

**Yang Ming Marine Transport Corporation
and Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2024 and 2023 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Yang Ming Marine Transport Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Yang Ming Marine Transport Corporation and its subsidiaries (collectively, the "Group") as of June 30, 2024 and 2023, the related consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As disclosed in Note 13 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of June 30, 2024 and 2023, combined total assets of these non-significant subsidiaries were NT\$36,983,007 thousand and NT\$55,541,180 thousand, respectively, representing 9.02% and 11.57%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were NT\$6,666,265 thousand and NT\$6,068,566 thousand, respectively, representing 6.03% and 3.01%, respectively, of the consolidated total liabilities; the amounts of combined comprehensive income of these subsidiaries were (4.07)% (NT\$(639,696) thousand), (3.06)% (NT\$(42,375) thousand), (4.10)% (NT\$(1,183,272) thousand), and 0.95% (NT\$40,585 thousand) of the consolidated total comprehensive income for the three months and the six months ended June 30, 2024 and 2023, respectively. Also, as disclosed in Note 14, the carrying amounts of the associates and joint ventures accounted for by the equity-method were NT\$6,207,975 thousand and NT\$5,855,485 thousand as of June 30, 2024 and 2023, respectively. The amounts of comprehensive income recognized on investments accounted for by the equity-method were NT\$115,633 thousand, NT\$157,667 thousand, NT\$209,074 thousand, and NT\$214,977 thousand for the three months and the six months ended June 30, 2024 and 2023, respectively. Related information on the investments held by subsidiaries, associates and joint ventures disclosed in Note 37 to the consolidated financial statements that were not reviewed either.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries, the associates and joint ventures accounted for by the equity-method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2024 and 2023, its consolidated financial performance for the three months ended June 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chin-Tsung Cheng and Chen-Hsiu Yang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 12, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2024		December 31, 2023		June 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Notes 6 and 32)	\$ 103,183,514	25	\$ 69,921,565	18	\$ 115,512,795	24
Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)	1,174,917	—	94,795	—	8,941,423	2
Financial assets at amortized cost - current (Notes 9, 31, 32 and 33)	87,401,103	21	115,208,702	29	147,355,887	31
Financial assets for hedging - current (Notes 6, 31 and 32)	18,248,258	5	17,269,769	5	29,185,965	6
Contract assets, net (Notes 25 and 32)	3,406,593	1	1,560,716	—	1,777,835	—
Notes receivable, net (Note 10)	14,266	—	10,666	—	15,371	—
Trade receivables, net (Notes 10 and 25)	11,419,773	3	6,150,777	2	8,773,168	2
Trade receivables from related parties (Notes 10, 25 and 32)	360,575	—	214,168	—	243,637	—
Finance lease receivables, net (Note 11)	20,885	—	20,747	—	149,556	—
Current tax assets (Note 4)	907,060	—	1,578,957	1	375,057	—
Shipping fuel (Note 12)	5,223,585	1	4,535,017	1	4,459,508	1
Prepayments (Note 32)	422,229	—	447,866	—	602,461	—
Prepayments to shipping agents (Note 32)	125,042	—	231,639	—	189,179	—
Other current assets (Note 32)	1,850,850	1	1,456,059	—	1,874,613	1
Total current assets	<u>233,758,650</u>	<u>57</u>	<u>218,701,443</u>	<u>56</u>	<u>319,456,455</u>	<u>67</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss (FVTPL) - non-current (Note 7)	295,231	—	355,828	—	353,987	—
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	466,729	—	491,901	—	546,211	—
Financial assets at amortized cost - non-current (Notes 9, 31, 32 and 33)	10,358,273	3	4,742,457	1	2,579,696	1
Investments accounted for using equity method (Note 14)	9,259,861	2	8,797,221	2	8,598,236	2
Property, plant and equipment (Notes 15, 32, 33 and 34)	93,124,368	23	83,481,541	21	73,040,666	15
Right-of-use assets (Notes 16 and 32)	42,694,445	10	56,044,654	15	66,988,071	14
Investment properties (Note 17)	7,220,316	2	7,220,132	2	7,146,807	1
Other intangible assets	132,185	—	142,842	—	151,861	—
Deferred tax assets (Note 4)	936,464	—	899,525	—	676,799	—
Prepayments for equipment (Notes 32 and 34)	11,457,855	3	11,343,872	3	16,336	—
Refundable deposits	255,342	—	257,720	—	225,868	—
Finance lease receivables - non-current (Note 11)	75,318	—	85,795	—	96,203	—
Other financial assets - non-current	24,194	—	26,058	—	21,906	—
Other non-current assets (Note 32)	37,102	—	19,564	—	8,777	—
Total non-current assets	<u>176,337,683</u>	<u>43</u>	<u>173,909,110</u>	<u>44</u>	<u>160,451,424</u>	<u>33</u>
TOTAL	<u>\$ 410,096,333</u>	<u>100</u>	<u>\$ 392,610,553</u>	<u>100</u>	<u>\$ 479,907,879</u>	<u>100</u>

(Continued)

