemed balance	NT\$499,800,000	NT\$600,000,000
Conditions for redemption or early redemption	Please refer to Article 18 of the Company's Regulations Governing the Issuance and Conversion of Sixth Domestic Secured Convertible Bonds	Please refer to Article 18 of the Company's Regulations Governing the Issuance and Conversion of Seventh Domestic Secured Convertible Bonds
Restrictive covenants	None	None
Name of rating agency, date and result of rating	Not applicable	Not applicable

Other rights	The monetary amount of common shares, global depositary receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date	NT\$200,000 , equal to 9,048 shares	Not yet converted
	The issuance and conversion, exchange, or subscription rules	Please refer to Offering Memorandum	Please refer to Offering Memorandum
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.		If all the convertible bonds are converted into common shares at the conversion price NT\$22.10, the shares of common stock to be exchanged will be 22,624 thousand shares, the share dilution will be around 3.10%, which would not cause a material adverse effect on the shareholders' equity.	If all the convertible bonds are converted into common shares at the conversion price NT\$19.3, the shares of common stock to be exchanged will be 31,088 thousand shares, the share dilution will be around 7.40%, which would not cause a material adverse effect on the shareholders' equity.
Name of the custodian institution of the exchangeable underlyings		Not applicable	Not applicable

Convertible Corporate Bonds

Type of corporate bonds		Sixth Domestic Secured Convertible Bonds		
Fiscal year		2024	2025	As of April 10, 2026
Market price of convertible corporate bonds	Maximum	128.00	116.50	105.00
	Minimum	100.20	100.00	100.00
	Average	111.85	107.88	102.45
Conversion price		22.1	22.1	22.1
Issue (transaction) date and conversion price at issuance		June 21, 2023 NT\$23.8		
Method for performance of conversion obligations		Issuance of new shares		

Type of corporate bonds		Seventh Domestic Secured Convertible Bonds		
Fiscal year		2024	2025	As of April 10, 2026
Item				
Market price of convertible corporate bonds	Maximum	103.00	125.00	115.00
	Minimum	101.65	101.00	106.00
	Average	102.44	109.57	111.18
Conversion price		19.3	19.3	19.3
Issue (transaction) date and conversion price at issuance		December 17, 2024 NT\$19.3		
Method for performance of conversion obligations		Issuance of new shares		

3.3 Preferred Shares: None.

3.4 Issuance of Global Depositary Receipts: None.

3.5 Employee Stock Options: None.

3.6 Restricted Stock Awards: None.

3.7 New Share Issue for Merger or Acquisition of other Companies: None.

3.8 Implementation of Capital Allocation Plan:

1 Plan:

As of the first quarter of the annual report, previous issue or private placement of securities has not been completed or completed in the last three years and the project benefits have not yet appeared: None

2 Implementation:

For the purpose of each plan in the preceding paragraph, the analysis per item is conducted during the first quarter before the printing date of the annual report. Implementation and comparison with the original expected benefits: None

4. Business Overview

Shipping

4.1 Business Activities

4.1.1 Business Scope:

1. Main areas of business operations:
 - (1) Shipping agency services
 - (2) Shipping transportation
 - (3) Wholesale of ship and component parts
 - (4) Retail sale of ship and component parts
 - (5) All business items that are not prohibited or restricted by law, except those subject to special approval.

2. Revenue distribution (consolidated revenue distribution in 2024 and 2025)

Unit: %

Business activities	2024	2025
Rental revenue	95	94
Cargo revenue	0	0
Other operating revenue	5	6
Service revenue	0	0
Total	100	100

3. Main services:

The Company provides maritime shipping services. As of the end of March 2026, including vessels owned by Company's 100%-owned Panamanian subsidiaries and sub-subsidiaries, the Company operates a fleet of 24 vessels. Trading areas are as follows:

- (1) Kamsarmax and Panamax: 3 vessels. Global trading with commodities such as iron ore, coal, grains, and industrial materials.
- (2) Ultramax and Supramax: 4 vessels. Global trading with commodities such as iron ore, coal, grains, and industrial materials.
- (3) Handy: 15 vessels. Global trading with commodities such as steel products, iron ore, log, cement clinker and industrial materials .
- (4) MPP vessels: 1 vessels. They carry steel products/ mechanical equipment, chemical products, fertilizer and or dry bulk and general cargo trading in the

Indian Ocean, Pacific Ocean and Asia.

(5) Coastal passenger ship: 1 vessel. Coastal trading in Taiwanese waters.

4. New services development:

The Company operates the fleet on short or long term time charters trading in compliance with the international trading regulations and is able to provide services for any new route with reasonable remuneration.

4.1.2 Industry Overview

1. Current Status and Future Development of the Industry:

In 2025, the shipping market is still impacted by war, inflation, and high interest rates, the global economic remained inactive.

In 2025, the shipping market continued to be affected by rising geopolitical risks, ongoing supply chain restructuring, and the recurrence of protectionism, the industry faced increasingly complex operating challenges. Market volatility and external uncertainties increased, requiring shipping industry to maintain prudent and resilient operations in response to the evolving environment. At the same time, it remains essential to identify growth opportunities within these challenges in order to sustain long-term competitiveness and achieve stable development.

The BDI started 2025 on a downward slide amid weak market sentiment. Trade tensions worsened as the U.S. introduced port tariffs on Chinese shipping or vessels related, driving up shipping costs. At the same time, softening demand for iron ore and coal from China, trade volumes are under pressure.

However, the market turned around in H2 as port tariffs were suspended and the Simandou iron ore project scaled up long-haul route demand. The BDI returned to the 2,000-point level by mid-year and finished strong, establishing a solid foundation for 2026.

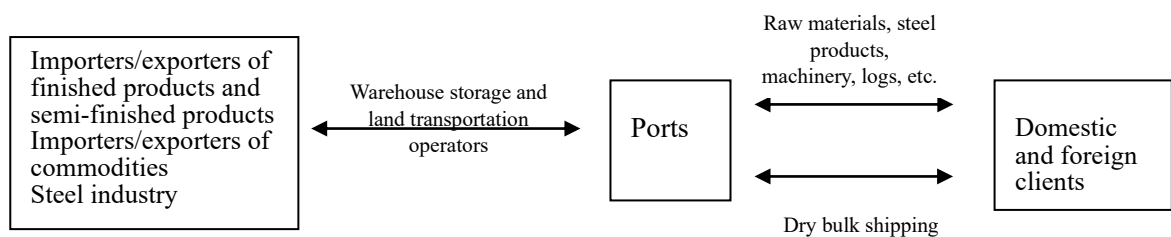
In terms of market demand, bulk shipping mainly focuses on commodities such as iron ore, coal, and grains. The commodities are mostly raw materials and semi-finished products. The market demand and global commodities trading volume are closely connected. In terms of the macroeconomy, the International Monetary Fund (IMF) stated in its October 2025 “World Economic Outlook Report” that global economic

growth is projected to slow from 3.3% in 2024 to 3.2% in 2025, and further decline to 3.1% in 2026. While the global economic outlook faces downside risks, technological innovation and digital transformation, particularly the rapid development of AI applications, have partially mitigated the impact of U.S. tariff policies on the global economy, bringing new opportunities for industrial efficiency and long-term competitiveness. As global manufacturing gradually stabilizes, the IMF revised its 2026 global economic growth forecast upward from 3.1% to 3.3% in January 2026, indicating that economic momentum remains resilient.

2. Relationship with Up-, Middle- and Downstream Companies

The maritime shipping industry is a part of the transportation service industry and mainly provides maritime shipping services for cargo. It is different from the general manufacturing industry and does not involve production of goods or supply of raw materials. There is no clear presence of up-, middle- and downstream relationships in the industry.

Dry bulk and general cargo shipping industry in Taiwan



3. Overview of Industry Trends:

- (1) The defining characteristic of current global maritime regulations is the mitigation of environmental harm caused by vessel emissions. Key initiatives include the calculation of vessel carbon footprints, the implementation of Ballast Water Management Systems (BWMS) to protect marine biodiversity, and the reduction of NOx emissions. Furthermore, the industry is transitioning from fossil fuels to LNG and biofuels to achieve the ultimate goal of low-carbon transportation.
- (2) Shipbuilders will focus on building new vessels that are energy efficient and protect the environment. Shipbuilders respond to international regulatory requirements and set goals for building new

types of vessels that do not cause pollution.

- (3) The trend for the future is a modern, environmentally friendly and fuel-efficient fleet.

4. Competition in the Industry

The fierce competition in the global shipping market and the implementation of international regulations for preventing environmental pollution compel shipping companies to invest in the modification of vessels in operation, strengthen management, retrofit equipment when required and pursue economies of scale to reduce costs. We work with high-quality shipyards to construct energy-efficient and environmentally-friendly new buildings to maintain a highly competitive fleet.

4.1.3 Research and Development

The Company is a shipping company, not a manufacturing company. We do not have a R&D department and this is therefore not applicable.

4.1.4 Long-term and Short-term Development Plans

1. Long-term Development:

Focus on dry bulk shipping to modernize the fleet, optimize vessel operations and cargo loading capacity and enhance management performance to increase competitiveness.

2. Short-term Development:

- (1) Enhance vessel management performance and reduce operational losses.
- (2) dispose older tonnages or tonnages for which the market requirement is declining.
- (3) Form strategic alliances with competitors to create economies of scale in the cost of procurement and repairs.

4.2 Market and Sales Overview:

4.2.1 Market Analysis

1. Service Region

As a maritime shipping service provider, the Company operates a diversified fleet consisting of various vessel sizes. We specialize in tramp

shipping, offering greater flexibility and options to meet diverse cargo transportation needs. Our operational routes span from the Far East to the Middle East, covering China, Japan, Korea, Taiwan, Southeast Asia, India, and the Persian Gulf, serving major import and export nations across the five continents globally.

2. Market Share

Shih Wei vs Global fleet (in Unit and Deadweight):

End of March 2026	Handysize		Handymax		Panamax/Kamsarmax	
	10,000 - 44,999 (DWT)		45,000 - 69,999 (DWT)		70,000 - 99,999 (DWT)	
	No.	DWT	No.	DWT	No.	DWT
Global	3,064	104,600,000	4,134	240,400,000	3,294	268,300,000
Shih Wei	16	499,060	4	248,549	3	235,196
Market Share	0.52%	0.48%	0.097%	0.1%	0.091%	0.087%

Source: Braemar Research Dry Bulk Monthly Fleet Change as at end March 2026

3. Future Market Supply and Demand and Growth Potential

Recent fluctuations in the green transition have impacted tonnage supply, leading to an overall slowdown in tonnage growth.

According to statistics from Braemar, the trading fleet in 2025 comprised 12,417 units, with a total deadweight of approximately 1,011.4 million, representing a 2.8% increase in overall capacity compared to the previous year. Throughout the year, a total of 454 newbuildings were delivered, while 71 units were demolished, resulting in a net increase of 383 units. It is projected that 529 units will be delivered in 2026, with the orderbook accounting for approximately 11% of the total fleet.

S&P Global Ratings forecasts that the global inflation rate will drop to 2.97% in 2026, continuing its decline from 3.46% the previous year. This indicates a gradual easing of inflationary pressures, as the effects of tightening policies in major economies and adjustments in supply-demand structures become evident. The dry bulk market started 2026 with a stable performance led by the Capsize segment, with market levels remaining in a relatively high range in January. Although a market correction is expected due to new year holiday factor(s), the market is anticipated to gradually return to supply-demand fundamentals. It is estimated that total deadweight

in dry bulk segment will grow by approximately 3.2% in 2026, while trade volume will grow by about 2.4%. With supply growth slightly outpacing demand, the overall performance for the year is expected to be comparable to 2025 or show modest growth, remaining in a state of cautious balance.

4. Competitive Niches

(1) Strategic alliance:

Form strategic alliances with competitors on cost to create economies of scale and mitigate costs.

(2) Increase vessel utilization:

Maintain the flexibility of fleet to profit from the Chartering market and reduce the in ballast period in order to maximize fleet performance.

