

SHIH WEI NAVIGATION CO., LTD.

Minutes of the 2023 Annual General Shareholders' Meeting

Time: 9:00 A.M. (Wednesday) June 28, 2023

Meeting type : Video-conferencing assisted shareholders meeting

(physical shareholders meeting supported by video conferencing)

Venue: Conference Room A+B+C, Primasia Conference & Business Center

Address: 6F, No. 99, Fusing North Road, Taipei City, Taiwan

Virtual meeting platform: Taiwan Depository & Clearing Corporation Stockvote Platform

(website: <https://www.stockvote.com.tw/>)

Total shares represented by shareholders presented in person or by proxy: The number of shares represented by shareholders and proxies present at the meeting was 206,539,287 (including 13,628,789 shares represented by shareholders participating in the meeting through electronic and video means of communication), accounting for 55.93% of a total of 369,267,090 issued shares

Chairwomen: Luo Pan Investment Corp.

Institutional shareholder representative: Lan, Shin-Chyi

Recorder: Lai, Liang-Yu

Directors present: Chairwomen Lan, Shin-Chyi, Kuo, Chen-Yu, Chen, Huo-Tsai,

Independent Director : Lin, Po-Ging, Chang, Lu-Chang, Chen, Po-Chung

Attendees: Chih, Shih-Chin (Accountant)

I. The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairwomen called the meeting to order.

II. Chairwomen's Address (omitted)

III. Reports Items

(I) 2022 Business Report (Noted)

(see Attachment I)

(II) Report by Audit Committee on review of the 2022 Financial Statements (Noted)

(see Attachment II)

(III) Report on the 2022 distribution of remuneration to employees and directors (Noted)

(IV) Report on remuneration paid during 2022 to directors (Noted)

(see Attachment IV)

(V) Report on the distribution of 2022 profits in cash dividends to Shareholders (Noted)

(VI) Report on the issue of the 6th domestic secured convertible bonds (Noted)

IV. Matters for Ratification

Item 1 Proposed by the Board

Proposal: Ratification of the 2022 Business Report and Financial Statements.

Explanation: The Company's Financial Statements and Consolidated Financial Statements for 2022 (including the Balance Sheet, Consolidated Income Statement, Statement of Changes in Equity, and Cash Flow Statement) have been audited by the Tseng, Kuo-Yang and Chih, Shih-Chin of KPMG, Taiwan. They were submitted along with the business report to the Audit Committee for review and are hereby filed for ratification.

(see Attachment I to Attachment III)

Voting Results:

The total votes represented by attending ordinary shareholders was 206,346,287. (Including 13,628,789 shares represented by shareholders participating in the meeting through electronic and video means of communication.)

Voting Results*		% of the total represented share present
Votes in favor:	200,961,441 votes (8,715,404 votes)	97.39%
Votes against:	50,256 votes (50,256 votes)	0.02%
Votes invalid:	0 vote (0 vote)	0.00%
Votes abstained:	5,334,590 votes (4,863,129 votes)	2.58%

* including votes exercised by electronic and video means of communication (numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item 2 Proposed by the Board

Proposal: Ratification of the proposal for 2022 earnings distribution.

Explanation: The 2022 earnings distribution statement is provided as follows:

SHIH WEI NAVIGATION CO., LTD
EARNINGS DISTRIBUTION TABLE

2022

Unit: NT\$

Item	Amount	Remarks
Undistributed profits at the beginning of the period	840,952	
Add:		
2022 net profit after tax	2,028,642,465	
Actuarial losses on the benefit plan of the year recognized in retained earnings	1,840,053	
Reversal of retained special reserve from before	1,099,897,477	
Less:		
Allocation of statutory surplus reserve (Note 1)	(203,048,252)	
Distributable surplus available	2,928,172,695	
Less:		
Distribution items:		
Shareholder dividends - cash	(553,900,635)	NT\$1.5/share
Undistributed profits at the end of the period	2,374,272,060	

Note 1: Statutory surplus reserve: $2,030,482,518 \times 10\% = 203,048,252$

Voting Results:

The total votes represented by attending ordinary shareholders was 206,346,287. (Including 13,628,789 shares represented by shareholders participating in the meeting through electronic and video means of communication.)

Voting Results*		% of the total represented share present
Votes in favor:	201,355,918 votes (9,109,881 votes)	97.58%
Votes against:	87,248 votes (87,248 votes)	0.04%

Votes invalid:	0 vote (0 vote)	0.00%
Votes abstained:	4,903,121 votes (4,431,660 votes)	2.37%

* including votes exercised by electronic and video means of communication
(numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

V. Election Matters

Item 1 Proposed by the Board

Proposal: Election of the Board of Directors.

Explanation: I. Upon the expiry of the Directors' terms of office, the Board of Directors resolved that seven Directors (including four Independent Directors) will be elected at this Annual Shareholders' Meeting. The terms of office of the Directors to be elected shall be three years, commencing on June 28, 2023 and expiring on June 27, 2026.

II. According to the Company's Articles of Incorporation, directors shall be elected by adopting candidate nomination system and nomination and election of the directors shall be conducted in accordance with the applicable laws and regulations. Shareholders shall elect the directors from the nominated candidates.

The academic background, experience, and relevant information of the nominated candidates are as the handbook.

Election Results:

Title	Name	Votes Received
Director	Lan, Shin-Chyi (Representative Of Luo Pan Investment Corp.)	261,211,275
Director	Lan, Pei-Ching (Representative of Luo Pan Investment Corp.)	246,804,653
Director	Kuo, Cheng-Yu	246,639,332
Independent Director	Chang, Tsang-Yao	186,550,113
Independent Director	Ding, Yun-Kai	168,670,622

Independent Director	Chou, Chen-Shing	154,498,410
Independent Director	Shann, Shu-Jiun	140,501,443

VI. Matters for Discussion

Item 1 Proposed by the Board

Proposal: Discussion to approve the lifting of director of non-competition Restrictions. Please proceed to discuss.

