

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

# **FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

## **Consolidated Financial Statements and Independent Auditors' Review Report**

**For the six months ended June 30, 2025 and 2024**

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The independent 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 independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

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## **Independent Auditors' Review Report**

To the Board of Directors of First Steamship Co., Ltd.:

### **Introduction**

We have audited the consolidated financial statements of First Steamship Co., Ltd. and its subsidiaries, which comprise the consolidated balance sheet as of June 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months and six months ended June 30, 2025 and 2024, the statements of changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of material accounting policies. The preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34, Interim Financial Reporting, as endorsed and made effective by the Financial Supervisory Commission, are the responsibility of management. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

### **Scope of Review**

Except as described in the Basis for Qualified Conclusion paragraph, we conducted our review in accordance with Statement on Auditing Standards No. 2410, Review of Financial Statements. A review of consolidated financial statements consists principally of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is substantially less than that of an audit conducted in accordance with auditing standards, and consequently, we do not express an audit opinion.

### **Basis for Qualified Conclusion**

As described in Note 4(2) to the consolidated financial statements, certain immaterial subsidiaries included in the consolidated financial statements are based on the financial statements of the investee companies for the same period, which have not been reviewed by independent auditors. As of June 30, 2025, the total assets of these subsidiaries amounted to \$96,312 thousand, representing 0.32% of consolidated total assets; total liabilities amounted to \$366,126 thousand, representing 1.81% of consolidated total liabilities. For the three-month and six-month periods ended June 30, 2025, the comprehensive income amounted to \$(2,752) thousand and \$(8,746) thousand, representing 0.18% and 0.54% of consolidated comprehensive income, respectively.

Except as described in the preceding paragraph, as disclosed in Note 6(6) to the consolidated financial statements, the equity-method investments in First Steamship Co., Ltd. and its subsidiaries amounted to \$668,090 thousand and \$739,837 thousand as of June 30, 2025 and 2024, respectively. The shares of profit or loss of associates and joint ventures accounted for under the equity method for the three-month and six-month periods ended June 30, 2025 and 2024 amounted to \$11,498 thousand, \$23,433 thousand, \$20,501 thousand, and \$30,639 thousand, respectively, and were based on the financial statements of the investee companies for the same periods, which have not been reviewed by independent auditors.

**Qualified Conclusion**

Based on our review and the review reports of other auditors (see Other Matter paragraph), except for the possible adjustments to the consolidated financial statements that might have been determined had the financial statements of the investee companies referred to in the Basis for Qualified Conclusion paragraph been reviewed by auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements are not presented fairly, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34, Interim Financial Reporting, as endorsed and made effective by the Financial Supervisory Commission, to present fairly the consolidated financial position of First Steamship Co., Ltd. and its subsidiaries as of June 30, 2025 and 2024, and their consolidated financial performance for the three-month and six-month periods then ended, as well as their consolidated cash flows for the six-month period then ended.

**Other Matter**

Among the subsidiaries included in the accompanying consolidated financial statements, the financial statements of Mariner Finance Ltd. were not reviewed by us but were reviewed by other auditors. Accordingly, with respect to the amounts included in the consolidated financial statements relating to Mariner Finance Ltd., our review is based solely on the review report of the other auditors. As of June 30, 2024, Mariner Finance Ltd. had total assets of \$245,958 thousand, representing 1% of consolidated total assets. For the three-month and six-month periods ended June 30, 2024, its net operating revenues amounted to \$8,878 thousand and \$16,153 thousand, respectively, each representing 1% of consolidated net operating revenues.

The engagement partners on the reviews resulting in this independent auditors' review report are Jun-Ming Pan and Shu-Ying Chang.

KPMG

Taipei, Taiwan (Republic of China)

August 13, 2025

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheets

June 30, 2025, December 31, 2024, and June 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets		June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
<b>Current assets:</b>							
1100	Cash and cash equivalents (Note 6(a))	\$ 528,049	2	1,123,799	3	1,648,518	5
1110	Current financial assets at fair value through profit or loss (Notes 6(b) and 7)	122,930	-	141,680	-	175,090	-
1170	Accounts receivable, net (Notes 6(c), 7 and 9)	154,190	1	246,944	1	269,718	1
1200	Other accounts receivable (Notes 6(d), (w) and 7)	46,846	-	77,536	-	57,562	-
1300	Inventories	135,443	-	251,546	1	184,534	1
1320	Inventories (for construction business) (Notes 6(e), 8 and 9)	1,779,171	6	1,773,733	5	1,758,288	5
1476	Other current financial assets (Notes 6(k), (w), 7, 8 and 9)	577,090	2	637,647	2	485,005	1
1479	Other current assets (Note 9)	269,992	1	297,474	1	265,214	1
1480	Incremental cost of obtaining a contract - current	27,625	-	13,782	-	-	-
	<b>Total current assets</b>	<u>3,641,336</u>	<u>12</u>	<u>4,564,141</u>	<u>13</u>	<u>4,843,929</u>	<u>14</u>
<b>Non-current assets:</b>							
1535	Non-current financial assets at amortized cost (Note 7)	-	-	-	-	49,900	-
1550	Investments accounted for using equity method (Notes 6(f) and 7)	668,090	2	746,960	2	739,837	2
1600	Property, plant and equipment (Notes 6(h) and 8)	10,581,102	36	12,207,724	35	12,554,117	35
1755	Right-of-use assets (Notes 6(i), 7 and 8)	10,070,721	34	11,751,521	34	11,522,821	32
1760	Investment property (Note 8)	138,657	-	139,143	-	139,630	-
1780	Intangible assets (Note 6(j))	1,543,322	5	1,752,654	5	1,763,197	5
1840	Deferred tax assets (Note 6(q))	2,466,055	8	2,847,072	8	2,812,642	8
1935	Long-term lease payments receivable (Notes 6(c) and 7)	-	-	295	-	1,725	-
1975	Net defined benefit asset, non-current	4,478	-	4,478	-	2,975	-
1980	Other non-current financial assets (Notes 6(k), (w), 7, 8 and 9)	521,420	2	578,129	2	930,745	3
1990	Other non-current assets (Notes 6(d), (s) and 7)	263,697	1	301,316	1	298,214	1
	<b>Total non-current assets</b>	<u>26,257,542</u>	<u>88</u>	<u>30,329,292</u>	<u>87</u>	<u>30,815,803</u>	<u>86</u>
	<b>Total assets</b>	<u><u>\$ 29,898,878</u></u>	<u><u>100</u></u>	<u><u>34,893,433</u></u>	<u><u>100</u></u>	<u><u>35,659,732</u></u>	<u><u>100</u></u>

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Consolidated Balance Sheets (Continued)

June 30, 2025, December 31, 2024, and June 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity		June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
<b>Current liabilities:</b>							
2100	Short-term borrowings (Note 6(l))	\$ 3,508,700	12	3,682,065	11	4,384,374	12
2110	Short-term notes and bills payable	99,811	-	99,840	-	-	-
2130	Current contract liabilities (Note 9)	47,138	-	27,262	-	-	-
2170	Accounts payable (Note 6(n))	757,340	3	1,069,446	3	881,577	2
2200	Other payables (Notes 6(n), 7 and 9)	676,820	2	1,010,327	3	1,169,764	4
2230	Current tax liabilities	22,373	-	54,223	-	18,479	-
2280	Lease liabilities - Current (Note 6(o) and 7)	858,281	3	827,918	2	816,229	2
2322	Current portion of long-term borrowings (Note 6(m))	2,075,589	7	2,776,284	8	2,267,128	6
2399	Other current liabilities	51,746	-	70,930	-	80,767	-
<b>Total current liabilities</b>		<u>8,097,798</u>	<u>27</u>	<u>9,618,295</u>	<u>27</u>	<u>9,618,318</u>	<u>26</u>
<b>Non-current liabilities:</b>							
2500	Non-Current financial liabilities at fair value through profit or loss (Note 6(b))	31,389	-	31,389	-	29,707	-
2540	Long-term borrowings (Note 6(m))	1,164,038	4	1,395,929	4	2,243,716	7
2570	Deferred tax liabilities (Note 6(q))	1,940,023	7	2,281,354	7	2,212,562	7
2580	Lease liabilities - Non-current (Note 6(o) and 7)	8,440,572	28	9,873,207	28	9,547,467	27
2645	Guarantee deposits	506,217	2	592,120	2	597,216	2
<b>Total non-current liabilities</b>		<u>12,082,239</u>	<u>41</u>	<u>14,173,999</u>	<u>41</u>	<u>14,630,668</u>	<u>43</u>
<b>Total liabilities</b>		<u>20,180,037</u>	<u>68</u>	<u>23,792,294</u>	<u>68</u>	<u>24,248,986</u>	<u>69</u>
<b>Equity attributable to owners of parent (Note 6(r))</b>							
3100	Capital stock	8,247,761	28	8,247,761	24	8,247,761	23
3200	Capital surplus	355,902	1	836,382	2	836,382	2
3300	Retained earnings	( 521,313 )	( 2 )	( 288,220 )	( 1 )	( 64,891 )	-
3400	Other equity interest	( 794,760 )	( 3 )	224,418	1	156,903	-
Total equity attributable to owners of parent:		<u>7,287,590</u>	<u>24</u>	<u>9,020,341</u>	<u>26</u>	<u>9,176,155</u>	<u>25</u>
36XX	<b>Non-controlling interests (Notes 6(g) and (r))</b>	<u>2,431,251</u>	<u>8</u>	<u>2,080,798</u>	<u>6</u>	<u>2,234,591</u>	<u>6</u>
<b>Total equity</b>		<u>9,718,841</u>	<u>32</u>	<u>11,101,139</u>	<u>32</u>	<u>11,410,746</u>	<u>31</u>
<b>Total liabilities and equity</b>		<u><u>\$ 29,898,878</u></u>	<u><u>100</u></u>	<u><u>34,893,433</u></u>	<u><u>100</u></u>	<u><u>35,659,732</u></u>	<u><u>100</u></u>

(Please refer to Notes to the Consolidated Financial Statements)

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Consolidated Statements of Comprehensive Income

For the Three Months and Six Months Ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		For the three months ended June 30				For the six months ended June 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenues (Notes 6(p) and (t))	\$ 1,007,327	100	1,196,398	100	2,166,469	100	2,489,735	100
5000	Operating costs (Notes 6(p) and (v))	402,071	40	427,853	35	837,047	39	880,134	35
	Gross profit from operations	605,256	60	768,545	65	1,329,422	61	1,609,601	65
	Operating expenses:								
6000	Operating expenses (Notes 6(o), 7 and 9)	670,644	67	717,295	60	1,409,020	65	1,476,912	59
6450	Expected credit loss (Notes 6(c) and 7)	3,496	-	30,078	2	14,643	1	37,939	2
6300		674,140	67	747,373	62	1,423,663	66	1,514,851	61
	Net operating (loss)	(68,884)	(7)	21,172	3	(94,241)	(5)	94,750	4
	Non-operating income and expenses:								
7100	Interest income (Notes 6(v) and 7)	8,903	1	16,895	1	16,850	1	32,845	1
7010	Other income (Note 6(v))	1,258	-	376	-	1,474	-	764	-
7020	Other gains and losses (Notes 6(v) and 9)	42,189	4	113,591	9	44,530	2	139,216	6
7050	Finance costs (Notes 6(o), (v) and 7)	(176,928)	(17)	(216,191)	(18)	(370,477)	(17)	(446,685)	(17)
7055	Gain (loss) on reversal of impairments of expected credit (Notes 6(r), (w) and 7)	(9,039)	(1)	8,694	1	(10,692)	-	19,450	1
7060	Share of profit or loss of associates accounted for using equity method (Note 6(f))	11,498	1	23,433	2	20,501	1	30,639	1
		(122,119)	(12)	(53,202)	(5)	(297,814)	(13)	(223,771)	(8)
7900	Net loss before income tax	(191,003)	(19)	(32,030)	(2)	(392,055)	(18)	(129,021)	(4)
7950	Less: Income tax expenses (Note 6(q))	(3,541)	-	(5,193)	-	7,200	-	15,983	1
	Net loss	(187,462)	(19)	(26,837)	(2)	(399,255)	(18)	(145,004)	(5)
8300	Other comprehensive income (loss) after tax:								
8360	Items that may be reclassified subsequently to profit or loss (Notes 6(g) and (s))								
8361	Exchange differences on translation of foreign financial statements	(1,282,075)	(127)	132,151	11	(1,135,181)	(52)	578,845	23

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Consolidated Statements of Comprehensive Income (Continued)

For the Three Months and Six Months Ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		For the three months ended June 30				For the six months ended June 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	( 96,672 )	( 9 )	11,473	1	( 88,479 )	( 4 )	31,223	1
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	( 1,378,747 )	( 136 )	143,624	12	( 1,223,660 )	( 56 )	610,068	24
8300	<b>Other comprehensive income (loss) after tax</b>	( 1,378,747 )	( 136 )	143,624	12	( 1,223,660 )	( 56 )	610,068	24
	<b>Comprehensive income</b>	<u>( \$ 1,566,209 )</u>	<u>( 155 )</u>	<u>116,787</u>	<u>10</u>	<u>( 1,622,915 )</u>	<u>( 74 )</u>	<u>465,064</u>	<u>19</u>
	<b>Net loss attributable to:</b>								
8610	Owners of parent	( \$ 76,524 )	( 8 )	( 6,549 )	-	( 206,808 )	( 9 )	( 63,927 )	( 2 )
8620	Non-controlling interest	( 110,938 )	( 11 )	( 20,288 )	( 2 )	( 192,447 )	( 9 )	( 81,077 )	( 3 )
		<u>( \$ 187,462 )</u>	<u>( 19 )</u>	<u>( 26,837 )</u>	<u>( 2 )</u>	<u>( 399,255 )</u>	<u>( 18 )</u>	<u>( 145,004 )</u>	<u>( 5 )</u>
	<b>Comprehensive income (loss) attributable to:</b>								
8710	Owners of parent	( \$ 1,223,258 )	( 121 )	119,428	10	( 1,225,986 )	( 56 )	447,000	18
8720	Non-controlling interest	( 342,951 )	( 34 )	( 2,641 )	-	( 396,929 )	( 18 )	18,064	1
		<u>( \$ 1,566,209 )</u>	<u>( 155 )</u>	<u>116,787</u>	<u>10</u>	<u>( 1,622,915 )</u>	<u>( 74 )</u>	<u>465,064</u>	<u>19</u>
	<b>Losses per share (Note 6(s)):</b>								
9750	<b>Basic losses per share (NT dollars)</b>	<u>( \$ 0.09 )</u>	<u>( 0.01 )</u>	<u>( 0.01 )</u>	<u>( 0.01 )</u>	<u>( 0.25 )</u>	<u>( 0.01 )</u>	<u>( 0.08 )</u>	<u>( 0.01 )</u>
9850	<b>Diluted losses per share (NT dollars)</b>	<u>( \$ 0.09 )</u>	<u>( 0.01 )</u>	<u>( 0.01 )</u>	<u>( 0.01 )</u>	<u>( 0.25 )</u>	<u>( 0.01 )</u>	<u>( 0.08 )</u>	<u>( 0.01 )</u>

(Please refer to Notes to the Consolidated Financial Statements)



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## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Consolidated Statements of Changes in Equity

For the Six Months Ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest			
	Capital stock		Retained earnings				Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent	Non-controlling interest	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total				
Balance on January 1, 2024	\$ 8,247,761	1,932,221	8,289	303,885	( 1,408,013)	( 1,095,839)	( 354,024)	8,730,119	2,216,527	10,946,646
Net loss	-	-	-	-	( 63,927)	( 63,927)	-	( 63,927)	( 81,077)	( 145,004)
Other comprehensive income (loss) after tax	-	-	-	-	-	-	510,927	510,927	99,141	610,068
Comprehensive income	-	-	-	-	( 63,927)	( 63,927)	510,927	447,000	18,064	465,064
Appropriation and distribution of retained earnings:										
Legal reserve to offset losses	-	-	( 8,289)	-	8,289	-	-	-	-	-
Special reserve to offset losses	-	-	-	( 303,885)	303,885	-	-	-	-	-
Changes in other capital surplus:										
Changes in equity of associates accounted for using equity method	-	-	-	-	( 964)	( 964)	-	( 964)	-	( 964)
Capital surplus to offset losses	-	( 1,095,839)	-	-	1,095,839	1,095,839	-	-	-	-
Balance on June 30, 2024	\$ 8,247,761	836,382	-	-	( 64,891)	( 64,891)	156,903	9,176,155	2,234,591	11,410,746
Balance on January 1, 2025	\$ 8,247,761	836,382	-	-	( 288,220)	( 288,220)	224,418	9,020,341	2,080,798	11,101,139
Net loss	-	-	-	-	( 206,808)	( 206,808)	-	( 206,808)	( 192,447)	( 399,255)
Other comprehensive income (loss) after tax	-	-	-	-	-	-	( 1,019,178)	( 1,019,178)	( 204,482)	( 1,223,660)
Comprehensive income	-	-	-	-	( 206,808)	( 206,808)	( 1,019,178)	( 1,225,986)	( 396,929)	( 1,622,915)
Difference arising from subsidiary's share price and its carrying value	-	( 480,480)	-	-	( 26,285)	( 26,285)	-	( 506,765)	747,382	240,617
Balance on June 30, 2025	\$ 8,247,761	355,902	-	-	( 521,313)	( 521,313)	( 794,760)	7,287,590	2,431,251	9,718,841

(Please refer to Notes to the Consolidated Financial Statements)

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

**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows****For the Six Months Ended June 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Net loss before income tax	(\$ 392,055) (	129,021)
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation	924,059	988,068
Amortization	38,762	32,728
Expected credit loss	25,335	18,489
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	1,179 (	13,352)
Interest expense	370,477	446,685
Operating costs (interest expense)	399	4,638
Interest income	( 16,850) (	(32,845)
Dividend income	( 226)	-
Share of gain of associates accounted for using equity method	( 20,501) (	(30,639)
Loss from disposal of property, plant and equipment	1,597	3,965
Loss from disposal of intangible assets	1,100	954
Total adjustments to reconcile profit	<u>1,325,331</u>	<u>1,418,691</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets mandatorily measured at fair value through profit or loss	14,470	9,936
Accounts receivable	57,378	37,814
Other receivables	16,330	3,930
Inventories	91,010	19,193
Other current assets	8,793	67,824
Incremental cost for obtaining contracts	( 13,843)	-
Total changes in operating assets	<u>174,138</u>	<u>138,697</u>
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	-	1,894
Contract liabilities	19,876	-
Accounts payable	( 215,030) (	438,669)
Other payables	( 315,620) (	239,712)
Other current liabilities	( 13,156)	28,018
Total changes in operating liabilities	<u>(523,930)</u>	<u>648,469</u>
Total changes in operating assets and liabilities	<u>(349,792)</u>	<u>509,772</u>
Total adjustments	<u>975,539</u>	<u>908,919</u>
Cash inflow generated from operations	<u>583,484</u>	<u>779,898</u>
Interest received	8,467	22,783
Dividends received	11,118	4,900
Interest paid	( 373,995) (	451,867)
Income taxes paid	( 53,420) (	57,437)
<b>Net cash inflow from operating activities</b>	<u>175,654</u>	<u>298,277</u>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Consolidated Statements of Cash Flows (Continued)****For the Six Months Ended June 30, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from (used in) investing activities:</b>		
Dispose of financial assets measured at amortized cost	-	10,000
Acquisition of investments accounted for using equity method	-	( 202,329)
Proceeds from disposal of investments accounted for using equity method	4,175	4,221
Acquisition of property, plant and equipment	( 24,906)	( 54,144)
Proceeds from disposal of property, plant and equipment	757	19,745
Decrease in other receivables	-	95,446
Acquisition of intangible assets	( 345)	( 138)
Proceeds from disposal of intangible assets	28,424	10,546
Increase in other financial assets	( 2,710)	( 1,582)
Increase in other non-current assets	( 40,846)	( 17,712)
<b>Net cash used in outflow from investing activities</b>	<b>( 35,451)</b>	<b>( 135,947)</b>
<b>Cash flows from financing activities:</b>		
Increase in short-term borrowings	95,242	587,951
Decrease in short-term notes and bills payable	( 29)	-
Proceeds from long-term loans	314,802	50,050
Repayments of long-term loans	( 990,972)	( 754,139)
Decrease in guarantee deposits received	( 26,878)	( 4,320)
Repayments of lease liabilities	( 326,581)	( 328,298)
Changes in non-controlling interests	240,617	-
<b>Net cash flows used in financing activities</b>	<b>( 693,799)</b>	<b>( 448,756)</b>
Effect of exchange rate changes on cash and cash equivalents	( 42,154)	100,712
Decrease in cash and cash equivalents	( 595,750)	( 185,714)
Cash and cash equivalents at beginning of period	1,123,799	1,834,232
Cash and cash equivalents at end of period	<b>\$ 528,049</b>	<b>1,648,518</b>

**(Please refer to Notes to the Consolidated Financial Statements)**

**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**  
**For the Six Months Ended June 30, 2025 and 2024**  
**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(1) Company history**

First Steamship Co., Ltd. (the "Company") was incorporated in October 1963 in accordance with the Company Act of the Republic of China. The Company's registered office is at 14F, No. 237, Sec. 2, Fuxing S. Rd., Taipei City, R.O.C. The original name of the Company was I-Shou Shipping Co., Ltd., which then changed to First Steamship Co., Ltd. at the shareholders' meeting held on May 3, 1997, which was approved by the competent authority for the purpose of business operation. The principal business activities of the Company and its subsidiaries ("the Group") are domestic and international marine transportation and related businesses, wholesale of vessels and related components, car and equipment rental, business management consultancy, department store retail industry, domestic and foreign investments, as well as development, rental and sale of both residential and commercial buildings.

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

The consolidated financial statements have been approved for issuance by the Board of Directors on August 13, 2025.

**(3) New standards, amendments and interpretations adopted**

- (a) The impact of adopting the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission ("FSC")

The Group has been subject to the following newly revised IFRSs and IASs since January 1, 2025, and has not had a significant impact on the financial report of the Group.

- Amendments to IAS 21 "Lack of Exchangeability"

- (b) The impact of not adopting the IFRSs and IASs endorsed by the FSC

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements.