5. Opportunities and Challenges for Future Development and Strategic Responses

Opportunities:

(1) In recent years, regulatory updates, challenges associated with aging fleets, and rising green shipping standards have driven continuous optimization of vessel specifications. Energy-saving devices are being progressively installed on the existing fleet, along with the application of silicone-based or high-efficiency anti-fouling marine paints, and installation of Engine Power Limitation System (EPL). These modifications require professional teams and involve significant capital investment to comply with all related regulations. The Company works with shipyards and maintains good relations with skilled repair shops, shipyards, suppliers and consultant companies. We can thus acquire new designs at reasonable cost, which are installed by qualified repair shops and or shipyards to meet regulatory requirements.

(2) The Middle East tensions rising due to the U.S.-Iran conflict have triggered a cautious 'prudent stance' market sentiment. In contrast, trading activity remains vibrant in the Europe and Mediterranean regions, with volumes steadily increasing.

Meanwhile, older tonnages face potential replacement due to stricter environmental regulations. Adopting slow steaming for decarbonization has helped alleviate the industry's overcapacity.

Challenges:

(1) Demand side:

- (a) Extreme weather factor: Extreme weather has increasingly challenged the agricultural development, impacting the global agricultural markets and leading to heightened commodity price volatility. Intense tropical cyclones hitting major Asian export sectors have caused significant delivery delays. Throughout 2025, frequent extreme rainfall and severe storms in Europe led to port congestion and damaged infrastructure, disrupting vessel schedules and cargo transshipment.
- (b) War and political factor: The resumption of vessel transits through the Red Sea would improve vessel turnaround times and increase effective supply, potentially leading to a downward adjustment in freight rates and charter hires in the short term. Meanwhile, as U.S.-China trade tensions ease, unforeseen market risks have diminished accordingly. Nevertheless, since tariff barriers and market competition continue to pressure demand, adaptive strategic adjustments are essential.
- (c) Economic factor: Geopolitical factors are increasing global economic uncertainty. The Fed's March meeting highlighted internal disagreements over how to balance inflation against the threat of slowdown economy. High interest rates have increased financing costs, impacting investment appetite and plans for newbuilding orders and fleet renewal.
- (d) International crude oil prices: The crude oil market is currently facing dual pressures from increasing supply and slowing demand growth, which may keep prices under pressure in the short term. Amid geopolitical tensions in the Middle East, surging oil prices have led to a significant rise in bunker costs.

These elevated fuel expenses are likely to accelerate the scrapping of older tonnage and could potentially trigger a new inflationary cycle in global trade.

(2) Supply side:

- (a) Shipbuilding market: Newbuilding orders for dry bulk segment have grown slightly. Market uncertainty and high newbuilding prices, which have discouraged new investment in fleet expansion.
- (b) Environmental pollution: The shipping industry is facing pressure to reduce carbon emissions. Under the supervision from customers, vendors, and various stakeholders along with commercial incentives, as well as commercial factors, shipping companies are actively renewing aging fleets. However, identifying the most effective way to reduce emissions and transition to low- or zero-carbon fuels remains a significant challenge. Achieving net-zero emissions by 2050 will require greater global effort and transition.

Strategic responses:

We remain committed to monitoring the impact of global policies on economic conditions while responding promptly to market shifts, capacity adjustments, and supply chain diversification under new carbon emission regulations. By dynamically optimizing route allocation and resource integration, we aim to ensure our competitive edge and execute our optimal operational strategies.

4.2.2 Production Procedures of Main Products

We are a shipping company therefore not applicable.

4.2.3 Supply Status of Main Materials:

Despite no procurement of raw materials for shipping company, the expenditure of marine fuel and lubricants used takes a significant proportion of the annual operating costs. The main suppliers are petroleum companies/major suppliers for regular and stable supply. The Company maintains rigorous

control over the bunkering ports and the bunker quantities on board.

Tourism

4.1 Business activities

4.1.1 Business Scope:

1. Main areas of business operations:

- (1) Tourist hotel business.
- (2) Restaurant business.
- (3) Conference and exhibition services.
- (4) Athletics and recreational sports stadium.
- (5) Waterside entertainment activities business.
- (6) All business items that are not prohibited or restricted by law, except those subject to special approval.

2. Revenue Distribution: Please refer to D. Operational Highlights and I. Business Activities, Consolidated revenue distribution in 2023 and 2024.

3. Main Service Items and New Services under Development:

Parks: the usage of its unique Japanese style atmosphere of the park and various activities will provide a unique travel experience.

Hotel: an own-brand holiday hotel with unique features with diverse travel experiences. Volume on the online room reservation, gifts and online ticketing channels.

Cuisines: Comprehensive improvement of the food and beverage quality and supply of fresh local food from the market.

Villa: Enhanced services and training to offer unique services to differ us from the high-end B&Bs.

Banquets: The hotel is the only one in Taiwan that offers a choice between Chinese, western, and authentic Japanese wedding venues.

Conferences: In addition to general hotel and conference services, we provide attendees with experience in the park or customized team building activities.

Events: Flexible use of the overall environment of Dancewoods to attract a variety of customized activities and events.

New Services Under Development:

Continue to deepen our roots in brands such as 'O'ruru Cafe' and 'LuLaLa Sweets' while expanding into the wellness sector with 'Renee's Choice - The Elegance of Pilates.' Through this diversified business layout, we aim to strengthen brand connections and cultivate high levels of brand stickiness among our customers.

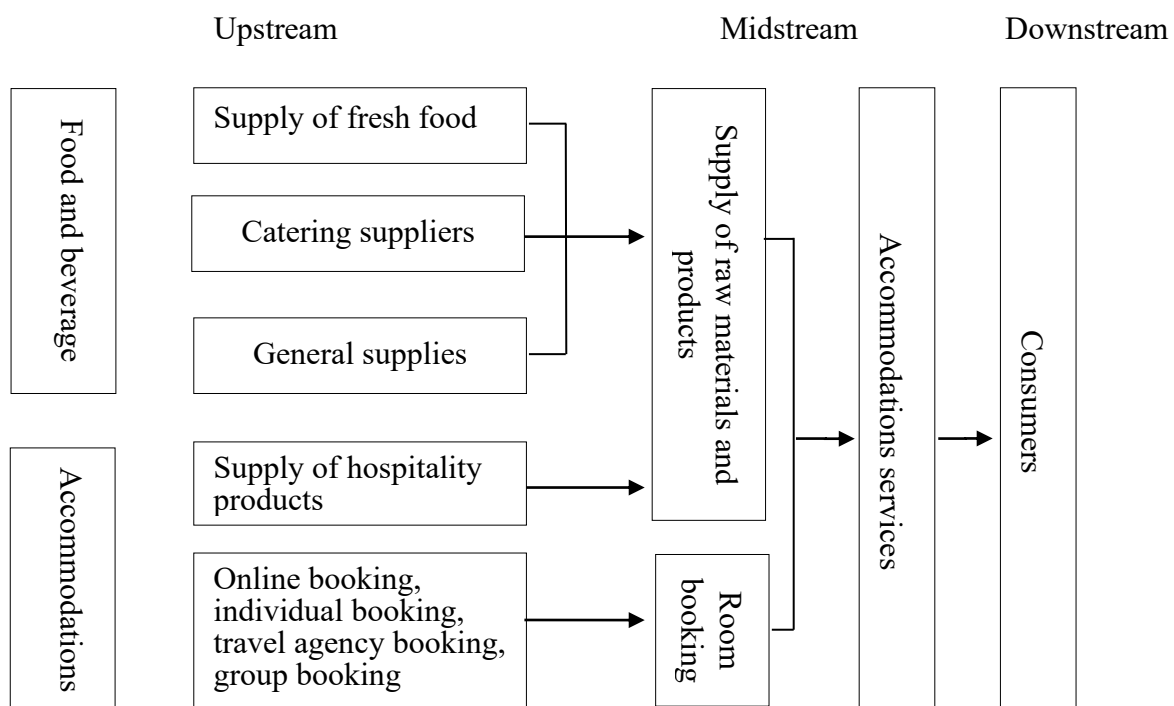
4.1.2 Industry Overview:

1. Current Status and Future Development of the Industry:

To address the normalization of outbound travel and shifting consumer habits, hotel operators are not only dynamically adjusting room rates but also segmenting their product offerings to diversify business risks. To attract more international travelers, hotels are optimizing their specialized packages and actively seeking cross-industry strategic alliances, such as partnering with major sporting events or concerts. Regarding service delivery, the focus remains on consistently providing premium experiences to foster customer loyalty and ensure sustainable profitability.

2. Relationship with Up-, Middle- and Downstream Companies:

Tourist and leisure hotel operators mainly provide accommodations, catering, vacation, leisure, conference facilities, and sports facilities to meet the diverse needs of visitors.



3. Overview of Industry Trends:

(1) Hotel platform

Online room reservation has become increasingly popular and consumers have become accustomed to shopping online with their mobile phones as online and app reservations gain popularity. Tourist hotels have also invested more resources in social media marketing which has increased their marketing expenses and commissions paid to online travel agencies.

(2) Product differentiation

In response to diversity in consumer interests, the hotel has gradually been transformed from a stop in the journey to an important experience in the trip. Therefore, hotels have become increasingly focused on developing their own unique features. In an era of intense competition and consumer focus on quality, the key future trend for hotels is that they must differentiate their products and be competitive.

4. Competition in the Industry:

As the domestic tourism market enters a stage of homogenized competition, even with specific government policy support, the market still faces structural challenges of oversupply. This is primarily driven by the strong surge in outbound travel and the slower-than-expected recovery of international arrivals.

To navigate this competition, hotels are not only utilizing dynamic pricing to balance yield value but are also offering differentiated products for niche markets to diversify risks. Simultaneously, businesses are aggressively expanding non-room revenue streams by pivoting toward in-house dining, emphasizing local ingredients and quality, and even developing proprietary brands to enter e-commerce and retail sectors, thereby diversifying their revenue structures. On the service front, the focus remains on refining immersive experiences and premium hospitality to strengthen customer loyalty and secure profit margins.

4.1.3 Research and Development: Not applicable.

4.1.4 Long-term and Short-term Development

1. Long-term Development:

- (a) Continue to nurture talents and pass on professional knowledge and skills to continue to provide heartwarming services.
- (b) Improve software and hardware facilities. Dancewood Hotel focuses on providing differentiated and customized products and offers products with detailed categorization, personalization, and settings to strengthen the benefits of differentiation factors. Unlike other tourist hotels that are confined to indoor spaces, the Japanese style park area, a large area originally intended for landscaping, has been transformed into an event venue that combines various outdoor experiences and services provided by dedicated personnel. ,

2. Short-term Development:

- (a) Enhance the quality of hotel services through external marketing channels and internal marketing
- (b) The new hotels in Yilan are homogeneous and offer little variation in their services which consist mostly of children's playrooms, video games, and electric cars. The Hotel uses the advantages of the venues to highlight the distinguishing features and create a new customer experience.

4.2 Market and Sales Overview:

4.2.1 Market Analysis

1. Service Region

Although Yilan is a region with intense competition in the hotel industry, it has long been a region for tourism development and thus has abundant tourism resources. In response to intense market competition, the Hotel aims to create differentiated products and offers products with detailed categorization, personalization and settings to expand in the Yilan catering and tourism market.

2. Market Share

The Hotel is the first resort in Taiwan with hotel and Japanese garden. This advantage has allowed the hotel to enhance and diversify its local development.

3. Future Market Supply and Demand and Growth Potential

After the borders reopened, the domestic tourism market was impacted. If the return of domestic consumers can be managed and the development of foreign markets can be achieved, overall revenue can be stabilized. In addition to continuously improving language skills and digitization, diversifying the development of sub-brands to increase brand loyalty and social media engagement is expected to drive overall growth.