Explanation: I. If new directors elected in this shareholders' meeting are engaged in the investment or operation of a business entity whose scope of business is similar to that of the Company and acts as a director thereof, we request that the directors be released from the prohibition on participation in competitive business in accordance with Article 209 of the Company Act, provided that such waiver will not infringe upon the interests of the Company.

II. If a Company's director is reassigned as the legal representative due to business demand, then the prohibition on said director from participation in competitive business is released.

III. The Directors' concurrent roles in other entities are as follows:

Name	Released restriction items
Lan, Shin-Chyi	1. Director, CR Classification Society 2. Director, The Britannia Steam Ship Insurance Association Europe 3. Member, Bureau Veritas Asia & Australia Committee Meeting 4. Member, ClassNK of Taiwan Committee

Voting Results:

The total votes represented by attending ordinary shareholders was 206,346,287. (Including 13,628,789 shares represented by shareholders participating in the meeting through electronic and video means of communication.)

Voting Results*		% of the total represented share present
Votes in favor:	201,275,006 votes (9,028,969 votes)	97.54%
Votes against:	136,217 votes (136,217 votes)	0.06%
Votes invalid:	0 vote (0 vote)	0.00%
Votes abstained:	4,935,064 votes (4,463,603 votes)	2.39%

* including votes exercised by electronic and video means of communication
(numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

Item 2 Proposed by the Board

Proposal: Amendment to the "Rules of Procedure for Shareholders' Meetings". Please proceed to discuss.

Explanation: I. Proposal for the amendment of the Company's "Rules of Procedure for Shareholders' Meetings" in accordance with Taiwan Stock Exchange Corporation's Letter No. 1120004167 dated Mar 17, 2023.

II. The comparison table of amended articles is as Attachment V.

Voting Results:

The total votes represented by attending ordinary shareholders was 206,346,287. (Including 13,628,789 shares represented by shareholders participating in the meeting through electronic and video means of communication.)

Voting Results*		% of the total represented share present
Votes in favor:	201,350,721 votes (9,104,684 votes)	97.57%
Votes against:	66,835 votes (66,835 votes)	0.03%
Votes invalid:	0 vote (0 vote)	0.00%
Votes abstained:	4,928,731 votes (4,457,270 votes)	2.38%

* including votes exercised by electronic and video means of communication
(numbers in brackets)

RESOLVED, that the above proposal be and hereby was approved as proposed.

VII. Extraordinary Motions : None.

There was no question raised by shareholders at this shareholders meeting.

VIII. Adjournment

Attachment I

2022 business report

Shih Wei Navigation Co., Ltd. 2022 Business Report

Foreword

The International Monetary Fund (IMF) forecasted 3.4% growth for 2022 in its January issue of World Economic Outlook report, 2.8% lower than the 6.2% in 2021, and the global growth in 2023 is projected at 2.9%. The loose monetary policy promoted in response to the impact of COVID-19, the long-term low interest rates, and the supply chain interruptions have depicted the trajectory of the pressed economic growth in the post-COVID period in 2021 and 2022. Looking at the international situations, the Russia-Ukraine war that broke out due to the Russia's invasion of Ukraine has caused the energy chaos and blocked the import and export of bulk commodities of the two countries. Greatly impacted by the Russia-Ukraine war, the European economies had to adjust their energy policies amid the troubled times. The US-China conflict aggravated, the political, economic and trade tensions, the long recovery time, the war, the geopolitics, and other factors have caused the headwinds in economic growth in 2022. Facing the global inflation rate that soared to 8.8%, the Federal Reserve System (Fed) have raised the interest rate 7 times by 4.25% in total for policy-based suppression of this inflation monster.

The Baltic Dry Index (BDI) hit the peak in May 2022 at 3,365 points, and in 22Q2 the average BDI was 2,530 points. Then there showed a steep downward trend in 22Q3 when the lowest 965 points appeared in August. The annual average BDI was 1,934 points, showing a decline compared with the average 2,943 points in 2021. In 2023, due to the fact that most people held a wait-and-see attitude toward the economic development of China after the pandemic-related restrictions were lifted, coupled with the lack of market confidence after the Lunar New Year holiday, the BDI hit as low as 350 points in February.

According to the statistics revealed in the SSY (Simpson Spence Young) market report, as of the end of 2022, the number of dry bulk carriers (>10,000 DWT) is 12,302 units, an increase of 325 units compared with 2021, and the shipping capacity increased by approximately 2,528 Mn DWT, with the total demolitions of 3,56 Mn DWT.

In terms of vessel types, according to the statistics of 2022 shipping capacity of dry bulk carriers released by Clarksons Research in March 2023, the total shipping capacity of dry bulk carriers increased by about 2.8% DWT, of which Capesize increased by 1.9%, Panamax by 3.8%, Supramax by 3.1%, and Handysize by 3%. The 2022 volume in the dry bulk market dropped by nearly 0.6% and the seaborne grain export decreased by 4% due to the turmoil caused by Russia-Ukraine war, while the exports of iron ore, coal, fertilizers and other commodities and steel

products were lower than those in 2021. The unfinished buildings in China, high interest rates, inflation, and other unfavorable factors dampened the demand momentum.

Business Performance

As of the end of March 2023, Shih Wei Navigation and its wholly-owned Panamanian subsidiaries run a total of 34 self-owned ships being 1 coastal Passenger Ship, 1 Logger, 4 Multi-Purpose, 2 Handysize, 2 Supramax, 2 Ultramax, 2 Panamax, and 1 Kamsarmax. Shih Wei runs a diversified fleet with an average age of approximately 10 years.