	June 30, 2024		December 31, 2023		June 30, 2023	
LIABILITIES AND EQUITY	Amount	%	Amount	%	Amount	%
CURRENT LIABILITIES						
Short-term borrowings (Notes 18 and 32)	\$ 1,725,000	1	\$ 1,955,000	—	\$ 2,040,000	—
Short-term bills payable (Notes 18 and 32)	1,098,940	—	1,098,357	—	1,098,641	—
Financial liabilities for hedging - current (Notes 16 and 31)	7,806,091	2	10,380,140	3	8,669,467	2
Contract liabilities - current (Note 25)	616,027	—	304,854	—	483,152	—
Notes payable (Note 32)	36,461	—	33,821	—	29,437	—
Trade payables (Note 20)	15,237,587	4	14,101,232	4	15,757,366	3
Trade payables to related parties (Notes 20 and 32)	704,953	—	676,812	—	375,156	—
Other payables (Notes 21 and 32)	12,661,994	3	5,950,080	2	75,630,422	16
Current tax liabilities (Note 4)	885,393	—	9,783,057	2	6,890,165	2
Provisions - current (Note 22)	48,963	—	36,018	—	—	—
Lease liabilities - current (Notes 16 and 32)	3,946,657	1	4,666,192	1	4,987,723	1
Other advance account	114,951	—	89,129	—	77,246	—
Current portion of long-term liabilities (Notes 18, 19, 32 and 33)	4,849,031	1	2,579,706	1	2,573,408	1
Other current liabilities	1,421,316	—	992,962	—	944,087	—
Total current liabilities	<u>51,153,364</u>	<u>12</u>	<u>52,647,360</u>	<u>13</u>	<u>119,556,270</u>	<u>25</u>
NON-CURRENT LIABILITIES						
Financial liabilities for hedging - non-current (Notes 16 and 31)	18,762,031	5	21,401,129	6	32,928,652	7
Bonds payable (Notes 19 and 32)	3,622,126	1	5,878,396	2	8,341,332	2
Long-term borrowings (Notes 18, 32 and 33)	165,556	—	288,477	—	363,443	—
Provisions - non-current (Note 22)	4,685	—	4,955	—	5,141	—
Deferred tax liabilities (Note 4)	15,323,068	4	7,235,954	2	10,583,281	2
Lease liabilities - non-current (Notes 16 and 32)	18,618,749	5	24,445,367	6	26,995,128	6
Other advance account - non-current	120,931	—	30,706	—	59,652	—
Net defined benefit liabilities - non-current (Notes 4 and 23)	1,676,549	—	1,762,453	—	1,772,151	—
Other non-current liabilities	1,174,822	—	1,214,547	—	1,263,659	—
Total non-current liabilities	<u>59,468,517</u>	<u>15</u>	<u>62,261,984</u>	<u>16</u>	<u>82,312,439</u>	<u>17</u>
Total liabilities	<u>110,621,881</u>	<u>27</u>	<u>114,909,344</u>	<u>29</u>	<u>201,868,709</u>	<u>42</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital - ordinary shares	<u>34,921,043</u>	<u>9</u>	<u>34,921,043</u>	<u>9</u>	<u>34,921,043</u>	<u>7</u>
Capital surplus	<u>27,975,030</u>	<u>7</u>	<u>27,975,030</u>	<u>7</u>	<u>27,975,030</u>	<u>6</u>
Retained earnings						
Legal reserve	35,467,390	9	34,991,933	9	34,991,933	7
Special reserve	4,936,702	1	3,988,772	1	3,988,772	1
Unappropriated earnings	190,872,344	46	176,009,020	45	174,525,537	37
Total retained earnings	<u>231,276,436</u>	<u>56</u>	<u>214,989,725</u>	<u>55</u>	<u>213,506,242</u>	<u>45</u>
Other equity	<u>4,509,477</u>	<u>1</u>	<u>(907,886)</u>	<u>—</u>	<u>879,823</u>	<u>—</u>
Total equity attributable to owners of the Company	<u>298,681,986</u>	<u>73</u>	<u>276,977,912</u>	<u>71</u>	<u>277,282,138</u>	<u>58</u>
NON-CONTROLLING INTERESTS	<u>792,466</u>	<u>—</u>	<u>723,297</u>	<u>—</u>	<u>757,032</u>	<u>—</u>
Total equity	<u>299,474,452</u>	<u>73</u>	<u>277,701,209</u>	<u>71</u>	<u>278,039,170</u>	<u>58</u>
TOTAL	<u>\$ 410,096,333</u>	<u>100</u>	<u>\$ 392,610,553</u>	<u>100</u>	<u>\$ 479,907,879</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated August 12, 2024)

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 16, 25 and 32)	\$ 52,589,220	100	\$ 35,046,373	100	\$ 96,390,649	100	\$ 71,999,811	100
OPERATING COSTS (Notes 12, 16, 26, and 32)	35,974,121	68	31,496,089	90	69,675,047	72	65,033,000	90
GROSS PROFIT	16,615,099	32	3,550,284	10	26,715,602	28	6,966,811	10
OPERATING EXPENSES (Notes 9, 10, 16, 25, 26, 31 and 32)								
Selling and marketing expenses	2,201,903	4	1,845,112	5	4,157,068	4	3,464,215	5
General and administrative expenses	431,412	1	237,418	1	760,492	1	582,555	—
Expected credit loss (gain)	14,408	—	7,307	—	33,544	—	(1,287)	—
Total operating expenses	2,647,723	5	2,089,837	6	4,951,104	5	4,045,483	5
OTHER OPERATING INCOME AND EXPENSES (Notes 16, 26 and 32)	164,636	—	111,435	1	256,055	—	120,368	—
PROFIT FROM OPERATIONS	14,132,012	27	1,571,882	5	22,020,553	23	3,041,696	5
NON-OPERATING INCOME AND EXPENSES (Notes 16, 26 and 32)								
Interest income	2,804,737	6	3,119,582	9	5,503,423	6	6,256,839	9
Other income	43,982	—	22,952	—	64,547	—	43,593	—
Other gains and losses	579,444	1	1,901,543	5	1,958,137	2	2,038,630	3
Finance costs	(495,340)	(1)	(613,132)	(2)	(966,039)	(1)	(1,242,935)	(2)
Share of profit or loss of associates and joint ventures	110,366	—	151,711	1	221,401	—	242,237	—
Total non-operating income and expenses	3,043,189	6	4,582,656	13	6,781,469	7	7,338,364	10
PROFIT BEFORE INCOME TAX	17,175,201	33	6,154,538	18	28,802,022	30	10,380,060	15
INCOME TAX EXPENSE (Notes 4 and 27)	(3,210,611)	(6)	(6,167,653)	(18)	(5,383,169)	(6)	(6,931,475)	(10)
NET PROFIT (LOSS) FOR THE PERIOD	13,964,590	27	(13,115)	—	23,418,853	24	3,448,585	5