4. Competitive Niches

The major high-end tourist hotels in Yilan are homogeneous and most are crowded in Jiaoxi Township, which is already full of hotels. By comparison, the Hotel is located in a beautiful location with a view of Guishan Island in the Pacific Ocean and the Central Mountain Range. It offers unobstructed views of the natural scenery and is a large resort area that is unique in Yilan. As we increase our brand visibility, we expect the number of visitors to continue to increase.

5. Opportunities and Challenges for Future Development and Strategic Response

(1) Opportunities:

- a. Citizens have increased their vacation time as society places more value on leisure travel.
- b. The government actively promotes domestic travel and tourism policies for foreigners to visit Taiwan. The increase in the number of flights and routes has made it convenient for foreign tourists to visit Taiwan.
- c. Continuous improvement in the service quality of the tourism industry.

(2) Challenges:

- a. Yilan County is the most critical battlefield for the hotel industry. Jiaoxi is home to the highest number of new hotels and the supply has always outpaced the demand in the market.
- b. As the Hotel is a singular brand, its bargaining power in joint procurement is relatively weak compared to other hotel chains. In addition, the revenue of leisure hotels varies greatly between

weekdays and peak days. The payment methods for suppliers are also relatively inflexible when compared to other large hotels.

- c. Camping has become increasingly popular and the number of consumers who love nature has increased.

(3) Strategic Response:

Make full use of the large Japanese style garden to enhance differentiated advantages. Offer close interactions with animals and bring nature to consumers. Increase the precision of food procurement, increase the number of suppliers, and inspect the quality of suppliers whenever necessary.

4.2.2 Production Procedures of Main Products:

The Company's main products include the lease of hotel rooms, supply of food and beverage, and provision of conference rooms and related facilities to maximize customer satisfaction.

4.2.3 Supply Status of Main Materials:

The Company mainly operates hotel room leases, product sales, and food and beverage services. The main raw materials are paper used for printing, customer supplies, and fresh ingredients for catering services. The company enjoys good relations with many suppliers and the supply conditions are stable.

4.2.4 Major Suppliers and Clients in the Last Two Fiscal Years:

1. Major Suppliers

Major Suppliers in the Last Two Fiscal Years

Unit: NT\$ thousands %

	2024				2025			
Item	Company Name	Amount	Percentage (%)	Relationship with Issuer	Name	Amount	Percentage (%)	Relationship with Issuer
1	GULF OIL MARINE	54,922	27	None	GULF OIL MARINE	42,948	22	None
2	OCEAN TRIDENT	30,487	15	None	OCEAN TRIDENT	21,787	11	None
3	EXXONMOBIL	29,671	15	None	EXXONMOBIL	16,606	8	None
4	Others	85,114	43	None	Others	116,406	59	None
5	—	—	—	—	—	—	—	—
	Net Total Supplies	200,194	100		Net Total Supplies	197,747	100	

Note: Provide a list of any suppliers accounting for 10 percent or more of the company's total procurement amount in the 2 most recent fiscal years, the amounts bought from each, and the percentage of total procurement accounted for by each. Where the company is prohibited by contract from revealing the name of a supplier, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

The main materials purchased by the Company are marine fuel used to power vessels and lubricants used to lubricate vessel machinery and equipment.

2. Major Clients

Major Clients in the Last Two Fiscal Years

Unit: NT\$ thousands %

	2024				2025			
Item	Name	Amount	Percentage (%)	Relationship with Issuer	Name	Amount	Percentage (%)	Relationship with Issuer (%)
1	Others	3,492,772	100	None	Others	3,183,906	100	None
2	—	—	—	—	—	—	—	—
3	—	—	—	—	—	—	—	—
4	—	—	—	—	—	—	—	—
5	—	—	—	—	—	—	—	—
	Net Sales	3,492,772	100		Net Sales	3,183,906	100	

Note: Provide a list of any clients accounting for 10 percent or more of the company's total sales amount in the 2 most recent fiscal years, the amounts sold to each, and the percentage of total sales accounted for by each. Where the company is prohibited by contract from revealing the name of a client, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

The fleet is bulker and general cargo ships carrying commodities such as grain, coal, steel products, wooden products, fertilizers and industrial chemicals. Our main business activities including chartering and merchant marine transportation.

4.3 Information of the number of employees, average years of service, and education in last two fiscal years:

	2024		2025		As of April 10, 2026	
On-shore personnel	254		236		233	
Seafarers	497		443		435	
Total	741		679		668	
Average age	42.99		43.66		44.53	
Average years of service	5		5.01		5.01	
Education background distribution	Number of people	%	Number of people	%	Number of people	%
Ph.D	1	0.13	1	0.15	1	0.15
Master's	19	2.56	22	3.24	20	2.99
University/College	471	63.56	455	67.01	440	65.87
High school	223	30.09	172	25.33	175	26.20
Below high school	27	3.64	29	4.27	32	4.79

4.4 Environmental Protection Expenditure

List the losses suffered by the Company due to pollution of the environment in the last two fiscal years up to the publication date of this annual report (including compensation and results of environmental protection audits that violated environmental protection laws and regulations; specify the date of the penalty, penalty number, violated articles in regulations, contents of violation, and the contents of penalties), and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount can not be reasonably estimated, the reason for the inability to provide a reasonable estimation shall be explained: Nil.

4.5 Labor Relations:

4.5.1 List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests.

1. Employee welfare

(1)The Company provides employee welfare in accordance with the Labor

Standards Act, including but not limited to, Mid-Autumn Festival bonus, year-end bonus and party, performance evaluation bonus, and subsidies for marriage and bereavement. The Company purchases group insurance coverage for the employees in addition to the statutory coverage under the Labor Insurance Program and the National Health Insurance Program. The Company also organizes small contests for each department for different festivities or group activities based on ESG values such as environmental protection seminars, beach or mountain cleaning activities, environment-friendly Christmas market setup, fire education and training, team-building activities and etc. to improve employee cohesion and foster camaraderie among colleagues.

(2)The Company has set up the Employee Welfare Committee to provide subsidies for marriage, bereavement, childbirth, illnesses and injuries, and scholarships; it also organizes birthday parties and offer birthday bonuses.

(3)According to the Labor Standards Act, the company has two days off per week and 7 hours of daily working hours (better than the Labor Standards Act). Employees also apply for various types of leave in accordance with regulations, such as annual leave, physiological leave, parental leave, and paternity leave. At the same time, in order to protect the safety of employees, the implementation of typhoon days without duty, without deducting salary and leave. We also encourage our employees and or their family dependents to actively donate blood or beach cleanup in exchange of compensatory leave. In addition, flexible shifts are adopted for commuting to and from work, and since 2025, the number of days for paternity leave are increased with more flexible usage periods facilitating employees to adjust their schedules to balance work and family life.

(4)Crewmember welfare

Provide excellent working conditions that exceed regulatory requirements :

- a. Crewmembers are entitled to "seniority/rejoining bonuses," "festival additional bonuses," "newspapers and magazines allowance," and "high risk area bonuses."
- b. If the vessel navigates to piracy areas (e.g., the Gulf of Aden), the company will deploy armed security personnel onboard, arrange for naval escort, provide anti-theft facilities (e.g., razor wire), and offer generous bonuses.

- c. If the crewmember disembarks at any port for treatment due to injury or sickness, in addition to the medical benefits stipulated by the contract, they are entitled to graded disability compensation specified in the agreement if they suffer permanent disability due to an accident.
- d. Taiwanese seafarers sign fixed-term employment contracts under the Seafarers' Employment Contract (per Article 13 of the Maritime and Port Bureau of the Ministry of Transportation and Communications the Seafarers Act) and a collective bargaining agreement with the National Chinese Seamen's Union.
- e. China manning agency provides crewmembers with five social insurances and one housing provident fund: main programs include endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund. Due to the unique nature of seafarer, these social security contributions are generally fully paid by the manning agency on behalf of the crewmembers, and cannot be arbitrarily suspended. Crewmembers maintain full and regular monthly contributions regardless of whether they
- f.
- g. are on board or on vacation.
- h. Strictly comply with MLC work/rest-hour arrangements; overtime pay is provided, in accordance with collective agreements, for hours worked beyond prescribed limits.
- i. The fixed-term contracts signed by crewmembers are for a period of 9 months. If the crewmember has served on board for 7 months and the vessel calls at a convenient and economical port, those who wish to take leave early can be given the benefit of having the contract considered as fully completed.
- j. Signed a telemedicine service agreement with Taipei Medical University Hospital to ensure that crew members receive timely and professional medical guidance in the event of illness or accidents, effectively alleviating physical discomfort and psychological stress.

Promote physical and mental well-being, create a balanced environment for work and life :

- a. Ensure crewmembers have suitable accommodation and recreational facilities on board.
- b. Ensure crewmembers be provided meals prepared according to hygiene standards; employ trained and certified cooks and provide excellent cooking equipment.
- c. Provide epidemic prevention supplies to ensure crewmembers can effectively reduce the risk of infection.
- d. Provide crewmembers with 2 hours of free Wi-Fi daily, allowing them to communicate with family and friends via messaging apps.
- e. Offer remittance services for crewmembers, assisting them in legal transferring accumulated cash across borders in a safe, convenient, and low-fee. Regularly hold the "Seafarer's Photo Activity" allowing crewmembers to relieve stress through photography and offer generous prizes.
- f. Regularly hold the 'Photo Contest – from Seafarer's Angle' to encourage crew members to share beautiful moments from their working environment, support mental well-being and stress relief, and recognize outstanding works with monetary awards.
- g. RO maifan filters are equipped across the fleet to improve drinking water quality, reduce reliance on bottled water, and achieve environmental benefits.
- h. The Company covers the cost of shore pass permits for crew members, enabling them to go ashore more easily, thereby enhancing interpersonal interaction and cultural exchange.
- i. The fleet is progressively implementing Starlink systems to significantly enhance communication quality and connectivity for the crew.

2. Employee education and training

(1)The Company has established the "Employee On-the-Job Training Management

Regulations" to encourage employees to pursue further education and replenish their professional knowledge and skills to improve work efficiency.

- (2) To assist employees about new (amended) maritime regulations and to improve the safety management of the fleet, we send employees to attend external training courses on the ISM Code and ISPS Code whenever necessary.
- (3) To improve employees' foreign language skills in response to internationalization, the Company subsidizes the foreign language courses.
- (4) In addition to the new employee orientation trainings, the company arranges continuing education for accounting manager (staff), chief auditor (staff), and corporate governance officer every year, for which the Company covers the full cost. In 2025, the Company's employees participated in courses on professional skills and training in a total of 3,516.71 hours in 162 sessions. 1,962 employees attended the courses and the total cost was NT\$156,340.

3. Diversity and equality in workplace

The Company is committed to fair treatment. Pay and positions do not differ by gender, age, nationality, or ethnicity; we ensure equal pay for equal work and equal promotion opportunities. In 2025, the Company employed 1 person with a disability and 1 aboriginal; female senior managers (senior manager and above) accounted for 66.67%, demonstrating inclusion outcomes.

To uphold gender equality and personal dignity, the Company has formulated the "Measures for the Prevention of Sexual Harassment, Grievances, and Discipline". An in-house seminar was held by LCC Partners Law Office, and ad hoc gender-equality education training was held to strengthen a culture of workplace equality.

4. Employee remuneration

The Company's year-end bonus system is based on the Company's after-tax operating profits, which is distributed to all employees as encouragement after considering their seniority and annual performance review.

The Company has implemented an employee profit sharing system to closely integrate the employees' personal career development with the Company's corporate vision and share the fruits of management together.

Business performance is reflected in employee compensation :

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. Of the employees' remuneration mentioned above, an amount not less than 10% shall be allocated to non-executive employees. However, should the Company accumulate losses (including adjustment on non-distributed earnings), the Company ought to set aside a part of the surplus profit first for making up the losses.