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IFRS 9 and IFRS 7 "Revision of Classification and Measurement of Financial Instruments"

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

- Annual Improvements to IFRSs and IASs
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

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

The standards and interpretations that have been issued and revised by the IASB but have not yet been approved by the FSC may be relevant to the Group as follows:

<b>Newly issued or revised standards</b>	<b>Content of major amend</b>	<b>Effective date</b>
IFRS 18 "Presentation and Disclosure of Financial Statements"	<p>The new standard introduces three categories of income and expense, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statements: Under current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined "operating profit" subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and how to reconcile it to an amount determined under IFRSs and IASs.</li> </ul>	January 1, 2027

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## **FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements (Continued)**

- Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

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

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

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures issued"

#### **(4) Summary of significant accounting policies**

##### **(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as "the Regulations") and International Accounting Standard 34 "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. These consolidated financial statements do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except as otherwise noted below, the significant accounting policies adopted in the preparation of these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

(b) Basis of consolidation

i. List of subsidiaries in the consolidated financial statements

List of subsidiaries in the consolidated financial statements include:

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
First Steamship Co., Ltd.	Royal Sunway Development Co., Ltd.	Real estate development, rental and leasing of building	55.00%	55.00%	55.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	FIRST STEAMSHIP S.A.	Investment holding company, international transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	GRAND OCEAN RETAIL GROUP LTD.	Investment holding company	10.00%	10.00%	10.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	FIRST MARINER HOLDING LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	LONGEVITY NAVIGATION S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	PRAISE MARITIME S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
First Steamship Co., Ltd.	BEST STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	GRAND STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	BLACK SEA STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	SHIP BULKER STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	RELIANCE STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	ALLIANCE STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	SURE SUCCESS STEAMSHIP S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares



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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
First Steamship Co., Ltd.	SHINING STEAMSHIP INTERNATIONAL S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	EXCELLENT STEAMSHIP INTERNATIONAL S.A.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
First Steamship Co., Ltd.	ADVANTAGE STEAMSHIP CO., LTD.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 1)
First Steamship Co., Ltd.	MIGHTY STEAMSHIP CO., LTD.	International transportation and shipping agency	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 1)
FIRST STEAMSHIP S.A.	AHEAD CAPITAL LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
FIRST STEAMSHIP S.A.	MEDIA ASSETS GLOBAL LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
FIRST STEAMSHIP S.A.	NATURE SOURCES LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
FIRST STEAMSHIP S.A.	GRAND OCEAN RETAILGROUP LTD.	Investment holding company	28.82%	46.83%	46.83%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 2)
FIRST STEAMSHIP S.A.	HERITAGE RICHES LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
AHEAD CAPITAL LTD.	GRAND OCEAN RETAIL GROUP LTD.	Investment holding company	1.70%	1.79%	1.79%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 2)
FIRST MARINER HOLDING LTD.	FIRST MARINER CAPITAL LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
FIRST MARINER HOLDING LTD.	MARINER FAR EAST LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
FIRST MARINER CAPITAL LTD.	MARINER CAPITAL LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
MARINER CAPITAL LTD.	Mariner Finance Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Mariner Finance Ltd.	Shanghai Youxin Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Wuhan Youxin Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Qingdao Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Chongqing Youren Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Fuzhou Youli Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Dongguan Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner	Guangzhou	Automobile	100.00%	100.00%	100.00%	A subsidiary in

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Finance Ltd.	Youqiang Car Leasing Ltd.	Finance leasing company				which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Changsha Youli Car Service Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Xian Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Chengdu Youcheng Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Lianyungang Youren Car Service Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
Mariner Finance Ltd.	Jinan Youli Car Leasing Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Mariner Finance Ltd.	Urumqi Taroko Car Rental Co., Ltd.	Automobile Finance leasing company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares (Note 3)
GRAND OCEAN RETAIL GROUP LTD.	GRAND CITI LTD.	Investment holding company	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
GRAND CITI LTD.	Grand Ocean Classic Commercial Group Co., Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Grand Ocean Classic Commercial Group Co., Ltd.	Nanjing Grand Ocean Classic Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Grand Ocean Classic Commercial Group Co., Ltd.	Quanzhou Grand Ocean Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Grand Ocean Classic Commercial Group Co., Ltd.	Shanghai Jingxuan-Commercial Management Co., Ltd.	Management consultancy, e-commerce business, and trading of cosmetics, apparels, shoes, hat etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Grand Ocean Classic Commercial Group Co., Ltd.	Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	Management consultancy, e-commerce business, and trading of cosmetics, apparels, shoes, hat etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Quanzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	30.00%	30.00%	30.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Nanjing Grand Ocean Classic Commercial Ltd.	Hefei Grand Ocean Classic Commercial Department Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Fuzhou Grand Ocean Commercial Ltd.	Fuzhou Grand Ocean Classic Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Fuzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	70.00%	70.00%	70.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Fuzhou Grand Ocean Commercial Ltd.	Fuzhou Jiaruixing Business Administration Limited	Management consultancy, e-commerce business, and trading of cosmetics, apparels, shoes, hat etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Wuhan Grand Ocean Classic Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	35.30%	35.30%	35.30%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares. It ceased operation on October 31, 2022, and is still in process for liquidation.
Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	50.00%	50.00%	50.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares. It ceased operation on August 31, 2023, and is still in process for liquidation.
Wuhan Grand Ocean Classic Commercial Development Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares
Wuhan Grand Ocean Classic Commercial Development Ltd.	Shiyan Ocean Modern Shopping Co., Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

Name of investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	64.70%	64.70%	64.70%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares. It ceased operation on October 31, 2022, and is still in process for liquidation.
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	50.00%	50.00%	50.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares. It ceased operation on August 31, 2023, and is still in process for liquidation.
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Yichang Grand Ocean Commercial Ltd.	Trading of cosmetics, apparels, shoes, hat, etc.	100.00%	100.00%	100.00%	A subsidiary in which the Company directly (indirectly) owns more than 50% of the shares

Note 1: The Group approved setting the subsidiaries, ADVANTAGE STEAMSHIP CO., LTD. and MIGHTY STEAMSHIP CO., LTD. in Liberia by the Board of Directors on February 25, 2024. Due to operating demand. The establishment registration process has been completed, but the actual capital contribution has not yet.



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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

Note 2: For strategic operational reasons, the Group sold 35,200 thousand shares of the company at \$6.8 per share to a non-related party, Trinity Gold Limited (total proceeds of \$239,360 thousand) in May 2025, and subsequently sold 184 thousand shares of the company on the public market in June 2025 (total proceeds of \$1,257 thousand). As a result, the Group's total shareholding decreased to 40.52%, and a reduction of \$480,480 thousand in capital surplus and \$26,285 thousand in retained earnings was recognized due to the difference between the actual disposal price of the subsidiary shares and their carrying amount. The Group concluded that it still has control over the company despite holding less than 50% of the voting rights, because it remains the single largest shareholder, the remaining equity is widely held by numerous other shareholders, and the Group is able to obtain a majority of votes at shareholders' meetings even without contractual arrangements.

Note 3: The company is not a major subsidiary, its financial statements of the six months ended June 30, 2025 have not been reviewed by auditors.

- ii. List of subsidiaries which are not included in the consolidated financial statements:  
None

(c) Income Tax

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. And allocate current income tax expense and deferred income tax expense according to the estimated proportion of current income tax expense and deferred income tax expense for the whole year.

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

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-time events.

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

In preparing these consolidated financial statements in accordance with the Regulations and IAS 34 "Interim Financial Reporting" as endorsed by the FSC, management is required to make judgments and estimates regarding future events, including climate-related risks and opportunities, which may affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Except as described below, in preparing the consolidated financial report, the significant judgments made by management when adopting the accounting policies of the consolidated company and the main sources of estimation uncertainty are consistent with Note 5 of the consolidated financial statements for the year ended December 31, 2024.

(a) Judgment about substantive control over investees

The Group holds 40.52% of the voting shares of GRAND OCEAN RETAIL GROUP LTD., making it the single largest shareholder. The remaining equity is widely held by numerous other shareholders, and the Group is able to obtain a majority of votes at shareholders' meetings even without contractual arrangements. Therefore, the Group has determined that it continues to have control over the company despite holding less than 50% of the voting rights.

**(6) Explanation of significant accounts**

Except the following explanation mentioned below, the explanation of significant accounts described in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2024.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

## (a) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Pretty cash	\$ 26,706	29,596	27,667
Cash in bank	480,042	1,011,681	1,542,477
Time deposits	21,301	82,522	78,374
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 528,049</u>	<u>1,123,799</u>	<u>1,648,518</u>

Please refer to Note 6(w) for the sensitivity analysis and interest rate risk.

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

	June 30, 2025	December 31, 2024	June 30, 2024
<b>Current financial assets at fair value through profit or loss:</b>			
Non-derivative financial assets - current			
Shares of stock of listed companies	\$ 14,589	16,892	18,787
Open fund	11,303	12,667	12,478
Domestic corporate bonds	97,038	97,038	32,610
Foreign corporate bonds	-	15,083	111,215
Total	<u>\$ 122,930</u>	<u>141,680</u>	<u>175,090</u>
<b>Held-for-trading financial liabilities:</b>			
Non-derivative financial liabilities -- non-current			
Beneficial landowners	<u>\$ 31,389</u>	<u>31,389</u>	<u>29,707</u>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

- i. In September 2020, the Group and Honor Construction Co., Ltd. ("Honor Construction"), for a residential buildings construction project at Mingde Section, Tucheng District, entered into an interest purchase agreement, whereby the Group purchased 32% of the beneficial interests of the builder at a total contract price of \$117,000 thousand. Impacted by the progress of both the overall project and the license review, the Group signed the 2nd supplemental agreement with Honor Construction thereafter on August 18, 2023; Honor Construction shall complete project clearance profit distribution (in the amount of 32% of the agreed minimum profit of \$255,337 thousand) by October 31, 2023 and the project profit distribution by December 31, 2023. As of December 31, 2023, the Group has recovered capital invested by in the project it in full, reclassified minimum profit share of \$81,708 thousand as other receivables. The Group received all profit in June, 2024.
- ii. In 2021, the Group and Sanlinger Investment Development Co., Ltd. entered into an interest sale agreement for a land investment project located at Wushigang section, Toucheng township, Yilan County, whereby the Group sold 20% of its beneficial interests in the project and received a price of \$20,400 thousand. Thereafter, Sanlinger Investment Development Co., Ltd. shall bear the costs of land development and holding on a pro rata basis. As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group received the cost of holding and development from the Sanlinger Investment Development Co., Ltd., based on pro rata basis at the amount of \$10,989 thousand, \$10,989 thousand and \$9,307 thousand, respectively.
- iii. Please refer to Note 6(w) for disclosure of credit risk and market risk.
- iv. All of the financial assets mentioned above have not been pledged as collateral.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

## (c) Account receivables

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
<b>Current</b>			
Accounts receivable	\$ 189,014	217,640	190,675
Less: Loss allowance	( 59,233 )	( 48,757 )	( 19,384 )
	<u>129,781</u>	<u>168,883</u>	<u>171,291</u>
Leases payment receivables (included operating lease)	671,069	794,495	805,751
Less: Unearned financing income	( 103,606 )	( 115,724 )	( 116,299 )
Loss allowance	( 543,054 )	( 600,710 )	( 591,025 )
	<u>24,409</u>	<u>78,061</u>	<u>98,427</u>
<b>Subtotal of current asset</b>	<u>154,190</u>	<u>246,944</u>	<u>269,718</u>
<b>Non-current</b>			
Lease receivables	-	1,121	7,802
Less: Unearned financing income	-	( 6 )	( 531 )
Loss allowance	-	( 820 )	( 5,546 )
	<u>-</u>	<u>295</u>	<u>1,725</u>
<b>Subtotal of non-current asset</b>	<u>-</u>	<u>295</u>	<u>1,725</u>
<b>Total accounts receivable, net</b>	<b><u>\$ 154,190</u></b>	<b><u>247,239</u></b>	<b><u>271,443</u></b>

- i. The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

- (1) Impacted by COVID-19, the Lease Segment's overdue lease receivables from related parties increased its credit risk significantly; therefore, its credit risk has been assessed on an individual basis. The following table presents the loss allowance recognized by the Group after evaluating the value of the collateral:

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Lease receivables	\$ 410,731	503,502	508,746
Less: Loss allowance	( 408,898 )	( 456,774 )	( 449,760 )
	<b>\$ 1,833</b>	<b>46,728</b>	<b>58,986</b>

The expected credit loss of other leasing account receivable (including operating lease) was determined as follow:

	<b>June 30, 2025</b>		
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 4,349	0.87%	38
1 to 30 days past due	9	11.11%	1
61 to 90 days past due	43	16.28%	7
More than 91 days past due (Note)	152,331	88.04%	134,110
	<b>\$ 156,732</b>		<b>134,156</b>

	<b>December 31, 2024</b>		
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 4,961	0.91%	45
1 to 30 days past due	10	10.00%	1
61 to 90 days past due	48	18.75%	9
More than 91 days past due (Note)	171,365	84.44%	144,701
	<b>\$ 176,384</b>		<b>144,756</b>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

	<b>June 30, 2024</b>		
	<b>Gross carrying amount of leases payment receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 5,857	0.90%	53
1 to 30 days past due	810	8.27%	67
61 to 90 days past due	270	18.15%	49
More than 91 days past due (Note)	181,040	81.00%	146,642
	<b>\$ 187,977</b>		<b>146,811</b>

Note: As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group had filed lawsuits for collecting the overdue receivables from leasing business with total amount of \$114,267 thousand (RMB27,918 thousand), \$127,657 thousand (RMB27,990 thousand), and \$118,324 thousand (RMB25,987 thousand), respectively. The Group assessed the recoverability of those overdue receivables, and recognized provision for allowance of \$86,427 thousand (RMB21,116 thousand), \$96,825 thousand (RMB21,230 thousand), and \$87,799 thousand (RMB19,283 thousand) less unearned interests and guarantee deposits.

- (2) The Group's Department Store Segment's major accounts receivable are credit card payments received from banks. The average credit period for was 2 to 3 days, and there is concern about recoverability. The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information and include general economic and related industry information.

The loss allowance provisions of other trade receivables were determined as follows:

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<b>June 30, 2025</b>			
	<b>Gross carrying amount of accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 104,991	0%	-
1 to 90 days past due	12,868	0%	-
91 to 180 days past due	10,462	0%~8%	625
181 to 270 days past due	8,141	79%	6,438
271 to 365 days past due	11,510	100%	11,510
More than 365 days past due	40,660	100%	40,660
	<b>\$ 188,632</b>		<b>59,233</b>

<b>December 31, 2024</b>			
	<b>Gross carrying amount of accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 136,969	0%	-
1 to 90 days past due	14,915	0%	-
91 to 180 days past due	7,763	0%	36
181 to 270 days past due	19,547	0%~75%	14,672
271 to 365 days past due	9,383	100%	9,383
More than 365 days past due	24,666	100%	24,666
	<b>\$ 213,243</b>		<b>48,757</b>

<b>June 30, 2024</b>			
	<b>Gross carrying amount of accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 140,268	0%	-
1 to 90 days past due	17,457	0%	-
91 to 180 days past due	3,070	0%~19%	584
181 to 270 days past due	1,735	100%	1,735
271 to 365 days past due	1,137	100%	1,137
More than 365 days past due	15,928	100%	15,928
	<b>\$ 179,595</b>		<b>19,384</b>



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- (3) The analysis of ECLs on accounts receivables of the Shipping Segment was as follows:

<b>June 30, 2025</b>			
	<b>Gross carrying amount of accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	<b>\$ 382</b>	-	-
<b>December 31, 2024</b>			
	<b>Gross carrying amount of accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	<b>\$ 2,747</b>	-	-
<b>June 30, 2024</b>			
	<b>Gross carrying amount of accounts receivable</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Current	<b>\$ 11,080</b>	-	-

- ii. The movements in the allowance for accounts receivables were as follows:

<b>For the six months ended June 30</b>			
	<b>2025</b>	<b>2024</b>	
Balance at January 1	\$ 650,287	543,369	
Impairment losses recognized	14,643	37,939	
Amount written off due to irrecoverability during the year	-	( 21,778 )	
Reclassification (Note 9(a))	-	27,634	
Foreign exchange gain	( 62,643 )	28,791	
Balance at June 30	<b>\$ 602,287</b>	<b>615,955</b>	

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- iii. A maturity analysis of lease payments of the Rental Segment in Mainland China, which reflects the undiscounted lease payments to be received after the reporting date, is as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Less than one year	\$ 671,069	794,495	805,751
One to two years	-	1,121	7,802
Total investments in lease	671,069	795,616	813,553
Unearned finance income	( 103,606 )	( 115,730 )	( 116,830 )
Present value of lease payments receivable	<u><b>\$ 567,463</b></u>	<u><b>679,886</b></u>	<u><b>696,723</b></u>

Note: Loss allowance is not deducted.

- iv. Please refer to Note 6(w) for other credit risk information.

(d) Other receivables

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Other receivables - loans (Note 7)	\$ 16,200	16,200	16,200
Other receivables - investment	249,672	278,210	277,747
Other receivables - lease deposit	58,331	64,998	64,890
Other receivables - others	55,142	86,768	64,940
Less: Loss allowance	( 332,499 )	( 368,640 )	( 366,215 )
	<u><b>\$ 46,846</b></u>	<u><b>77,536</b></u>	<u><b>57,562</b></u>

- i. The Group's other receivables - others were mainly the advance payments made by the Department Store Segment on behalf of its dealers for promotional activities. As the Group and the dealers have been in a long term business relationship, the Group assessed that there should be no concern over the recoverability of these receivables, taking into consideration historical experience. The Group's evaluates the aforementioned other receivables as financial assets with low credit risk. Therefore, loss allowances for the period were measured based on 12-month ECLs. Please refer to Note 6(w) for other credit risk information.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

- ii. Xiangtan Grand Ocean Department Store Co., Ltd. (Xiangtan), one of the Group's subsidiaries, pursuant to a Board resolution, would cease operation when its lease contract expired in December 2018, and a guarantee deposit amounting to RMB15,000 thousand for lease of the mall should be refunded. Xiangtan had already returned the property to its owner, Xiangyuan Industrial Development Co., Ltd. (Xiangyuan), but failed to receive the security deposit. In order to receive the payment and begin the liquidation process, Xiangtan filed a lawsuit against Xiangyuan. On July 1, 2019, the people's court ordered Xiangyuan to pay the amount of RMB14,700 thousand to Xiangtan. However, Xiangyuan disagreed with the court's decision. Therefore, the Group filed an appeal on November 13, 2019. However, the 2nd-instance court made the final decision to uphold the 1st-instance ruling on January 16, 2020. Furthermore, Xiangtan filed an appeal with the court to freeze the property of Xiangyuan, which was approved by the court. After a thorough investigation by the court, it was found that Xiangyuan has enough property to pay for the security deposit, and the Group has collected the enforced payment of \$1,952 thousand (RMB448 thousand). The Group considered that the department store industry had been seriously affected by COVID-19 recently and the future development of this region would be highly uncertain. Therefore, the Group has recognized allowances for ECLs on the lease deposits based on the principle of being conservative and stable. As of June 30, 2025, December 31, 2024, and June 30, 2024, loss allowances of \$58,331 thousand (RMB14,252 thousand), \$64,998 thousand (RMB14,252 thousand), and \$64,890 thousand (RMB14,252 thousand) were recognized, respectively.
- iii. In 2012, the Group paid a guarantee deposit of RMB124,000 thousand to Quanzhou Fengsheng Group for the purchase of the commercial real estate of the Fengsheng Junyuan Development Project at Fengze District, Quanzhou. After assessing the investment value of the project, the Board of Directors of the Group resolved during a meeting held in July 2015 to invest in Quanzhou Fenggan Real Estate Development Co., Ltd. (Fengan), and expected to obtain 100% shareholding in the company at a contract price of RMB325,000 thousand. As of December 31, 2015, the Group has paid the amount of RMB200,000 thousand, which was recognized as prepayment for investments. The management of the Group evaluated the uncertainty over the investment and thus terminated the investment. Therefore, the original prepayment for investments of RMB200,000 thousand and other current financial assets of RMB124,000 thousand were reclassified as other receivables on June 30, 2016.

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The Group reviewed the nature of other receivables and analyzed the current financial position of the transaction counterparty. In order to secure the aforementioned debt, the Group had acquired equity interests in Fengan to serve as collateral. At the same time, the debtor promised that other investment profits thereof should first be used to repay the debt. On December 31, 2016, the Group assessed that the aforementioned claims would not become doubtful debts. As it should took time for the debtor to complete relevant legal procedures for disposal of investments, the Group and the debtor renegotiated the repayment deadlines, which were changed to April 30, 2017, September 30, 2017, and December 31, 2017; the repayment should be 10%, 40% and 50% of the total amounts, respectively. Upon breach of the agreement, the aforementioned collateral would be transferred to the Group for debt repayment. As of December 31, 2017, the Group had recovered RMB162,000 thousand according to aforesaid agreement. On December 19, 2017, the Board of Directors of the Group resolved to modify the repayment agreement and extended the remaining repayment to June 30, 2018. Due to the delay in disposals of investment, the Fengsheng group still failed to make the repayment by the aforementioned date.

To ensure both the collection schedule of the aforementioned debt claims and the progress of development of Fengan's land, pursuant to a Board resolution made on August 12, 2019, the Group entered into a "Debt Confirmation and Repayment Plan Arrangement" with Damahua Investment Co., Ltd. (Damahua), Fengsheng and Fengan, whereby Damahua would grant a loan to Fengan for the development, construction, and sale of real estate on Fengan's land, and the future proceeds from sales would surely be used to settle the aforementioned debt claims. As the development progress of Fengan's property, the collection period would exceed 1 year; therefore, the debt claim was reclassified as other non-current receivable (recognized as other non-current financial assets). The Group assessed that the aforementioned debt should have no impairment concern based on the evaluation report on the collateral.

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The Board of Directors resolved to sign the "Agreement for protection and conditional transfer of debt claim" whereby the Group and Damahua were entitled to oversee the development and construction of Fengan's property to ensure that the future sales proceeds would be used to settle the aforementioned debt claims. Damahua agreed that the credit transfer condition would be met under certain circumstances mentioned in transfer agreement (e.g., the construction could not resume as scheduled, judicial sale in a court, or enforced execution). The aforementioned "Agreement for protection and conditional transfer of debt claim" stated that the development project of the Fengan property must be resume by June 30, 2020. However, the progress of approval and the commencement of construction were delayed because of the COVID-19 pandemic, hence the Group agreed to extend the commencement date to December 31, 2020.