(Continued)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 6, 16, 24 and 27)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at FVTOCI	(28,983)	—	46,625	—	(25,172)	—	39,364	—
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	211,394	—	(11,634)	—	176,485	—	11,777	—
	<u>182,411</u>	<u>—</u>	<u>34,991</u>	<u>—</u>	<u>151,313</u>	<u>—</u>	<u>51,141</u>	<u>—</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	1,981,940	4	2,018,072	6	7,000,313	7	1,178,009	1
Loss on hedging instruments	(17,505)	—	(327,916)	(1)	(486,854)	—	(208,682)	—
Income tax related to items that may be reclassified subsequently to profit or loss	(377,402)	(1)	(327,107)	(1)	(1,243,638)	(1)	(192,391)	—
	<u>1,587,033</u>	<u>3</u>	<u>1,363,049</u>	<u>4</u>	<u>5,269,821</u>	<u>6</u>	<u>776,936</u>	<u>1</u>
Other comprehensive income for the period, net of income tax	1,769,444	3	1,398,040	4	5,421,134	6	828,077	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 15,734,034</u>	<u>30</u>	<u>\$ 1,384,925</u>	<u>4</u>	<u>\$ 28,839,987</u>	<u>30</u>	<u>\$ 4,276,662</u>	<u>6</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO :								
Owners of the Company	\$ 13,887,026	27	\$ (130,345)	—	\$ 23,266,523	24	\$ 3,271,086	5
Non-controlling interests	77,564	—	117,230	—	152,330	—	177,499	—
	<u>\$ 13,964,590</u>	<u>27</u>	<u>\$ (13,115)</u>	<u>—</u>	<u>\$ 23,418,853</u>	<u>24</u>	<u>\$ 3,448,585</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :								
Owners of the Company	\$ 15,655,619	30	\$ 1,328,470	4	\$ 28,688,282	30	\$ 4,164,486	6
Non-controlling interests	78,415	—	56,455	—	151,705	—	112,176	—
	<u>\$ 15,734,034</u>	<u>30</u>	<u>\$ 1,384,925</u>	<u>4</u>	<u>\$ 28,839,987</u>	<u>30</u>	<u>\$ 4,276,662</u>	<u>6</u>
EARNINGS (LOSS) PER SHARE (Note 28)								
Basic	<u>\$ 3.98</u>		<u>\$ (0.04)</u>		<u>\$ 6.66</u>		<u>\$ 0.94</u>	
Diluted	<u>\$ 3.97</u>		<u>\$ (0.04)</u>		<u>\$ 6.65</u>		<u>\$ 0.93</u>	

The accompanying notes are an integral part of the consolidated financial statements.
(With Deloitte & Touche auditors' review report dated August 12, 2024)

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
	Retained Earnings (Note 24)						Other Equity			Total	Non-controlling Interests	Total Equity
	Share Capital (Note 24)		Capital Surplus (Note 24)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations (Note 24)	Unrealized Valuation Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Note 24)	Gain (Loss) on Hedging Instruments (Note 24)			
	Shares (In Thousands)	Amount										
BALANCE AT JANUARY 1, 2023	3,492,104	\$ 34,921,043	\$ 27,975,030	\$ 16,907,064	\$ 3,713,230	\$ 259,456,948	\$ 86,183	\$ (685,376)	\$ 585,616	\$ 342,959,738	\$ 826,225	\$ 343,785,963
Appropriation of 2022 earnings												
Legal reserve	—	—	—	18,084,869	—	(18,084,869)	—	—	—	—	—	—
Special reserve	—	—	—	—	275,542	(275,542)	—	—	—	—	—	—
Cash dividends to shareholders (NT\$20 per share)	—	—	—	—	—	(69,842,086)	—	—	—	(69,842,086)	—	(69,842,086)
Net profit for the six months ended June 30, 2023	—	—	—	—	—	3,271,086	—	—	—	3,271,086	177,499	3,448,585
Other comprehensive income (loss) for the six months ended June 30, 2023, net of income tax	—	—	—	—	—	—	1,009,205	51,141	(166,946)	893,400	(65,323)	828,077
Total comprehensive income (loss) for the six months ended June 30, 2023	—	—	—	—	—	3,271,086	1,009,205	51,141	(166,946)	4,164,486	112,176	4,276,662
Decrease in non-controlling interests	—	—	—	—	—	—	—	—	—	—	(181,369)	(181,369)
BALANCE AT JUNE 30, 2023	3,492,104	\$ 34,921,043	\$ 27,975,030	\$ 34,991,933	\$ 3,988,772	\$ 174,525,537	\$ 1,095,388	\$ (634,235)	\$ 418,670	\$ 277,282,138	\$ 757,032	\$ 278,039,170
BALANCE AT JANUARY 1, 2024	3,492,104	\$ 34,921,043	\$ 27,975,030	\$ 34,991,933	\$ 3,988,772	\$ 176,009,020	\$ (346,936)	\$ (748,123)	\$ 187,173	\$ 276,977,912	\$ 723,297	\$ 277,701,209
Appropriation of 2023 earnings												
Legal reserve	—	—	—	475,457	—	(475,457)	—	—	—	—	—	—
Special reserve	—	—	—	—	947,930	(947,930)	—	—	—	—	—	—
Cash dividends to shareholders (NT\$2 per share)	—	—	—	—	—	(6,984,208)	—	—	—	(6,984,208)	—	(6,984,208)
Net profit for the six months ended June 30, 2024	—	—	—	—	—	23,266,523	—	—	—	23,266,523	152,330	23,418,853
Other comprehensive income (loss) for the six months ended June 30, 2024, net of income tax	—	—	—	—	—	—	5,659,929	151,313	(389,483)	5,421,759	(625)	5,421,134
Total comprehensive income (loss) for the six months ended June 30, 2024	—	—	—	—	—	23,266,523	5,659,929	151,313	(389,483)	28,688,282	151,705	28,839,987
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (loss) by associates	—	—	—	—	—	4,396	—	(4,396)	—	—	—	—
Decrease in non-controlling interests	—	—	—	—	—	—	—	—	—	—	(82,536)	(82,536)
BALANCE AT JUNE 30, 2024	3,492,104	\$ 34,921,043	\$ 27,975,030	\$ 35,467,390	\$ 4,936,702	\$ 190,872,344	\$ 5,312,993	\$ (601,206)	\$ (202,310)	\$ 298,681,986	\$ 792,466	\$ 299,474,452