5. Retirement system and implementation status

The Company has established an employee retirement policy in accordance with the Labor Standards Act and the Labor Pension Act. The employees' pension is paid based on the number of years of service and the regular salary and benefits before retirement. The Company previously appropriated 5.2% of employees' total monthly salary payments to a retirement reserve fund, which is managed by the Labor Pension Supervisory Committee and deposited the fund into the Bank of Taiwan for custody and utilization. The Company complied with the implementation of the Labor Pension Act (new system) starting from July 1, 2005. For employees eligible for the original regulations who opt for the calculation of years of services in the new system and employees recruited after the implementation of the new system who opt for the appropriation system, the Company appropriates pension 6% of the monthly insurance salary and deposits the funds in the personal labor pension account set up for each employee.

6. Employee-employer agreements and protection of employee rights and interests

The Company's employees are all qualified and the Company fully upholds its business philosophy and management policies. We have created internal communication channels such as the meetings for staff and management representatives, the Employee Welfare Committee as well as the manager's meetings. Over the years, both labor and management have been able to communicate successfully while respecting labor ethics, and no major labor disputes have occurred.

7. Protection Measures for the Work Environment and Employees' Personal Safety

(1)To ensure work safety of on shore staff and onboard crew members, the Company has assigned the Administration Department, Crew Management Department, and Risk Management Department to take charge of providing all employees with a safe and healthy work environment. Via training and awareness campaigns, we manage to reduce the occurrence of occupational hazards. If an employee perceives an immediate risk in the workplace, they are entitled to cease operations and withdraw to a safe location.

(2)Employees can participate in the formulation or implementation of workplace safety and health management in our company through the following channels:

- ◆ Our company collaborates with labor representatives to establish the "Safety and Health Work Code" in accordance with the law.
- ◆ In preventing unlawful infringements, each department selects labor representatives to serve as evaluators and reviewers for hazard identification and risk assessment.
- ◆ We provide a hotline and dedicated email address for employees to express opinions and file complaints.
- ◆ Through "labor-management meetings," we gather colleagues' opinions to promptly respond and implement various safety and health promotion measures, such as replacing RO reverse osmosis water dispensers and installing alcohol in restrooms, etc.

(3)The Company established the "Safety and Health Work Rules" in accordance with Article 34 of the Occupational Safety and Health Act. The contents include:

- Plan, supervise, and promote safety and health audits and management in each department.
- Appoint a occupational safety and health supervisor.
- Implement safety and health education and training, and regularly conduct quarterly safety and health education campaigns.
- Periodically assign colleagues to participate in safety education and training provided by professional institutions and obtain certifications.
- Regularly or irregularly conduct inspections to provide improvements in work methods.

- Maintain and inspect machinery, equipment, or devices.
- Review work safety and health standards.
- Provide health guidance and management measures.
- Prepare, maintain, and use protective equipment.
- Report and document accidents.
- Handle other matters related to occupational safety and health management.

(4)The Company established the "Sexual Harassment Preventive Measures, Complaint and Punishment Regulations" on October 1, 2005. The Regulations were communicated to all employees and disclosed on the Company's website.

(5)Caring for employee health, we conduct employee health check-ups.

(6)The Company regularly inspects fire safety and fire extinguishing equipment once a year by qualified and certified technicians to confirm the effectiveness of the equipment to ensure a safe working environment for employees.

(7)We provide RO reverse osmosis water dispensers, refrigerators, steamers, and microwaves, promoting environmentally friendly and non-toxic tableware. We encourage employees to bring their own lunchboxes to pay attention to balanced nutrition.

(8)The Company conducted health promotion training to raise employee awareness of Respiratory infectious disease prevention. Additionally, our office equipped with yoga balls to reduce the risk of occupational hazards from prolonged sitting. Since 2022, we have been holding annual table hockey championship to promote employees' physical health and relieve stress.

4.5.2 List the losses suffered by the Company due to labor disputes in the most recent two fiscal years up to the publication date of this annual report (including violations of the Labor Standards Act in the results of labor inspections; specify the date of the penalty, penalty number, violated articles in regulations, contents of violation, and the contents of penalties), and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount cannot be reasonably estimated, the reason for the inability to provide a reasonable estimation shall be explained: None

4.6 Cyber Security Management

4.6.1 Describe the cyber security risk management framework, cyber security policies, concrete

management programs, and investments in resources for cyber security management :

1. The cyber security risk management framework

The Company values great importance to cyber security and has established a Data Security Management Team convened by the head of the IT Office, with members including a qualified cyber-security supervisor, dedicated Data Security personnel, department heads, and IT Office colleagues. The team regularly discusses and reviews Company-wide cyber-security issues. Cyber security management is reported to the Board of Directors on an ad hoc basis, and is incorporated into the Company's overall risk management framework, with the Board providing oversight and guidance.

2. Cyber security policy

The Company is committed to maintaining the proper operation of its information systems, ensuring the security of information transmission and transactions, and safeguarding the confidentiality and integrity of data processed by computer systems. To ensure the security of data, systems, equipment, and networks, the Company operates in accordance with relevant policies and procedures, including the Information Operations Cycle Procedures, Cyber Security Organization and Management Guidelines, IT Business Continuity Plan, Cyber Security Incident Reporting and Response Management Procedures, IT Outsourcing Management Measures, and Personal Data Protection Management Policy. In addition, in line with the Company's risk management procedures, cyber security risks are regularly identified, analyzed, and assessed, with appropriate mitigation measures implemented and the effectiveness of such measures continuously monitored and tracked.

3. Concrete management programs

In addition to the annual internal audits conducted by the Audit Office, the Company engages an ICA firm to perform an information-operations cycle review annually. We respond to the recommendations in their reports and implement improvements. Examples include:

(1) Computer and Cyber Security Controls

The Company continuously implements security management mechanisms for computers and information equipment. During the year,

additional measures were introduced, including inspections of licensed software on vessels and the planning and execution of contingency drills for the employee portal system to enhance operational continuity and response capability.

(2) Personal Data and Confidential Cyber Management

The Company has established and implemented management and control measures for personal data and confidential information to ensure the security of data collection, use, storage, and transmission, thereby reducing the risk of data leakage.

(3) Strengthening Integrated Protection of Cyber Systems

The Company continues to enhance the integration architecture of its information systems. Firewall equipment is covered by comprehensive vendor technical support services, and threat intelligence services are continuously subscribed to in order to maintain real-time awareness of cyber security risks and strengthen defensive capabilities.

(4) Server Virtualization and Cloud-Based Management

(5) The Company remains committed to advancing server virtualization and cloud migration. We have successfully completed the cloud deployment and launch of key systems, while simultaneously reinforcing cyber security and access management mechanisms. Within the cloud environment, robust data protection and redundant backup mechanisms have been established to mitigate operational risks. Furthermore, during system implementation and vendor selection, we rigorously evaluate cyber security management capabilities and perform periodic reviews to ensure overall compliance with relevant standards. In addition, when introducing systems and selecting vendors, the Company prioritizes the evaluation of vendors' cyber security management capabilities. The software and cloud service providers engaged by the Company have obtained cyber security management system certifications. The Company also periodically reviews the validity of these certifications and the cyber security clauses in service agreements to ensure that supply chain cyber security management aligns with international standards and reduces risks related to personal data processing and storage. Cyber Security Awareness Promotion and Professional

Capability Development Cyber security-related news and announcements are shared periodically. In 2025, a total of eight cyber security awareness communications were conducted, and social engineering simulation exercises are continuously planned to enhance employees' ability to identify phishing emails and fraudulent attacks. In addition, information technology personnel continue to strengthen their professional capabilities; in 2025, two Gemini Certified Trainer certifications were obtained.

(6) Employee Cyber Security Education and Training

The Company continues to promote cyber security awareness training for employees. In 2025, the total duration of internally organized cyber security awareness training at headquarters reached 79.9 person-hours, with 167 employee participations, and an online testing platform was provided. In addition, personnel from the Information Department participated in online and in-person cyber security training courses and seminars, totaling 22 person-hours with nine participations.

(7) Recovery Drills and Audit Mechanisms

Regular system recovery drills are conducted for critical systems. In 2025, two recovery drills were carried out. Licensed software inspections were also conducted, with two inspections at headquarters and one inspection on vessels, all achieving a 100% compliance rate. The Company also continues to cooperate with internal and external audits to perform information cycle and cyber security audits to ensure the effectiveness of overall information security management.

4. Investments in resources for cyber security management

In 2025, the Company continued to strengthen its cyber security protection by investing in vessel computers, employee workstations, antivirus software updates, email security protection, corporate website security, and the maintenance and replacement of hardware and software for data center equipment.

The Company deployed the employee portal on Microsoft Azure cloud servers and introduced a cloud-based human resources system to replace the previous HR systems used for shore-based and seafaring personnel,

thereby improving system redundancy and backup mechanisms.

Across the fleet, vessel satellite communication systems are equipped with backup satellites and physical firewall deployments. By the end of 2025, the Company had also initiated the deployment of low-earth-orbit satellite services. This initiative not only enhances vessel network speed but also strengthens cyber security control and monitoring capabilities.

In addition, the Company regularly requires crew members to sign cyber security compliance statements, watch training videos, and participate in cyber security incident drills. These measures continuously enhance the cyber security awareness and incident response capabilities of crew members, ensuring the security of vessel operations and the information environment. The satellite systems for the fleet were also upgraded with backup satellite connections and physical firewalls. In addition, more comprehensive cyber security training and drills for crew members were introduced and effectively carried out this year..

- 4.6.2 List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided : Nil

4.7 Important Contracts

Important existing contracts or important contracts expired in past year

March 31, 2026

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Management consulting agreement	Dong Lien Maritime S.A. Panama	No restriction on duration which started on January 1, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Representation of the company in entry and exit and cargo loading and unloading matters in international ports	None
Management consulting agreement	Genius Pescadores S.A.(Panama)	No restriction on duration which started on November 30, 1995. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Brave Pescadores S.A.	No restriction on duration which started on December 21, 1998. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Management consulting agreement	Brilliant Pescadores S.A.	No restriction on duration which started on December 18, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Elegant Pescadores S.A.(Panama)	No restriction on duration which started on December 18, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Moon Bright Shipping Corporation	No restriction on duration which started on July 18, 1995. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Gallant Pescadores S.A.	No restriction on duration which started on December 18, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Excellent Pescadores S.A.(Panama)	No restriction on duration which started on October 20, 2002. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Bright Pescadores S.A. Panama	No restriction on duration which started on August 20, 2003. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Honor Pescadores S.A. Panama	No restriction on duration which started on September 15, 2003. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Unicorn Brilliant S.A. Panama	No restriction on duration which started on January 13, 2004. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Superior Pescadores S.A. Panama	No restriction on duration which started on June 1, 2005. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Leader Pescadores S.A. Panama	No restriction on duration which started on February 24, 2006. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Glaring Pescadores S.A. Panama	No restriction on duration which started on January 25, 2006. A 30-day advance notice shall be required for the	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
		termination of the Agreement.		
Management consulting agreement	Fortunate Maritime S.A. Panama	No restriction on duration which started on November 27, 2006. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Valor Pescadores S.A. Panama	No restriction on duration which started on April 1, 2008. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Trump Pescadores S.A. Panama	No restriction on duration which started on October 28, 2008. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Huge Pescadores S.A. Panama	No restriction on duration which started on January 12, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Fair Pescadores S.A. Panama	No restriction on duration which started on March 26, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Vigor Pescadores S.A. Panama	No restriction on duration which started on May 19, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Patriot Pescadores S.A. Panama	No restriction on duration which started on July 31, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Wise Pescadores S.A. Panama	No restriction on duration which started on March 19, 2010. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Forever Pescadores S.A. Panama	No restriction on duration which started on April 27, 2010. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Fourseas Pescadores S.A. Panama	No restriction on duration which started on June 10, 2010. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Management consulting agreement	Federal Pescadores S.A. Panama	No restriction on duration which started on January 11, 2011. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Eternity Pescadores S.A. Panama	No restriction on duration which started on February 8, 2011. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Skyhigh Pescadores S.A. Panama	No restriction on duration which started on June 28, 2011. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Modest Pescadores S.A. Panama	No restriction on duration which started on February 21, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Penghu Pescadores S.A. Panama	No restriction on duration which started on April 15, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Danceflora Pescadores S.A. Panama	No restriction on duration which started on May 24, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Stamina Pescadores S.A. Panama	No restriction on duration which started on August 6, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Spinnaker Pescadores S.A. Panama	No restriction on duration which started on November 14, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Dancewood Pescadores S.A. Panama	No restriction on duration which started on July 1, 2013. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Audrey Pescadores S.A. Panama	No restriction on duration which started on June 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Wonderful Pescadores S.A. Panama	No restriction on duration which started on August 1, 2014. A 30-day advance notice shall be required for the	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
		termination of the Agreement.		
Management consulting agreement	Summit Pescadores S.A. Panama	No restriction on duration which started on October 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Indigo Pescadores S.A. Panama	No restriction on duration which started on November 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Endurance Pescadores S.A. Panama	No restriction on duration which started on April 10, 2015. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Medium -term loans contract	Shih Wei Navigation and Agricultural Bank Of Taiwan	2023.7~2027.8	Credit Agreement	None
Medium -term loans contract	Shih Wei Navigation and First Commercial Bank	2023.11~2026.11	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2014.6~2026.5	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2015.4~2027.4	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2014.7~2026.7	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2013.7~2026.7	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2014.10~2027.3	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2011.7~2026.7	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2014.10~2026.10	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2012.2~2028.2	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2012.4~2026.4	Credit Agreement	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Long-term loans contract	Sub-Subsidiary and Taiwan Cooperative Bank	2024.6~2030.3	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Taiwan Cooperative Bank	2024.8~2028.5	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Taiwan Cooperative Bank	2024.5~2028.2	Credit Agreement	None
Long-term loans contract	Dancewoods and Taishin international Bank	2024.7~2027.7	Credit Agreement	None
Long-term loans contract	Dancewoods and Land Bank Of Taiwan	2015.11~2030.11	Credit Agreement	None
Long-term loans contract	Dancewoods and First Commercial Bank (Syndicated Loans)	2017.5~2029.5	Credit Agreement	Financial Ratios