On December 31, 2020, the aforementioned "Agreement for protection and conditional transfer of debt claim" has been reached, whereby Damahua assumed the debt claim. On February 9, 2021, the Group agreed to modify the original repayment terms and timeline because of the impact of the COVID-19 pandemic and the real estate policy in Quanzhou, both of which were force majeure. The repayment schedule was as follows:

- (1) Damahua agreed to pay RMB30,000 thousand before February 9, 2021.
- (2) Damahua agreed to pay RMB51,000 thousand before December 31, 2021.
- (3) Damahua agreed to pay RMB81,000 thousand before June 30, 2022.
- (4) Under the premise of a written consent of the Group, Damahua may use the completed commercial housing of the Citong Road project that meets the national sales conditions to compensate the Group's in the form of "debt-for-property" as a supplementary method of paying the debt transfer fee.

However, due to the force majeure factors of the COVID-19 pandemic, which have seriously affected the society, various industries, as well as the businesses of Damahua, Damahua had to retain part of its working capital. Therefore, Damahua proposed to postpone the payment of the remaining payables the Group until June 30, 2023, for which an agreement was reached in August 2022. The repayment schedule was as follows:

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- (1) Damahua agreed to repay RMB16,000 thousand before December 31, 2022.
- (2) Damahua agreed to repay RMB16,000 thousand before March 31, 2023.
- (3) Damahua agreed to repay RMB29,000 thousand before June 30, 2023.
- (4) If Damahua fails to pay all the amounts above before the expiration of the deferred payment period, Damahua shall unconditionally cooperate with the liquidation of Quanzhou Jitong Road Project, and the above-mentioned debt claim should be the senior debt repaid with the proceeds from disposal of the land.

The Group's original receivables from Damahua were RMB162,000 thousand. As of June 30, 2023, the total of RMB101,000 thousand had been repaid, and the remaining RMB61,000 thousand had not been repaid by Damahua as agreed. The Group considers that the aforementioned claims arise from the undertaking of the Fengan's land parcel. Recently the Quanzhou government has agreed with the development and construction of the Fengan's property to be undertaken in a cooperative way with existing developers, which is implemented by the government of Fengze District, and is coordinating to promote the resumption of the construction of Fengan's property. Considering the circumstance above and that the creditor's rights are generated by undertaking the Fengan's property, the Group plans to negotiate with Damahua on the proceeds from the subsequent development project to repay all claims.

Although the Group assessed that Damahua should be able to repay its debts after distribution of the gains on disposal of Fengan's land, the China's economy has not returned to pre-pandemic level. Based on conservatism, the Group recognized allowances for ECLs on the overdue receivables of \$99,772 thousand (RMB22,630 thousand) in June, 2023. As of June 30, 2025, December 31, 2024, and June 30, 2024, the outstanding accounts receivable and the corresponding allowance for doubtful accounts amounted to \$249,672 thousand (RMB61,000 thousand), \$278,210 thousand (RMB61,000 thousand), and \$277,747 thousand (RMB61,000 thousand), respectively.

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- iv. On June 28, 2023, the Group entered into a share repurchase and urban investment termination agreement with Shanghai Dongfa Dao Catering Management Co., Ltd. regarding Nanjing Dayang Dongfa Dao Catering Co., Ltd. The total share repurchase price was \$30,157 thousand (RMB7,000 thousand), and the share transfer was completed on August 30, 2023. The repurchase price is being collected in installments in accordance with the agreement. As of June 30, 2025, December 31, 2024, and June 30, 2024, the outstanding amounts receivable were \$4,748 thousand (RMB1,160 thousand), \$9,669 thousand (RMB2,120 thousand), and \$14,024 thousand (RMB3,080 thousand), respectively. These amounts are recorded as other receivables and non-current assets—others as follows: \$4,748 thousand (RMB1,160 thousand), \$0, \$8,757 thousand (RMB1,920 thousand), \$912 thousand (RMB200 thousand), and \$8,657 thousand (RMB1,920 thousand), \$5,282 thousand (RMB1,160 thousand), respectively.

(e) Inventories (Construction Segment)

	June 30, 2025	December 31, 2024	June 30, 2024
Land held for construction site	\$ 232,976	232,976	519,760
Construction in progress	1,224,496	1,219,058	896,323
Buildings and land held for sale	41,931	41,931	41,931
Prepayment for land purchases and development expenses	279,768	279,768	300,274
	<u>\$ 1,779,171</u>	<u>1,773,733</u>	<u>1,758,288</u>

The inventories of the Group had been pledged as collateral for bank borrowings; please refer to Note 8.

(f) Investments accounted for using equity method

The Group's investments accounted for using the equity method at the reporting date were as follows:

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<b>Investee</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Jiawang Assets Development Co., Ltd.	\$ 8,566	8,710	9,616
Da Yu Financial Holdings Ltd.	659,524	738,250	730,221
Sandmartin International Holdings Ltd.	-	-	-
Hainan Sanhe Licheng Business Service Co., Ltd.	-	-	-
Shanghai Zhuke Technology Co., Ltd.	-	-	-
	<u><b>\$ 668,090</b></u>	<u><b>746,960</b></u>	<u><b>739,837</b></u>

## i. Aggregation of financial information — individually insignificant associates' equity

The Group's financial information for investments accounted for using the equity method that are individually insignificant were as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Carrying amount of individually insignificant associates' equity	<u><b>\$ 668,090</b></u>	<u><b>746,960</b></u>	<u><b>739,837</b></u>

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Attributable to the Group:				
Net gain from continuing operations	\$ 11,498	23,433	20,501	30,639
Other comprehensive income (loss)	( 96,672)	11,473	( 88,479)	31,223
Comprehensive income (loss)	<u><b>(\$ 85,174)</b></u>	<u><b>34,906</b></u>	<u><b>( 67,978)</b></u>	<u><b>61,862</b></u>



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Dividends received from Da Yu Financial Holdings Ltd. for the three-month and six-month periods ended June 30, 2025, amounted to \$10,892 thousand for each period.

The fair values of the Group's associates that already traded on the stock exchange as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Da Yu Financial Holdings Ltd.	\$ 269,831	187,547	242,536
Sandmartin International Holdings Ltd.	Note	168,420	277,681

Note: Trading was suspended from April 2, 2025; therefore, no fair value is available.

- ii. The Group's approved the resolution to participate in the cash capital increase of 331,660 thousand shares in Da Yu Financial Holdings Limited in accordance with the shareholding ratio by the Board of Directors on January 17, 2024. The subscription price is HK\$0.15 per share, with a total amount of \$202,329 thousand. The relevant legal registration procedures have been completed.

- iii. Guarantees

The Group did not provide any investments accounted for using the equity method as collateral for its loans.

- iv. The equity method of investments on uncensored

The share of profits and losses and other comprehensive profits and losses enjoyed by investment and merger companies using the equity method are calculated based on financial reports that have not been reviewed by accountants.

- (g) Material non-controlling interests of subsidiaries

The material non-controlling interests of a subsidiary were as follows:

<b>Name of Subsidiary</b>	<b>Main operation/place</b>	<b>Percentage of non-controlling interests</b>		
		<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
GRAND OCEAN RETAIL GROUP LTD.	China/Cayman Islands	59.48%	41.38%	41.38%

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

The following information of the aforementioned subsidiary has been prepared in accordance with the IFRSs endorsed by the FSC. Intra group transactions were not eliminated in this information.

Collective financial information of GRAND OCEAN RETAIL GROUP LTD.:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Current assets	\$ 1,260,397	2,037,348	1,929,795
Non-current assets	19,177,395	22,178,080	22,451,469
Current liabilities	( 5,615,005 )	( 6,662,622 )	( 6,233,039 )
Non-current liabilities	( 10,887,177 )	( 12,766,499 )	( 13,006,914 )
Net assets	<u>\$ 3,935,610</u>	<u>4,786,307</u>	<u>5,141,311</u>
Non-controlling interests	<u>\$ 2,340,902</u>	<u>1,980,574</u>	<u>2,127,474</u>

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Sales revenue	<u>\$ 648,207</u>	<u>779,872</u>	<u>1,444,536</u>	<u>1,690,854</u>
Net loss	(\$ 206,339)	( 36,517 )	( 390,600 )	( 171,079 )
Other comprehensive income (loss)	( 526,630 )	42,646	( 460,097 )	239,589
Comprehensive income (loss)	<u>(\$ 732,969)</u>	<u>6,129</u>	<u>( 850,697 )</u>	<u>68,510</u>
Net loss, attributable to non-controlling interests	<u>(\$ 106,325)</u>	<u>( 15,112 )</u>	<u>( 182,572 )</u>	<u>( 70,793 )</u>
Comprehensive income (loss), attributable to non-controlling interests	<u>(\$ 338,338)</u>	<u>2,535</u>	<u>( 387,054 )</u>	<u>28,348</u>

	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Net cash flows from operating activities	( \$ 26,818 )	11,305
Net cash flows from investing activities	( 4,362 )	( 56,603 )
Net cash flows from financing activities	( 470,061 )	( 129,410 )
Effect of change in exchange rates	( 52,345 )	44,648
Decrease in cash and cash equivalents	<u>( \$ 553,586 )</u>	<u>( 130,060 )</u>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

(h) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group were as follows:

		<u>Land</u>	<u>Buildings</u>	<u>Transportation equipment</u>	<u>Vessels</u>	<u>Office equipment</u>	<u>Leasehold Improvement</u>	<u>Construction in progress</u>	<u>Total</u>
Cost or deemed cost:									
Balance at January 1, 2025	\$	126,409	4,895,587	35,768	10,911,454	235,970	6,865,132	22,495	23,092,815
Additions		-	-	-	-	803	1,485	23,996	26,284
Reclassifications		-	-	-	-	323	22,132	(22,455)	-
Disposals and obsolescence		-	-	(4,255)	-	(5,817)	(3,038)	-	(13,110)
Effect of change in exchange rates		-	(494,501)	(3,418)	(1,159,872)	(23,528)	(705,384)	(2,161)	(2,388,864)
Balance on June 30, 2025	\$	<u>126,409</u>	<u>4,401,086</u>	<u>28,095</u>	<u>9,751,582</u>	<u>207,751</u>	<u>6,180,327</u>	<u>21,875</u>	<u>20,717,125</u>
Balance at January 1, 2024	\$	126,409	4,657,868	109,711	10,220,855	215,780	6,443,918	34,892	21,809,433
Additions		-	-	2,420	-	2,201	40,324	19,792	64,737
Reclassifications		-	-	-	-	482	1,684	(2,166)	-
Disposals and obsolescence		-	-	(56,837)	-	(976)	(1,215)	-	(59,028)
Effect of change in exchange rates		-	229,702	3,567	579,105	10,740	324,401	2,259	1,149,774
Balance on June 30, 2024	\$	<u>126,409</u>	<u>4,887,570</u>	<u>58,861</u>	<u>10,799,960</u>	<u>228,227</u>	<u>6,809,112</u>	<u>54,777</u>	<u>22,964,916</u>
Depreciation and impairment loss:									
Balance at January 1, 2025	\$	-	1,607,779	19,423	4,132,446	178,415	4,944,711	2,317	10,885,091
Depreciation this year		-	50,132	2,083	212,982	5,748	144,608	-	415,553
Disposals and obsolescence		-	-	(2,740)	-	(5,091)	(2,925)	-	(10,756)
Effect of change in exchange rates		-	(163,579)	(1,953)	(454,780)	(18,031)	(515,522)	-	(1,153,865)
Balance on June 30, 2025	\$	<u>-</u>	<u>1,494,332</u>	<u>16,813</u>	<u>3,890,648</u>	<u>161,041</u>	<u>4,570,872</u>	<u>2,317</u>	<u>10,136,023</u>
Balance at January 1, 2024	\$	-	1,430,543	59,372	3,456,941	160,810	4,393,579	2,317	9,503,562
Depreciation this year		-	50,670	4,118	215,633	5,796	159,953	-	436,170
Disposals and obsolescence		-	-	(33,248)	-	(855)	(1,215)	-	(35,318)
Effect of change in exchange rates		-	71,551	1,942	198,941	8,130	225,821	-	506,385
Balance on June 30, 2024	\$	<u>-</u>	<u>1,552,764</u>	<u>32,184</u>	<u>3,871,515</u>	<u>173,881</u>	<u>4,778,138</u>	<u>2,317</u>	<u>10,410,799</u>
Carrying amounts:									
January 1, 2025	\$	<u>126,409</u>	<u>3,287,808</u>	<u>16,345</u>	<u>6,779,008</u>	<u>57,555</u>	<u>1,920,421</u>	<u>20,178</u>	<u>12,207,724</u>
June 30, 2025	\$	<u>126,409</u>	<u>2,906,754</u>	<u>11,282</u>	<u>5,860,934</u>	<u>46,710</u>	<u>1,609,455</u>	<u>19,558</u>	<u>10,581,102</u>
January 1, 2024	\$	<u>126,409</u>	<u>3,227,325</u>	<u>50,339</u>	<u>6,763,914</u>	<u>54,970</u>	<u>2,050,339</u>	<u>32,575</u>	<u>12,305,871</u>
June 30, 2024	\$	<u>126,409</u>	<u>3,334,806</u>	<u>26,677</u>	<u>6,928,445</u>	<u>54,346</u>	<u>2,030,974</u>	<u>52,460</u>	<u>12,554,117</u>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

- i. The Group's buildings and the material components thereof included main buildings, electrical power equipment, and air-conditioners, all of which are depreciated based on the estimated useful lives of 5 to 50 years, 5 to 20 years, and 5 to 20 years, respectively.
- ii. China suffered deflation because of decline in consumer spending caused by the slowed economic growth. On the other hand, the downward trend in its operations compared with the previous years resulted in changes in real estate values in China. The Group then tested the impairment of property, plant and equipment. As of June 30, 2025, December 31, 2024, and June 30, 2024, the estimated recoverable amounts still exceeded the carrying amounts; therefore, no impairment losses were recognized. The Group assessed the impairment of non-financial assets and calculated the recoverable amounts thereof either as cash generating units' fair values less costs of disposal or as their values in use. Fair value of property, plant and equipment was determined based on the market price of a similar item in the vicinity as well as the valuation of an qualified independent appraiser (who had recent valuation experience in the location and for the type of the property, plant and equipment being valued). The inputs used in the fair value valuation technique were market values classified as Level 3. The key assumptions were as follows:
  - (1) The capitalization rates were 5.2% - 7%, 6% - 7%, and 6% - 7%, respectively.
  - (2) Annual growth rate of rental is 0%~4%, 2%~4%, and 2%~4%;
  - (3) the remaining period is 10.9~36.5 years, 11.4~37 years and 11.9~37.5 years, respectively.
  - (4) The fair values of property, plant and equipment are measured and adjusted taking into account transaction details, transaction dates and the condition of the underlying subjects.
- iii. The property, plant and equipment of the Group had been pledged as collateral for bank borrowings. Please refer to Note 8 for further details.

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## (i) Right-of-use assets

The Group leases land, buildings, structures, transportation equipment, and miscellaneous equipment. The movements in related costs, depreciations and impairment losses were as follows

	<b>Land</b>	<b>Buildings</b>	<b>Machine and transportation equipment</b>	<b>Total</b>
Costs of right-of-use assets:				
Balance at January 1, 2025	\$ 3,442,452	13,559,599	80,483	17,082,534
Additions	-	1,827	-	1,827
Derecognition	-	( 4,777)	-	( 4,777)
Effect of change in exchange rates	( 353,121)	( 1,390,783)	( 6,297)	( 1,750,201)
Balance on June 30, 2025	<b>\$ 3,089,331</b>	<b>12,165,866</b>	<b>74,186</b>	<b>15,329,383</b>
Balance at January 1, 2024	\$ 3,272,698	12,136,586	77,456	15,486,740
Additions	-	15,582	-	15,582
Effect of change in exchange rates	164,029	608,901	2,925	775,855
Balance on June 30, 2024	<b>\$ 3,436,727</b>	<b>12,761,069</b>	<b>80,381</b>	<b>16,278,177</b>
Depreciation and impairment loss:				
Balance at January 1, 2025	\$ 724,858	4,553,875	52,280	5,331,013
Depreciation this period	45,368	457,620	5,032	508,020
Derecognition	-	( 4,777)	-	( 4,777)
Effect of change in exchange rates	( 77,025)	( 493,808)	( 4,761)	( 575,594)
Balance on June 30, 2025	<b>\$ 693,201</b>	<b>4,512,910</b>	<b>52,551</b>	<b>5,258,662</b>
Balance at January 1, 2024	\$ 598,651	3,347,341	38,908	3,984,900
Depreciation this period	45,871	499,331	6,210	551,412
Effect of change in exchange rates	31,632	185,502	1,910	219,044
Balance on June 30, 2024	<b>\$ 676,154</b>	<b>4,032,174</b>	<b>47,028</b>	<b>4,755,356</b>
Carrying amounts:				
January 1, 2025	<b>\$ 2,717,594</b>	<b>9,005,724</b>	<b>28,203</b>	<b>11,751,521</b>
June 30, 2025	<b>\$ 2,396,130</b>	<b>7,652,956</b>	<b>21,635</b>	<b>10,070,721</b>
January 1, 2024	<b>\$ 2,674,047</b>	<b>8,789,245</b>	<b>38,548</b>	<b>11,501,840</b>
June 30, 2024	<b>\$ 2,760,573</b>	<b>8,728,895</b>	<b>33,353</b>	<b>11,522,821</b>

China suffered deflation because of decline in consumer spending caused by the slowed economic growth. On the other hand, the downward trend in its operations compared with the previous years resulted in changes in real estate values in China. The Group then tested the impairment of right-of-use assets. As of June 30, 2025, December 31, 2024, and June 30, 2024, the estimated recoverable amounts still exceeded the carrying amounts;

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

therefore, no impairment losses were recognized. The Group assessed the impairment of non-financial assets and calculated the recoverable amounts thereof either as cash generating units' fair values less costs of disposal or as their values in use. Adopting the income approach, fair values of right-of-use assets were estimated based on the market price of a similar item in the vicinity as well as the valuation of a qualified independent appraiser, who had recent valuation experience in the location and for the type of the right-of-use asset being valued. The inputs used in the fair value valuation technique were market values classified as Level 3. Please refer to Note 6(h) for the key assumption.

## (j) Intangible assets

The costs, amortization, and impairment loss of intangible assets were as follows:

	<b>Goodwill</b>	<b>Trademark</b>	<b>License plate</b>	<b>Other</b>	<b>Total</b>
Cost:					
Balance at January 1, 2025	\$ 1,524,652	459,518	81,507	47,187	2,112,864
Separately acquired	-	-	-	345	345
Disposal and derecognition	-	-	( 29,524)	-	( 29,524)
Effect of change in exchange rates	( 156,397)	( 48,846)	( 6,623)	( 4,861)	( 216,727)
Balance on June 30, 2025	<u>\$ 1,368,255</u>	<u>410,672</u>	<u>45,360</u>	<u>42,671</u>	<u>1,866,958</u>
Balance at January 1, 2024	\$ 1,449,468	430,434	101,428	44,402	2,025,732
Separately acquired	-	-	-	138	138
Disposal and derecognition	-	-	( 11,500)	-	( 11,500)
Effect of change in exchange rates	72,648	24,388	4,675	2,231	103,942
Balance on June 30, 2024	<u>\$ 1,522,116</u>	<u>454,822</u>	<u>94,603</u>	<u>46,771</u>	<u>2,118,312</u>
Accumulated amortization and impairment loss:					
Balance at January 1, 2025	\$ -	322,328	5,341	32,541	360,210
Amortization	-	-	-	1,674	1,674
Effect of change in exchange rates	-	( 34,263)	( 548)	( 3,437)	( 38,248)
Balance on June 30, 2025	<u>\$ -</u>	<u>288,065</u>	<u>4,793</u>	<u>30,778</u>	<u>323,636</u>
Balance at January 1, 2024	\$ -	301,928	5,078	27,608	334,614
Amortization	-	-	-	1,696	1,696
Effect of change in exchange rates	-	17,106	254	1,445	18,805
Balance on June 30, 2024	<u>\$ -</u>	<u>319,034</u>	<u>5,332</u>	<u>30,749</u>	<u>355,115</u>
Carrying amounts:					
January 1, 2025	<u>\$ 1,524,652</u>	<u>137,190</u>	<u>76,166</u>	<u>14,646</u>	<u>1,752,654</u>
June 30, 2025	<u>\$ 1,368,255</u>	<u>122,607</u>	<u>40,567</u>	<u>11,893</u>	<u>1,543,322</u>
January 1, 2024	<u>\$ 1,449,468</u>	<u>128,506</u>	<u>96,350</u>	<u>16,794</u>	<u>1,691,118</u>
June 30, 2024	<u>\$ 1,522,116</u>	<u>135,788</u>	<u>89,271</u>	<u>16,022</u>	<u>1,763,197</u>

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## i. Impairment losses of goodwill and trademark

For impairment testing, the Group has allocated goodwill to each CGUs. The gross carrying amount of goodwill was allocated as follows:

	<b>June 30, 2025</b>		<b>December 31, 2024</b>		<b>June 30, 2024</b>	
	<b>Carrying amount</b>	<b>Recoverable amount</b>	<b>Carrying amount</b>	<b>Recoverable amount</b>	<b>Carrying amount</b>	<b>Recoverable amount</b>
<b>Goodwill</b>						
Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	\$ 96,915	117,003	102,667	151,466	107,813	633,010
Wuhan Grand Ocean Classic Commercial Development Ltd.	179,004	188,523	199,466	755,547	199,134	1,354,593
Fuzhou Grand Ocean Commercial Ltd.	1,092,336	1,251,216	1,217,194	1,366,903	1,215,169	1,337,143
	<b>\$ 1,368,255</b>	<b>1,556,742</b>	<b>1,519,327</b>	<b>2,273,916</b>	<b>1,522,116</b>	<b>3,324,746</b>
<b>Trademark</b>						
Grand Ocean Classic Commercial Group Co., Ltd.	\$ 122,607	141,233	137,190	163,929	135,788	158,373

The recoverable amount of a CGU is the higher of the fair value less costs of disposal and the value in use. If an asset's recoverable amount is higher than its carrying amount, the Group assumes that there is no concern about impairment loss. The recoverable amount of a CGU as of June 30, 2025, December 31, 2024, and June 30, 2024 was estimated at its value in use, except Fuzhou Grand Ocean Commerce Limited, whose recoverable amount was its fair value, less costs of disposal. Please refer to Note 6(h) for fair value measurement and key assumptions of Fuzhou Grand Ocean Commercial Ltd.