Year 2022 has surely left its mark in history. The war, the inflation, high interest rates, the reopened borders all have great impacts on the global economy. The suppressed capital supply and China's policies for curbing property speculation slowed down the flow of bulk commodities, leading to the emerging pessimism in 2H22. The growth of global dry bulk shipping supply was still slow. Despite these unfavorable factors for global economy, the annual performance of the overall shipping market in 2022 was still remarkable.

Future Perspectives

The IMF forecasted 3.1% global economic growth for 2024 in its latest World Economic Outlook report (January), an increase of 0.2% compared with that for 2023. A strong rebound after China has stopped its Zero-Covid Strategy at the end of 2022. This year, the border restrictions for pandemic control are lifted, and countries around the world have started to adjust their operations to pre-pandemic levels. The problems of the war and inflation continue, yet with the contractionary monetary policy, the falling raw material prices, and the cessation of hiking energy prices, a downward revision of the inflation rate forecast for 2023 was made to 6.6%, a 2.2% drop compared with 2022 while that for the year 2024 is 4.3%. While countries are working hard to fight inflation, the "rolling recession" phrase is being used to refer to general recession from the macroeconomic perspective. Different industries have been impacted and showed mixed data in different periods.

According to the BIMCO's Shipping Market Report in March, the market demand will be about 0.5% greater than the supply, and that China's economy will lead the trend of the dry bulk shipping market in 2023. Optimistic expectations are made of the export volume of grain, iron ore, coal, and other raw materials, and the market expects that the momentum will kick off in 23Q2. The BDI index averaged 658 points in February and that of March increased to 1,410. The bulk shipping market is impacted by unfavorable factors of the war and the continuous interest rate hike in the U.S., coupled with the unstable and changeable policies adopted by countries to solve the inflation crisis. Moreover, climate change, natural disasters and port congestion have also kept port

congestion rate at a certain level. In addition, due to the new international regulations have entered into force, most of ships drop down to economical speed, and the delivery of new tonnages is limited, the overall fleet growth is expected to be low. The industry is optimistic about the prospects of the dry bulk shipping market this year. Therefore, deliberated planning of the fleet trading and operations is crucial.

I would like to extend our sincere gratitude to all the shareholders of Shih Wei Navigation for your long-term support. In 2023, in the face of global economic recession, the international political conflicts, economic sanctions, and the financial policies to curb inflation, the Shih Wei team will uphold the spirit as usual and be mindful of carrying our business to the best 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

Principal Accounting Officer, Fang-Yi Lin

Attachment II

Report by Audit Committee on review of the 2022 financial statements

Shih Wei Navigation Co., Ltd.

Audit Committee's Report

The Board of Directors has prepared and submitted the 2022 financial statements, of which the financial statements have been audited by the CPAs Tseng, Kuo-Yang and Chih, Shih-Chin of KPMG, Taiwan and an Audit Report has been submitted. These have been reviewed by the Audit Committee as correctly portraying the Company's business activities. In accordance with Article 14-4 of the Securities and Exchange Act, this report is submitted for shareholder's examination.

To:

The Company's 2023 General Shareholders' Meeting

Convener of the Audit Committee: Lin Po-Ging

February 22, 2023

Shih Wei Navigation Co., Ltd.

Audit Committee's Report

The Board of Directors has prepared and submitted the 2022 business report, and proposal for distribution of earnings. These have been reviewed by the Audit Committee as correctly portraying the Company's business activities. In accordance with Article 219 of the Company Act, this report is submitted for shareholder's examination.

To:

The Company's 2023 General Shareholders' Meeting

Convener of the Audit Committee: Lin Po-Ging

March 30, 2023

Attachment III



安侯建業聯合會計師事務所
KPMG

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Independent Auditors' Report

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

Opinion

We have audited the financial statements of Shih Wei Navigation Co., Ltd. (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

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

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

Description of the key audit matter:

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



How the matter was addressed in our audit:

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

Other Matters

The financial statements of the Company for the year ended December 31, 2021 were audited and reviewed by other accountants, and the audit report with unqualified opinion on those statements was issued on February 24, 2022.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)
February 23, 2023

Notes to Readers

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

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

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD.

Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021		December 31, 2022		December 31, 2021		
	Amount	%	Amount	%	Amount	%	Amount	%	
Assets									
Current assets:									
1100 Cash and cash equivalents (Note 6(a))	\$ 322,073	2	1,962,887	19	2100 Short-term borrowings (Note 6(f))	\$ 438,000	3	468,000	5
1110 Current financial assets at fair value through profit or loss (Note 6(b))	9,503	-	8,847	-	2170 Accounts payable	19	-	60	-
1210 Other receivables related parties, net (Note 7)	216	-	47,889	-	2219 Other payables, others	95,982	1	103,062	1
1220 Current tax assets	-	-	230	-	2220 Other payables to related parties (Note 7)	1,894,261	13	1,790,585	17
1476 Other current financial assets (Note 6(c))	156,294	1	53,740	1	2230 Current tax liabilities	123,571	1	-	-
1479 Other current assets, others	1,851	-	1,560	-	2322 Long-term borrowings, current portion (Note 6(g))	294,666	2	247,200	2
	489,937	3	2,075,153	20	2399 Other current liabilities, others	845	-	4,039	-
						2,847,344	20	2,612,946	25
Non-current assets:					Non-Current liabilities:				
1550 Investments accounted for using equity method, net (Note 6(e))	12,533,337	90	7,975,350	77	long-term borrowings (Note 6(g))	141,278	1	391,944	4
1600 Total property, plant and equipment (Note 6(d))	100,526	1	96,455	1	Deferred tax liabilities (Note 6(i))	869,436	6	526,775	5
1840 Deferred tax assets (Note 6(i))	9,709	-	40,927	-	Net defined benefit liability, non-current (Note 6(h))	-	-	1,767	-
1960 prepayments for investments (Note 6(c))	767,340	6	-	-		1,010,714	7	920,486	9
1980 Other non-current financial assets (Note 6(e))	35,698	-	151,248	2		3,858,058	27	3,533,432	34
1990 Other non-current assets, others (Note 6(h))	47,473	-	45,565	-	Total liabilities				
	13,494,083	97	8,309,545	80	Equity attributable to owners of parent: (Note (j))				
					Ordinary shares	3,692,671	26	3,292,671	32
					Capital surplus	3,044,890	22	2,642,041	25
					Retained earnings:				
					Legal reserve	257,180	2	56,909	1
					Special reserve	1,143,072	8	-	-
					Unappropriated retained earnings (accumulated deficit)	2,031,323	15	2,002,718	19
						3,431,575	25	2,059,627	20
						(43,174)	-	(1,143,073)	(11)
					Total other equity interest	10,125,962	73	6,851,266	66
					Total equity				
					Total liabilities and equity				
Total assets	\$ 13,984,020	100	10,384,698	100		\$ 13,984,020	100	10,384,698	100