5. Review and Analysis of Financial Status and Business Results, and Risk Items

5.1 Financial Status Comparison Analysis Sheet

5.1.1 Consolidated Balance Sheet

Unit: NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	2,504,829	3,255,307	(750,478)	(23.05)
Property, plant and equipment	14,829,351	16,313,287	(1,483,936)	(9.10)
Intangible assets	—	—	—	—
Other assets	806,979	1,293,946	(486,967)	(37.63)
Total assets	18,141,159	20,862,540	(2,721,381)	(13.04)
Current liabilities	3,988,686	2,700,542	1,288,144	47.70
Non-current liabilities	4,592,560	7,883,286	(3,290,726)	(41.74)
Total liabilities	8,581,246	10,583,828	(2,002,582)	(18.92)
Share capital	3,892,716	3,892,716	—	—
Capital surplus	3,305,627	3,305,627	—	—
Retained earnings	2,059,705	2,109,509	(49,804)	(2.36)
Other equity	217,477	803,852	(586,375)	(72.95)
Equity attributable to the parent company	9,475,525	10,111,704	(636,179)	(6.29)
Non-controlling interests	84,388	167,008	(82,620)	(49.47)
Total equity	9,559,913	10,278,712	(718,799)	(6.99)

Note: Main reasons for major changes and their impact (changes of 20% or more)

- (1) Current assets: Due to decrease in cash equivalents in 2025.
- (2) Other assets: Due to decrease in prepayments for equipment in 2025.
- (3) Current liabilities: Due to increase in long-term borrowings, current portion in 2025.
- (4) Non-current liabilities: Due to decrease in long-term borrowings and bonds payable

in 2025.

- (5) Other equity: Due to exchange differences arising from the translation of the financial statements of foreign operations.
- (6) Non-controlling interests: Due to net loss of reinvested companies in 2025.

5.1.2 Impact of Financial Status Change:

In order to ensure the long-term development of the Company's operations, enrich working capital, and improve the financial structure to reduce the Company's financial operating risks, it will, when deemed appropriate, conduct domestic public offerings or private placement of cash capital increase and issuance of common shares to raise long-term capital. The implementation of this plan is expected to strengthen the Company's competitiveness and enhance the effectiveness of operating efficiency, which will have a positive effect on shareholders' equity and creditors.

5.1.3 Future response plan:

The Company will continue to strengthen its internal management operating policy and implement measures to increase revenue and reduce expenditure to reduce operating costs and improve the Company's competitiveness.

5.2. Review and Analysis of Financial Performance

5.2.1 Financial Performance Comparison Analysis Sheet

1. Comprehensive Consolidated Income Statement

Unit: NT\$ thousand

Item \ Year	2025	2024	Increase (decrease) amount	%
Operating revenues	3,183,906	3,492,772	(308,866)	(8.84)
Gross operating profit (loss)	203,259	312,411	(109,152)	(34.94)
Net operating profit (loss)	(94,869)	16,398	(111,267)	(678.54)
Non-operating revenues and expenses	(13,771)	(446,252)	432,481	(96.91)
Net profit (loss) before tax	(108,640)	(429,854)	321,214	(74.73)
Net profit (loss) for the current period	(132,139)	(404,915)	272,776	(67.37)

Item \ Year	2025	2024	Increase (decrease) amount	%
Other comprehensive income for the current period (net, after-tax)	(586,660)	868,022	(1,454,682)	(167.59)
Total comprehensive income for the period	(718,799)	463,107	(1,181,906)	(255.21)
Net profit (loss) attributable to the parent company	(49,519)	(269,253)	219,734	(81.61)
Net profit (loss) attributable to non-controlling interests	(82,620)	(135,662)	53,042	(39.10)
Total comprehensive income attributable to the parent company	(636,179)	598,769	(1,234,948)	(206.25)
Total comprehensive income attributable to non-controlling interests	(82,620)	(135,662)	53,042	(39.10)
Earnings (losses) per share (NT\$)	(0.13)	(0.69)	0.56	(81.16)

Note: Analysis and explanation of the increase or decrease of ratio: (Changes of 20% or more)

- (1) Gross operating profit (loss): Mainly due to the decrease in operating revenue and the decrease in operating costs in 2025.
- (2) Net operating profit (loss): Mainly due to the decrease in operating revenue and the decrease in operating costs in 2025.
- (3) Non-operating revenues and expenses: Mainly due to the increase in foreign exchange gains in 2025.
- (4) Net profit (loss) before tax: Mainly due to the increase in foreign exchange gains in 2025.
- (5) Net profit (loss) for the current period: Mainly due to the decrease in operating revenue and the decrease in operating costs in 2025 .
- (6) Other comprehensive income for the current period (net, after-tax): Mainly due to exchange differences falling from the translation of the financial statements of foreign operations.
- (7) Total comprehensive income for the period: Mainly due to the decrease in operating revenue and the decrease in operating costs in 2025.
- (8) Net profit (loss) attributable to the parent company: Mainly due to the decrease

in operating revenue and the decrease in operating costs in 2025 .

- (9) Net profit (loss) attributable to non-controlling interests: Due to net loss of reinvested companies in 2025.
- (10) Total comprehensive income attributable to the parent company: Mainly due to the decrease in operating revenue and the decrease in operating costs in 2025 .
- (11) Total comprehensive income attributable to non-controlling interests: Due to net loss of reinvested companies in 2025.
- (12) Earnings (losses) per share: Mainly due to the decrease in operating revenue and the decrease in operating costs in 2025 .

5.2.2 Expected sales volume and its basis, the possible impact on the company's future financial business and the response plan:

The Company is in the bulk shipping industry and its Voyage Charter and Time Charter teams provide services to its clients. Main impact factors for the continued growth or decline of the market in the future are detailed in the compilation of the Company's Annual Reports and the market, production and sales overview of the operational highlights: market analysis.

5.3 Cash Flow Review and Analysis Sheet

5.3.1 Analysis of cash flow changes in the most recent year

Unit: NT\$ thousand

Item	2025	2024	Difference	
			Amount	%
Net cash flows from operating activities	1,095,620	979,363	116,257	11.87
Net cash flows from investing activities	670,556	(1,353,841)	2,024,397	(149.53)
Net cash flows used in financing activities	(1,710,312)	(1,009,331)	(700,981)	69.45

- (1) Increase in net cash inflow from operating activities, Mainly due to the decrease in operating revenue and the decrease in other current assets in 2025, the net cash inflows from operating activities during the current period was NT\$1,095,620 thousand.
- (2) Increase in net cash outflow from investing activities, Mainly due to the decrease in the acquisition of property, plant and equipment in 2025, the net cash inflows from investment activities during the current period was NT\$670,556 thousand.

- (3) Increase in net cash outflow used in financing activities, Mainly due to the decrease in the repayment of long-term borrowings and insurance of converted corporate bonds in 2025, the net cash outflows from financing activities during the current period was NT\$1,710,312 thousand.

5.3.2 Remedial actions for cash deficit and liquidity analysis: Not applicable.

5.3.3 Analysis of cash flow changes in the coming year (2025):

Unit: NT\$ thousand

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated non-financing income (2)	Estimated non-financing expenses and financing net cash inflows (outflows) (3)	Cash Surplus (Deficit) (1)+(2)+(3)	Leverage of Cash Surplus (Deficit)	
				Investment plans	Financing plans
1,991,995	1,382,103	(2,073,886)	1,300,212	—	—

1. Analysis of change in cash flow for current year:

- (1) Non-financing income : It's mainly to estimate the cash outflow generated from operating activities and the distribution of dividends by subsidiaries.
- (2) Non-financing expenses : It's mainly to estimate the cash outflow generated by operating activities, the distribution of dividends and the estimated transfer to subsidiaries.
- (3) Net cash flow from financing : It's mainly due to the estimated repayment of borrowings, resulting in net cash outflows from financing activities throughout the year.

2. Estimated remedial actions for cash deficit and liquidity analysis : Not applicable

5.4 Effect of capital expenditure on financial performance in the most recent year: None

5.5 Investment policy in the most recent year, profit/loss analysis, improvement plan, and investment plan for the coming year:

Maritime shipping:

The Company has formulated its "Rules Governing Financial and Business Matters

Between this Corporation and its Related Parties” which manages all of the Company's subsidiaries and sub-subsidiaries. The financial and business operations of its subsidiaries and sub-subsidiaries are coordinated by the parent company's management and scheduling. Subsidiaries reconcile each other's accounts on a monthly basis so that the Company can continually stay up-to-date on the financial and business conditions of its subsidiaries and sub-subsidiaries. The following is an explanation of the Shih Wei Navigation's overall management of the financial and business conditions of its subsidiaries and sub-subsidiaries:

5.5.1 Business:

The Company has a valid management consulting contract with each ship of its subsidiaries and sub-subsidiaries to operate ships on its behalf. Based on the requirements of client (charterers), the Company will enter into a contract with the counterparty on the behalf of ship owner.

5.5.2 Finances:

The establishment of subsidiaries and sub-subsidiaries abroad is based on the shipping industry's approach to enhance its competitiveness; the Company has not established local manpower or institutions for operations, so its funds for operations and ship procurement are all funded by parent and subsidiary companies' capital increase by cash for reinvestment, parent company's endorsements and guarantees for subsidiaries and sub-subsidiaries, and fund loans between affiliates, as well as bank loans, to meet operational needs.

5.5.3 Reasons for profits or losses of subsidiaries and improvement plans:

The profitability of subsidiaries differs due to various reasons, such as cargo carried, routes, freight, age of vessel, etc. On the whole, since the fleet is dispatched by the Company, the Company will schedule and dispatch the ships in consideration of overall profit. In the future, the Company will continue to modernize its fleet, and continue to strengthen management, training, auditing, and dispatching capabilities, with a view to stably operating and improving operating performance in the fiercely competitive global shipping market.

5.5.4 Investment plan for the following year:

The Company has long-term cooperation with Japanese shipyards, and has close discussions on new fuel-efficient designs or ship types with insufficient market segments. It is necessary to invest in the latest models at the most competitive price and at the best time in order to achieve the maximum benefit for shareholders. It is

expected that one new Ultramax (Eco Bulker) ship will be delivered in 2026.