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**Notes to the Consolidated Financial Statements (Continued)**

The recoverable amount of the CGUs of Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd., Wuhan Grand Ocean Classic Commercial Department Limited and Grand Ocean Classic Commercial Group Co., Ltd., as of June 30, 2025, December 31, 2024, and June 30, 2024, were estimated at their values in use.

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Discount rate	10%	10%	10%
Growth rate	7%~11%	6%~9%	1%~10%

- (1) The discount rate was a pre-tax measure based on the rate of 20-year government bonds issued by China, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.
- (2) Estimates of future cash flows are based on past experience, actual operating results and expiry date future lease agreement.
- (3) The operating income forecast measures the average growth over the past 5 years. Projected based on data of comparable companies, selling prices over the next 5 years would grow at a fixed rate slightly higher than the expected inflation rate.
- (4) Under the business scheme, operating costs and expenses were estimated based on both past experiences and factors causing movements in each cost and expense.

Taking into account the external and internal historical information, these key assumptions represented management's assessment of future trend of the retail industry.

ii. Impairment testing of license plates

The Group's assessment of the recoverable amount of license plates cash-generating unit and the key assumptions used have not changed the consolidated financial statements for the year ended December 31, 2024. Please refer to Note 6(j) of the consolidated financial statements for the year ended December 31, 2024.



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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

## (k) Other financial assets — current and non-current

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Other financial assets — current			
Lease deposits	\$ 241	291	291
Restricted deposits	574,012	635,149	481,172
Debt claims — vehicle purchases	32,744	36,487	36,426
Other	2,837	2,207	3,542
Less: Loss allowance	( 32,744 )	( 36,487 )	( 36,426 )
	<b><u>\$ 577,090</u></b>	<b><u>637,647</u></b>	<b><u>485,005</u></b>
Other financial assets — non-current			
Lease deposits	\$ 181,183	201,894	201,556
Prepaid deposit for cooperation agreements	6,307	7,315	7,589
Restricted deposits	186,725	205,003	558,611
Litigation security (Note 9(b))	72,593	81,227	80,397
Prepaid deposit for extended portion of lease	61,395	68,412	68,299
Other	13,217	14,278	14,293
	<b><u>\$ 521,420</u></b>	<b><u>578,129</u></b>	<b><u>930,745</u></b>

- i. The lease deposit is mainly for lease of malls; the deposit for expansion of leased area was paid by a subsidiary, Yichang Grand Ocean Commerce Ltd., to expand the leased area. The deposit will be used to offset the rentals after the contract is signed.
- ii. In November 2020, the Group acquired the right to purchase the 765 Zotye vehicles of Shanghai Zhuke Technology Co., Ltd. (hereinafter referred to as "Shanghai Zhuke") at the price of RMB8,000 thousand. Thereafter, Shanghai Zhuke would unconditionally transfer the vehicles to the Group after 3 years. However, Zotye International Automobile Trading Co., Ltd. entered into bankruptcy and was liquidated in December 2020, which prompted Shanghai Zhuke to make a proposal for disposal of vehicles in advance. On August 19, 2021, the Group approved the proposal and reached a supplemental agreement with Shanghai Zhuke, which agreed to pay the amount at a fair value of RMB11,000 thousand upon expiry of the period in use (March 2023). Since the credit risk of Shanghai Zhuke has increased significantly, the Group evaluates its credit risk on a case-by-case basis

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

and has fully provided for the allowance for losses in 2022. As of June 30, 2025, the aforementioned receivables have not been recovered.

iii. For further credit risk information, please refers to Note 6(w).

(l) Short-term borrowings

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Unsecured bank loans	\$ 390,000	410,000	1,217,163
Secured bank loans	3,118,700	3,272,065	3,167,211
	<b>\$ 3,508,700</b>	<b>3,682,065</b>	<b>4,384,374</b>
Unused credit lines	<b>\$ 816,169</b>	<b>1,087,668</b>	<b>730,547</b>
Range of interest rates	<b>2.31%~5.80%</b>	<b>2.31%~6.30%</b>	<b>2.18%~7.87%</b>

i. The Group has entered into a guaranteed loan agreement with a bank and completed the mortgage registration of the subsidiary Fuzhou Grand Ocean Classic Commercial Ltd.'s real estate. As a result, the available credit facility will increase by \$646,691 thousand.

ii. For the collateral of borrowings, please refer to Note 8.

(m) Long-term borrowings

The list, terms and conditions of long-term borrowings of the Group were as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Unsecured bank loans	\$ 244,740	199,994	208,708
Secured bank loans	2,993,351	3,720,644	4,049,020
Secured note	-	249,720	249,952
Other secured loans	1,536	1,855	3,164
Less: Current portion	( 2,075,589 )	( 2,776,284 )	( 2,267,128 )
Total	<b>\$ 1,164,038</b>	<b>1,395,929</b>	<b>2,243,716</b>
Unused credit lines	<b>\$ 446,500</b>	<b>645,888</b>	<b>480,098</b>
Range of interest rates	<b>3.01%~15.6%</b>	<b>1.58%~15.60%</b>	<b>1.74%~15.60%</b>

i. For the collateral of borrowings, please refer to Note 8.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

ii. Significant loan contract agreement

The Group signed a syndicated loan agreement with 6 banks (including Chang Hwa Commercial Bank, Ltd.). and obtained a credit line of \$2,000,000 thousand. According to the agreement, the Group should maintain the following financial ratios and regulations, and the semi-annual inspection started from the second quarter of 2021:

- (1) Current ratio [current assets/(current liabilities - current portion of the long term borrowings current lease liabilities)]: should not be lower than 80%;
- (2) Debt ratio [(total liabilities - lease liabilities) / total equity]: should not exceed 150%;
- (3) Interest coverage multiple [(profit before tax + interest expense + depreciation + amortization) / interest expense]: should be maintained at 3 or above;
- (4) Net tangible assets [(total equity - intangible assets)]: should be maintained at NT\$9 billion or above.

iii. Breach of a loan contract

The financial ratio of the Group as of December 31, 2023, was in breach of the above-mentioned financial ratio limit. In addition to the additional 0.05% interest rate as agreed in the contract, the Group should immediately propose specific improvement measures to the management bank. If the Group completed improvement before the next examination date of the financial ratio, it shall not be deemed to be in breach of the terms of this commitment clause.

The Group communicated with the credit banks to reduce or waive the financial ratios for the period under review and issued a statement to the syndicate of joint credit banks on April 19, 2024, explaining the reasons why the financial ratios did not meet the contractual requirements under the loan agreement and proposing measures to improve the financial issues.

On June 30, 2024, the Group was still in violation of the aforementioned financial ratios. The Group reclassified the remaining loan amount as long-term borrowings with a maturity of one year or less, and obtained a waiver from the syndicate of banks on October 18, 2024, to review the financial ratios.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

As of December 31, 2024, the Group were still in breach of the agreed financial ratios. On April 15, 2025, the Group issued a statement to the syndicated lending banks explaining the reasons for the financial ratio shortfall and, in accordance with the credit agreement, applied for a waiver of the current financial ratio covenant. Subsequently, the Group also applied to amend the terms of the syndicated loan, including the proposed addition of two vessels as enhanced collateral and the repayment of \$200,000 thousand of Facility A. The proposals for the financial ratio waiver and the amended loan terms are still pending approval by the syndicate banks.

(n) Accounts payable and other payables

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
<u>Accounts payable</u>			
Payments for goods purchased for direct sales	\$ 25,022	53,475	48,970
Payments for goods purchased for concessionaire sales	663,644	928,894	761,776
Other	68,674	87,077	70,831
<b>Total</b>	<b>\$ 757,340</b>	<b>1,069,446</b>	<b>881,577</b>
	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
<u>Other payables</u>			
Wages and salaries payable	\$ 106,834	170,409	108,470
Construction contract prices payable	82,809	90,828	111,187
Compensation payable for store shutdown or matters	765	852	1,534
Litigation damages payable	22,450	233,651	449,821
Tax fee	24,395	41,303	34,576
Collect car sales on behalf of related party	5,600	56,621	34,300
Other	433,967	416,663	429,876
<b>Total</b>	<b>\$ 676,820</b>	<b>1,010,327</b>	<b>1,169,764</b>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

(o) Lease liabilities

The lease liabilities of the Group were as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Current	\$ 858,281	827,918	816,229
Non-current	8,440,572	9,873,207	9,547,467
	<b>\$ 9,298,853</b>	<b>10,701,125</b>	<b>10,363,696</b>

For the maturity analysis, please refer to Note 6(w).

The amounts recognized in profit or loss as follows:

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Interest expense of lease liabilities	<b>\$ 102,760</b>	<b>113,912</b>	<b>212,827</b>	<b>231,717</b>
Expenses relating to short-term leases	<b>\$ 201</b>	<b>234</b>	<b>438</b>	<b>525</b>
Expenses relating to leases of low-value, (excluding short-term leases of low-value assets)	<b>\$ 34</b>	<b>180</b>	<b>159</b>	<b>295</b>

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

	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Total cash outflow for leases	<b>\$ 540,005</b>	<b>560,835</b>

i. Real estate leases

The Group leases land use rights, buildings and structures as office premises, staff dormitories and department stores for business. The lease terms of office premises, staff dormitories and department stores are usually 3 to 5 years, 1 to 3 years, and 10 to 20 years, respectively. Some leases include an option to extend the lease period at the end of the lease term.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

Some leases provide for additional rent payments that are based on changes in local price indices, or sales that the Group makes at the leased store in the period.

ii. Other lease

The Group leases transportation and machinery equipment, with lease terms of 5 to 10 years. In some cases, the Group has options to purchase the assets at the end of the contract term.

The Group also leases part of the office and machinery equipment with contract terms of one years. These leases are short term. The Group has elected not to recognize right of use assets and lease liabilities for these leases.

(p) Operating lease

i. Leases as lessor

The Group leases its bulk carriers and transportation equipment and these contracts was classified as operating leases, because it has not substantially transferred all of the risks and rewards affiliated to the ownership of the assets. Please refer to Note 6(h) property, plant, and equipment for more information. For the Group's finance leases for car rental business, please refer to Note 6(c).

The maturity analysis of the lease payments is reported, showing the total amount of undiscounted lease payments to be received after the reporting date, was as follows:

(1) Bulk carriers

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Less than one year	\$ 704,935	911,021	1,137,916
One to two years	-	10,572	269,048
Total undiscounted lease payments	<b>\$ 704,935</b>	<b>921,593</b>	<b>1,406,964</b>

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## (2) Leasing of transportation equipment

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Less than one year	\$ 2,499	7,373	9,977
One to two years	1,600	2,928	2,941
Two to three years	785	1,738	1,910
Three to four years	425	1,046	1,668
Total undiscounted lease payments	<b>\$ 5,309</b>	<b>13,085</b>	<b>16,496</b>

Maintenance and repair expenses incurred from vessel equipment for the three-month and six-month periods ended June 30, 2025 and 2024, are as follows:

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Operating costs	<b>\$ 16,363</b>	<b>12,344</b>	<b>36,501</b>	<b>28,521</b>

## (q) Income Tax

## i. The components of income tax were as follows:

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current tax expense				
Current period	\$ 8,853	6,890	25,450	33,207
Adjustment for prior periods	38	-	38	-
	<u>8,891</u>	<u>6,890</u>	<u>25,488</u>	<u>33,207</u>
Deferred tax expense				
Origination and reversal of temporary differences	( 12,432)	( 12,083)	( 18,288)	( 17,224)
	<u>(\$ 3,541)</u>	<u>( 5,193)</u>	<u>7,200</u>	<u>15,983</u>

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES****Notes to the Consolidated Financial Statements (Continued)**

## ii. Deferred tax assets and liabilities

## (1) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities were as follows:

Deferred tax assets:

	<b>Loss deduction</b>	<b>Leases expenses and others</b>	<b>Total</b>
<b>Balance at January 1, 2025</b>	\$ 48,941	2,798,131	2,847,072
(Debit) Credit Income			
Statement	-	( 96,637 )	( 96,637 )
Effect of change in exchange rates	( 3,041 )	( 281,339 )	( 284,380 )
<b>Balance on June 30, 2025</b>	<b>\$ 45,900</b>	<b>2,420,155</b>	<b>2,466,055</b>
<b>Balance at January 1, 2024</b>	\$ 72,967	2,709,462	2,782,429
(Debit) Credit Income			
Statement	( 1,246 )	( 103,321 )	( 104,567 )
Effect of change in exchange rates	2,646	132,134	134,780
<b>Balance on June 30, 2024</b>	<b>\$ 74,367</b>	<b>2,738,275</b>	<b>2,812,642</b>

Deferred tax liabilities:

	<b>Estimated share of subsidiaries' earnings</b>	<b>Leases expenses</b>	<b>Total</b>
<b>Balance at January 1, 2025</b>	\$ 26,373	2,254,981	2,281,354
(Debit) Credit Income			
Statement	-	( 114,925 )	( 114,925 )
Effect of change in exchange rates	( 1,859 )	( 224,547 )	( 226,406 )
<b>Balance on June 30, 2025</b>	<b>\$ 24,514</b>	<b>1,915,509</b>	<b>1,940,023</b>
<b>Balance at January 1, 2024</b>	\$ 25,266	2,202,109	2,227,375
(Debit) Credit Income			
Statement	-	( 121,791 )	( 121,791 )
Effect of change in exchange rates	929	106,049	106,978
<b>Balance on June 30, 2024</b>	<b>\$ 26,195</b>	<b>2,186,367</b>	<b>2,212,562</b>



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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

iii. Examination and Approval

- (1) The Company's tax returns for the years up to 2022 were examined and approved by the tax authorities.
- (2) The tax returns the domestic subsidiaries for the years up to 2023 have been examined and approved by the tax authorities.
- (3) For the years up to 2024, tax returns of subsidiaries in China have been examined and approved by the local tax authority.

(r) Capital and other equity

Except as otherwise noted below, there were no material changes in capital and other equity of the Group for the six months ended June 30, 2025 and 2024. For related information, please refer to Note 6(r) of the consolidated financial statements for the year ended December 31, 2024.

i. Capital surplus

The components of the capital surplus were as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Issuing stock premium	\$ 352,570	352,570	352,570
Difference arising from subsidiary's share price and its carrying value	-	480,480	480,480
Donation from shareholders	3,332	3,332	3,332
	<b><u>\$ 355,902</u></b>	<b><u>836,382</u></b>	<b><u>836,382</u></b>

The Company was pursuant to the resolutions reached in shareholder meetings held on June 18, 2024 for making up losses from capital reserves of \$1,095,839 thousand.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

ii. Retained earnings

The Company's article of incorporation stipulates that Company's profit after tax for the period, if any, should first be used to offset accumulated losses, after which 10% should be appropriated as legal reserve, unless the amount of legal reserve has reached that of Company's paid-in capital. In addition, special reserve shall be appropriated or reversed according to related laws and regulations. The remaining portion, together with any unappropriated retained earnings at the beginning of the period, shall be distributed according to the Board's proposal and submitted to a shareholders' meeting for approval.

The dividend policy of the Company shall take into account the actual operating conditions of the current year, future investment development, funding needs, financial structure, and take into account the interests of shareholders. Distributable surplus may be distributed in the form of shares or cash, unless it is reserved at the discretion. However, cash dividends shall not be less than 10% of the total dividends. If the cash dividends to be distributed per share are less than \$0.5, they shouldn't be distributed unless otherwise resolved by the shareholders' meeting.

(1) Legal reserve

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

The Company was pursuant to the resolutions reached in shareholder meetings held on June 18, 2024 for making up losses from legal reserves of \$8,289 thousand.

(2) Special reserve

The Company elected to apply the exemption under IFRS 1 "First-time Adoption of International Financial Reporting Standards" upon initial adoption of IFRS. Accumulated translation adjustments recognized in shareholders' equity increased retained earnings, except that the retained earnings arising from first-time adoption of IFRS endorsed by the FSC on the transition date experienced net decrease; the Company was not required to appropriate the same amount of special reserve according to the regulations stipulated by the FSC.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

As stipulated by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. If the Company has already reclassified a portion of earnings as special reserve as mentioned in the preceding subparagraph, the Company shall make supplemental allocation of special reserve, in the amount of the difference between the amount it has already allocated and the amount of the current period total net reduction of other shareholders' equity from undistributed current period and prior period earnings, including the after tax net profit for the period, plus items other than after tax net profit for the period. (When the Company distributed its 2021 earnings in 2020, a portion of its current period profits and undistributed prior period earnings shall be reclassified as special reserve. When the Company distributed its 2022 earnings in 2021, the after tax net profit for the period, plus items other than the after tax net profit for the period, shall be included in the amount of undistributed current period and prior period earnings for appropriation as special reserve.) A portion of undistributed prior period earnings shall be reclassified as special reserve (and shall not qualify for earnings distribution) to account for cumulative changes to net reduction in other shareholders' equity for prior periods. Amounts of subsequent reversals pertaining to the net reduction in other shareholders' equity shall qualify for additional distributions. Amounts of subsequent reversals pertaining to the net reduction in other shareholders' equity shall qualify for additional distributions.

The Company was pursuant to the resolutions reached in shareholder meetings held on June 18, 2024 for making up losses from special reserves of \$303,885 thousand.

(3) Earnings distribution

It was approved on shareholders' meeting on June 13, 2025 and June 18, 2024 not to distribute dividends for 2024 and 2023, respectively.

iii. Treasury stock

The movement in treasury shares of subsidiaries was as follows:

	(In thousands of shares)	
	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Outstanding as of June 30		
(equivalent to the		
outstanding as of January 1) \$	<b>3,663</b>	<b>7,709</b>

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The Group's employees were entitled to exercise treasury share options through advances on salaries. As of June 30, 2025, December 31, 2024, and June 30, 2024, the advances amounted to \$118,617 thousand, \$129,316 thousand, and \$129,086 thousand, respectively (reported as other current assets). Impairment losses recognized for salaries advanced to resigned employees that have not yet been recovered amounted to \$9,095 thousand, \$0, \$9,095 thousand, and \$0 for the three-month and six-month periods ended June 30, 2025 and 2024, respectively. Considering the changes in the economic environment and the impact of the COVID-19 pandemic, a resolution adopted was decided at the Board of Directors held on November 13, 2024 and August 30, 2022, to defer the repayments of prepaid payroll to 2028 and 2025.

## iv. Other equity interests (after tax)

	Exchange differences on translation of foreign financial statements	Non- controlling interest	Total
<b>Balance at January 1, 2025</b>	\$ 224,418	2,080,798	2,305,216
Net loss of non-controlling interests	-	( 192,447 )	( 192,447 )
Share of exchange differences on equity accounted associates	( 88,479 )	-	( 88,479 )
Difference arising from subsidiary's share price and its carrying value	-	747,382	747,382
Exchange differences on translation of foreign financial statements	( 930,699 )	( 204,482 )	( 1,135,181 )
<b>Balance on June 30, 2025</b>	<b>( \$ 794,760 )</b>	<b>2,431,251</b>	<b>1,636,491</b>
<b>Balance at January 1, 2024</b>	\$ 354,024	2,216,527	1,862,503
Net loss of non-controlling interests	-	( 81,077 )	( 81,077 )
Share of exchange differences on equity accounted associates	31,223	-	31,223
Exchange differences on translation of foreign financial statements	479,704	99,141	578,845
<b>Balance on June 30, 2024</b>	<b>\$ 156,903</b>	<b>2,234,591</b>	<b>2,391,494</b>

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## (s) Losses per share

The Group's earnings per share were calculated as follows:

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Basic losses per share</b>				
Net loss attributable to ordinary shareholders of the Company	(\$ <b>76,524</b> )	( <b>6,549</b> )	( <b>206,808</b> )	( <b>63,927</b> )
Weighted average number of ordinary shares	824,776	824,776	824,776	834,776
<b>Basic losses per share (dollars)</b>	(\$ <b>0.09</b> )	( <b>0.01</b> )	( <b>0.25</b> )	( <b>0.08</b> )

For the six months ended June 30, 2025 and 2024, due to net losses before income tax, diluted losses per share was not disclosed because there was no dilutive effect of potential ordinary shares from employee compensation.

## (t) Revenue from contracts with customers

## i. Disaggregation of revenue

	<b>For the three months ended June 30, 2025</b>					
	<b>Department</b>					
	<b>Shipping Segment</b>	<b>Investing Segment</b>	<b>Store Segment</b>	<b>Rental Segment</b>	<b>Construction Segment</b>	<b>Total</b>
Primary geographical markets:						
Taiwan	\$ -	1,884	-	-	-	1,884
China	-	-	648,207	2,475	-	650,682
Other	354,761	-	-	-	-	354,761
	<b>\$ 354,761</b>	<b>1,884</b>	<b>648,207</b>	<b>2,475</b>	<b>-</b>	<b>1,007,327</b>
Major products/services lines:						
Commissions revenue (department store revenue-joint sales)	\$ -	-	144,889	-	-	144,889
Sales of merchandise (department store-direct sales)	-	-	104,905	-	-	104,905
Lease revenue (Note)	-	1,884	221,966	2,486	-	226,336
Marine transportation revenue (Note)	354,761	-	-	-	-	354,761
Financial lease interest income (Note)	-	-	-	( 11)	-	( 11)
Service revenue and others	-	-	176,447	-	-	176,447

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<u>\$ 354,761</u>	<u>1,884</u>	<u>648,207</u>	<u>2,475</u>	<u>-</u>	<u>1,007,327</u>
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**For the three months ended June 30, 2024**

	<b>Department</b>					
	<b>Shipping Segment</b>	<b>Investing Segment</b>	<b>Store Segment</b>	<b>Rental Segment</b>	<b>Construction Segment</b>	<b>Total</b>
Primary geographical markets:						
Taiwan	\$ -	1,742	-	-	-	1,742
China	-	-	779,872	8,878	-	788,750
Other	405,906	-	-	-	-	405,906
	<u>\$ 405,906</u>	<u>1,742</u>	<u>779,872</u>	<u>8,878</u>	<u>-</u>	<u>1,196,398</u>
Major products/services lines:						
Commissions revenue (department store revenue-joint sales)	\$ -	-	184,141	-	-	184,141
Sales of merchandise (department store-direct sales)	-	-	125,667	-	-	125,667
Lease revenue (Note)	-	1,742	258,475	4,500	-	264,717
Marine transportation revenue (Note)	405,906	-	-	-	-	405,906
Financial lease interest income (Note)	-	-	-	3,914	-	3,914
Service revenue and others	-	-	211,589	464	-	212,053
	<u>\$ 405,906</u>	<u>1,742</u>	<u>779,872</u>	<u>8,878</u>	<u>-</u>	<u>1,196,398</u>

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For the six months ended June 30, 2025						
	Department					Total
	Shipping Segment	Investing Segment	Store Segment	Rental Segment	Construction Segment	
Primary geographical markets:						
Taiwan	\$ -	3,641	-	-	-	3,641
China	-	-	1,444,536	5,768	-	1,450,304
Other	712,524	-	-	-	-	712,524
	<u>\$ 712,524</u>	<u>3,641</u>	<u>1,444,536</u>	<u>5,768</u>	<u>-</u>	<u>2,166,469</u>
Major products/services lines:						
Commissions revenue (department store revenue-joint sales)	\$ -	-	371,029	-	-	371,029
Sales of merchandise (department store-direct sales)	-	-	244,648	-	-	244,648
Lease revenue (Note)	-	3,641	467,823	5,480	-	476,944
Marine transportation revenue (Note)	712,524	-	-	-	-	712,524
Financial lease interest income (Note)	-	-	-	288	-	288
Service revenue and others	-	-	361,036	-	-	361,036
	<u>\$ 712,524</u>	<u>3,641</u>	<u>1,444,536</u>	<u>5,768</u>	<u>-</u>	<u>2,166,469</u>

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For the six months ended June 30, 2024						
	Department					Total
	Shipping Segment	Investing Segment	Store Segment	Rental Segment	Construction Segment	
Primary geographical markets:						
Taiwan	\$ -	3,480	-	-	-	3,480
China	-	-	1,690,854	16,153	-	1,707,007
Other	779,248	-	-	-	-	779,248
	<u>\$ 779,248</u>	<u>3,480</u>	<u>1,690,854</u>	<u>16,153</u>	<u>-</u>	<u>2,489,735</u>
Major products/services lines:						
Commissions revenue (department store revenue-joint sales)	\$ -	-	453,366	-	-	453,366
Sales of merchandise (department store-direct sales)	-	-	293,065	-	-	293,065
Lease revenue (Note)	-	3,480	532,281	9,906	-	545,667
Marine transportation revenue (Note)	779,248	-	-	-	-	779,248
Financial lease interest income (Note)	-	-	-	4,007	-	4,007
Service revenue and others	-	-	412,142	2,240	-	414,382
	<u>\$ 779,248</u>	<u>3,480</u>	<u>1,690,854</u>	<u>16,153</u>	<u>-</u>	<u>2,489,735</u>

Note: The Group applied IFRS 16 to revenues from marine transportation, rental, and interest on finance leases.