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4600	Total service revenue (Note 7)	211,539	100	210,571	100
5000	Total operating costs	3,826	2	2,955	2
	Gross profit (loss) from operations	<u>207,713</u>	<u>98</u>	<u>207,616</u>	<u>98</u>
6200	Total administrative expenses (Note 6(h) and (i))	192,657	91	191,660	91
	Net operating income (loss)	<u>15,056</u>	<u>7</u>	<u>15,956</u>	<u>7</u>
7100	Interest income	865	-	1,815	1
7190	Other income, others	28,386	13	31,961	15
7225	Gains on disposals of investments	224	-	246	-
7230	Foreign exchange gains	(180,996)	(86)	37,434	18
7235	Gains (losses) on financial assets at fair value through profit or loss	(2,493)	(1)	464	-
7375	Share of profit (losses) of associates and joint ventures accounted for using equity method	2,680,836	1,267	2,336,552	1,110
7510	Interest expense	(16,017)	(8)	(23,472)	(11)
7590	Miscellaneous disbursements (Note 6(i))	(194)	-	(84)	-
	Total non-operating income and expenses	<u>2,510,611</u>	<u>1,185</u>	<u>2,384,916</u>	<u>1,133</u>
	Profit (loss) from continuing operations before tax	<u>2,525,667</u>	<u>1,192</u>	<u>2,400,872</u>	<u>1,140</u>
7950	Less: Income tax expenses	497,025	235	398,363	189
	Profit (loss)	<u>2,028,642</u>	<u>957</u>	<u>2,002,509</u>	<u>951</u>
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	2,300	1	261	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	460	-	52	-
		<u>1,840</u>	<u>1</u>	<u>209</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	1,099,899	520	(184,414)	(87)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	<u>1,099,899</u>	<u>520</u>	<u>(184,414)</u>	<u>(87)</u>
8300	Other comprehensive income	<u>1,101,739</u>	<u>521</u>	<u>(184,205)</u>	<u>(87)</u>
	Total comprehensive income	<u>\$ 3,130,381</u>	<u>1,478</u>	<u>1,818,304</u>	<u>864</u>
	Basic earnings per share				
	Basic earnings per share (Note 6(k))	\$	6.08	\$	7.16
	Diluted earnings per share (Note 6(k))	\$	6.04	\$	7.14

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD.

Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

Share capital	Retained earnings				Total retained earnings	Exchange differences on translation of foreign financial statements	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve			
\$ 2,792,671	1,489,164	1,479,818	-	(1,422,909)	56,909	(958,659)	3,380,085
-	-	-	-	2,002,509	2,002,509	-	2,002,509
-	-	-	-	209	209	(184,414)	(184,205)
-	-	-	-	2,002,718	2,002,718	(184,414)	1,818,304
-	-	(1,422,909)	-	1,422,909	-	-	-
500,000	1,140,000	-	-	-	-	-	1,640,000
-	3,500	-	-	-	-	-	3,500
-	9,377	-	-	-	-	-	9,377
3,292,671	2,642,041	56,909	-	2,002,718	2,059,627	(1,143,073)	6,851,266
-	-	-	-	2,028,642	2,028,642	-	2,028,642
-	-	-	-	1,840	1,840	1,099,899	1,101,739
-	-	-	-	2,030,482	2,030,482	1,099,899	3,130,381
-	-	200,271	-	(200,271)	-	-	-
-	-	-	1,143,072	(1,143,072)	-	-	-
-	-	-	-	(658,534)	(658,534)	-	(658,534)
400,000	400,000	-	-	-	-	-	800,000
-	2,849	-	-	-	-	-	2,849
\$ 3,692,671	3,044,890	257,180	1,143,072	2,031,323	3,431,575	(43,174)	10,125,962

Balance at January 1, 2021

Profit (loss) for the year months ended December 31, 2021

Other comprehensive income for the year months ended December 31, 2021

Comprehensive income for the year months ended December 31, 2021

Appropriation and distribution of retained earnings:

Legal reserve used to offset accumulated deficits

Capital increase by cash

Changes in ownership interests in subsidiaries

Share-based payment transactions

Balance at December 31, 2021

Profit (loss) for the year months ended December 31, 2022

Other comprehensive income for the year months ended December 31, 2022

Comprehensive income for the year months ended December 31, 2022

Appropriation and distribution of retained earnings:

Legal reserve

Special reserve

Cash dividends of ordinary share

Capital increase by cash

Share-based payment transactions

Balance at December 31, 2022

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,525,667	2,400,872
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	1,828	1,266
Amortization expenses	1,044	806
Net losses on financial assets or liabilities at fair value through profit or loss	2,493	(465)
Interest expenses	16,017	23,472
Interest income	(865)	(1,815)
Dividend income	(547)	(17)
Share-based payments transactions	2,849	9,377
Shares of losses of associates and joint ventures accounted for using equity method	(2,680,836)	(2,336,551)
Gains on disposal of property, plant and equipment	89	-
Gains on disposal of investments	-	(246)
Total adjustments to reconcile profit	(2,657,928)	(2,304,173)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in financial assets mandatorily classified as at fair value through profit or loss	(3,149)	(7,132)
Decrease (increase) in other receivable due from related parties	47,673	15,244
Decrease (increase) in other current assets	22	(340)
Changes in operating liabilities:		
Decrease in accounts payable	(41)	(1,120)
(Decrease) Increase in other payables	(6,806)	88,844
Increase (decrease) in other payable to related parties	11,477	(18,705)
Increase in other current liabilities	(3,194)	3,381
Decrease in net defined benefit liabilities	(948)	(944)
Total adjustments	(2,612,894)	(2,224,945)
Cash inflow generated from operations	(87,227)	175,927
Interest received	865	2,442
Interest paid	(16,291)	(23,624)
Income taxes paid	(35)	(230)
Net cash flows from operating activities	(102,688)	154,515
Cash flows from (used in) investing activities:		
Investment in subsidiaries	(2,497,362)	-
Acquisition of property, plant and equipment	(5,988)	(193)
Decrease in refundable deposits	20	5,000
Increase in other receivables due from related parties	-	(47,295)
Acquisition of intangible assets	(1,574)	(762)
Decrease in other financial assets	12,996	103,439
Dividends received	953,317	17
Net cash flows from investing activities	(1,538,591)	60,206
Cash flows from (used in) financing activities:		
Decrease in short-term loans	(30,000)	(614,703)
Proceeds from long-term debt	200,000	500,000
Repayments of long-term debt	(403,200)	(245,567)
Increase in guarantee deposits received	-	(13)
Increase in other payables to related parties	92,199	461,658
Cash dividends paid	(658,534)	-
Proceeds from issuing shares	800,000	1,640,000
Net cash flows used in financing activities	465	1,741,375
Net (decrease) increase in cash and cash equivalents	(1,640,814)	1,956,096
Cash and cash equivalents at beginning of period	1,962,887	6,791
Cash and cash equivalents at end of period	\$ 322,073	1,962,887

See accompanying notes to parent company only financial statements



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Independent Auditors' Report

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

Opinion

We have audited the consolidated financial statements of Shih Wei Navigation Co., Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

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

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



How the matter was addressed in our audit:

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

Other Matters

The financial statements of the Group for the year ended December 31, 2021 were audited and reviewed by other accountants, and the audit report with unqualified opinion on those statements was issued on February 24, 2022.

Shih Wei Navigation Co., Ltd. has additionally prepared its parent-company-only financial statements as of and for the year ended December 31, 2022, on which we have issued an unmodified opinion. Shih Wei Navigation Co., Ltd. has additionally prepared its parent-company-only financial statements as of and for the year ended December 31, 2021, on which other accountants have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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



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

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

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

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



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

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

KPMG

Taipei, Taiwan (Republic of China)