Tourism:

Reason for loss:

Due to the significant amount of investment and the limited number of rooms, payback time will be longer. However, for the combination of Japanese style theme parks, various activities are increasingly provided each year, the premise being that it can better fit the market and create market demand. Thus, it can achieve the purpose of increasing revenue. After the borders reopened, the domestic travel market was impacted, revenue decreased. However, the impact from insufficient workers in the tourism industry and inflation increased the operating costs relatively.

Improvement plan:

Oversupply of accommodations in Yilan, including bed and breakfasts (B&B) and tourist hotels, is a severe test for new hotels. Dancewoods Hotel must continue to expand its awareness, build on its reputation, establish a brand image, and establish consumer recognition. After the borders reopened, the domestic travel market was impacted but the hotel has been becoming to a diversified and dynamic platform of services in Taiwan. By integrating resources or accumulating the non-operating income, the profit has been climbing up by month as well as the reputation and market share of the hotel. In view of ESG spirit, power saving and tech-monitor management system has gradually introduced to assist the profitability.

5.6 Risk Analysis and Assessment

The Company's management team continuously stays alert to and controls the following risks, and each department takes response measures in accordance with the scope of its work. For example, the Financial Department is responsible for economic, and financial risk management; the Business Department is responsible for credit, market, and other risk management; the Crew Management Department, Risk Management Department, and Marine Department are responsible for the risk management of crew and ship safety; the IT Office is responsible for information security risk management, so that the company's operations can operate normally without major impacts.

5.6.1 Impact of interest rate and exchange rate changes and inflation on the company's income in the most recent year and up to the publication date of this Annual Report and future response measures:

1. Interest rate risk:

The Company borrows funds at fixed or floating interest rates, thus generating interest rate risk. The Company regularly evaluates trends in market interest rates, stays up-to-date on trend in interest rate changes, and maintains a certain level of profit while taking into account safety and liquidity conditions to reduce the impact of interest rate changes. The interest expenses in 2024 and 2025 were NT\$514,108 thousand and NT\$356,214 thousand respectively, and the interest income were NT\$117,751 thousand and NT\$80,704 thousand respectively. The ratio of net interest expense to net revenue was about 11.34% and 8.65% respectively.

2. Exchange rate risk:

The Company's operating activities are mainly based on foreign currency transactions, so foreign currency exchange rate risks have occurred. In order to avoid the decrease in the value of foreign currency assets and the fluctuation of future cash flow due to exchange rate changes, the Company continues to stay up-to-date on exchange rate changes, and makes appropriate adjustments to foreign currency positions based on future capital demand conditions and existing foreign currency positions to reduce the impact of exchange rate changes on the Company's income. The exchange loss was NT\$156,082 thousand in 2024 and the exchange profit was NT\$ 113,447 thousand in 2025. The ratio of exchange profit or loss to net revenue was about 4.47% and 3.56%. The exchange rate changes will not have a significant impact on the Company's income.

3. Inflation risk:

The Company has not sustained any material impact on its income from inflation. If operating costs rise due to inflation, the Company may adjust prices when signing contracts.

5.6.2 Policy regarding high-risk, high-leverage investments, loans to others, endorsements, guarantees, and derivatives, reasons for profit or loss, and response measures in the

most recent year and up to the publication date of this Annual Report:

- 1.The Company operates based on stable and healthy principles and practical business philosophies. Aside from focusing on our main field of business, we do not engage in high-risk, high-leveraged investments.
- 2.The Company and its subsidiaries' loans and endorsements mainly involve the Company and its subsidiaries, and are necessary for the successful outcome of their businesses. Relevant operations are all handled in accordance with the procedures stipulated in the Company and its subsidiaries' Procedures for the Acquisition or Disposal of Assets, Procedures for Extending Loans to Others, and Procedures for Endorsements and Guarantees, as well as with the relevant laws and regulations. The Company's endorsements and guarantees are made to its subsidiaries and sub-subsidiaries, and the endorsements and guarantees will cease until the loan is fully paid off. In the future, depending on the Company's operating conditions and changes in market trends, it will regularly evaluate and flexibly adjust hedging strategies.
- 3.The derivative transactions of the Company are all handled in accordance with the procedures stipulated in the Procedures for the Acquisition or Disposal of Assets. If the Company buys and sells derivatives to hedge against risk of exchange rate changes such as payment of foreign currency liabilities, there is no additional cash outflow, and the contract exchange rate has been determined, so there will be no significant cash flow risk. Counterparties are all credit-worthy banks, and the possibility of credit risk is extremely small; they are also evaluated regularly in accordance with regulations.

5.6.3 Future R&D programs and expected R&D investment in the most recent year and up to the publication date of this Annual Report:

The Company is a shipping company and this is therefore not applicable.

5.6.4 Impact of key domestic or international policy or industry changes on the company's finances and sales and response measures in the most recent year and up to the publication date of this Annual Report:

The Company uses consulting and evaluation suggestions from relevant professionals in legal and accounting fields, and plans related response measures to coordinate with policy and legal changes and thus reduce the impact on the Company's financial

business.

The Company implements safety management for ships. Each vessel in the Company's fleet is equipped with environmental protection and safety equipment has obtained the Safety Management Certificate (SMC) and International Ship Security Certificate and Pollution Prevention Certificate from a ship classification society. Therefore, the possibility of a port reporting violation of environmental protection regulations is low. In this regard, strict implementation of safety management and environmental protection management to avoid oil, air, and seawater pollution as well as other environmental pollution is the response strategy to reduce this legal risk.

Ship financing contracts are signed only after review by lawyers, and ship mortgage is used as collateral. Financing security is high and legal risk is extremely low.

In addition to the P&I and H&M insurance, the fleet has also been covered for FDD insurance and Loss of hire. Coverage for shipowner's liability during operation of ships and carry of commodity, compensation for damage to the ship's hull and machinery and etc. All kinds of marine legal disputes that may arise from the operation of ships can be consulted by legal assistance through the insurance company. The insurance function provides the corresponding risk management for all kinds of ship operation and harm risk.

Relevant departments of the Company continue to pay attention to any changes in domestic and foreign policies and laws related to company operations. To the current date, such changes have not had a significant impact on its financial business.

5.6.5 Impact of technological and industry developments on the company's finance and sales and response measures in the most recent fiscal year and up to the publication date of this Annual Report:

Refer to 4. Business Overview /4.6 Cyber security management.

After a comprehensive assessment of cyber security, there have not been found any factors affecting major operational risks.

5.6.6 Impact of corporate image change on crisis management and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

5.6.7 Anticipated benefits and possible risks associated with mergers and acquisitions, and countermeasures in the most recent fiscal year and up to the publication date of this Annual Report: None.

5.6.8 Expected benefits and potential risks of factory expansion and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

5.6.9 Concentration risk in procurement or sales and response measures in the most recent fiscal year and up to the publication date of this Annual Report:

1. Concentration risk in procurement and response measures:

The Company belongs to the shipping business, and its main business is ship chartering and bulk cargo transportation. Our main suppliers are fuel oil and lubricating oil suppliers. Fuel is one of the key operating expenses in the shipping industry. Therefore, shipping companies pay great attention to international fuel price fluctuations, and the differences in fuel types and prices at various refueling ports. The Company will reference the fuel prices and brands supplied at each refueling port to purchase from varied sources and weigh the costs. We are also open to new suppliers; in addition to quality, product yield, delivery date, and supply stability, we will take into consideration for the evaluation of partnership possibilities the new suppliers' performance in terms of the environment and human rights to disperse the risk of purchase of goods from concentrated sources.

2. Concentration risk in sales and response measures:

The Company is in the shipping business, so the main income is from rental revenue, service revenue, cargo revenue, and other operating revenue. The Company has no risk of sales concentration.

5.6.10 Impact of and risks in large transfer or change of equity among directors, supervisors, or principal shareholders with over 10% stake in the company and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

5.6.11 Impact of and risks in change of management for the company and responding measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

Litigious or Non-litigious Matters:

1. Major litigation, non-litigation, or administrative events in the most recent

year and up to the publication date of this Annual Report that have been determined by verdict of the court or are still pending, the results of which may have a significant impact on shareholders' equity or securities prices, and the facts in dispute, the amount of the subject matter, date of commencement of litigation, main parties involved in litigation, and current handling situation: None.

2. Events in which the Company's directors, supervisors, presidents, substantial persons-in-charge, major shareholders holding more than 10% of shares, or subordinate companies are involved that have been determined by verdict of the court or are still pending in a major litigation, non-litigation, or administrative litigation in the last two fiscal years and up to the publication date of this Annual Report, the outcome of which may have a significant impact on shareholder equity or securities prices: None.

5.6.12 Other major risks and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

1. Intellectual Property Management Plan:

The Company has established the "Intellectual Property Management Operating Procedures" in accordance with Article 37-2 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and relevant laws regarding patent rights, trade secrets, trademark rights, and copyrights. This plan was approved by the Board of Directors on November 2, 2023, to continuously enhance corporate governance and establish an intellectual property management system. In the future, we will report on the content and implementation of the plan to the Board of Directors at least once a year and disclose it on the Company website.

We will continuously promote and implement the intellectual property management plan through the Plan-Do-Check-Act (PDCA) management cycle:

- (1) Establish intellectual property management operating procedures;
- (2) Review the Company's intellectual property protection and control measures;
- (3) Collect and track the results of intellectual property applications, and maintain and organize relevant documents;

- (4) Provide employees with information on intellectual property management advocacy.

2. Implementation of Intellectual Property Rights Management:

The implementation status for the year 2024 is as follows:

- (1) The management status of various intellectual property rights is as follows:

Item	Implementation Status
Patent Rights	No applications were filed in 2025.
Trade Secrets	A total of 12 new employees signed written confidentiality agreements in 2025. In July 2025, the IT department held a cybersecurity training session for employees, completing a total of 52.25 hours of training (person-hours) with 67 employee participations. Additionally, cybersecurity news and information were provided 6 times throughout 2025 to enhance employees' awareness of phishing emails.
Trademark Rights	No new trademark applications were filed in 2025. The Company holds 4 trademarks managed by the Administration Department. All trademark usage this year complies with corporate identity regulations.
Copyrights	A total of 12 new employees signed written agreements regarding computer copyright ownership in 2025. In April and October 2025, the Company conducted random inspections on the use of legal software on personal computers.

(2) Intellectual Property Education and Promotion

In 2025, the Company held two online educational sessions on intellectual property rights, completing a total of 6.04 hours of training (person-hours) with 104 employee participations, helping company staff understand issues related to intellectual property rights that may arise in their work and daily lives.

(3) Extension of Cybersecurity and Intellectual Property Management to the Fleet.

The Company has progressively implemented cybersecurity awareness programs, drills, and training sessions across its vessels. Through these initiatives, intellectual property management practices have been

extended from the Company's onshore operations to the entire fleet.

The Company's 2025 implementation status was reported to the Board of Directors on December 23, 2025.

5.7 Other Important Information: None.

6. Special Records

6.1 Information on Affiliates

Please visit the website of the MOPS of the Taiwan Stock Exchange

(website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10)(Company Code: 5608)
inquiry.

6.2 Status of private placement of securities in the most recent year and up to the publication date of this Annual Report:

Please visit the website of the MOPS of the Taiwan Stock Exchange

(website: <https://mops.twse.com.tw/mops/#/web/t116sb01>)(Company Code: 5608)
inquiry.