## (u) Employee compensation and directors' remuneration

On June 13, 2025, the Company amended its Articles of Incorporation by resolution of the shareholders' meeting. Under the amended Articles, if the Company has annual profits, no less than 1% shall be allocated as employee remuneration (of which at least 10% must be for junior-level employees), and no more than 3% shall be allocated as remuneration for directors and supervisors. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Such employees' compensation may be



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**Notes to the Consolidated Financial Statements (Continued)**

distributed in the form of stock or cash, and its payable to the employees of affiliated companies who meet certain criteria. In accordance with the Articles of Incorporation before amendment, the Company should contribute no less than 1% of the profit as employee remuneration and no more than 3% as director remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. Employee compensation could be distributed by cash or shares. The recipients of shares and cash may include the employees of the Company's affiliated companies under certain conditions approved by the Board of Directors. Directors' remuneration should only be distributed in the form of cash.

For the six months ended June 30, 2025 and 2024, the Company reported a net loss before income tax, therefore, the Company is not required to estimate employees' bonuses and directors' remuneration, and the related information is available on the Market Observation Post System website.

(v) Non-operating income and expenses

i. Interest income

The details of interest income were as follows:

	<b>For the three months ended</b>		<b>For the six months ended</b>	
	<b>June 30</b>		<b>June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Cash in bank	\$ 6,656	15,338	13,770	27,465
Loans interest income	242	140	482	399
Open fund	233	250	485	491
Interest income from corporate bonds	1,772	837	2,042	2,243
Dividend of special stock	-	-	-	1,846
Other	-	330	71	401
	<b>\$ 8,903</b>	<b>16,895</b>	<b>16,850</b>	<b>32,845</b>

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## ii. Other income

The details of other income were as follows:

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Dividend income	\$ 84	-	226	-
Subsidy income	1,174	376	1,248	764
	<b>\$ 1,258</b>	<b>376</b>	<b>1,474</b>	<b>764</b>

## iii. Other gains and losses

The details of other gains and losses were as follows:

	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Loss from disposal of property, plant and equipment	(\$ 1,399)	( 3,850)	( 1,597)	( 3,965)
Loss from disposal of intangible assets	( 1,084)	( 197)	( 1,100)	( 954)
Foreign exchange gain (loss)	35,947	( 9,782)	32,076	( 7,238)
Valuation gains (losses) on financial assets/liabilities at FVTPL	( 1,257)	2,045	( 1,179)	13,352
Reverse to gain on compensation for store shutdown	-	46,412	-	46,412
Reverse to gain on compensation losses on litigations	-	62,005	-	62,005
Revenue reclassified from overdue payments	601	7,707	6,074	13,879
Miscellaneous revenue (including credit card transaction fees, etc.)	9,381	9,251	10,256	15,725
	<b>\$ 42,189</b>	<b>113,591</b>	<b>44,530</b>	<b>139,216</b>

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iv. Finance costs

The details of finance costs were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Interest expense on bank loans	\$ 69,584	99,158	148,699	208,151
Interest on lease liabilities	102,760	113,912	212,827	231,717
Other financial expense	4,584	3,121	8,951	6,817
	<b>\$ 176,928</b>	<b>216,191</b>	<b>370,477</b>	<b>446,685</b>

Additionally, the Group recognized interest expenses related to the Rental Segment under operating costs amounting to (\$32) thousand, \$1,510 thousand, \$399 thousand, and \$4,638 thousand for the three months and six months ended June 30, 2025 and 2024, respectively.

(w) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to Note 6(w) of the consolidated financial statements for the year ended December 31, 2024.

i. Credit risk

(1) Credit risk exposure

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's exposure to the maximum credit risk were from providing financial guarantees or failing to execute obligations by counterparty. The maximum credit risk exposure was as follows:

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- The carrying amount of financial assets recognized in the balance sheet

The changes in recognized financial guarantee liabilities related to the above financial guarantees for the six months ended June 30, 2025 and 2024 are as follows:

	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ -	31,982
Reversal of impairment losses recognized	-	( 4,799 )
Reclassification (Note 9(a))	-	( 27,634 )
Effect of change in exchange rates	-	451
Balance at June 30 (recognized as other current liabilities)	<u>\$ -</u>	<u>-</u>

(2) Receivables of credit risk

For credit risk exposure of rentals receivable and accounts receivable, please refer to Note 6(c). Other financial assets at amortized cost included other receivables, other financial assets, investments in preferred shares; please refer to Notes 6(d), (k), 7 and 13 for details.

For the period, the loss allowances for the above-mentioned financial assets were measured based on the amounts of 12-months ECLs or lifetime ECL measurement.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

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The movement in the allowance for impairment for other receivables and other financial assets for the six months ended June 30, 2025 and 2024 were as follows:

	<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>
Balance at January 1	\$ 405,127	397,951
Impairment losses recognized (reversal gain)	1,597 (	14,651 )
Effect of change in exchange rates	( 41,481 )	19,341
Balance at June 30	<u><u>\$ 365,243</u></u>	<u><u>402,641</u></u>

ii. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-5 years</b>	<b>Over 5 years</b>
<b>June 30, 2025</b>					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 1,940,377	1,940,377	1,435,465	123	504,789
Floating rate instrument	6,746,791	7,138,026	5,635,375	995,865	506,786
Fixed rate instruments	101,347	103,836	103,836	-	-
Lease liabilities	9,298,853	11,922,246	1,240,732	4,536,755	6,144,759
	<u><u>\$ 18,087,368</u></u>	<u><u>21,104,485</u></u>	<u><u>8,415,408</u></u>	<u><u>5,532,743</u></u>	<u><u>7,156,334</u></u>

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	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>Within 1 year</b>	<b>1-5 years</b>	<b>Over 5 years</b>
<b>December 31, 2024</b>					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 2,671,893	2,671,893	2,080,981	137	590,775
Floating rate instrument	5,162,667	5,613,689	3,612,755	1,360,579	640,355
Fixed rate instruments	2,791,451	2,886,312	2,885,116	1,196	-
Lease liabilities	10,701,125	13,847,408	1,269,855	5,349,907	7,227,646
	<b>\$ 21,327,136</b>	<b>25,019,302</b>	<b>9,848,707</b>	<b>6,711,819</b>	<b>8,458,776</b>
<b>June 30, 2024</b>					
Non-derivative financial liabilities					
Non-interest bearing liabilities	\$ 2,648,557	2,648,557	2,052,550	137	595,870
Floating rate instrument	6,215,821	6,771,423	4,260,801	1,796,902	713,720
Fixed rate instruments	2,679,397	2,776,631	2,659,874	116,757	-
Lease liabilities	10,363,696	13,716,336	1,264,740	4,711,659	7,739,937
	<b>\$ 21,907,471</b>	<b>25,912,947</b>	<b>10,237,965</b>	<b>6,625,455</b>	<b>9,049,527</b>

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

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iii. Market risk

(1) Currency risk

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

	June 30, 2025			December 31, 2024			June 30, 2024			
	Exchange			Exchange			Exchange			
	Currency	rate	NTD	Currency	rate	NTD	Currency	rate	NTD	
<u>Financial assets</u>										
<u>Monetary items</u>										
USD:NTD	\$	742	29.3	21,741	234	32.785	7,672	1,860	32.45	60,357
HKD:NTD		2,913	3.732	10,871	10	4.2220	42	13	4.1550	54
HKD:USD		156	0.1274	582	997	0.1288	4,210	2,640	0.1280	10,966
NTD:USD		1,898	0.0341	1,898	1,082	0.0305	1,082	1,265	0.0308	1,265
<u>Financial liabilities</u>										
<u>Monetary items</u>										
USD:CNY	-		7.1586	-	650	7.1884	21,310	950	7.1268	30,827

(2) Sensitivity analysis

The Group's exposure to currency risk arises from exchange gains and losses on cash and cash equivalents, financial assets and liabilities at FVOCI, loans, and other payables that are denominated in foreign currencies. As of June 30, 2025 and 2024, if the NTD or RMB were to appreciate or depreciate by 1% against the USD, EUR, HKD, AUD, and RMB, with all other factors held constant, the net loss before tax for the six months ended June 30, 2025 and 2024 would increase or Additions by \$351 thousand and \$418 thousand, respectively.

Due to the diverse functional currencies within the Group, information on foreign exchange gains or losses on monetary items is disclosed on an aggregated basis. For the three months and six months ended June 30, 2025 and 2024, the foreign exchange (losses) gains (including realized and unrealized) were \$35,947 thousand, (\$9,782) thousand, \$32,076 thousand, and (\$7,238) thousand, respectively.

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

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(3) Interest rate risk

The details of the Group's exposure to interest rate of financial assets and liabilities please refer to the note on liquidity risk management.

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

If the interest rate had increased or decreased by 0.5%, the Group's profit before tax would have decreased or increased by \$13,765 thousand and \$9,084 thousand, which is mainly due to the Group's borrowings at variable rates and demand deposits for the six months ended June 30, 2025, and 2024, respectively, given that all other variable factors remaining constant.

(4) Other market price risk

If the equity price changes, the impact of equity price change to other comprehensive income will be as follows, assuming the analysis is based on the same basis for both years and assuming that all other variables considered in the analysis remain the same:

Prices of securities at the reporting date	For the six months ended June 30			
	2025		2024	
	Other comprehensive income (loss) (before tax)	Net income or loss before tax	Other comprehensive income (loss) (before tax)	Net income or loss before tax
Increase 5%	\$ -	6,147	-	8,755
Decrease 5%	\$ -	( 6,147)	-	( 8,755)



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## iv. Fair value of financial instruments

## (1) Fair value hierarchy

For financial instruments not measured at fair value and with carrying amounts reasonably close to the fair values, as well as lease liabilities, disclosure of fair value information is not required. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows:

		<b>June 30, 2025</b>			
		<b>Fair value</b>			
	<b>Carrying amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	<b>\$ 25,892</b>	<b>25,892</b>	<b>-</b>	<b>-</b>	<b>25,892</b>
Domestic corporate bonds	<b>97,038</b>	<b>-</b>	<b>-</b>	<b>97,038</b>	<b>97,038</b>
<b>Financial liabilities at fair value through profit or loss</b>					
Non-derivative financial liabilities	<b>\$ 31,389</b>	<b>-</b>	<b>-</b>	<b>31,389</b>	<b>31,389</b>

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	<b>December 31, 2024</b>				
	<b>Carrying amount</b>	<b>Fair value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	<b>\$ 44,642</b>	<b>29,559</b>	<b>15,083</b>	<b>-</b>	<b>44,642</b>
Domestic corporate bonds	<b>97,038</b>	<b>-</b>	<b>-</b>	<b>97,038</b>	<b>97,038</b>
<b>Financial liabilities at fair value through profit or loss</b>					
Non-derivative financial liabilities	<b>\$ 31,389</b>	<b>-</b>	<b>-</b>	<b>31,389</b>	<b>31,389</b>
<b>June 30, 2024</b>					
	<b>Carrying amount</b>	<b>Fair value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	<b>\$ 142,480</b>	<b>31,265</b>	<b>111,215</b>	<b>-</b>	<b>142,480</b>
Domestic corporate bonds	<b>32,610</b>	<b>-</b>	<b>-</b>	<b>32,610</b>	<b>32,610</b>
<b>Financial liabilities at fair value through profit or loss</b>					
Non-derivative financial liabilities	<b>\$ 29,707</b>	<b>-</b>	<b>-</b>	<b>29,707</b>	<b>29,707</b>

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**Notes to the Consolidated Financial Statements (Continued)**

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

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

(2.1) Financial assets measured at amortized cost and financial liabilities measured at amortized cost.

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

(3) Valuation techniques for financial instruments measured at fair value

(3.1) Non-derivative financial instruments

If quoted prices in active markets are available, the prices are established as fair values. Market prices published by major stock exchange and Taipei Exchange, where high volume of central government bonds are traded, are the foundation of fair value of debt instruments with quoted market price in an active market and listed equity instruments.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. If a financial instrument does not accord with the definition aforementioned, then it is considered to be without quoted price in active market. In general, market with low trading volume or high-bid spreads is an indication of non-active market.

If the Group's financial instruments are regarded as being quoted in an active market, the classification and nature of fair value are as follows:

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- Stocks in listed companies and fund are financial assets with standard term and quoted prices in active markets. The fair values are determined with referenced to quoted market prices.
- The fair values of corporate bonds are measured based on public quoted market prices provided by third parties.

**(3.2) Non-derivative financial instruments (hybrid contract)**

The fair value of non-publicly quoted debt instruments is estimated using the market comparable companies method. The key assumptions of the method are measured based on the investee's estimate of earnings before tax, interest, depreciation and amortization and a multiplier for earnings derived from quoted market prices of comparable publicly traded companies. The estimate adjusts for the effect of discounts due to the lack of marketability of the equity securities.

The conversion right, redemption right, and selling right are evaluated based on a valuation model widely accepted by market users, which is a binomial tree valuation model.

**(3.3) Financial guarantee contract**

The discounted cash flow model was applied to estimate the fair value. The main assumption was to incorporate the expected default rate of the transaction counterparty (the weighted-average ECL) and expected losses in the event of default.

**(3.4) Beneficial interests in construction projects and of landowners**

Measurement of the fair value of the Group's beneficiary interests in construction projects and of landowner is based on the discounted cash flow model. Quantified information of significant unobservable inputs includes buildings sale prices and construction costs. The discounted cash flows are used to estimate fair values.

**(4) Transfers between Level 1 and Level 2: None.**

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## (5) Reconciliation of Level 3 fair values

	<b>Financial assets and liabilities held for trading</b>	
	<b>Non-derivative financial liabilities - beneficial interests of landowners</b>	<b>Measured at fair value through profit or loss - Investments in bond instruments that are not publicly quoted</b>
January 1, 2025	( \$ <b>31,389</b> )	<b>97,038</b>
June 30, 2025	( \$ <b>31,389</b> )	<b>97,038</b>
January 1, 2024	( \$ 27,813 )	-
Buy	-	32,610
Issued	( 1,894 )	-
June 30, 2024	( \$ <b>29,707</b> )	<b>32,610</b>

## (6) Quantified information for significant unobservable inputs (Level 3) used in fair value measurement

The Group's fair value measurement is classified as Level 3. It is mainly non-derivative financial assets and liabilities, measured at fair value through profit and loss - bond instrument investments that are not publicly quoted. The fair value measurement is classified as Level 3 and has multiple significant unobservables.

<b>Item</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Financial assets at fair value through profit or loss - Domestic corporate bonds with no active market	Binary convertible bond evaluation model Comparable to the TWSE/TPEX Listed Companies	<ul style="list-style-type: none"> <li>Volatility (39.17% as of both June 30, 2025 and December 31, 2024)</li> <li>Lack of market liquidity and discount (25.43% as of both June 30, 2025 and December 31, 2024)</li> </ul>	<ul style="list-style-type: none"> <li>The higher the volatility, the higher the public value.</li> <li>The higher the discount due to lack of market liquidity, the lower the public value.</li> </ul>
Liabilities arising from beneficial interests of landowner	Discounted cashflow	<ul style="list-style-type: none"> <li>Fluctuations in building selling prices and construction costs (\$307 thousand as of June 30, 2025; December 31, 2024; and June 30, 2024)</li> </ul>	<ul style="list-style-type: none"> <li>Fair value is higher if building selling price is higher or if construction costs are lower.</li> </ul>

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**Notes to the Consolidated Financial Statements (Continued)**

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

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

	Inputs	Variation	Impacts of fair value change on net income or loss	
			Favourable	Unfavourable
June 30, 2025				
Financial assets at fair value through profit or loss				
Investment in bond instruments without active market	Volatility	5%	-	-
	Liquidity discount	5%	-	-
Financial liabilities at fair value through profit or loss				
Liabilities arising from beneficial interests of landowner	Price fluctuation	5%	12,350(	12,122)
December 31, 2024				
Financial assets at fair value through profit or loss				
Investment in bond instruments without active market	Volatility	5%	-	-
	Liquidity discount	5%	-	-
Financial liabilities at fair value through profit or loss				
Liabilities arising from beneficial interests of landowner	Price fluctuation	5%	12,350(	12,122)

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			Impacts of fair value change on net income or loss	
			<u>Favourable</u>	<u>Unfavourable</u>
<b>June 30, 2024</b>				
<b>Financial assets at fair value through profit or loss</b>				
Investments in bond instruments that are not publicly quoted	Risk premium rate Market interest rate	1%	770(	744)
		1%	770(	744)
<b>Financial liabilities at fair value through profit or loss</b>				
Liabilities arising from beneficial interests of landowner	Price fluctuation	5%	13,628(	13,403)

The favourable and unfavourable change effects represent the change in fair value and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

## (x) Financial risk management

Except as stated below, there were no significant differences of the Group's financial risk management and policies with those disclosed in Note 6(x) of the consolidated financial statements for the year ended December 31, 2024.

## (y) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group have been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(y) of the consolidated financial statements for the year ended December 31, 2024.

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## (z) Investing and financing activities not affecting cash flow

The Group's investing and financing activities which have non-cash flow for the six months ended June 30, 2025, and 2024, were as follows:

## i. Reconciliation of liabilities from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes		June 30, 2025
			Other	Foreign exchange movement	
Short-term borrowings	\$ 3,682,065	95,242	-	( 268,607)	3,508,700
Long-term borrowings	4,172,213	( 676,170)	-	( 256,416)	3,239,627
Lease liabilities	10,701,125	( 326,581)	1,827	( 1,077,518)	9,298,853
Guarantee deposits	592,120	( 26,878)	-	( 59,025)	506,217
Total liabilities from financing activities	<b>\$ 19,147,523</b>	<b>( 934,387)</b>	<b>1,827</b>	<b>( 1,661,566)</b>	<b>16,553,397</b>

	January 1, 2024	Cash flows	Non-cash changes		June 30, 2024
			Other (Note)	Foreign exchange movement	
Short-term borrowings	\$ 3,657,193	587,951	-	139,230	4,384,374
Long-term borrowings	5,038,796	( 704,089)	-	176,137	4,510,844
Lease liabilities	10,269,949	( 328,298)	( 77,624)	499,669	10,363,696
Guarantee deposits	573,039	( 4,320)	-	28,497	597,216
Total liabilities from financing activities	<b>\$ 19,538,977</b>	<b>( 448,756)</b>	<b>( 77,624)</b>	<b>843,533</b>	<b>19,856,130</b>

Note: This represents the addition of right-of-use assets of \$15,582 thousand and the reclassification to other payables of \$93,206 thousand.



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**Notes to the Consolidated Financial Statements (Continued)**

**(7) Related-party transactions**

**(a) Parent company and ultimate controlling company**

First Steamship Co., Ltd. is the ultimate controlling company of the Group.

**(b) Names and relationship with related parties**

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

<b>Name of related party</b>	<b>Relationship with the Group</b>
Shanghai Guorui Tongshun Environmental Protection Technology Co., Ltd.	The Group's manager is the company's director
Shanghai Allied Cement Holdings Limited	The Group's manager is the company's director
Hainan Sanhe Licheng Business Service Co., Ltd.	Associate
Haikou Zhuke Technology Co., Ltd. (Zhuke Technology)	Associate
Wuhan Zhuke Technology Co., Ltd. (Zhuke Technology)	Associate
Shanghai Zhuke Technology Co., Ltd. (Zhuke Technology)	Associate
Chengdu Zhuke Technology Co., Ltd. (Zhuke Technology)	Associate
Changsha Zhuke Technology Co., Ltd. (Zhuke Technology)	Associate
Da Yu Financial Holdings Ltd.	Associate
Jiawang Assets Development Co., Ltd. (Jiawang Assets)	Associate
PRO Brand Technology (Tw) Inc. (PBT)	A subsidiary of the associate

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## (c) Significant transactions with related parties

## i. Payables to related parties

The payables to related parties were as follows:

<b>Account</b>	<b>Relationship</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Other payables (Note)	Zhuke Technology	<u>\$ 5,600</u>	<u>56,621</u>	<u>34,300</u>

Note: Receipts of payment for car sale on behalf of related party.