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated August 12, 2024)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

CASH FLOWS FROM OPERATING ACTIVITIES	For the Six Months Ended June 30	
	2024	2023
Income before income tax	\$ 28,802,022	\$ 10,380,060
Adjustments for :		
Depreciation expenses	9,879,246	10,320,865
Amortization expenses	44,592	35,870
Expected credit loss (gain) recognized	33,544	(1,287)
Net gain on fair value change of financial assets/liabilities at FVTPL	(19,351)	(34,131)
Finance costs	966,039	1,242,935
Interest income	(5,503,423)	(6,256,839)
Dividend income	(16,622)	—
Share of profit of associates and joint ventures	(221,401)	(242,237)
Gain on disposal of property, plant and equipment	(124,992)	(35,298)
Loss on disposal of intangible assets	277	—
(Reversal of) Write-downs of shipping fuel	(237,197)	152,443
Net gain on foreign currency exchange	(1,970,199)	(1,524,768)
Loss on changes in fair value of investment properties	1,970	—
Ineffectiveness of cash flow hedging	—	(67,770)
Gain on lease modification	(1,149)	(103)
Recognized of provisions	14,233	1,475
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at FVTPL	(1,000,174)	(4,605,169)
Contract assets	(1,858,059)	78,388
Notes receivable	(3,600)	(11,109)
Trade receivables	(4,966,257)	1,721,228
Trade receivables from related parties	(141,626)	97,180
Shipping fuel	(456,708)	(110,055)
Prepayments	24,728	138,608
Prepayments to shipping agents	106,597	353,227
Other current assets	(386,304)	77,663
Current liabilities	311,173	(49,107)
Notes payable	2,640	(5,880)
Trade payables	796,995	71,729

(Continued)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2024	2023
Trade payables to related parties	\$ 25,843	\$ 28,061
Other payables	409,472	(3,030,207)
Other advance account	116,047	(97,901)
Other current liabilities	358,474	(288,361)
Net defined benefit liabilities	(77,911)	(191,395)
Cash generated from operations	24,908,919	8,148,115
Interest received	5,487,948	5,983,382
Dividends received	74,643	224,007
Interest paid	(975,092)	(1,211,315)
Income tax paid	(6,809,728)	(30,366,640)
Net cash generated from operating activities	22,686,690	(17,222,451)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(54,829,500)	(167,961,981)
Proceeds from sale of financial assets at amortized cost	83,828,435	157,217,504
Acquisition of associates and joint ventures	—	(467)
Payments for property, plant and equipment	(2,198,239)	(551,863)
Proceeds from disposal of property, plant and equipment	214,887	72,073
Decrease (Increase) in refundable deposits	2,378	(6,469)
Payments for intangible assets	(25,538)	(54,652)
Payments for investment property	(2,154)	—
Decrease in financial lease receivables	10,339	625,944
Decrease in other financial assets	1,864	1,838
(Increase) decrease in other non-current assets	(17,662)	42,995
Increase in prepayments for equipment	(280,102)	(13,477)
Net cash used in investing activities	26,704,708	(10,628,555)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(230,000)	(390,000)
Proceeds from long-term borrowings	462,000	380,439
Repayments of long-term borrowings	(561,978)	(321,796)
Repayments of the principal portion of lease liabilities	(18,510,324)	(6,817,093)

(Continued)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2024	2023
Decrease in other non-current liabilities	\$ (39,725)	\$ (53,065)
Net change in non-controlling interests	(79,793)	(172,633)
Net cash used in financing activities	(18,959,820)	(7,374,148)
 EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	2,830,371	1,309,990
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	33,261,949	(33,915,164)
 CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	69,921,565	149,427,959
 CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	\$ 103,183,514	\$ 115,512,795

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' review report dated August 12, 2024)

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Yang Ming Marine Transport Corporation (the “Company” or YMTC), established in December 1972, was majority-owned by the Ministry of Transportation and Communications (MOTC) of the Republic of China (ROC) until February 15, 1996 when the MOTC began reducing its holdings in the Company following the Company’s listing of its shares on the Taiwan Stock Exchange.

YMTC mainly engages in the shipping, repair, chartering, sale and purchase of ships, containers and chassis and operates as a shipping agency.

YMTC’s shares have been listed on the Taiwan Stock Exchange since April 1992. The Company issued global depository receipts (GDRs), which have been listed on the London Stock Exchange (ticker symbol: YMTD) since November 1996. The GDRs listed on the London Stock Exchange were delisted on December 5, 2019.

To simplify the investment structure and integrate resource, YMTC plans to restructure the Group. In July 2021, the board of directors resolved to merger with Ching Ming Investment Corp. The base date for the merger was November 1, 2021. The Company would be the surviving company while Ching Ming Investment Corp. would be dissolved in the merger.

The consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) are presented in YMTC’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by YMTC’s board of directors on August 12, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Group's accounting policies:

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (referred to as the “2020 amendments”) and “Non-current Liabilities with Covenants” (referred to as the “2022 amendments”)

The 2020 amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights exist at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right.

The 2020 amendments also stipulate that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date. The 2022 amendments further clarify that only covenants with which an entity is required to comply on or before the reporting date should affect the classification of a liability as current or non-current. Although the covenants to be complied with within twelve months after the reporting period do not affect the classification of a liability, the Group shall disclose information that enables users of financial statements to understand the risk of the Group, which may have difficulty complying with the covenants and repaying its liabilities within twelve months after the reporting period.