6.3 Other supplemental information: None.

7. **Corporate events with material impact on shareholders' equity or stock prices set forth in Article 36, Paragraph 3, Subparagraph 2 of Securities and Exchange Act in the most recent year and up to the publication date of this Annual Report should be listed individually: None.**

Appendix 1

The Exiting Fleet

March 31, 2026

NO	NAME OF VESSEL	Relationship	Built	DWT	Flag / Class	Type
1.	Federal SW	100% Owned Subsidiary Company	2011	76,483 KT	Panama / B.V.	Panamax
2.	Skyhigh SW	100% Owned Subsidiary Company	2011	14,260 KT	Panama / N.K.	General Cargo
3.	Elegant SW	100% Owned Subsidiary Company	2011	37,163 KT	Panama / B.V.	Handy
4.	Penghu SW	100% Owned Subsidiary Company	2011	37,168 KT	Panama / B.V.	Handy
5.	Moonbright SW	100% Owned Subsidiary Company	2012	36,378 KT	Panama / N.K.	Handy
6.	Modest SW	100% Owned Subsidiary Company	2012	76,483 KT	Panama / N.K.	Panamax
7.	Pescadores SW	100% Owned Subsidiary Company	2012	82,230 KT	Panama / B.V.	Kamsamax
8.	Direction SW	100% Owned Subsidiary Company	2012	16,410 KT	Panama / N.K.	Log/ Handy
9.	Danceflora SW	100% Owned Subsidiary Company	2012	28,333 KT	Panama / B.V.	Handy
10.	Stamina SW	100% Owned Subsidiary Company	2012	28,378 KT	Panama / B.V.	Handy
11.	Spinnaker SW	100% Owned Subsidiary Company	2012	31,657 KT	Panama / N.K.	Log/ Handy
12.	Twinluck SW	100% Owned Subsidiary Company	2012	31,877 KT	Panama / N.K.	Log/ Handy
13.	Aquamarine SW	100% Owned Subsidiary Company	2012	37,119 KT	Panama / N.K.	Handy
14.	Dancewood SW	100% Owned Subsidiary Company	2013	29,065 KT	Panama / N.K.	Handy
15.	Audrey SW	100% Owned Subsidiary Company	2014	31,822 KT	Panama / N.K.	Handy
16.	Wonderful SW	100% Owned Subsidiary Company	2014	31,702 KT	Panama / N.K.	Log/ Handy
17.	Indigo SW	100% Owned Subsidiary Company	2014	36,371 KT	Panama / N.K.	Handy
18.	Summit SW	100% Owned Subsidiary Company	2014	37,055 KT	Panama / N.K.	Handy

NO	NAME OF VESSEL	Relationship	Built	DWT	Flag / Class	Type
19.	Dancewoods No. 1	Parent Company	2014	99.59 KT	Taiwan / C.R.	Passenger Ship
20.	Magpie SW	100% Owned Subsidiary Company	2015	34,302 KT	Panama / N.K.	Log/ Handy
21.	Genius SW	100% Owned Subsidiary Company	2015	60,200 KT	Panama / N.K.	Ultramax
22.	Endurance SW	100% Owned Subsidiary Company	2015	60,225 KT	Panama / N.K.	Ultramax
23.	SW Legend	100% Owned Subsidiary Company	2024	63,504 KT	Panama / N.K.	Ultramax
24.	SW Sapphire	100% Owned Subsidiary Company	2025	64,620 KT	Panama / N.K.	Ultramax

Summary of the 2025 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2025.01.16	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on December 24 in 2024. Report of the Audit Office: The recent audit of stock affairs, investment inventory, safekeeping, and pledge operations identified no material deficiencies.	All directors in attendance were notified.	None
	Matters for discussion: 1. Discussion of the proposal to sell the vessel MV Blessing SW owned by our wholly-owned sub-subsidiary, Fourseas Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any directors in attendance.	None
2025.02.25	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on January 16 in 2025. Report of the Audit Office: Communication with independent directors on November 12, 2024. Reports on other important issues: The results of the internal performance evaluations for the Board of Directors, the functional committees (including the Audit Committee, Remuneration Committee and Sustainability Development Committee), and the self-assessments of individual board members are submitted for review.	All directors in attendance were notified.	None
	Matters for discussion: 1. Discussion of the proposed of the company's 2024 financial statement and consolidated financial statement.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2025 General Shareholders' Meeting for	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
		ratification.	
	2. Request for deliberation of the proposed revisions to the Company's "Board Performance Evaluation Method."	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the proposal for the Company's wholly-owned subsidiaries applied to Land Bank of Taiwan for changing the credit conditions of the ship loan.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Discussion of the proposal to sell the vessel MV Forever SW owned by our wholly-owned sub-subsidiary, Forever Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any directors in attendance.	None
2025.03.25	Reported matters: Report of the Finance Department: 1. The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on February 25 in 2025. 2. Report on the status of the issuance of the Company's 7th domestically secured convertible corporate bonds. Report of the Audit Office: The recent audit of endorsement guarantee procedures and property management identified no material deficiencies. Reports on other important issues: 1. In 2024, our Company's total investment in ESG related projects amounted to an equivalent value of NT\$5,297,300, which includes charitable donations totaling NT\$1,231,638. 2. Submit the greenhouse gas inventory and verification schedule planning for the "parent company" and planning for the "subsidiaries," and report the execution progress to the board of directors on a quarterly basis for oversight.	All directors in attendance were notified.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	Matters for discussion: 1. Discussion of the proposal to review the company's certified public accountant's audit service fees and independence for 2025.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposal to change the representative of the corporate director appointed by the Company's wholly-owned subsidiary or sub-subsidiary.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Request for deliberation of the company's 2024 Statement on Internal Control System.	The Chair passed the matter without objection from any directors in attendance, and published it in the 2024 Annual Report.	None
	4. Request for the review of the company's 2024 business report.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2025 General Shareholders' Meeting for reporting.	None
	5. Discussion of the proposed for the company's employee allocation and director remuneration for 2024.	The Chair passed the matter without objection from any directors in attendance and submitted it to	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
		the 2025 General Shareholders' Meeting for reporting.	
	6. Discussion of the proposal for the distribution of directors' remuneration for 2024.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2025 General Shareholders' Meeting for reporting.	None
	7. Discussion of the proposal to allocate for discussion the deficit compensation statement for 2024.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2025 General Shareholders' Meeting for ratification.	None
	8. Request for deliberation on the proposed revision to the Company's Articles of Association Incorporation.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2025 General Shareholders' Meeting for reporting.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	9. Request for deliberation on the proposed revision to the Company's "Procedures for Election of Directors."	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2025 General Shareholders' Meeting for reporting.	None
	10. Discussion of the proposal for the deliberation of the date, location and venue for the company's 2025 general shareholders' meeting.	The Chair passed the matter without objection from any directors in attendance.	None
	11. Deliberation of the proposed for managers' 2024 annual performance appraisal and performance bonus.	The Chair passed the matter without objection from any directors in attendance.	None
	12. Deliberation of the proposed for Chairwoman's 2024 annual performance bonus.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None
	13. Discussion of the proposed for the company directors' and managers' salary and remuneration measures regulation, regarding the distribution of the 2025 annual dragon boat festival and mid-autumn festival bonus for the director and managers.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2025.05.06	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on March 25 in 2025. Report of the Audit Office: Communication with independent directors on March 25, 2025. Reports on other important issues: 1. Report on the progress of the preparation of the 2024 Sustainability Report. 2. Submit the greenhouse gas inventory and verification schedule planning for the "parent company" and "subsidiaries," adjust the schedule based on the implementation status, and report the execution progress to the board of directors on a quarterly basis for oversight. 3. Implementation progress and expected benefits of the “Fleet Source Reduction of Plastics Program”.	All the directors in attendance were notified.	None
	Matters for discussion: 1. Discussion of the proposal for the planning and budgeting of the “Ocean Career Exploration Day” event.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposal for the first quarter of company’s 2025 consolidated financial statement.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the company's intention to apply for the renewal of the loan limit from the Hua Nan Bank Hsin Wei Branch.	The Chair passed the matter without objection from any directors in attendance.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	4. Discussion of the company's intention to apply for the renewal of the loan limit from the Taiwan Bank Minsheng Branch.	The Chair passed the matter without objection from any directors in attendance.	None
	5. Discussion of the company's intention to apply for the renewal of the loan limit from the Shin Kong Bank Nan Dong Branch.	The Chair passed the matter without objection from any directors in attendance.	None
	6. Discussion of the company's intention to apply for the renewal of the loan limit from the department of business Agricultural Bank of Taiwan.	The Chair passed the matter without objection from any directors in attendance.	None
	7. Discussion of the company's intention to apply for a short-term loan from the En Tie Bank.	The Chair passed the matter without objection from any directors in attendance.	None
	8. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None
	9. Request for deliberation on the proposed revisions to the Company's Procedures for Ethical Management and Guidelines for Conduct.	The Chair passed the matter without objection from any directors in attendance. and submitted it to the 2025 General Shareholders' Meeting for reporting.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	10. Discussion of the proposal to add agenda items to the Company's 2025 Annual General Meeting of Shareholders.	The Chair passed the matter without objection from any directors in attendance.	None
2025.08.12	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary FORTUNATE MARITIME S.A. PANAMA passed the resolution on June 18, 2025, and the board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed resolutions on both June 18, 2025, and July 22, 2025. Report of the Audit Office: Communication with independent directors on May 6, 2025. Reports on other important issues: Submit the greenhouse gas inventory and verification schedule planning for the "parent company" and "subsidiaries," adjust the schedule based on the implementation status, and report the execution progress to the board of directors on a quarterly basis for oversight.	All the directors in attendance were notified.	None
	Matters for discussion: 1. Discussion of the proposal for the second quarter of company's 2025 consolidated financial statement.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposed draft of the 2026 Budget Preparation Schedule.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Ratification of the Company's operational procedures for the endorsement and guarantee regarding the custody of seals.	The Chair passed the matter without objection from any directors.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	4. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors.	None
	5. Request for deliberation of proposed Company's purchases of liability insurance for directors and important employees.	The Chair passed the matter without objection from any directors.	None
	6. Discussion of the proposal for the completion of 2024 Sustainability Report.	The Chair passed the matter without objection from any directors.	None
	7. Discussion of the proposal for the promotion of new managerial personnel and the approval of their monthly compensation structure and payment amounts.	The Chair passed the matter without objection from any directors.	None
	8. Discussion of the proposal for the salary adjustment of the Company's managerial personnel.	The Chair passed the matter without objection from any directors.	None
	9. Discussion of the proposal for the remuneration of the Company's Chairman.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2025.11.13	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on October 2 in 2025. Report of the Audit Office: The recent audit of cashier cash receipts and disbursements as well as insider trading prevention-related operations revealed no material deficiencies.	All the directors in attendance were notified.	None
	Matters for discussion: 1. Discussion of the proposal for the third quarter of company's 2025 consolidated financial statement.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the Revision of the Procedures for the Acquisition or Disposal of Assets.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the company's intention to apply for a short-term loan from the Cathay United Bank.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None
	5. Discussion of the proposal to sell the vessel MV Eternity SW owned by our wholly-owned sub-subsidiary, Eternity Pescadores S.A. Panama.	The Chair passed the matter without objection from any directors in attendance.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	6. Discussion of the proposal for a loan application to Hua Nan Bank by the wholly-owned sub-subsidiary, PATRIOT PESCADORES S.A. PANAMA, for the acquisition of a new vessel.	The Chair passed the matter without objection from any directors in attendance.	None
	7. Discussion of the proposal for the application of a ship mortgage loan to Hua Nan Bank by the Company's wholly owned sub-subsidiary.	The Chair passed the matter without objection from any directors in attendance.	None
2025.12.23	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on December 11 in 2025. Report of the Audit Office: The recent audit of the management of endorsements and guarantees as well as investment inventory-taking operations revealed no material deficiencies. Reports on other important issues: 1. Status of the Board's 2025 External Performance Evaluation. 2. Operational and Implementation Status of Ethical Business Conduct for the Fiscal Year 2025. 3. Report on the Operational Status of Risk Management for the Fiscal Year 2025. 4. Intellectual Property Management Plan and Execution Status for the Fiscal Year 2025. 5. Review the qualifications of the company's independent directors during their tenure. 6. Establishment and Implementation Status of the Corporate Value Enhancement Plan. 7. Sustainability Performance and Achievement Report for the Fiscal Year 2025. 8. Submission of the adjusted schedule for the greenhouse gas inventory and verification planning for both the parent company and subsidiaries, with quarterly progress reports to the Board for monitoring.	All the directors in attendance were notified.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	Matters for discussion: 1. Discussion of the proposal for the Company's 2029 Sustainability Disclosure Alignment Strategy and the 2026 Annual Plan.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposal for revising the "Sustainable Development Best Practice Principles".	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the proposal for the " Scope of the Company's Grassroots Employees."	The Chair passed the matter without objection from any directors in attendance.	None
	4. Discussion on the proposed revision of the company's Internal Control System and Internal Audit System content.	The Chair passed the matter without objection from any directors in attendance.	None
	5. Request for deliberation of proposed Company's 2026 Internal Audit Plan.	The Chair passed the matter without objection from any directors in attendance.	None
	6. Discussion of the proposal for the establishment of the Company's "Personal Data Protection and Management Policy."	The Chair passed the matter without objection from any directors in attendance.	None
	7. Discussion of the proposal for the amendment of the Company's "Regulations Governing the Issuance and Conversion of the 6th and 7th Domestic Secured Convertible Bonds."	The Chair passed the matter without objection from any directors in attendance.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	8. Request for review of the Company's completed 2026 Financial Budget and Operating Plan.	The Chair passed the matter without objection from any directors in attendance.	None
	9. Discussion of the company's intention to apply for the renewal of the loan limit from the Hua Nan Bank Hsin Wei Branch.	The Chair passed the matter without objection from any directors in attendance.	None
	10. Discussion of the proposal for the Company to act as the joint and several guarantor for the renewal of the credit facility application to Taiwan Cooperative Bank by the wholly owned subsidiary, DONG LIEN MARITIME S.A. PANAMA.	The Chair passed the matter without objection from any directors in attendance.	None
	11. Ratification of the proposal for the application to Taiwan Cooperative Bills Finance Corporation for the issuance of commercial paper by the Company.	The Chair passed the matter without objection from any directors in attendance.	None
	12. Discussion on the proposed revision of the Company directors and managers salary and remuneration measures.	The Chair passed the matter without objection from any directors in attendance.	None
	13. Request for deliberation of proposed policies, systems, standards, and structure of directors and managers performance evaluation and salary remuneration.	The Chair passed the matter without objection from any directors in attendance.	None