## ii. Leases

## (1) Lease liabilities and interest costs

<b>Relationship</b>	<b>Purpose</b>	<b>Lease liabilities</b>		
		<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Other related party	Energy saving renovation engineering equipment	<u>\$ 5,699</u>	<u>7,986</u>	<u>9,566</u>

Note: To sign the lease agreement with related parties above, the price and the way of payment are based on the agreements between the parties and the Group.

<b>Relationship</b>	<b>Purpose</b>	<b>Interest expense</b>			
		<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Other related party	Energy saving renovation engineering equipment	<u>\$ 74</u>	<u>115</u>	<u>165</u>	<u>242</u>

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## (2) Operating lease

Relationship	Purpose	Rent expense			
		For the three months ended June 30		For the six months ended June 30	
		2025	2024	2025	2024
Other related parties (Note)	Office building	\$ 23	38	76	38

Note: These leases are short-term lease, and the Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

## iii. Lease receivables

The Group's significant lease receivables from related parties are as follows:

Account	Relationship	June 30, 2025	December 31, 2024	June 30, 2024
Lease receivables	Hainan Sanhe	\$ 137,589	153,317	153,087
	Licheng			
Lease receivables	Zhuke			
	Technology	273,142	350,185	355,659
Less: Loss allowance -				
Hainan Sanhe				
Licheng		( 135,756)	( 151,219)	( 150,993)
Less: Loss allowance -				
Zhuke				
Technology		( 273,142)	( 305,555)	( 298,767)
		\$ 1,833	46,728	58,986

Derived from finance leases, the interest income received by the Group from its associates is based on interest rates agreed by both parties and collected monthly. Those interest rates are not significantly different from those for unrelated parties. The receivables due from related parties were guaranteed by vehicles under finance lease.

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The overdue receivables of Hainah Sanhe Licheng and Zhuke Technology resulted from the COVID-19 pandemic, which significantly increased their credit risk. After assessment of the value of collateral, the Group recognized credit loss reversal gains of \$1,085 thousand and expected credit loss expenses of \$36,207 thousand for the six months ended June 30, 2025 and 2024, respectively.

## iv. Account receivables-related parties

The amounts of account receivables by the Group to related parties were as follows:

<b>Account</b>	<b>Relationship</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Other receivables (loaning)	Jiawang Assets	\$ 16,200	16,200	16,200
Other receivables (interest)	Hainah Sanhe Licheng	2,528	2,817	2,813
Other receivables (interest)	Zhuke Technology	4,167	4,643	4,635
Other receivables (interest)	Jiawang Assets	1,084	602	112
Other receivables (preferred stock dividend)	Jiawang Assets	6,020	6,020	1,072
Other receivables (others)	Zhuke Technology	5,155	4,197	483
Less: Loss allowance		( 13,522)	( 13,329)	( 7,931)
		<u>\$ 21,632</u>	<u>21,150</u>	<u>17,384</u>
Other financial assets	Zhuke Technology	\$ 32,744	36,487	36,426
Less: Loss allowance		( 32,744)	( 36,487)	( 36,426)
		<u>\$ -</u>	<u>-</u>	<u>-</u>

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The Group uses loss provision to provide for its lifetime ECLs on both receivables from its related parties and other financial assets. The credit risk on financial assets of Hainan Sanhe and Zhuke Technology has increased significantly; therefore, after assessing the value of collateral and evaluating subsequent recoveries and other repayment sources, the Group recognized expected credit loss expenses of \$1,475 thousand and expected credit loss reversal gains of \$14,212 thousand for the six months ended June 30, 2025 and 2024, respectively.

All the loans to related parties were unsecured, with an annual interest rate of 6%. Related amounts were as follows:

	<b>Interest income</b>			
	<b>For the three months ended June 30</b>		<b>For the six months ended June 30</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Hainah Sanhe Licheng	\$ -	28	-	282
Jiawang Assets	242	112	482	117
	<b>\$ 242</b>	<b>140</b>	<b>482</b>	<b>399</b>

- v. The Group promised to buy unconditionally the default claims from Shangshi for Zhuke Technology who violated the agreement. Please refer to Note 9(a) for further information.
- (1) The credit risk of Hainah Sanhe Licheng has increased significantly; therefore, the Group assessed the value of collateral and the potential default risk of the counterparty over the contract term, and recognized expected credit loss reversal gains of \$3,478 thousand for the six months ended June 30, 2024.
  - (2) The Group signed the contract of cooperation with Shangshi Financial Leasing Co., Ltd. on March 29, 2024. The Group paid the amount to repurchase the debit of Hainan Sanhe Licheng Business Service Co., Ltd. \$23,142 thousand (RMB5,083 thousand) and recognized on accounts receivable. In addition, it reclassifies Other non-current liabilities to accounts receivable.

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vi. Other

- (1) The resolution of the Board of Directors was passed on January 17, 2024 for the Group to participate in the cash capital increase of Da Yu Financial Holdings Ltd. according to the ratio of shareholding. Please refer to Note 6(f) for further information.
- (2) The Group purchased the special shares of Jiawang Assets Development Co., Ltd., with the shares amount of 3,000 thousand (in cash \$30,000 thousand) and 2,990 thousand (in cash \$29,900 thousand) in 2020 and 2019, respectively. The special shares have cumulative priority rights and the dividend interest rate are 8% and 6% respectively and the duration both are 5 years. The principal amount of \$59,900 thousand was fully recovered as of December 31, 2024, and preferred dividend income of \$1,846 thousand was recognized for the six months ended June 30, 2024.
- (3) As of December 31, 2024, the Group subscribed for private placement of convertible bonds of PRO Brand Technology (TW) Inc. for \$97,038 thousand (US\$3,000 thousand) and recognized as financial assets at fair value through profit or loss - current.

(d) Key management personnel trade

i. Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended		For the six months ended	
	June 30,		June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 13,155	12,693	26,866	26,862

- ii. The Group granted key management personnel rights to subscribe treasury shares as prepaid salaries. As of June 30, 2025, December 31, 2024, and June 30, 2024, those prepaid salaries amounting to \$36,212 thousand (RMB8,847 thousand), \$40,351 thousand (RMB8,847 thousand), and \$40,284 thousand (RMB8,847 thousand), which were recognized under other non-current assets accounts.

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**(8) Pledged assets**

The carrying amount of pledged assets were as follows:

<b>Pledged assets</b>	<b>Object</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
Inventories-construction industry	Bank loans	\$ 1,478,836	1,473,398	1,458,014
Other financial assets	Bank depository funds	11,624	13,399	12,383
Other financial assets	Frozen deposits due to lease dispute	533	35,853	35,198
Other financial assets	Bank loans	699,085	763,925	992,202
Other financial assets	Litigation security	72,593	81,227	80,397
Other financial assets	Trust account	49,495	26,975	-
Property, plant and equipment (Note)	Bank and other secured loans	9,645,906	11,018,377	10,652,403
Investment property	Bank loans	138,657	139,143	139,630
		<b>\$ 12,096,729</b>	<b>13,552,297</b>	<b>13,370,227</b>

Note: Property, plant and equipment including the land use rights, which are recognized as right-of-use assets.

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Except for those described in Note 6, the Group's other significant commitments and contingencies were as follows:

**(a) Unrecognized contractual commitments****i. The unrecognized contractual commitments of the Group were as follows:**

		<b>June 30, 2025</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
<u>Contracted price</u>				
Sales of buildings and land	\$	814,680	405,367	-
Acquisition of buildings and land		665,331	665,331	665,331
Subcontracted construction projects		47,034	47,034	33,537
<u>Received or paid price</u>				
Sales of buildings and land (recognized as contract liabilities-current)	\$	47,138	27,262	-
Acquisition of buildings and land (prepayment for land purchases and development costs)		259,406	259,406	279,912
Subcontracted construction projects (recognized as inventories)		18,612	18,612	10,688

**ii. Shangshi Financial Leasing Co., Ltd. (Shangshi) entered into several finance leases contracts with different customers introduced by the Group based on the Finance Lease Business Cooperation Agreement signed by Shangshi and the Group. According to the agreement, the Group should look for customers with good credit ratings, in accordance with the specified risk management standards, before introducing them to Shangshi. Thereafter, the Group will receive a portion of contract prices from Shangshi. In addition, the Group promised to purchase unconditionally the default debt claims from Shangshi for any customer who breached the contracts. In addition, the Group promised to purchase unconditionally the default debt claims from Shangshi for any customer who breached the contracts. There were no material overdue receivables arising from the above-mentioned contract. For the six months ended June 30, 2025 and 2024, the Group took into consideration the possibility of default during the contract period to recognize allowances for ECLs; please refer to Note 6(w) for the ECLs.**



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The Group signed the contract of cooperation with Shangshi Financial Leasing Co., Ltd. on March 29, 2024. The Group paid Shangshi Financial Leasing Co., Ltd. \$25,964 thousand (RMB5,702 thousand) to repurchase on above the default claim of \$28,615 thousand (RMB6,285 thousand) and recognize as accounts receivable. In addition, reclassify the allowance for losses under other non-current liability \$27,634 thousand (RMB6,285 thousand) to accounts receivable.

- iii. The Group signed the joint construction contracts with other companies as follows:

<b>Construction method</b>	<b>Project name or land lot No.</b>
Joint construction with allocation of buildings	Me island phase III B1
Joint construction	Nan Jing Jian Kang
Joint construction and investment with allocation of buildings	Tucheng Yongfu (Note)

Note: As joint investors and builders, the Group and Honor Construction Ltd. endorsed each other as stipulated in the contract. Please refer to Note 13 for details.

- (b) Significant contingencies:

- i. While the Group acquired the Quanzhou store, the assignor, Quanzhou FuHua Co., Ltd., failed to comply with the term of the contract, which stated that the assignor should repay the mortgage loan secured by the 4th floor of the Quanzhou store with the consideration paid by the Group to release the mortgage. Therefore, the mortgagee filed an application to freeze the rent earned from the 4th floor of the Quanzhou store in June 2020. The Group evaluates that the creditor still has means to repay the mortgage loan; hence, the 4th floor of the Quanzhou store should not be at risk of impairment.

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- ii. Chongqing Optics Valley Grand Ocean Commercial Development Ltd., a subsidiary of the Group, has incurred continuous operating losses. It ceased operation on October 31, 2022 and terminated the lease contract in advance with the owner, Chongqing Zhengsheng Real Estate Co., Ltd. ("Chongqing Zhengsheng"). However, Chongqing Zhengsheng filed a litigation against Chongqing Optics Valley Grand Ocean Commercial Development Ltd. on August 17, 2023. Chongqing Zhengsheng's claims were as follows:
- (1) Demanding the Group to pay early termination default payment of \$129,003 thousand (RMB28,285 thousand) under the lease contract. The default payment was offset by a performance bond of \$29,645 thousand (RMB6,500 thousand). In addition, the Group estimated and recognized \$123,867 thousand (RMB27,159 thousand) as other payables; On September 19, 2024, in accordance with the court's first-instance judgment, the overvalued early termination default payment of \$107,467 thousand (RMB24,207 thousand) were reversed and recognized as other gains and losses;
  - (2) Demanding the Group to settle rentals overdue and the default payments totaling \$116,520 thousand (RMB25,548 thousand) as of the handover date, for which the Group has estimated and recognized amount as other payables. On September 19, 2024, in accordance with the court's first-instance judgment, the overvalued rent and default payments of \$1,012 thousand (RMB228 thousand) were reversed and recognized as other gains and losses.
  - (3) Demanding the Group to pay the rental, penalty and occupancy fee totaling \$20,502 thousand (RMB4,618 thousand) owed by Huanyang Cinema from the site clearance date to the litigation date. However, the Group had already sent a mail by post to prove the handover of the site. Besides, the Group was no longer able to use the underlying subject. Therefore, the Group deemed the Chongqing Zhengsheng's request to be ungrounded, and the Group should not be liable for compensation. According to the first-instance judgment of the court on September 19, 2024, the Group should pay Huanyang Cinema demolition and occupancy fees of \$12,168 thousand (RMB2,668 thousand), which were recognized as other payables and other gains and losses.
  - (4) Demanding the Group to refund the reduced portion of rent for prior years, the penalty fee and related litigation expenses totaling \$36,422 thousand (RMB8,204 thousand). However, the Group had already refunded the reduced

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portion of rentals to Chongqing Zhengsheng. The Group deemed the Chongqing Zhengsheng's request to be ungrounded, hence the Group should not be liable for compensation. According to the first-instance judgment of the court on September 19, 2024, the Group should pay a total of \$3,334 thousand (RMB731 thousand) for site restoration fees and related litigation expenses, which were recognized as other payables and other gains and losses.

Chongqing Zhengsheng applied property protection to the court on September 7, 2023. The court froze the Group's bank deposit and the equity in Nanjing Grand Ocean Classic Commercial Ltd., a subsidiary of the Group.

The Group assessed that the aforementioned amounts had been included in the accounts in accordance with the first-instance judgment of the court. However, Chongqing Zhengsheng disagreed with the judgment of the court and appointed a lawyer to file an appeal, and the second-instance judgment of the court on November 21, 2024 upheld the results of the first-instance judgment, and the Group settled the case with Chongqing Zhengsheng on December 30, 2024. The aforementioned amounts have been fully paid and the asset freeze has been lifted on March 31, 2025.

- iii. Hubei Huayu filed a lawsuit against Grand Ocean Classic Commercial Group Co., Ltd. and Wuhan Optics Valley Grand Ocean Commercial Development Co., Ltd. in the 3rd quarter of 2021 for the dispute over the equity investment in Hubei Huayu prior to 2017, claiming damages amounting to RMB93 million. On July 28, 2022, the court ruled in the first instance that the Group won the case, but Hubei Huayu refused to accept the court's judgment and appointed a lawyer to file an appeal, which is still in court. Later, on August 16, 2024 the court finally ruled in favor of the Group.
- iv. On August 31, 2023, Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., a subsidiary, ceased operation due to continuing losses and requested early termination of its lease with the landlord, Wuhan Trade State-owned Holdings Group Co., Ltd. (hereinafter referred to as "Wuhan Trade"). On November 26, 2023, Wuhan Trade filed a lawsuit with the court to request the following:
  - (1) Demanding the Group to pay the rentals overdue, for which the Group has estimated and recognized an amount in lease liabilities. In addition, the Group recognized a default payment for early contract termination amounting to

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\$207,549 thousand (RMB45,507 thousand) in other payables. Moreover, the performance bond of \$22,804 thousand (RMB5,000 thousand) was not refunded, for which the Group has recognized losses on bad debts in other gains and losses in 2023. In accordance with the first-instance judgment of the court on June 14, 2024, the rent for September 2023 was additionally estimated at \$15,152 thousand (RMB3,413 thousand), and the liquidated damages for early termination of the overestimation were reversed at \$22,198 thousand (RMB5,000 thousand), recognized as other gains and losses;

- (2) Demanding the Group to pay \$33,674 thousand (RMB7,585 thousand) for lease losses caused by premature termination of lease contract. According to the first-instance judgment of the court on June 14, 2024, the Group has no obligation to compensate.
- (3) Demanding the Group to refund the reduced portion of rentals and the default payments totaling \$85,105 thousand (RMB19,170 thousand), for which the Group has estimated and recognized \$85,643 thousand (RMB18,778 thousand) as other payables. According to the first-instance judgment of the court on June 14, 2024, the Group had no obligation to compensate, so the aforementioned amount was reversed and recorded as other gains and losses;
- (4) Demanding the Group to refund the rentals of \$21,270 thousand (RMB4,791 thousand) paid during the 5-month rent-free period in prior years. According to the first-instance judgment of the court on June 14, 2024, the Group has no obligation to compensate.
- (5) Demanding the Group to pay the demolition fees and related litigation expenses totaling \$10,397 thousand (RMB2,342 thousand) for the cinema on the 5th floor that is to be demolished. According to the first-instance judgment of the court on June 14, 2024, the Group should pay litigation expenses of \$1,327 thousand (RMB291 thousand), which were recorded as other payables and other gains and losses.

On November 21, 2023, Wuhan Trade filed an application for property preservation with the court. The court legally frozen the bank deposits of the Group of \$306 thousand (RMB67 thousand), and the amount was recognized as other current financial assets.

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The Group assessed that the aforementioned amounts had been included in the accounts in accordance with the first-instance judgment of the court. However, Wuhan Trade disagreed with the judgment of the court and appointed a lawyer to file an appeal, and the second-instance judgment of the court on September 29, 2024 upheld the results of the first-instance judgment, and the Group settled the case with Wuhan Trade on December 2, 2024. The aforementioned amounts have been fully paid on June 30, 2025.

- v. On August 31, 2023, Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd., a subsidiary of the Group, ceased operation due to continuing losses and terminated its lease with a brand vendor, Wuhan Laopai Catering Management Co., Ltd. ("Laopai") before the end of contract term. On December 20, 2023, Laopai filed a request for arbitration to demand the refund of performance bond and default payment for early termination, renovation losses and related litigation expenses totaling \$27,085 thousand (RMB6,101 thousand). According to the arbitration ruling on October 12, 2024, the Group should compensate Laopai for the aforementioned expenses in total of \$22,450 thousand (RMB5,485 thousand). The Group had already recognized this amount in the 2024 financial statements under other payables and other gains and losses. As of June 30, 2025, the said amount remains unpaid.
- vi. In May 2022, Sure Success Steamship S.A. ("SSS"), the Group's subsidiary, contracted with Perfect Bulk Limited ("PB") to lease a bulk carrier named Ever Success to it. As PB failed to pay the remaining rentals and the differences in fuel oil prices totaling US\$431 thousand as well as the fuel expenses paid on behalf of PB of US\$350 thousand (\$10,255 thousand recognized as other current assets). In July 2023, the Group filed a lawsuit with the London Court of International Arbitration. In addition, the Group applied to the South African court in August 2023 and was approved to arrest PB's ship Tai Harmony. PB has provided a deposit of \$25,667 thousand (US\$876 thousand) to lift the seizure of the vessel. During September 2023, PB also filed a counterclaim with the India court, claiming that the Group was liable for business losses caused by its refusal to carry steel rolls and container during the lease period and applying for the seizure of Ever Success, a vessel of subsidiary SSS to use it as the security for the counterclaim. In October

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2023, the Group provided the court with a deposit of \$72,593 thousand (US\$2,478 thousand) to lift the seizure of the vessel (recognized as other non-current financial assets). The aforementioned case has now been consolidated and is under arbitration in London, United Kingdom. Both parties presented their statements in March 2025. According to the opinion of the appointed legal counsel, the counterclaim amount by PB is estimated to fall within the range of US\$1,500 thousand to US\$2,000 thousand. In June 2025, both parties agreed to suspend the arbitration to engage in settlement discussions. If a settlement is not reached by September 30, 2025, the arbitration will be resumed.

The Group refused to load PB's cargo under the contract on the basis that the charterer's restrictions on the use of the vessel and the rolled materials loading manual and the IMSBC (International Maritime Solid Bulk Cargo Code) were specified in the contract; therefore, PB's claim was ungrounded, and the Group shall not be liable for compensation.

In the second quarter of 2024, the Group applied to the South African court for an additional deposit of \$12,775 thousand (US\$436 thousand) that PB should deposit and was approved. PB has appealed to the South African court and applied to cancel the deposit and subsequent additional deposit. Totaling \$38,442 thousand (US\$1,312 thousand), the application was rejected by the court on July 23, 2024. Later, PB then filed an appeal with the Supreme Court on August 22, 2024 and on December 9, 2024 filed an application with the Court to prove that the legal representative of PB had no shareholding relationship with Tai Harmony prior to the seizure of the vessel, which the case is still pending in the court.

**(10) Losses due to major disasters: None.**

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On July 11, 2025, the Group's Board of Directors approved the proposed disposal by subsidiaries First Steamship S.A. and Ahead Capital Ltd. of their equity interests in the subsidiary Grand Ocean Retail Group Ltd., amounting to 20,000 thousand shares and 3,316 thousand shares, respectively.

**(12) Other**

- (a) The employee benefit expenses, depreciation and amortization, categorized by function, were as follows:

By function By item	For the three months ended June 30					
	2025			2024		
	Cost of sales	Operating expense	Total	Cost of sales	Operating expense	Total
Employee benefit expenses						
Salary	82,937	118,488	201,425	87,871	101,993	189,864
Health and labor insurance	-	1,359	1,359	-	1,586	1,586
Pension	-	12,072	12,072	-	13,173	13,173
Others	5,720	17,336	23,056	6,131	21,935	28,066
Depreciation	103,153	336,576	439,729	111,571	374,025	485,596
Amortization	16,366	1,031	17,397	12,900	1,489	14,389

By function By item	For the six months ended June 30					
	2025			2024		
	Cost of sales	Operating expense	Total	Cost of sales	Operating expense	Total
Employee benefit expenses						
Salary	175,781	232,636	408,417	169,152	214,895	384,047
Health and labor insurance	-	2,932	2,932	-	3,029	3,029
Pension	-	25,525	25,525	-	27,105	27,105
Others	11,853	41,559	53,412	13,665	47,333	60,998
Depreciation	214,870	709,189	924,059	219,549	768,519	988,068
Amortization	36,508	2,254	38,762	29,865	2,863	32,728

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(b) Seasonality of operations

The Group's retail business is subject to seasonal fluctuations as a result of vacation. Thus, this industry typically has higher revenues and results for the first and fourth quarter of the year.

**(13) Other disclosures**

(a) Information on significant transactions:

In accordance with the Regulations Governing the Preparation of Financial Reports of Securities Issuers for the six months ended June 30, 2025, the Group is required to disclose additional information regarding significant transactions as follows:

- i. Loans to other others: Please refer to Table 1.
- ii. Guarantees and endorsements for other parties: Please refer to Table 2.
- iii. Holding of significant marketable securities (not including subsidiaries, associates and joint ventures): Please refer to Table 3.
- iv. Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the capital stock: None.
- v. Receivables from related parties of \$100 million or 20% of paid-in capital or more: Please refer to Table 4.
- vi. Business relationships and significant intercompany transactions: Please refer to Table 5.

(b) Information on investees: Please refer to Table 6.

(c) Information on investment in China: Please refer to Table 7.