February 23, 2023

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021			December 31, 2022		December 31, 2021	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets									
Current assets:					Liabilities and Equity				
1100 Cash and cash equivalents (Note 6(a) and Note 6(s))	\$ 5,374,819	22	5,082,169	21	2100 Short-term borrowings (Note 6(h) and Note 6(s))	\$ 714,000	3	914,232	4
1110 Current financial assets at fair value through profit or loss (Note 6(b) and Note 6(s))	10,361	-	9,649	-	2110 Short-term notes and bills payable (Note 6(f) and Note 6(s))	59,952	-	-	-
1170 Accounts receivable, net (Note 6(s))	50,281	-	48,336	-	2170 Accounts payable (Note 6(s) and Note 7)	208,763	1	155,094	1
130X Inventories	196,994	1	163,387	1	2200 Other payables (Note 6(s))	301,440	1	240,766	1
1476 Other current financial assets (Note 6(c), 6(s) and Note 8)	218,799	1	119,892	-	2220 Other payables to related parties (Note 6(s) and Note 7)	308,748	1	308,748	1
1479 Other current assets	229,374	1	142,000	1	2230 Current tax liabilities	123,571	-	-	-
	<u>6,080,628</u>	<u>25</u>	<u>5,565,433</u>	<u>23</u>	2250 Current provisions (Note 6(k) and Note 9)	49,136	-	44,288	-
					2280 Current lease liabilities (Note 6(l) and Note 6(s))	502	-	89	-
Non-current assets:					2322 Long-term borrowings, current portion (Note 6(i) and Note 6(s))	4,288,433	17	3,304,866	13
1550 Investments accounted for using equity method (Note 6(d))	27,749	-	-	-	2399 Other current liabilities, others	208,776	1	149,601	1
1600 Property, plant and equipment (Note 6(f) and Note 8)	18,846,015	75	18,376,839	75		<u>6,263,321</u>	<u>24</u>	<u>5,117,684</u>	<u>21</u>
1755 Right-of-use assets (Note 6(g))	1,403	-	300	-					
1840 Deferred tax assets	9,709	-	40,927	-	Non-Current liabilities:				
1915 Prepayments for equipment	9,288	-	4,344	-	2540 Long-term borrowings (Note 6(i) and Note 6(s))	7,749,697	31	11,561,659	48
1980 Other non-current financial assets (Note 6(c), 6(s) and Note 8)	59,525	-	179,439	1	2570 Deferred tax liabilities	869,436	4	526,775	2
1990 Other non-current assets, others (Note 7 and Note 8)	48,714	-	155,015	1	2580 Non-current lease liabilities (Note 6(l) and Note 6(s))	696	-	168	-
	<u>19,002,403</u>	<u>75</u>	<u>18,756,864</u>	<u>77</u>	2622 Other payables to related parties (Note 6(s) and Note 7)	-	-	94,389	-
					2640 Net defined benefit liabilities, non-current	-	-	1,767	-
						<u>8,619,829</u>	<u>35</u>	<u>12,184,758</u>	<u>50</u>
						<u>14,883,150</u>	<u>59</u>	<u>17,302,442</u>	<u>71</u>
					Total liabilities				
					Equity attributable to owners of parent (Note 6(o)):				
					Ordinary shares	3,692,671	15	3,292,671	14
					Capital surplus	3,044,890	12	2,642,041	11
					Retained earnings:				
					Legal reserve	257,180	1	56,909	-
					Special reserve	1,143,072	5	-	-
					Unappropriated retained earnings (accumulated deficit)	2,031,323	8	2,002,718	8
						<u>3,431,575</u>	<u>14</u>	<u>2,059,627</u>	<u>8</u>
						<u>(43,174)</u>	<u>-</u>	<u>(1,143,073)</u>	<u>(5)</u>
					Total equity attributable to owners of parent:	10,125,962	41	6,851,266	28
					Non-controlling interests (Note 6(e))	73,919	-	168,589	1
						<u>10,199,881</u>	<u>41</u>	<u>7,019,855</u>	<u>29</u>
					Total equity				
						<u>25,083,031</u>	<u>100</u>	<u>24,322,297</u>	<u>100</u>
					Total liabilities and equity				
						<u>\$ 25,083,031</u>	<u>100</u>	<u>24,322,297</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
	Operating Revenues (Note 6(q) and Note 7):				
4300	Rental revenue	\$ 6,470,523	96	5,370,865	97
4800	Other operating revenue	245,290	4	161,854	3
	Operating revenue, net	<u>6,715,813</u>	<u>100</u>	<u>5,532,719</u>	<u>100</u>
5000	Operating costs (Note 6(m) and Note 7)	<u>3,545,284</u>	<u>53</u>	<u>2,949,779</u>	<u>53</u>
	Gross profit from operations	<u>3,170,529</u>	<u>47</u>	<u>2,582,940</u>	<u>47</u>
6200	Administrative expenses (Note 6(m) and Note 6(r))	<u>341,786</u>	<u>5</u>	<u>311,796</u>	<u>6</u>
	Net operating income	<u>2,828,743</u>	<u>42</u>	<u>2,271,144</u>	<u>41</u>
	Non-operating income and expenses :				
7100	Interest income	69,282	1	1,060	-
7190	Other income	109,628	2	100,616	2
7225	Gains on disposals of investments	502	-	246	-
7230	Foreign exchange (losses) gains	(201,815)	(3)	42,575	1
7235	Gains (losses) on financial assets at fair value through profit or loss	(2,619)	-	465	-
7370	Shares of loss of associates and joint ventures accounted for using equity method	(2,251)	-	-	-
7510	Interest expense	(405,979)	(6)	(267,941)	(5)
7590	Other expenses	(35,649)	(1)	(16,014)	(1)
7610	Losses on disposals of property, plant and equipment	71,155	1	179,523	3
	Total non-operating income and expenses	<u>(397,746)</u>	<u>(6)</u>	<u>40,530</u>	<u>-</u>
	Profit from continuing operations before tax	<u>2,430,997</u>	<u>36</u>	<u>2,311,674</u>	<u>41</u>
7950	Less: Income tax expenses (Note 6(n))	<u>497,025</u>	<u>7</u>	<u>398,363</u>	<u>7</u>
	Profit	<u>1,933,972</u>	<u>29</u>	<u>1,913,311</u>	<u>34</u>
8300	Other comprehensive income :				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	2,300	-	261	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	460	-	52	-
		<u>1,840</u>	<u>-</u>	<u>209</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	1,099,899	17	(184,414)	(3)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	<u>1,099,899</u>	<u>17</u>	<u>(184,414)</u>	<u>(3)</u>
8300	Other comprehensive income	<u>1,101,739</u>	<u>17</u>	<u>(184,205)</u>	<u>(3)</u>
	Total comprehensive income	<u>\$ 3,035,711</u>	<u>46</u>	<u>1,729,106</u>	<u>31</u>
	Profit (loss), attributable to:				
8610	Owners of parent	\$ 2,028,642	30	2,002,509	35
8620	Non-controlling interests	(94,670)	(1)	(89,198)	(1)
		<u>\$ 1,933,972</u>	<u>29</u>	<u>1,913,311</u>	<u>34</u>
	Comprehensive income (loss) attributable to:				
8710	Owners of parent	\$ 3,130,381	47	1,818,304	33
8720	Non-controlling interests	(94,670)	(1)	(89,198)	(2)
		<u>\$ 3,035,711</u>	<u>46</u>	<u>1,729,106</u>	<u>31</u>
	Basic earnings per share (Note 6(p))	<u>\$ 6.08</u>		<u>7.16</u>	
	Diluted earnings per share (Note 6(p))	<u>\$ 6.04</u>		<u>7.14</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent							Non-controlling interests	Total equity attributable to owners of parent
	Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Total other equity interest		
Ordinary shares	2,792,671	1,489,164	1,479,818	-	(1,422,909)	56,909	(958,659)	111,287	3,380,085
Balance at January 1, 2021	\$ 2,792,671	1,489,164	1,479,818	-	(1,422,909)	56,909	(958,659)	111,287	3,380,085
Profit (loss)	-	-	-	-	2,002,509	2,002,509	-	(89,198)	2,002,509
Other comprehensive income	-	-	-	-	209	209	(184,414)	-	(184,205)
Total comprehensive income	-	-	-	-	2,002,718	2,002,718	(184,414)	(89,198)	1,818,304
Appropriation and distribution of retained earnings:									
Legal reserve used to offset accumulated deficits	-	-	(1,422,909)	-	1,422,909	-	-	-	-
Issue of shares	500,000	1,140,000	-	-	-	-	-	-	1,640,000
Changes in ownership interests in subsidiaries	-	3,500	-	-	-	-	-	(3,500)	3,500
Share-based payments	-	9,377	-	-	-	-	-	-	9,377
Changes in non-controlling interests	-	-	-	-	-	-	-	-	150,000
Balance at December 31, 2021	3,292,671	2,642,041	56,909	-	2,002,718	2,059,627	(1,143,073)	168,589	6,851,266
Profit (loss)	-	-	-	-	2,028,642	2,028,642	-	(94,670)	2,028,642
Other comprehensive income	-	-	-	-	1,840	1,840	1,099,899	-	1,101,739
Total comprehensive income	-	-	-	-	2,030,482	2,030,482	1,099,899	(94,670)	3,130,381
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	200,271	-	(200,271)	-	-	-	-
Special reserve appropriated	-	-	-	1,143,072	(1,143,072)	-	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(658,534)	(658,534)	-	-	(658,534)
Issue of shares	400,000	400,000	-	-	-	-	-	-	800,000
Share-based payments	-	2,849	-	-	-	-	-	-	2,849
Balance at December 31, 2022	\$ 3,692,671	3,044,890	257,180	1,143,072	2,031,323	3,431,575	(43,174)	73,919	10,125,962
									10,199,881