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	14. Deliberation of the proposed 2025 year-end bonus for the Chairwoman and managers.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None
	15. Discussion of the proposal for the salary adjustment of the Chief Executive Officer of the Company's subsidiary, Dancewoods Hotels & Resorts Co., Ltd.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None
	Extemporaneous Motions: Abbreviated.		

Summary of the 2025 Audit Committee Meeting Minutes

Date (term/meeting number) Period of the Board of Directors	Agenda content and follow-up	Audit Committee Results of resolutions	Matters listed in Article 14- 5 of the Securities and Exchange Act	Resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee
2025.01.16 (3/13) First meeting in 2025	1. Discussion of the proposal to sell the vessel MV Blessing SW owned by our wholly-owned sub-subsidiary, Fourseas Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2025.02.25 (3/14) Second meeting in 2025	1. Discussion of the proposed of the company's 2024 financial statement and consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Discussion of the proposal to sell the vessel MV Forever SW owned by our wholly-owned sub-subsidiary, Forever Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2025.03.25 (3/15) Third meeting in 2025	1. Discussion of the proposal to review the company's certified public accountant's audit service fees and independence for 2025.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Request for deliberation of the company's 2024 Statement on Internal Control System.	The Chair passed the matter without objection from any members in attendance.	V	None
	3. Request for the review of the company's 2024 business report.	The Chair passed the matter without objection from any members in attendance.	V	None
	4. Discussion of the proposal to allocate for discussion the deficit Compensation Statement for 2024.	The Chair passed the matter without objection from any members in attendance.	V	None

Date (term/meeting number) Period of the Board of Directors	Agenda content and follow-up	Audit Committee Results of resolutions	Matters listed in Article 14- 5 of the Securities and Exchange Act	Resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2025.05.06 (3/16) Fourth meeting in 2025	1. Discussion of the proposal for the first quarter of company's 2025 consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2025.08.12 (3/17) Fourth meeting in 2025	1. Discussion of the proposal for the second quarter of company's 2025 consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2025.11.13 (3/18) Sixth meeting in 2025	1. Discussion of the proposal for the third quarter of company's 2025 consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Discussion of the Revision of the Procedures for the Acquisition or Disposal of Assets.	The Chair passed the matter without objection from any members in attendance.	V	None
	3. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any members in attendance.	V	None

Date (term/meeting number) Period of the Board of Directors	Agenda content and follow-up	Audit Committee Results of resolutions	Matters listed in Article 14- 5 of the Securities and Exchange Act	Resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee
	4. Discussion of the proposal to sell the vessel MV Eternity SW owned by our indirectly wholly-owned subsidiary, Eternity Pescadores S.A. Panama.	The Chair passed the matter without objection from any members in attendance.	V	None
	5. Discussion of the proposal for the acquisition of a new vessel by our indirectly wholly-owned subsidiary, PATRIOT PESCADORES S.A. Panama, and the application for a loan from Hua Nan Bank.	The Chair passed the matter without objection from any members in attendance.	V	None
	6. Discussion of the proposal for the indirectly wholly-owned subsidiary to apply for a vessel mortgage loan from Hua Nan Bank.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2025.12.23 (3/19) Seventh meeting in 2025	1. Discussion of the proposed revision of the company's Internal Control System and Internal Audit System content.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Request for deliberation of proposed Company's 2026 Internal Audit Plan.	The Chair passed the matter without objection from any members in attendance.	V	None
	3. Discussion of the proposed revision of the company's Regulations Governing the Issuance and Conversion of the Sixth and Seventh Domestic Secured Convertible Bonds.	The Chair passed the matter without objection from any members in attendance.	V	None
	4. Discussion of the proposal for the company's to act as joint and several guarantor for the renewal of the credit facility applied for by DONG LIEN MARITIME S.A. PANAMA with Taiwan Cooperative Bank.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			

Summary of the 2025 Remuneration Committee Meeting Minutes

Date	Agenda content and follow-up	Results of resolutions	The Company's handling of the opinions of the Remuneration Committee members.
2025.03.25	1. Deliberation of the proposed for managers' 2024 annual performance appraisal and performance bonus.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	2. Deliberation of the proposed for Chairwoman's 2024 annual performance bonus.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	3. Discussion of the proposed bonuses for the Chairwoman and Managers for the 2025 Dragon Boat Festival and Mid-Autumn Festival.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	4. Discussion of the proposal for the distribution of directors' remuneration for 2024.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
2025.08.12	1. Discussion of the proposal for the promotion of new managerial personnel and the approval of their monthly compensation structure and payment amounts.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	2. Discussion of the proposal for the salary adjustment of the Company's managerial personnel.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.

Date	Agenda content and follow-up	Results of resolutions	The Company's handling of the opinions of the Remuneration Committee members.
	3. Discussion of the proposal for the remuneration of the Company's Chairwoman.	The Chair passed the matter without objection from any members in attendance to adjust the salary increase rate to 15%, with the corresponding amendments to the "Salary and Remuneration Regulations for Directors and Managers" to be reviewed in the next Remuneration Committee meeting; this proposal is hereby submitted to the Board of Directors for resolution.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
2025.12.23	1. Discussion on the proposed revision of the Company directors and managers salary and remuneration measures.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	2. Request for deliberation of proposed policies, systems, standards, and structure of directors and managers performance evaluation and salary remuneration.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.

Date	Agenda content and follow-up	Results of resolutions	The Company's handling of the opinions of the Remuneration Committee members.
	3. Deliberation of the proposed 2025 year-end bonus for the Chairwoman and managers.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	4. Discussion of the proposal for the salary adjustment of the Chief Executive Officer of the Company's subsidiary, Dancewoods Hotels & Resorts Co., Ltd.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.

Appendix 5

Shih Wei Navigation Co., Ltd.

Code of Ethical Conduct

I. Purpose and Basis

Purpose: The Code of Ethical Conduct is established to help the Company's Directors and managerial officers (including the President or those with equivalent ranking, Vice Presidents or those with equivalent ranking, Assistant Vice Presidents or those with equivalent ranking, supervisor of the finance department, and other individuals who are authorized to manage affairs and sign on behalf of the company) comply with ethical standards in their conduct and help stakeholders of the Company gain a deeper understanding of the ethical standards of the Company.

II. Contents

The Code of Ethical Conduct to be established by the Company based on its conditions and needs must include at least the eight following items:

In the event of the following conditions, the relevant units must submit an approval document to the Chairperson for approval. Where the impact is significant, it shall be submitted to the Board of Directors for resolution.

(I) Prevention of conflicts of interest:

Conflicts of interest occur when personal interest affects or is likely to affect the overall interest of the company. As an example, it occurs when a Director, Supervisor, or managerial officer of the Company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the Company to obtain improper benefits for either themselves or their spouse or relatives within the second degree of kinship. The Company shall pay special attention to loans of funds, provisions of guarantees, major asset transactions, and major monetary transactions involving the affiliated enterprise at which the aforementioned individuals work. The Company shall establish policies for preventing conflicts of interest and offer appropriate means for the Directors or managerial officers to voluntarily explain whether their interests potentially conflict with those of the Company.

(II) Avoid opportunities for personal gain:

The management shall prevent Directors and managerial officers from taking the following actions:

- (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions;
- (2) Obtaining personal gain by using company property or information or taking advantage of their positions;
- (3) Competing with the Company. When the Company has an opportunity for profit, it is

the responsibility of the Directors and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

(III) Confidentiality obligations:

The Directors and managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its business transactions, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.

(IV) Fair trade:

Directors and managerial officers shall treat all customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

(V) Protection and proper use of company assets:

All Directors and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.

(VI) Legal compliance:

The management shall enhance the Company's compliance with the Securities and Exchange Act and other laws and regulations.

(VII) Encouraging reporting on illegal or unethical activities:

The Company shall raise awareness of ethics and encourage employees to report to the Audit Committee, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the Code of Ethical Conduct. The Company also allows anonymous reports. The Company shall take all necessary measures to protect the safety of the whistleblowers. Any individual who informs the Company of a breach of ethics, suspected violation of laws on securities, or other misconduct in good faith shall not be subject to any form of retaliation (or threat of retaliation). Where any individual suffers retaliation (or threat or harassment), he/she shall report to the managerial officer or superior officer immediately.

(VIII) Disciplinary measures:

All Directors, managerial officer, and employees are responsible for carefully reading, understanding, and complying with the Code of Conduct. Individuals who fail to abide by the Code of Conduct, including supervisors who fail to report illegal conduct, may be penalized with the termination of their employment. The Company shall disclose the title and name of the individual who violated the Code of Ethical Conduct, the date of the violation, reasons for the violation, the provisions of the code violated, and the disciplinary

actions taken on the Market Observation Post System (MOPS) without delay.

III. Exemption Procedures

Where an exemption is applicable, the exemption of a Director or managerial officer of the Company from compliance with the Company's Code of Ethical Conduct shall require a resolution by the Board of Directors and the information on the date of the board resolution for exemption, Independent Directors' objections or qualified opinions, period of the exemption, reasons for the exemption, and principles behind the application of the exemption shall be disclosed on MOPS immediately for shareholders to evaluate whether the decision of the Board of Directors is appropriate. These procedures shall be taken to prevent arbitrary or suspicious exemptions from compliance with the Code of Ethical Conduct and ensure that any exemption is adequately monitored to protect the Company.

IV. Method of Disclosure

The Company shall publish the Code of Ethical Conduct on the Company's website, annual report, prospectus, and MOPS. The same shall apply to amendments.

V. Implementation

The Company's Code of Ethical Conduct shall be implemented following approval in the Board of Directors meeting and submitted to the shareholders' meeting. The same applies to all subsequent amendments.

VI. Establishment and effective date: January 28, 2005

The 1st amendment was on March 30, 2017.

The 2nd amendment was on March 26, 2021.