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**(14) Segment information**

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

	<u>Shipping Segment</u>	<u>Investing Segment</u>	<u>Department Store Segment</u>	<u>Rental Segment</u>	<u>Construction Segment</u>	<u>Reconciliation and elimination</u>	<u>Total</u>
<b>For the three months ended June 30, 2025</b>							
Revenue:							
Revenue from external customers	\$ 354,761	1,884	648,207	2,475	-	-	1,007,327
Intersegment revenues	-	399	-	-	-	( 399)	-
Total revenue	<u>\$ 354,761</u>	<u>2,283</u>	<u>648,207</u>	<u>2,475</u>	<u>-</u>	<u>( 399)</u>	<u>1,007,327</u>
Reportable segment profit or loss	<u>\$ 14,795</u>	<u>17,087</u>	<u>( 209,880)</u>	<u>( 2,752)</u>	<u>( 10,253)</u>	<u>-</u>	<u>( 191,003)</u>
<b>For the three months ended June 30, 2024</b>							
Revenue:							
Revenue from external customers	\$ 405,906	1,742	779,872	8,878	-	-	1,196,398
Intersegment revenues	-	386	-	-	-	( 386)	-
Total revenue	<u>\$ 405,906</u>	<u>2,128</u>	<u>779,872</u>	<u>8,878</u>	<u>-</u>	<u>( 386)</u>	<u>1,196,398</u>
Reportable segment profit or loss	<u>\$ 59,714</u>	<u>4,777</u>	<u>( 41,683)</u>	<u>( 43,335)</u>	<u>( 11,503)</u>	<u>-</u>	<u>( 32,030)</u>
<b>For the six months ended June 30, 2025</b>							
Revenue:							
Revenue from external customers	\$ 712,524	3,641	1,444,536	5,768	-	-	2,166,469
Intersegment revenues	-	797	-	-	-	( 797)	-
Total revenue	<u>\$ 712,524</u>	<u>4,438</u>	<u>1,444,536</u>	<u>5,768</u>	<u>-</u>	<u>( 797)</u>	<u>2,166,469</u>
Reportable segment profit or loss	<u>\$ 24,427</u>	<u>( 2,391)</u>	<u>( 383,400)</u>	<u>( 8,746)</u>	<u>( 21,945)</u>	<u>-</u>	<u>( 392,055)</u>
<b>For the six months ended June 30, 2024</b>							
Revenue:							
Revenue from external customers	\$ 779,248	3,480	1,690,854	16,153	-	-	2,489,735
Intersegment revenues	-	773	-	-	-	( 773)	-
Total revenue	<u>\$ 779,248</u>	<u>4,253</u>	<u>1,690,854</u>	<u>16,153</u>	<u>-</u>	<u>( 773)</u>	<u>2,489,735</u>
Reportable segment profit or loss	<u>\$ 96,814</u>	<u>6,562</u>	<u>( 155,143)</u>	<u>( 54,400)</u>	<u>( 22,854)</u>	<u>-</u>	<u>( 129,021)</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements (Continued)

Table 1 Loans to others  
(June 30, 2025)

Unit: NT\$ thousands																	
No.	Creditor	Borrower	General ledger account	Is a related party (Y/N)	Maximum outstanding balance	Closing balance	Actual amount drawn down this period	Range of interest rates	Nature of loan	Amount of transaction with the borrower	Reason for short-term financing	Loss allowance	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Item	Value			
0	First Steamship Co., Ltd.	Royal Sunway Development Co., Ltd.	Other receivables - related parties	Y	750,000	700,000	700,000	3.25%	2	-	Business operation	-	Cashier's order	700,000	2,915,036	2,915,036	
1	Royal Sunway Development Co., Ltd.	Jiawang Assets Development Co., Ltd.	Other receivables - related parties	Y	16,200	16,200	16,200	6.00%	2	-	Business operation	-	Cashier's order	16,200	80,310	80,310	
2	First Steamship S. A.	Ahead Capital Ltd.	Other receivables - related parties	Y	644,600	644,600	617,761	0.00%	2	-	Business operation	-	-	-	7,910,850	7,910,850	
2	First Steamship S. A.	Media Assets Global Ltd.	Other receivables - related parties	Y	351,600	351,600	328,189	0.00%	2	-	Business operation	-	-	-	7,910,850	7,910,850	
2	First Steamship S. A.	First Steamship Co., Ltd.	Other receivables - related parties	Y	732,500	732,500	600,299	0.00%	2	-	Business operation	-	-	-	7,910,850	7,910,850	
2	First Steamship S. A.	Grand Ocean Retail Group Ltd.	Other receivables - related parties	Y	556,700	556,700	527,400	4.35%	2	-	Business operation	-	Cashier's order	556,700	1,054,780	1,054,780	
2	First Steamship S. A.	Mariner Finance Ltd.	Other receivables - related parties	Y	383,830	339,880	316,440	0.00%	2	-	Business operation	-	-	-	7,910,850	7,910,850	
3	Nature Sources Ltd.	First Steamship S.A.	Other receivables - related parties	Y	263,700	263,700	263,407	0.00%	2	-	Business operation	-	-	-	790,404	790,404	
4	Heritage Riches Ltd.	First Steamship S.A.	Other receivables - related parties	Y	29,300	29,300	20,803	0.00%	2	-	Business operation	-	-	-	73,512	73,512	
5	Grand Citi Ltd.	Grand Ocean Retail Group Ltd.	Other receivables - related parties	Y	1,582,200	1,582,200	1,191,382	3.95%	2	-	Business operation	-	-	-	71,955,790	71,955,790	
5	Grand Citi Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	256,375	256,375	210,890	0.00%	2	-	Business operation	-	-	-	71,955,790	71,955,790	

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No.	Creditor	Borrower	General ledger account	Is a related party (Y/N)	Maximum outstanding balance	Closing balance	Actual amount drawn down this period	Range of interest rates	Nature of loan	Amount of transaction with the borrower	Reason for short-term financing	Loss allowance	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Item	Value			
6	Grand Ocean Classic Commercial Group Co., Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	Other receivables - related parties	Y	282,416	282,416	282,416	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Quanzhou Grand Ocean Commercial Ltd.	Other receivables - related parties	Y	1,350,683	1,350,683	1,348,637	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Classic Commercial Ltd.	Other receivables - related parties	Y	1,375,242	1,375,242	1,279,056	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Other receivables - related parties	Y	40,930	40,930	20,056	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Jiaruixing Business Administration Limited	Other receivables - related parties	Y	182,138	182,138	169,040	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Commercial Ltd.	Other receivables - related parties	Y	336,853	336,853	246,807	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Other receivables - related parties	Y	26,604	26,604	26,236	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	Other receivables - related parties	Y	184,185	184,185	175,590	0.00%	2	-	Business operation	-	-	-	56,650,020	56,650,020	
6	Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Retail Group Ltd.	Other receivables - related parties	Y	703,200	703,200	644,600	3.6%~3.95%	2	-	Business operation	-	-	-	56,650,020	56,650,020	

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No.	Creditor	Borrower	General ledger account	Is a related party (Y/N)	Maximum outstanding balance	Closing balance	Actual amount drawn down this period	Range of interest rates	Nature of loan	Amount of transaction with the borrower	Reason for short-term financing	Loss allowance	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Item	Value			
7	Fuzhou Grand Ocean Commercial Ltd.	Fuzhou Jiaruixing Business Administration Limited	Other receivables - related parties	Y	30,697	30,697	30,697	0.00%	2	-	Business operation	-	-	-	18,411,050	18,411,050	
7	Fuzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Other receivables - related parties	Y	200,556	200,556	200,556	0.00%	2	-	Business operation	-	-	-	18,411,050	18,411,050	
8	Nanjing Grand Ocean Classic Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	2,223,146	2,223,146	2,216,802	0.10%	2	-	Business operation	-	-	-	20,648,620	20,648,620	
9	Wuhan Grand Ocean Classic Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	96,963	81,860	-	0.00%	2	-	Business operation	-	-	-	17,390,530	17,390,530	
9	Wuhan Grand Ocean Classic Commercial Development Ltd.	Shiyan Ocean Modern Shopping Co., Ltd.	Other receivables - related parties	Y	415,439	415,439	368,778	0.00%	2	-	Business operation	-	-	-	17,390,530	17,390,530	
9	Wuhan Grand Ocean Classic Commercial Development Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	Other receivables - related parties	Y	171,906	171,906	158,808	0.00%	2	-	Business operation	-	-	-	17,390,530	17,390,530	
9	Wuhan Grand Ocean Classic Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Other receivables - related parties	Y	85,953	85,953	69,581	0.00%	2	-	Business operation	-	-	-	17,390,530	17,390,530	
9	Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Other receivables - related parties	Y	94,138	94,138	90,534	0.00%	2	-	Business operation	-	-	-	17,390,530	17,390,530	
10	Yichang Grand Ocean Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	894,316	894,316	870,985	0.00%	2	-	Business operation	-	-	-	4,549,040	4,549,040	

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No.	Creditor	Borrower	General ledger account	Is a related party (Y/N)	Maximum outstanding balance	Closing balance	Actual amount drawn down this period	Range of interest rates	Nature of loan	Amount of transaction with the borrower	Reason for short-term financing	Loss allowance	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Item	Value			
10	Yichang Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Other receivables - related parties	Y	81,860	81,860	63,441	0.00%	2	-	Business operation	-	-	-	4,549,040	4,549,040	
10	Yichang Grand Ocean Commercial Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Other receivables - related parties	Y	254,584	254,584	205,468	0.00%	2	-	Business operation	-	-	-	4,549,040	4,549,040	
11	Hefei Grand Ocean Classic Commercial Department Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	343,811	343,811	335,625	0.00%	2	-	Business operation	-	-	-	2,789,110	2,789,110	
12	Shanghai Jingxuan-Commercial Management Co., Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	28,651	28,651	28,651	0.00%	2	-	Business operation	-	-	-	352,150	352,150	
13	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Other receivables - related parties	Y	40,930	40,930	-	0.00%	2	-	Business operation	-	-	-	17,889,970	17,889,970	
13	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Other receivables - related parties	Y	146,324	146,324	146,324	0.00%	2	-	Business operation	-	-	-	17,889,970	17,889,970	
13	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Other receivables - related parties	Y	495,252	495,252	353,778	0%~3.2%	2	-	Business operation	-	-	-	17,889,970	17,889,970	

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No.	Creditor	Borrower	General ledger account	Is a related party (Y/N)	Maximum outstanding balance	Closing balance	Actual amount drawn down this period	Range of interest rates	Nature of loan	Amount of transaction with the borrower	Reason for short-term financing	Loss allowance	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Item	Value			
13	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	Other receivables - related parties	Y	69,581	69,581	67,381	0.00%	2	-	Business operation	-	-	-	17,889,970	17,889,970	
14	Quanzhou Grand Ocean Commercial Ltd.	Sanhohsiensen Trade Ltd.	Other receivables	N	4,093	4,093	4,093	0.00%	2	-	Business operation	4,093	-	-	35,311	35,311	Note 6

Note 1: The maximum balance through the end of the month is based on the exchange rate at the end of the month\*maximum balance of foreign-currency loans.

Note 2: In accordance with the loans to others procedures of First Steamship Co., Ltd., the total amount of loans and the amount of loans to a single company are limited to 40% of the net worth of the company's most recent financial statements.

Note 3: In accordance with the loans to others procedures of First Steamship S. A. and subsidiaries, the total amount of loans and the amount of loans to a single company are limited to 40% of the net worth of the company's most recent financial statements. For non-ROC companies in which First Steamship Co., Ltd. and First Steamship S. A. directly and indirectly hold 100% of the voting shares, or between non-ROC companies in which First Steamship Co., Ltd. directly or indirectly holds 100% of the voting shares and First Steamship Co., Ltd. itself, the amount of the loan is limited to three times the net worth of the company's most recent financial statements.

Note 4: In accordance with the loans to others procedures of Grand Ocean Retail Group Ltd. and its subsidiaries, the total amount of loans shall not exceed 40% of the net worth of the lending company's most recent financial statements, and the amount of individual transactions shall not exceed the amount of business transactions between the two parties. For non-ROC companies which do not directly or indirectly own 100% of the voting shares, the amount of the loan is limited to 40% of the lending company's net worth as shown in the most recent financial statements. Furthermore, for companies that directly or indirectly hold 100% of the voting shares of non-ROC companies, or non-ROC companies that are directly or indirectly 100% owned by such companies, the total and individual amounts of funds lent to Grand Ocean Retail Group Ltd. shall each be limited to 1000% of the net value based on the most recent financial statements of the lending company.

Note 5: In accordance with the loans to others procedures of Royal Sunway Development Co., Ltd., the total amount of loans and the amount of loans to a single company are limited to 40% of the net worth of the company's most recent financial statements.

Note 6: Quanzhou Grand Ocean Commercial Ltd. granted a loan of \$4,093 thousand to Sanhohsiensen Trade Ltd. and the court ruled in favor of Quanzhou Grand Ocean Commercial Ltd. in the second trial, but the Group assessed that it would be difficult to recover the loan, so an allowance for doubtful debt was recognized for the entire amount.

Note 7: The loans and transactions between the Company and the above subsidiaries, except for Jiawang Assets Development Co., Ltd. have been eliminated when preparing consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements (Continued)

Table 2 Guarantees and Endorsements for Other Parties  
(June 30, 2025)

Unit: NT\$ thousands													
No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a the single party	Maximum outstanding endorsement/ guarantee amount in current period	Outstanding endorsement/ guarantee amount at end of period	Actual amount drawn down	Endorsement/ guarantee secured by property with a specified collateral amount	Ratio of accumulated endorsement/ guarantee amount to net asset value of endorser/ guarantor	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to parties in China
		Company name	Relationship										
0	The Company	Shining Steamship International S.A.	2	21,862,770	668,626	668,626	471,006	-	9.17%	21,862,770	Y	N	N
0	The Company	Best Steamship S. A.	2	21,862,770	263,700	263,700	86,072	-	3.62%	21,862,770	Y	N	N
0	The Company	Excellent Steamship International S.A.	2	21,862,770	662,180	662,180	497,392	-	9.09%	21,862,770	Y	N	N
0	The Company	Alliance Steamship S.A.	2	21,862,770	586,000	586,000	58,600	-	8.04%	21,862,770	Y	N	N
0	The Company	Reliance Steamship S.A.	2	21,862,770	205,100	205,100	64,460	-	2.81%	21,862,770	Y	N	N
0	The Company	Grand Steamship S.A.	2	21,862,770	118,929	118,929	42,474	-	1.63%	21,862,770	Y	N	N
0	The Company	Longevity Navigation S.A.	2	21,862,770	125,990	125,990	113,391	-	1.73%	21,862,770	Y	N	N
0	The Company	Praise Maritime S.A.	2	21,862,770	726,640	726,640	78,079	-	9.97%	21,862,770	Y	N	N
0	The Company	Sure Success Steamship S.A.	2	21,862,770	73,250	73,250	63,076	-	1.01%	21,862,770	Y	N	N
0	The Company	Mariner Finance Ltd.	2	21,862,770	58,600	-	-	-	0.00%	21,862,770	Y	N	Y
0	The Company	Grand Ocean Retail Group Ltd.	2	21,862,770	234,400	-	-	-	0.00%	21,862,770	Y	N	N
0	The Company	Royal Sunway Development Co., Ltd.	2	21,862,770	1,235,900	1,235,900	342,700	945,000	16.96%	21,862,770	Y	N	N

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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a the single party	Maximum outstanding endorsement/ guarantee amount in current period	Outstanding endorsement/ guarantee amount at end of period	Actual amount drawn down	Endorsement/ guarantee secured by property with a specified collateral amount	Ratio of accumulated endorsement/ guarantee amount to net asset value of endorser/ guarantor	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to parties in China
		Company name	Relationship										
1	First Steamship S.A.	Alliance Steamship S.A.	4	13,184,750	586,000	586,000	58,600	-	22.22%	13,184,750	N	N	N
1	First Steamship S.A.	Reliance Steamship S.A.	4	13,184,750	205,100	205,100	64,460	-	7.78%	13,184,750	N	N	N
2	Royal Sunway Development Co., Ltd.	Honor Construction Ltd.	5	2,007,750	426,500	426,500	88,090	-	212.43%	4,015,500	N	N	N
3	Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Retail Group Ltd.	3	34,187,560	1,054,800	761,800	761,800	Note 10	13.45%	34,187,560	N	Y	N
3	Grand Ocean Classic Commercial Group Co., Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	2	34,187,560	552,552	552,552	314,256	-	9.75%	34,187,560	Y	N	Y
4	Fuzhou Grand Ocean Classic Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	3	7,014,190	1,841,841	1,841,841	1,432,501	-	-2978.83%	7,014,190	N	Y	Y
5	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	3	16,376,870	1,841,841	1,841,841	1,432,501	1,829,283	113.41%	16,376,870	N	Y	Y



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

## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No.	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a the single party	Maximum outstanding endorsement/ guarantee amount in current period	Outstanding endorsement/ guarantee amount at end of period	Actual amount drawn down	Endorsement/ guarantee secured by property with a specified collateral amount	Ratio of accumulated endorsement/ guarantee amount to net asset value of endorser/ guarantor	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to parties in China
		Company name	Relationship										
6	Fuzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	2	10,294,080	552,552	552,552	314,256	466,265	33.06%	10,294,080	Y	N	Y
7	Quanzhou Grand Ocean Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	3	7,368,165	1,841,841	1,841,841	1,432,501	1,000,238	2298.39%	7,368,165	N	Y	Y
8	Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	2	28,245,805	409,298	-	-	-	0.00%	28,245,805	Y	N	Y
8	Wuhan Grand Ocean Classic Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	3	28,245,805	376,554	376,554	347,922	995,662	23.85%	28,245,805	N	Y	Y

Note 1: The maximum balance through the end of the month is based on the exchange rate at the end of the month\*maximum balance of foreign-currency endorsements/guarantees

Note 2: The description of the No. columns is as follows:

- The number of the Company is 0.
- The investee companies are numbered sequentially by company, starting with the number 1, and the same company code should be used for the same company.

Note 3: The relationship between the endorser/guarantor and the party being endorsed/guaranteed can be divided into the following seven types, and it shall be indicated accordingly:

- (1) Companies with a business relationship.
- (2) The endorser/guarantor company directly and indirectly owns more than 50% voting shares of the endorsed/guaranteed company.
- (3) The endorsed/guaranteed company directly and indirectly owns more than 50% voting shares of the endorser/guarantor company.
- (4) The endorser/guarantor company directly and indirectly owns more than 90% voting shares the endorsed/guaranteed company.
- (5) Companies that provide mutual guarantees in accordance with contractual agreements due to the need for undertaking construction projects, either between peers in the same industry or among co-developers.
- (6) Companies for which all contributing shareholders provide endorsements and guarantees in proportion to their shareholding due to joint investment relationships.
- (7) Joint and several guarantees provided among industry peers for the performance of presale house sales contracts in accordance with the Consumer Protection Act.

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

**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements (Continued)**

- Note 4: In accordance with the Company's endorsement and guarantee procedures, the total amount of endorsement and guarantee and the amount of endorsement and guarantee to a single enterprise are limited to three times of the shareholders' equity in the Company's most recent financial statements.
- Note 5: In accordance with First Steamship S.A. and subsidiaries' endorsement and guarantee procedures, the total amount of endorsements and guarantees and the amount of endorsements and guarantees to a single enterprise are limited to five times of the net worth as shown in the company's most recent financial statements.
- Note 6: In accordance with Grand Ocean Retail Group Ltd. and its subsidiaries' endorsement and guarantee procedures, the total amount of endorsement and guarantee and the amount of endorsement and guarantee to a single company are limited to ten times of the net worth as shown in the company's most recent financial statements. After review, the company has not exceeded the limit for the current period.
- Note 7: According to Grand Ocean Retail Group Ltd. and its subsidiaries' endorsement and guarantee procedures, for companies in which more than 50% of shares are directly or indirectly held, the total amount of endorsements and guarantees provided by Grand Ocean Classic Commercial Group Co., Ltd. and its subsidiaries, as well as the amount provided to any single company, shall be limited to five times of the total assets of Grand Ocean Classic Commercial Group Co., Ltd. and its subsidiaries as shown in the most recent financial statements.
- Note 8: According to Royal Sunway Development Co., Ltd.'s endorsement and guarantee procedures, the total amount of endorsement and guarantee shall be limited to twenty times of the net worth of the company's most recent financial statements, and the amount of endorsement and guarantee for a single company shall be limited to ten times of the net worth as shown in the company's most recent financial statements.
- Note 9: For the endorsement and guarantee provided for Royal Sunway Development Co., Ltd. by the Company, the Company issued a cashier's order in the amount of \$250,900 thousand as collateral.
- Note 10: For the endorsement and guarantee provided, standby letters of credit (Standby L/C) and time deposits in the amount of \$626,705 thousand were pledged as collateral.
- Note 11: Grand Ocean Retail Group Ltd.'s subsidiaries, Fuzhou Grand Ocean Classic Commerce Ltd., Wuhan Optics Valley Grand Ocean Commercial Development Ltd., and Quanzhou Grand Ocean Commercial Ltd. jointly endorsed and guaranteed the subsidiary, Grand Ocean Classic Commercial Group Co., Ltd. in the total amount of \$5,525,523 thousand at the end of the period with the actual risk exposure being \$1,841,841 thousand. Grand Ocean Retail Group Ltd.'s subsidiaries, Ocean Crystal Classic Commercial Group Ltd. and Ocean Crystal Classic Commercial Group Ltd., jointly endorsed and guaranteed the subsidiary, Wuhan Grand Ocean Classic Commercial Development Ltd. in the total amount of \$1,105,104 thousand at the end of the period with the actual risk exposure being \$552,552 thousand.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements (Continued)

Table 3 Holding of Significant Marketable Securities (not Including Subsidiaries, Associates and Joint Ventures)  
(June 30, 2025)

Unit: NT\$ thousands								
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	End of the period				Note
				Shares (unit)	Carrying amount	Shareholding ratio	Fair value	
First Steamship Co., Ltd.	Unsecured convertible bonds of PRO Brand Technology (TW) Inc.	A subsidiary of the associate	Financial assets at fair value through profit or loss - current	3	97,038	-	97,038	
Ahead Capital Ltd.	Shares of Wanjia Group Holdings Ltd.	-	Financial assets at fair value through profit or loss - current	1,772,000	489	0.32%	489	
Ahead Capital Ltd.	Shares of China Construction Bank Corporation	-	Financial assets at fair value through profit or loss - current	70,000	2,069	0.00%	2,069	
Ahead Capital Ltd.	Shares of Industrial and Commercial Bank of China Ltd.	-	Financial assets at fair value through profit or loss - current	85,000	1,973	0.00%	1,973	
Ahead Capital Ltd.	Shares of China Minsheng Bank Corp., Ltd.	-	Financial assets at fair value through profit or loss - current	42,480	706	0.00%	706	
Ahead Capital Ltd.	Shares of Bank of China Ltd.	-	Financial assets at fair value through profit or loss - current	70,000	1,191	0.00%	1,191	
Ahead Capital Ltd.	Shares of Tian An Australia Ltd.	-	Financial assets at fair value through profit or loss - current	1,513,412	4,488	1.75%	4,488	
Media Assets Global Ltd.	Shares of Tian An Australia Ltd.	-	Financial assets at fair value through profit or loss - current	12,763	38	0.01%	38	
Heritage Riches Ltd.	Shares of Tian An Australia Ltd.	-	Financial assets at fair value through profit or loss - current	1,225,653	3,635	1.42%	3,635	
Grand Ocean Group Ltd.	Funds of Allianz Income and Growth	-	Financial assets at fair value through profit or loss - current	46,510	11,303	-	11,303	