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
SHIH WEI NAVIGATION CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,430,997	2,311,674
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	1,388,070	1,299,283
Amortization expenses	1,088	806
Net losses on financial assets or liabilities at fair value through profit or loss	2,619	(465)
Interest expenses	405,979	267,941
Interest income	(69,282)	(1,060)
Dividend income	(572)	(17)
Share-based payments	2,849	9,377
Shares of losses of associates and joint ventures accounted for using equity method	2,251	-
Gains on disposal of property, plant and equipment	(71,155)	(179,523)
Gains on disposal of investments	-	(246)
Total adjustments to reconcile profit	1,661,847	1,396,096
Changes in operating assets and liabilities:		
Net gains on financial assets or liabilities at fair value through profit or loss	(3,331)	(7,934)
Increase (decrease) in accounts receivable	2,852	(3,045)
Increase in inventories	(15,491)	(18,606)
Increase in other current assets	(71,883)	(3,792)
Increase in accounts payable	36,671	15,966
Increase in other payables	138,601	103,837
Increase in other current liabilities	48,127	57,682
Decrease in net defined benefit liabilities	(948)	(944)
Total adjustments	1,796,445	1,539,260
Cash inflow generated from operations	4,227,442	3,850,934
Interest received	67,854	666
Interest paid	(498,583)	(271,103)
Income taxes paid	(35)	(230)
Net cash flows from operating activities	3,796,678	3,580,267
Cash flows from (used in) investing activities:		
Acquisition of investments accounted for using equity method	(30,000)	-
Proceeds from disposal of non-current assets classified as held for sale	-	192,349
Acquisition of property, plant and equipment	(364,291)	(194,652)
Proceeds from disposal of property, plant and equipment	207,725	280,090
Decrease in refundable deposits	115,472	132,978
Acquisition of intangible assets	(1,619)	(762)
Decrease in other financial assets	22,492	91,316
Increase in prepayments equipment	(8,754)	(12,761)
Dividends received	572	17
Net cash flows from investing activities	(58,403)	488,575
Cash flows from (used in) financing activities:		
Decrease in short-term loans	(213,295)	(635,710)
Increase in short-term notes and bills payable	60,000	-
Proceeds from long-term debt	280,010	680,000
Repayments of long-term debt	(4,320,054)	(487,846)
Increase in guarantee deposits received	-	(13)
Increase (decrease) in other payables to related parties	109,073	(513,892)
Payments of lease liabilities	(594)	(384)
Cash dividends paid	(658,534)	-
Proceeds from issuing shares	800,000	1,640,000
Net cash flows used in financing activities	(3,943,394)	682,155
Effects of exchange rate changes on cash and cash equivalents	497,769	(42,606)
Net (decrease) increase in cash and cash equivalents	292,650	4,708,391
Cash and cash equivalents at beginning of period	5,082,169	373,778
Cash and cash equivalents at end of period	\$ 5,374,819	5,082,169

See accompanying notes to consolidated financial statements.