The 2020 amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group's own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that, at the option of the counterparty, result in its settlement by a transfer of the Group's own equity instruments, and if such an option is recognized separately as equity in accordance with IAS 32 "Financial Instruments: Presentation", the aforementioned terms would not affect the classification of the liability.

- b. The IFRS Accounting Standard endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)

Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosures in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as ‘other’ only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the

standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosures required in a full set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and investment properties which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Group (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their

relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 13 and Tables G and H for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other significant accounting policies

Unless the below mentioned, the summary of significant accounting policies for these interim consolidated financial statements are the same as those applied for the consolidated financial statements for the year ended December 31, 2023.

1) Classification of current and non-current assets and liabilities

Current assets include:

- a) Assets held primarily for the purpose of trading;
- b) Assets expected to be realized within 12 months after the reporting period; and
- c) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- a) Liabilities held primarily for the purpose of trading;
- b) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
- c) Liabilities Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical accounting judgments and key sources of estimation uncertainty for these interim consolidated financial statements are the same as those applied for the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand	\$ 7,701	\$ 8,929	\$ 10,808
Checking accounts and demand deposits	16,302,660	13,410,811	13,571,935
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	76,944,513	56,328,600	101,758,560
Repurchase agreements	9,750,000	—	—
Call deposits	178,640	173,225	171,492
	<u>\$ 103,183,514</u>	<u>\$ 69,921,565</u>	<u>\$ 115,512,795</u>

The market rate intervals of time deposits, repurchase agreements and call deposits at the end of the reporting period were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Time deposits	0.50%-49.00%	0.50%-41.00%	0.05%-40.00%
Repurchase agreements	1.68%-1.77%	—	—
Call deposits	1.75%	1.75%	1.75%

Financial assets designated as hedging

The Group designated certain USD-denominated demand deposits and time deposits as hedging instruments to hedge future volatility of USD-denominated prepayments for ship purchase, and the accounting treatment is applicable to cash flow hedges. The information on the transactions is summarized as follow:

	Maturity Period	Account	Carrying Amount
June 30, 2024	2024/07/03~2024/11/29	Financial assets for hedging	<u>\$ 18,248,258</u>
December 31, 2023	2024/01/03~2024/11/29	Financial assets for hedging	<u>\$ 17,269,769</u>
June 30, 2023	2023/10/03~2023/11/29	Financial assets for hedging	<u>\$ 29,185,965</u>

Impact on comprehensive income (loss):

	Recognized in Other Comprehensive Income	Amount Reclassified
For the three months ended June 30, 2024	\$ 253,058	\$ —
For the six months ended June 30, 2024	\$ 978,489	\$ —
For the three months ended June 30, 2023	\$ 665,528	\$ (67,770)
For the six months ended June 30, 2023	\$ 405,528	\$ (67,770)

7. FINANCIAL INSTRUMENTS AT FVTPL

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
- Domestic listed shares	\$ 170,095	\$ 94,795	\$ 66,987
- Mutual funds	1,004,822	—	8,874,436
	<u>\$ 1,174,917</u>	<u>\$ 94,795</u>	<u>\$ 8,941,423</u>
<u>Financial assets at FVTPL - non-current</u>			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
- Domestic listed shares	\$ 268,000	\$ 272,000	\$ 272,000
- Mutual funds	—	54,717	52,531
- Domestic limited partnership	27,231	29,111	29,456
	<u>\$ 295,231</u>	<u>\$ 355,828</u>	<u>\$ 353,987</u>

The Group's purpose for trading oil derivatives was to reduce the cost burden from oil price increase. The Group entered into oil derivatives which was settled every month. Hedge accounting was not applied. The Group did not have outstanding oil derivatives contracts as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

8. FINANCIAL ASSETS AT FVTOCI - NON-CURRENT

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Domestic investments in equity instruments</u>			
Unlisted shares			

	June 30, 2024	December 31, 2023	June 30, 2023
Ordinary shares - Taipei Port Container Terminal Co., Ltd.	\$ 446,472	\$ 472,113	\$ 525,828
Ordinary shares - United Stevedoring Corp.	4,615	4,684	5,637
Ordinary shares - United Raw Material Solutions Inc.	1,602	1,602	1,626
Ordinary shares - Pro-Ascentek Investment Corporation	14,040	13,502	13,120
	<u>\$ 466,729</u>	<u>\$ 491,901</u>	<u>\$ 546,211</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2024	December 31, 2023	June 30, 2023
Time deposits with original maturity of more than 3 months	\$ 87,080,818	\$ 115,114,366	\$ 144,457,351
Restricted bank balance (Note 33)	148,683	121,406	131,018
Repurchase agreements	—	—	2,800,000
Corporate bonds	10,532,712	4,716,563	2,547,214
Less : Allowance for impairment loss	(2,837)	(1,176)	—
	<u>\$ 97,759,376</u>	<u>\$ 119,951,159</u>	<u>\$ 149,935,583</u>
Current	<u>\$ 87,401,103</u>	<u>\$ 115,208,702</u>	<u>\$ 147,355,887</u>
Non-current	<u>\$ 10,358,273</u>	<u>\$ 4,742,457</u>	<u>\$ 2,579,696</u>

Refer to Note 31 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Notes receivable - operating</u>	<u>\$ 14,266</u>	<u>\$ 10,666</u>	<u>\$ 15,371</u>
<u>Trade receivables</u>			
At amortized cost			
Trade receivables - non-related parties	\$ 11,492,437	\$ 6,203,718	\$ 8,869,288
Trade receivables - related parties	360,575	214,168	243,637
Less : Allowance for impairment loss	(72,664)	(52,941)	(96,120)
	<u>\$ 11,780,348</u>	<u>\$ 6,364,945</u>	<u>\$ 9,016,805</u>

The average credit period of notes receivable and trade receivables from cargo business is 14 to 28 days. For logistics, terminal, and warehousing services, the average credit period is within 90 days.