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FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements (Continued)

Table 4 Receivables from Related Parties of \$100 Million or 20% of Paid-in Capital or More  
(June 30, 2025)

Unit: NT\$ thousands								
Creditor	Counterparty	Relationship	Balance of accounts receivables of related parties	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Loss allowance
					Amount	Action taken		
The Company	Royal Sunway Development Co., Ltd.	Subsidiary with 55% of shareholding	705,579	-	-	-	-	-
First Steamship S.A.	The Company	The parent company	600,140	-	-	-	-	-
First Steamship S.A.	Ahead Capital Ltd.	Subsidiary with 100% of shareholding	617,610	-	-	-	-	-
First Steamship S.A.	Media Assets Global Ltd.	Subsidiary with 100% of shareholding	328,189	-	-	-	-	-
First Steamship S.A.	Grand Ocean Retail Group Ltd.	Subsidiary with 28.82% of shareholding	561,747	-	-	-	-	-
First Steamship S.A.	Mariner Finance Ltd.	Same ultimate parent company	322,374	-	-	-	-	-
Nature Sources Ltd.	First Steamship S.A.	The parent company	263,407	-	-	-	-	-
Mariner Finance Ltd.	Zhuke Technology (Zhuke Group)	Associate	282,464	-	-	-	-	282,464
Mariner Finance Ltd.	Hainan Sanhe Licheng Business Service Co., Ltd.	Associate	140,117	-	-	-	-	138,285
Grand Citi Ltd.	Grand Ocean Retail Group Ltd.	The parent company	1,191,382	-	-	-	-	-
Grand Citi Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Subsidiary with 100% of shareholding	210,890	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	Subsidiary with 100% of shareholding	282,416	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Quanzhou Grand Ocean Commercial Ltd.	Subsidiary with 100% of shareholding	1,348,637	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Classic Commercial Ltd.	Subsidiary with 100% of shareholding	1,279,056	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Jiaruixing Business Administration Limited	Subsidiary with 100% of shareholding	169,040	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Commercial Ltd.	Subsidiary with 100% of shareholding	246,807	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	Subsidiary with 100% of shareholding	175,590	-	-	-	-	-
Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Retail Group Ltd.	The parent company	644,600	-	-	-	-	-

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**FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements (Continued)**

Creditor	Counterparty	Relationship	Balance of accounts receivables of related parties	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Loss allowance
					Amount	Action taken		
Fuzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	200,556	-	-	-	-	-
Nanjing Grand Ocean Classic Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	2,216,802	-	-	-	-	-
Wuhan Grand Ocean Classic Commercial Development Ltd.	Shiyan Ocean Modern Shopping Co., Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	368,778	-	-	-	-	-
Wuhan Grand Ocean Classic Commercial Development Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	158,808	-	-	-	-	-
Yichang Grand Ocean Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	870,985	-	-	-	-	-
Yichang Grand Ocean Commercial Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	205,468	-	-	-	-	-
Hefei Grand Ocean Classic Commercial Department Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	335,625	-	-	-	-	-
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	146,324	-	-	-	-	-
Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.'s subsidiary with 100% of shareholding	353,778	-	-	-	-	-

Note: Except for Hainan Sanhe Licheng Business Service Co., Ltd. and Zhuke Technology (Zhuke Group), the above amounts have been eliminated when preparing the consolidated financial statements.

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FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements (Continued)

Table 5 Business Relationships and Significant Intercompany Transactions  
(June 30, 2025)

Unit: NT\$ thousands							
No. (Note 1)	Trader name	Counterparty	Relationship with the trader (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
0	The Company	Royal Sunway Development Co., Ltd.	1	Other receivables - related parties	705,579	Mutual agreement	2.36%
1	First Steamship S.A.	The Company	2	Other receivables - related parties	600,140	Mutual agreement	2.01%
1	First Steamship S.A.	Ahead Capital Ltd.	1	Other receivables - related parties	617,610	Mutual agreement	2.07%
1	First Steamship S.A.	Media Assets Global Ltd.	1	Other receivables - related parties	328,189	Mutual agreement	1.10%
1	First Steamship S.A.	Grand Ocean Retail Group Ltd.	1	Other receivables - related parties	561,747	Mutual agreement	1.88%
1	First Steamship S.A.	Mariner Finance Ltd.	3	Other receivables - related parties	322,374	Mutual agreement	1.08%
2	Nature Sources Ltd.	First Steamship S.A.	2	Other receivables - related parties	263,407	Mutual agreement	0.88%
3	Grand Citi Ltd.	Grand Ocean Retail Group Ltd.	2	Other receivables - related parties	1,191,382	Mutual agreement	3.98%
3	Grand Citi Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	1	Other receivables - related parties	210,890	Mutual agreement	0.71%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	1	Other receivables - related parties	282,416	Mutual agreement	0.94%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Quanzhou Grand Ocean Commercial Ltd.	1	Other receivables - related parties	1,348,637	Mutual agreement	4.51%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Classic Commercial Ltd.	1	Other receivables - related parties	1,279,056	Mutual agreement	4.28%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	1	Other receivables - related parties	20,056	Mutual agreement	0.07%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Jiaruixing Business Administration Limited	1	Other receivables - related parties	169,040	Mutual agreement	0.57%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Fuzhou Grand Ocean Commercial Ltd.	1	Other receivables - related parties	246,807	Mutual agreement	0.83%

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## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

No. (Note 1)	Trader name	Counterparty	Relationship with the trader (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
4	Grand Ocean Classic Commercial Group Co., Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	1	Other receivables - related parties	26,236	Mutual agreement	0.09%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Shanghai Grand Ocean Qianshu Commercial Management Co., Ltd.	1	Other receivables - related parties	175,590	Mutual agreement	0.59%
4	Grand Ocean Classic Commercial Group Co., Ltd.	Grand Ocean Retail Group Ltd.	2	Other receivables - related parties	644,600	Mutual agreement	2.16%
5	Fuzhou Grand Ocean Commercial Ltd.	Fuzhou Jiaruixing Business Administration Limited	1	Other receivables - related parties	30,697	Mutual agreement	0.10%
5	Fuzhou Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	1	Other receivables - related parties	200,556	Mutual agreement	0.67%
6	Nanjing Grand Ocean Classic Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	2	Other receivables - related parties	2,216,802	Mutual agreement	7.41%
7	Wuhan Grand Ocean Classic Commercial Development Ltd.	Shiyan Ocean Modern Shopping Co., Ltd.	1	Other receivables - related parties	368,778	Mutual agreement	1.23%
7	Wuhan Grand Ocean Classic Commercial Development Ltd.	Hengyang Grand Ocean Commercial Development Ltd.	1	Other receivables - related parties	158,808	Mutual agreement	0.53%
7	Wuhan Grand Ocean Classic Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	1	Other receivables - related parties	69,581	Mutual agreement	0.23%
7	Wuhan Grand Ocean Classic Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	1	Other receivables - related parties	90,534	Mutual agreement	0.30%
8	Yichang Grand Ocean Commercial Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	2	Other receivables - related parties	870,985	Mutual agreement	2.91%
8	Yichang Grand Ocean Commercial Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	1	Other receivables - related parties	63,441	Mutual agreement	0.21%
8	Yichang Grand Ocean Commercial Ltd.	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	1	Other receivables - related parties	205,468	Mutual agreement	0.69%
9	Hefei Grand Ocean Classic Commercial Department Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	2	Other receivables - related parties	335,625	Mutual agreement	1.12%
10	Shanghai Jingxuan- Commercial Management Co., Ltd.	Grand Ocean Classic Commercial Group Co., Ltd.	2	Other receivables - related parties	28,651	Mutual agreement	0.10%
11	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Grand Ocean Classic Commercial Development Ltd.	1	Other receivables - related parties	146,324	Mutual agreement	0.49%

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FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements (Continued)

No. (Note 1)	Trader name	Counterparty	Relationship with the trader (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
11	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Chongqing Optics Valley Grand Ocean Commercial Development Ltd.	1	Other receivables - related parties	353,778	Mutual agreement	1.18%
11	Wuhan Optics Valley Grand Ocean Commercial Development Ltd.	Wuhan Hanyang Grand Ocean Jingdian Commercial Ltd.	1	Other receivables - related parties	67,381	Mutual agreement	0.23%

Note 1: Companies are numbered as follows:

- 1. "0" for the parent Company.
- 2. Subsidiaries are numbered from "1".

Note 2: Relationship with the trader shall be indicated as follows:

- 1. The parent company to the subsidiary.
- 2. The subsidiary to the parent company.
- 3. The subsidiary to another subsidiary.

Note 3: All above amount had been eliminated when preparing the consolidated financial statements.



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Table 6 Information on Investees (Excluding Information on Investment in China)  
(June 30, 2025)

Unit: NT\$ thousands											
Name of investor	Name of investee	Location	Main business activities	Initial investment amount		Shares held as at end of period			(Loss) Profit of the investee for the current period	Investment (loss) income recognized by the Company for the current period	Note
				End of the period	End of last year	Shares	Ratio	Carrying amount			
The Company	Royal Sunway Development Co., Ltd.	Taiwan	Real estate development, rental and leasing of building	165,000	165,000	16,500,000	55.00%	110,426	( 21,945 )	( 12,070 )	Subsidiary
The Company	First Steamship S.A.	Panama	Investment holding company, international transportation and shipping agency	1,740,420	1,740,420	594	100.00%	2,636,950	( 159,515 )	( 159,515 )	Subsidiary
The Company	First Mariner Holding Ltd.	British Virgin Islands	Investment holding company	1,444,490	1,444,490	49,300,000	100.00%	( 264,510 )	( 9,067 )	( 9,067 )	Subsidiary
The Company	Alliance Steamship S.A.	Panama	Domestic and international transportation	351,600	351,600	120,000	100.00%	396,304	1,726	1,726	Subsidiary
The Company	Advantage Steamship Co., Ltd.	Liberia	Domestic and international transportation	-	-	-	100.00%	( 36 )	( 19 )	( 19 )	Subsidiary (Note 6)
The Company	Best Steamship S.A.	Panama	Domestic and international transportation	498,100	498,100	170,000	100.00%	479,730	( 19,760 )	( 19,760 )	Subsidiary
The Company	Black Sea Steamship S.A.	Panama	Domestic and international transportation	322,300	322,300	110,000	100.00%	294,471	( 4,785 )	( 4,785 )	Subsidiary
The Company	Excellent Steamship International S.A.	Panama	Domestic and international transportation	263,700	263,700	90,000	100.00%	331,168	14,946	14,946	Subsidiary
The Company	Grand Steamship S.A.	Panama	Domestic and international transportation	468,800	468,800	160,000	100.00%	549,777	5,430	5,430	Subsidiary
The Company	Longevity Navigation S.A.	Panama	Domestic and international transportation	395,550	395,550	135,000	100.00%	447,663	19,195	19,195	Subsidiary

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## FIRST STEAMSHIP CO., LTD. AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements (Continued)

Name of investor	Name of investee	Location	Main business activities	Initial investment amount		Shares held as at end of period			(Loss) Profit of the investee for the current period	Investment (loss) income recognized by the Company for the current period	Note
				End of the period	End of last year	Shares	Ratio	Carrying amount			
The Company	Mighty Steamship Co., Ltd.	Liberia	Domestic and international transportation	-	-	-	100.00%	( 36 )	( 19 )	( 19 )	Subsidiary (Note 6)
The Company	Praise Maritime S.A.	Panama	Domestic and international transportation	542,050	542,050	185,000	100.00%	624,489	10,255	10,255	Subsidiary
The Company	Reliance Steamship S.A.	Panama	Domestic and international transportation	351,600	351,600	120,000	100.00%	388,456	( 2,520 )	( 2,520 )	Subsidiary
The Company	Ship Bulker Steamship S.A.	Panama	Domestic and international transportation	351,600	351,600	120,000	100.00%	345,967	( 17,177 )	( 17,177 )	Subsidiary
The Company	Shining Steamship International S.A.	Panama	Domestic and international transportation	281,280	281,280	96,000	100.00%	331,790	19,239	19,239	Subsidiary
The Company	Sure Success Steamship S.A.	Panama	Domestic and international transportation	418,990	418,990	143,000	100.00%	534,192	( 2,084 )	( 2,084 )	Subsidiary
The Company	Grand Ocean Retail Group Ltd.	Cayman Islands	Investment holding company	814,024	814,024	19,552,000	10.00%	393,561	( 390,600 )	( 39,060 )	Second-tier subsidiary (Note 4)
The Company	Da Yu Financial Holdings Ltd.	Hong Kong	Corporate finance advisory and asset management services	440,763	440,763	663,320,000	29.11%	659,524	66,193	20,645	Associate
The Company	Sandmartin International Holdings Ltd.	Hong Kong	Media & entertainment platforms services	258,475	258,475	473,869,283	38.52%	0	0	0	Associate
Royal Sunway Development Co., Ltd.	Jiawang Assets Development Co., Ltd.	Taiwan	Real estate trading and leasing	9,800	9,800	980,000	49.00%	8,566	( 293 )	( 144 )	Associate
Ahead Capital Ltd.	Grand Ocean Retail Group Ltd.	Cayman Islands	Investment holding company	402,530	424,850	3,316,000	1.70%	66,905	( 390,600 )	Note 1	Second-tier subsidiary
First Steamship S.A.	Grand Ocean Retail Group Ltd.	Cayman Islands	Investment holding company	1,478,927	2,402,600	56,360,000	28.82%	1,134,242	( 390,600 )	Note 1	Second-tier subsidiary

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Name of investor	Name of investee	Location	Main business activities	Initial investment amount		Shares held as at end of period			(Loss) Profit of the investee for the current period	Investment (loss) income recognized by the Company for the current period	Note
				End of the period	End of last year	Shares	Ratio	Carrying amount			
First Steamship S.A.	Ahead Capital Ltd.	British Virgin Islands	Investment holding company	454,150	454,150	1,550	100.00%	( 538,353 )	( 6,433 )	Note 1	Second-tier subsidiary
First Steamship S.A.	Heritage Riches Ltd.	British Virgin Islands	Investment holding company	293	293	5	100.00%	24,504	( 827 )	Note 1	Second-tier subsidiary
First Steamship S.A.	Media Assets Global Ltd.	British Virgin Islands	Investment holding company	146,500	146,500	50,000	100.00%	( 328,150 )	( 49 )	Note 1	Second-tier subsidiary
First Steamship S.A.	Nature Sources Ltd.	Hong Kong	Investment holding company	246,999	246,999	8,430,000	100.00%	263,468	( 148 )	Note 1	Second-tier subsidiary
First Mariner Holding Ltd.	First Mariner Capital Ltd.	British Virgin Islands	Investment holding company	964,556	964,556	32,920,000	100.00%	( 270,264 )	( 8,968 )	Note 1	Second-tier subsidiary
First Mariner Holding Ltd.	Mariner Far East Ltd.	Hong Kong	Investment holding company	111,340	111,340	3,800,000	100.00%	3,963	( 39 )	Note 1	Second-tier subsidiary
First Mariner Capital Ltd.	Mariner Capital Ltd.	Hong Kong	Investment holding company	820,693	820,693	28,010,000	100.00%	( 271,174 )	( 8,905 )	Note 1	Second-tier subsidiary
Grand Citi Ltd.	Sandmartin International Holdings Ltd.	Hong Kong	Media & entertainment platforms services	74,225	74,225	44,197,255	3.59%	0	0	Note 1	Associate

Note 1: Disclosure is exempted in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Note 2: This consolidated financial statements is the primary report of the Company's second-tier subsidiary, Grand Ocean Retail Group Ltd. Accordingly, the disclosure of information related to its overseas investees is limited to the relevant information of the holding company in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Note 3: The amounts presented in this table are expressed based on spot exchange rates and average exchange rates as of the reporting date.

Note 4: The Company pledged 10,000,000 shares as collateral.

Note 5: Except for Da Yu Financial Holdings Limited, Sandmartin International Holdings Ltd., and Jiawang Assets Development Co., Ltd., all others have been eliminated when preparing the consolidated financial statements.

Note 6: Investment has not yet been made.

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Table 7 Information on investment in China  
(June 30, 2025)

1. Information on investment in China

(Expressed in Thousands of New Taiwan Dollars)															
Investee in China	Main business activities	Paid-in capital			Investment method (Note 1)	Accumulated remittance from Taiwan to China as of the beginning of period		Remittance from Taiwan to China/remittance back to Taiwan for the current period		Accumulated amount of remittance from Taiwan as of the end of period	Profit (loss) of the investee for the current period	Ownership held by the Company (directly or indirectly)	Investment (loss) income recognized by the Company for the current period	Carrying amount at the end of period	Remittance of investment income back to Taiwan as of the end of period
								Remitted	Received						
Grand Ocean Classic Commercial Group Co., Ltd.	Holding, wholesale of cosmetics, clothing, shoes and hats, gold and silver jewelry, packaging, food, household electrical appliances, communication equipment and handicrafts.	3,479,032	(CNY 850,000)	-	(1)	1,697,005	(USD 57,918)	-	-	1,697,005	( 322,891 )	40.52%	( 130,835 )	2,295,459	-
Beijing Shouhai International Economy Technology Consultation Services Limited	Providing personnel technical support and training for ship operations, supply of spare parts, supplies and repairs of ships, commercial advice and technical services	-	-	-	(1)	4,779	(USD 163)	-	-	4,779	-	-	-	-	-
Mariner Finance Ltd. (Note 4)	Automobile finance and lease	783,696	(USD 26,747)	-	(1)	783,696	(USD 26,747)	-	-	783,696	( 8,746 )	100.00%	( 8,746 )	( 269,814 )	-
Shanghai Youxin Car Leasing Ltd.	Automobile lease	20,465	(CNY 5,000)	(Note 6)	(1)	Note (7)		-	-	-	( 3,527 )	100.00%	( 3,527 )	( 53,732 )	-
Wuhan Youxin Car Leasing Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)		-	-	-	-	100.00%	-	( 5,853 )	-

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Investee in China	Main business activities	Paid-in capital			Investment method (Note 1)	Accumulated remittance from Taiwan to China as of the beginning of period	Remittance from Taiwan to China/remittance back to Taiwan for the current period		Accumulated amount of remittance from Taiwan as of the end of period	Profit (loss) of the investee for the current period	Ownership held by the Company (directly or indirectly)	Investment (loss) income recognized by the Company for the current period	Carrying amount at the end of period	Remittance of investment income back to Taiwan as of the end of period
							Remitted	Received						
Chongqing Youren Car Leasing Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 10,328 )	-
Fuzhou Youli Car Leasing Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	( 1 )	100.00%	( 1 )	( 329 )	-
Qingdao Youcheng Car Leasing Ltd.	Automobile lease	8,186	(CNY 2,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 12,516 )	-
Dongguan Youcheng Car Leasing Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 4,400 )	-
Guangzhou Youqiang Car Leasing Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 1,197 )	-
Changsha Youli Car Service Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	( 1 )	100.00%	( 1 )	( 1,445 )	-
Xian Youcheng Car Service Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 3,497 )	-
Chengdu Youcheng Car Leasing Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 262 )	-
Lianyungang Youren Car Service Ltd.	Automobile lease	4,093	(CNY 1,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 963 )	-
Jinan Youli Car Leasing Ltd.	Automobile lease	20,465	(CNY 5,000)	(Note 6)	(1)	Note (7)	-	-	-	-	100.00%	-	( 4,257 )	-
Urumqi Taroko Car Rental Co., Ltd.	Automobile lease	8,186	(CNY 2,000)	(Note 6)	(1)	Note (7)	-	-	-	( 1 )	100.00%	( 1 )	( 6,185 )	-

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Investee in China	Main business activities	Paid-in capital			Investment method (Note 1)	Accumulated remittance from Taiwan to China as of the beginning of period	Remittance from Taiwan to China/remittance back to Taiwan for the current period		Accumulated amount of remittance from Taiwan as of the end of period	Profit (loss) of the investee for the current period	Ownership held by the Company (directly or indirectly)	Investment (loss) income recognized by the Company for the current period	Carrying amount at the end of period	Remittance of investment income back to Taiwan as of the end of period
							Remitted	Received						
Hainan Sanhe Licheng Business Service Co., Ltd.	Travel car rental	20,465	(CNY 5,000)	-	(1)	Note (7)	-	-	-	-	50.00%	-	-	-
Shanghai Zhuke Technology Co., Ltd.	Travel car rental	81,860	(CNY 20,000)	-	(1)	Note (7)	-	-	-	-	55.00%	-	-	-

2. Limit on investment in China

Accumulated investment in China as of the end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (M.O.E.A.)	Ceiling on investments in China imposed by the Investment Commission of M.O.E.A.
2,485,479 USD 84,828	3,562,344 USD 121,582	5,831,305 (Note 3)

Note 1: The investment was made through a company located in a third jurisdiction, which subsequently invested in China.

Note 2: Grand Ocean Retail Group Ltd. is an offshore company and is not subject to the "Review Principles of Investment and Engagement of Technological Cooperation in China."

Note 3: Limit calculation: Consolidated equity value for the current period × 60% = NTD9,718,841 thousand × 60% = NTD5,831,305 thousand.

Note 4: The investment income and losses are recognized based on the financial statements audited by an international accounting firm that has a cooperative relationship with a CPA firm in the Republic of China.

Note 5: The amounts presented in this table are expressed based on spot exchange rates and average exchange rates as of the reporting date.

Note 6: Capital verification has not yet been conducted.

Note 7: It was remitted through the subsidiary, Mariner Finance Ltd.

Note 8: Except for Hainan Sanhe Licheng Business Service Co., Ltd. and Shanghai Zhuke Technology Co., Ltd., the above investees have been eliminated when preparing the consolidated financial statements.

3. Information on significant transactions: The Group's significant direct or indirect transactions with its investees in China for the six months ended June 30, 2025 (which have been eliminated at the time of the preparation of the consolidated financial statements), please refer to "Information on significant transactions" for details.