Attachment IV

Report on remuneration paid during 2022 to directors

- I. The Company's 2022 director remuneration policy, individual remuneration details, amount, and association with outcomes of performance reviews are reported to the shareholders' meeting report in accordance with Article 10-1 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".
- II. The Company's Directors remuneration policy adheres to Article 30 of the Company's Articles of Incorporation, and the Company Directors may receive transportation allowances or salary. The Board of Directors is authorized to determine the transportation allowances or salary based on prevailing rates in the industry. The transportation allowances or salary must be paid regardless of whether the Company records a profit or a loss. In accordance with the "Compensation Guidelines for Board Directors and Managers", the compensation for individual directors is based on the value of the degree of contribution to the company operations. According to Article 32 of the Company's Articles of Incorporation, if the Company was profitable during the year, no more than 5% of the profit may be allocated as remuneration for directors.
- III. Details on the remuneration for directors in 2022 are as follows:

Remuneration of Directors and Independent Directors

Unit: NT\$ thousand; %

Title	Name	Remuneration of Directors						Relevant Remuneration Received by Directors Who are Also Employees				Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary						
		Remuneration (A)		Severance Pay and Pension (B)		Remuneration of Director (C) (Note 1)		Business Expenses (D)		Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Salary, Bonuses, and Allowances (E) (Note 2)			Severance Pay and Pension (F) (Note 3)		Remuneration of Employees (G) (Note 4)			
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements		
Chairperson	Luo Pan Investment Corp.	0	0	0	0	5,000	5,000	0	0	5,000	0.2465	0	0	0	0	5,000	0.2465	5,000	0.2465	None
	Representative: Lan, Shin-Chyi	4,035	4,035	0	0	0	0	45	45	4,080	0.2011	0	0	116	116	4,000	0	8,196	0.4040	None
Director	Chen, Huo-Tsai	0	0	0	0	1,000	1,000	35	35	1,035	0.0510	0	0	0	0	0	0	1,035	0.0510	None
Director	Kuo, Chen-Yu	0	0	0	0	1,000	1,000	45	45	1,045	0.0515	0	0	0	0	0	0	1,045	0.0515	None
Independent Director	Lim, Po-Ging	120	120	0	0	1,000	1,000	55	55	1,175	0.0579	0	0	0	0	0	0	1,175	0.0579	None
Independent Director	Chang, Lu-Chang	120	120	0	0	1,000	1,000	55	55	1,175	0.0579	0	0	0	0	0	0	1,175	0.0579	None
Independent Director	Chen, Po-Chung	120	120	0	0	1,000	1,000	55	55	1,175	0.0579	0	0	0	0	0	0	1,175	0.0579	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:
 The Company's pre-tax profit is NT\$2,525,667 thousand in 2022, and the total remuneration of directors distributed is NT\$10,000 thousand. The remuneration of Directors was passed in a resolution of the Remuneration Committee and the Board of Directors. As Independent Directors also serve as members of the Company's Audit Committee, the Company considered their participation in the operations of the Company and the value of their contribution and issued a monthly allowance of NT\$10 thousand to each Independent Director.

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 30, 2023, the Board of Directors approved the distribution of the director's remuneration of NT\$10,000 thousand which is estimated at 0.39% of the pre-tax profit of NT\$2,525,667 thousand in 2022.

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 to December 31, 2022, the Company provided a car for the Chairperson of the Board at a cost of NT\$2,250 thousand 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 30, 2023, the Board of Directors approved the distribution of the employee remuneration of NT\$52,100 thousand which is estimated at 2.01% of the pre-tax profit of NT\$2,525,667 thousand in 2022.

Note 5: 2022 net profit after tax: \$ NT\$2,028,642 thousand .

Attachment V

Article	After amendment	Before amendment	Explanation of the amendment
Article 3	<p>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>The hosting of video conference shareholders' meetings by the <u>Company shall be regulated otherwise in Regulations Governing the Administration of Shareholder Services of Public Companies, clearly stated in the Articles of Incorporation, and approved by the Board of Directors. The video conference shareholders' meeting shall also be decided by a majority vote in a Board meeting with at least two thirds of directors in attendance, and the decision shall be reported during a shareholders' meeting.</u></p> <p>The following is omitted.</p>	<p>Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.</p> <p>The following is omitted.</p>	Amended in accordance with the "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders"
Article 6-1	<p>To convene a virtual shareholders' meeting, this Corporation shall include the follow particulars in the shareholders' meeting notice:</p> <p>I. How shareholders attend the virtual meeting and exercise their rights.</p> <p>II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</p> <p>(I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</p> <p>(II) Shareholders not having registered to attend the affected shareholders' meeting by video conference shall not attend the postponed or resumed session.</p> <p>(III) In case of a shareholders' meeting with video conferencing, when the video conferencing cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders' meeting by video conferencing, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the meeting by video conferencing shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting by video conferencing shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</p> <p>(IV) Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.</p> <p>III. To convene a virtual-only shareholders'</p>	<p>To convene a virtual hareholders' meeting, this Corporation shall include the follow particulars in the shareholders' meeting notice:</p> <p>I. How shareholders attend the virtual meeting and exercise their rights.</p> <p>II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is bstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</p> <p>(I) To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</p> <p>(II) Shareholders not having registered to attend the affected shareholders' meeting by video conference shall not attend the postponed or resumed session.</p> <p>(III) In case of a shareholders' meeting with video conferencing, when the video conferencing cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders' meeting by video conferencing, meets the minimum legal requirement for a shareholder meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the meeting by video conferencing shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the meeting by video conferencing shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</p>	The reasons for the amendment are the same as those explained in Article 3

	<p>meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. <u>In addition to the conditions stated in Article 44, Paragraph 9, Item 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall at least be provided with connection equipment and necessary assistance, and the period during which shareholders may submit a request to the Company and other relevant issues shall be specified.</u></p>	<p>(IV) Actions to be taken if the outcome of all proposals has been announced and extraordinary motion has not been carried out.</p> <p>III. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified.</p>	
Article 22	<p>When convening a virtual-only shareholders' meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.</p> <p><u>In addition to the conditions stated in Article 44, Paragraph 9, Item 6 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall at least be provided with connection equipment and necessary assistance, and the period during which shareholders may submit a request to the Company and other relevant issues shall be specified.</u></p>	<p>When convening a virtual-only shareholders' meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.</p>	<p>The reasons for the amendment are the same as those explained in Article 3</p>