The Group measures the loss allowance for notes receivable, trade receivable, and contract assets at an amount equals to lifetime ECLs. The expected credit losses on notes receivable, trade receivables and contract assets are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, and the Group's customers are scattered around the world and not related to each other. The management believes there is no significant concentration of credit risk for trade receivables. The provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base. The Group recognize contract assets by completion ratio of transportation. According to historical experience, the completion of transportation period is within 60 days. The recognition method of the Group to assess contract assets which have expected credit loss is same as the trade receivables, and to assess within 60 days after invoice date.

The Group writes off notes receivable, trade receivables and contract assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables, notes receivables and contract asset that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

For the notes receivable and trade receivables balances that were past due at the end of the reporting period, the Group did not recognize an allowance for impairment loss, because there was not a significant change in credit quality and the amounts were still considered recoverable. The Group acquired bank's guaranteed letter from agencies or received security deposit from clients; for the rest of the receivables, the Group did not hold any collateral or other credit enhancements for these balances.

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix.

June 30, 2024

	No Signs of Default By Client					Signs of Default by Client	Total
	Less than 60 Days	61 to 90 days	91 to 180 days	181 to 365 days	Over 365 days		
Expected credit loss rate	0.00%-0.65%	0.50%-1.65%	0.50%-5.15%	0.50%-10.15%	0.50%-20.15%	100.00%	
Gross carrying amount	\$ 11,555,345	\$ 133,789	\$ 61,003	\$ 96,297	\$ 12,253	\$ 8,591	\$ 11,867,278
Loss allowance (Lifetime ECLs)	(60,752)	(1,413)	(1,137)	(485)	(286)	(8,591)	(72,664)
Amortized cost	<u>\$ 11,494,593</u>	<u>\$ 132,376</u>	<u>\$ 59,866</u>	<u>\$ 95,812</u>	<u>\$ 11,967</u>	<u>\$ —</u>	<u>\$ 11,794,614</u>

December 31, 2023

	No Signs of Default By Client					Signs of Default by Client	Total
	Less than 60 Days	61 to 90 days	91 to 180 days	181 to 365 days	Over 365 days		
Expected credit loss rate	0.00%-0.65%	0.50%-1.65%	0.50%-5.15%	0.50%-10.15%	0.50%-20.15%	100.00%	
Gross carrying amount	\$ 6,118,569	\$ 150,896	\$ 126,012	\$ 17,590	\$ 15,140	\$ 345	\$ 6,428,552
Loss allowance (Lifetime ECLs)	(47,525)	(528)	(1,548)	(787)	(2,208)	(345)	(52,941)
Amortized cost	<u>\$ 6,071,044</u>	<u>\$ 150,368</u>	<u>\$ 124,464</u>	<u>\$ 16,803</u>	<u>\$ 12,932</u>	<u>\$ —</u>	<u>\$ 6,375,611</u>

June 30, 2023

	No Signs of Default By Client					Signs of Default by Client	Total
	Less than 60 Days	61 to 90 days	91 to 180 days	181 to 365 days	Over 365 days		
Expected credit loss rate	0.00%-0.88%	0.50%-1.88%	0.50%-5.38%	0.50%-10.38%	0.50%-20.38%	100.00%	
Gross carrying amount	\$ 8,922,682	\$ 99,688	\$ 41,644	\$ 44,411	\$ 19,294	\$ 577	\$ 9,128,296
Loss allowance (Lifetime ECLs)	(91,501)	(660)	(1,066)	(835)	(1,481)	(577)	(96,120)
Amortized cost	<u>\$ 8,831,181</u>	<u>\$ 99,028</u>	<u>\$ 40,578</u>	<u>\$ 43,576</u>	<u>\$ 17,813</u>	<u>\$ —</u>	<u>\$ 9,032,176</u>

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 52,941	\$ 102,773
Add : Net remeasurement of loss allowance	20,449	1,733
Add : Reclassified from allowance of overdue receivables	—	499
Less : Amounts written off	(362)	(7,799)
Less : Reclassified to allowance of overdue receivables	(1,659)	—
Foreign exchange gains and losses	1,295	(1,086)
Balance at June 30	<u>\$ 72,664</u>	<u>\$ 96,120</u>

11. FINANCE LEASE RECEIVABLES

The composition of finance lease receivables was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Undiscounted lease payments			
Year 1	\$ 22,011	\$ 22,011	\$ 150,987
Year 2	22,011	22,011	22,011
Year 3	22,011	22,011	22,011
Year 4	22,010	22,010	22,011
Year 5	11,005	22,010	22,011
Year 6 onwards	—	—	11,005
	<u>99,048</u>	<u>110,053</u>	<u>250,036</u>
Less : Unearned finance income	<u>(2,845)</u>	<u>(3,511)</u>	<u>(4,277)</u>
Net investment in leases presented as finance lease receivables	<u>\$ 96,203</u>	<u>\$ 106,542</u>	<u>\$ 245,759</u>
Current	<u>\$ 20,885</u>	<u>\$ 20,747</u>	<u>\$ 149,556</u>
Non-current	<u>\$ 75,318</u>	<u>\$ 85,795</u>	<u>\$ 96,203</u>

The Group has been subleasing its container yard located in Keelung with monthly fixed lease payments of \$1,834 thousand. As the Group subleases the container yard for all the remaining lease term of the main lease to the sublessee, the sublease contract is classified as a finance lease.

The Group has been subleasing its ship with daily fixed lease payments of USD \$112 thousand. As the Group subleases the ship for all the remaining lease term of the main lease to the sublessee, the sublease contract is classified as a finance lease.

The interest rates inherent in leases are fixed at the contract dates for the entire term of the lease. The interest rate inherent in the finance lease was approximately 1.33%, 1.33% and 1.33%-1.80% as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. The respective leased equipment served as collateral for the finance lease receivables. At the end of the reporting period, no finance lease receivable was past due. The Group has not recognized a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collateral held over these finance lease receivables.

12. SHIPPING FUEL

	June 30, 2024	December 31, 2023	June 30, 2023
Shipping fuel	<u>\$ 5,223,585</u>	<u>\$ 4,535,017</u>	<u>\$ 4,459,508</u>

The cost of shipping fuel recognized as operating cost for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were \$6,162,174 thousand, \$5,506,553 thousand, \$11,961,159 thousand and \$10,487,544 thousand, respectively.

The cost of shipping fuel recognized as operating cost for the three months ended June 30, 2024 and for the six months ended June 30, 2024 included reversal of shipping fuel write-downs of \$114,451 thousand and \$237,197 thousand, respectively. Previous write-downs were reversed as a result of increased profit from marine operations.

The cost of shipping fuel recognized as operating cost for the three months ended June 30, 2023 and for the six months ended June 30, 2023 included shipping fuel write-downs of \$2,429 thousand and \$152,443 thousand, respectively.

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership Interests (%)			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
Yang Ming Marine Transport Corporation	Yang Ming Line (B.V.I.) Holding Co., Ltd. (YML-BVI)	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming Line B.V. (YML-BV)	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming Line (Singapore) Pte Ltd (YML-Singapore)	Investment, shipping service, sale and purchase of ships, chartering and forwarding agency	100.00	100.00	100.00	Note a
"	All Oceans Transportation Inc. (AOT)	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	YES Logistics Corp. (Yes Logistics)	Sea and air freight forwarding agency and warehouse operation	96.36	96.36	96.36	
"	Kuang Ming Shipping Corp. (Kuang Ming)	Shipping service, shipping agency and forwarding agency	98.88	98.88	98.88	
"	Hong Ming Terminal & Stevedoring Corp.	Terminal operation and stevedoring	100.00	100.00	100.00	
"	Jing Ming Transportation Co., Ltd. (Jing Ming)	Container transportation	50.98	50.98	50.98	
"	Yang Ming Line Holding Co. (YML Holding)	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming (Singapore) Pte. Ltd. (YM-Singapore)	Shipping agency, forwarding agency, shipping managers and shipping lines	100.00	100.00	100.00	
YML Holding	Yang Ming (America) Corp.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Transcont Intermodal Logistics, Inc.	Inland forwarding agency	100.00	100.00	100.00	
"	Yang Ming Shipping (Canada) Ltd.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
YML-BVI	Yang Ming Line N.V. (YML-NV)	Investment, shipping agency, forwarding agency and shipping managers	—	—	—	Note b
"	Yang Ming (UK) Ltd (Yangming-UK)	Shipping agency, forwarding agency, shipping managers and shipping lines	100.00	97.84	97.84	Note c
YML-BV	Yangming-UK	Shipping agency, forwarding agency, shipping managers and shipping lines	—	2.16	2.16	Note c
"	Yang Ming Shipping Europe GmbH	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership Interests (%)			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
"	Yang Ming Italy S.P.A. (Yang Ming-Italy)	Shipping agency	50.00	50.00	50.00	
"	Yang Ming (Netherlands) B.V.	Shipping agency	100.00	100.00	100.00	
"	Yang Ming (Belgium) N.V.	Shipping agency	89.92	89.92	89.92	
"	Yang Ming (Russia) LLC	Shipping agency	60.00	60.00	60.00	Note d
"	Yang Ming (Spain), S.L.	Shipping agency	60.00	60.00	60.00	
"	Yang Ming (MEDITERRANEAN) Marine Services Single-Member Limited Liability Company	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
Yang Ming (Netherlands) B.V.	Yang Ming (Belgium) N.V.	Shipping agency	10.08	10.08	10.08	
Yang Ming-Italy	Yang Ming (Naples) S.r.l.	Forwarding agency	60.00	60.00	60.00	
Yangming-UK	Corstor Ltd.	Warehouse management and container haulage services	100.00	100.00	100.00	
YML-Singapore	Young-Carrier Company Ltd.	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming Shipping (B.V.I.) Inc.	Forwarding agency and shipping agency	100.00	100.00	100.00	
"	Yangming (Japan) Co., Ltd. (Yangming-Japan)	Shipping services, sale and purchase of ships, chartering and forwarding agency	100.00	100.00	100.00	
"	Yang Ming Line (Hong Kong) Ltd. (YML-HK)	Forwarding agency and shipping agency	1.44	1.44	1.44	
"	Yang Ming Line (M) Sdn. Bhd.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming Line (India) Pvt. Ltd.	Shipping agency, forwarding agency and shipping managers	60.00	60.00	60.00	
"	Yang Ming (Korea) Co., Ltd	Shipping agency, forwarding agency and shipping managers	60.00	60.00	60.00	
"	Yang Ming Anatolia Shipping Agency S.A. (Yang Ming Anatolia)	Shipping agency, forwarding agency and shipping managers	50.00	50.00	50.00	
"	Yang Ming Shipping (Vietnam) Co., Ltd	Forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming Shipping Philippines, Inc.	Forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming (Latin America) Corp.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	
"	Yang Ming Line (Thailand) Co., Ltd. (YML-Thailand)	Shipping agency, forwarding agency and shipping managers	49.00	49.00	49.00	
"	Yang Ming Line shipping (Thailand) Co., Ltd.	Shipping agency	49.00	49.00	49.00	
"	Yang Ming Insurance Co., Ltd.	Insurance	100.00	100.00	100.00	
"	PT Yang Ming Shipping Indonesia (PT Yang Ming Indonesia)	Shipping agency, forwarding agency and shipping managers	49.00	49.00	49.00	
"	Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	100.00	Note e
"	Yang Ming (France) S.A.S.	Shipping agency, forwarding agency and shipping managers	60.00	60.00	60.00	
YML-Thailand	Yang Ming Line shipping (Thailand) Co., Ltd.	Shipping agency	50.00	50.00	50.00	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership Interests (%)			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
Yang Ming Line shipping (Thailand) Co., Ltd.	YML-Thailand	Shipping agency, forwarding agency and shipping managers	49.00	49.00	49.00	
Yangming (Japan)	Manwa & Company, Ltd.	Forwarding agency and shipping agency	100.00	100.00	100.00	
YMS-BVI	Karlman Properties Limited	Property agency	100.00	100.00	100.00	
"	YML-HK	Forwarding agency and shipping agency	98.56	98.56	98.56	
Kuang Ming	Kuang Ming (Liberia) Corp.	Forwarding agency	100.00	100.00	100.00	
YES Logistics Corp.	Yes Logistics Corporation USA (Yes-USA)	Sea and air freight forwarding agency	100.00	100.00	100.00	
"	Yes Yangming Logistics (Singapore) Pte. Ltd. (Yes-Singapore)	Investment and subsidiaries management	100.00	100.00	100.00	
"	Yes Logistics (Shanghai) Corp. (Yes-Shanghai)	Forwarding agency	69.80	69.80	69.80	
"	PT. YES Logistics Indonesia	Forwarding agency	51.00	51.00	51.00	
Yes-USA	Yes Logistics (Shanghai) Corp. (Yes-Shanghai)	Forwarding agency	30.20	30.20	30.20	
"	Golden Logistics USA Corporation	Container transportation	100.00	100.00	100.00	
"	Yes Logistics Europe GmbH (Yes-ERO)	Forwarding agency	100.00	100.00	100.00	
Yes-Singapore	Yes Logistics Company Ltd.	Forwarding agency	100.00	100.00	100.00	
"	Yes Logistics Benelux B.V.	Forwarding agency	70.00	70.00	70.00	
Yes-ERO	YES MLC GmbH	Import and export, storage and delivery, and other warehousing related business	100.00	100.00	100.00	
YES MLC GmbH	Merlin Logistics GmbH	Warehouse operation and logistics	100.00	100.00	100.00	
Merlin Logistics GmbH	YES Logistics Bulgaria Ltd.	Cargo consolidation service and forwarding agency	100.00	100.00	100.00	

(Concluded)

Note a: The Group's board of directors resolved in June 2023 to process the cash capital increase of YML-Singapore with a limit amount of US\$800,000 thousand. As of December 2023, there was a cash capital increase of US\$800,000 thousand.

Note b: The Group's board of directors resolved in August 2021 to liquidate Yang Ming Line N.V. The liquidation was completed in April 2023.

Note c: The Group's board of directors resolved in March 2024 for its subsidiary Yangming-UK to return part of its capital to shareholders through capital reduction. The capital reduction was completed in May 2024. YML-BVI's share of Yangming-UK increased to 100% after the capital reduction.

Note d: The Group's board of directors resolved in August 2023 to liquidate Yang Ming (Russia) LLC.

Note e: The Group contributed 51% of capital in terms of cash input, but de facto holds 100% of the equity based on terms stipulated in the joint venture agreement.

Although YMTC directly or indirectly owns no more than 50% of shares with voting rights of Yang Ming-Italy, Yang Ming Anatolia Shipping Agency S.A. and PT Yang Ming Shipping Indonesia, it should regard the investees as its subsidiaries and incorporate the investees into the consolidated group under certain premises which are as follows:

- a. The Company has the right of control through owning more than 50% of the voting rights of the boards of directors of the investees, and the boards of directors have control over the Company, or
- b. The Company has the right of control over the investees' finances, operations or human resources.

Except for the accompanying consolidated financial statements of Yamgming-UK, YM-Singapore, YML-Singapore, Kuang Ming and Kuang Ming (Liberia) Corp. for the six months ended June 30, 2024 and the accompanying consolidated financial statements of YML-BVI, AOT, Yamgming-UK, YM-Singapore, Kuang Ming and Kuang Ming (Liberia) Corp. for the six months ended June 30, 2023, the financial statements of other non-significant subsidiaries were not reviewed.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2024	December 31, 2023	June 30, 2023
Investment in associates	\$ 8,864,521	\$ 8,414,332	\$ 8,210,748
Investment in joint ventures	395,340	382,889	387,488
	<u>\$ 9,259,861</u>	<u>\$ 8,797,221</u>	<u>\$ 8,598,236</u>

- a. Investment in associates

	June 30, 2024	December 31, 2023	June 30, 2023
Associates that are not individually material			
Kao Ming Container Terminal Corp.	\$ 3,693,467	\$ 3,594,068	\$ 3,489,365
Taiwan Navigation Co., Ltd.	3,051,886	2,700,252	2,742,751
West Basin Container Terminal LLC	1,191,719	1,194,303	1,146,017
United Terminal Leasing LLC	398,856	321,989	322,279
Sino Trans PFS Cold Chain Logistics Co., Ltd.	47,031	47,758	64,482
Yunn Wang Investment Co., Ltd.	243,056	218,400	189,270
Taiwan Foundation International Pte. Ltd.	122,714	115,371	115,417
Shanghai United Cold Chain logistics Co., Ltd.	28,012	29,366	29,991
Yang Ming Shipping (Egypt) S.A.E	32,393	70,902	40,448

	June 30, 2024	December 31, 2023	June 30, 2023
Yang Ming (U.A.E.) LLC	24,504	60,210	26,347
Yang Ming (Australia) Pty. Ltd.	22,841	54,806	38,097
PT. Formosa Sejati Logistics	8,042	6,907	6,284
	<u>\$ 8,864,521</u>	<u>\$ 8,414,332</u>	<u>\$ 8,210,748</u>

Except for Taiwan Navigation Co., Ltd., the investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were based on the associates' financial statements which have not been reviewed.

All the associates are accounted for using the equity method.

b. Investments in joint ventures

	June 30, 2024	December 31, 2023	June 30, 2023
Joint ventures that are not individually material			
Chang Ming Logistics Company Limited	\$ 283,190	\$ 276,459	\$ 274,736
YES LIBERAL Logistics Corp.	76,260	76,454	75,812
LogiTrans Technology Private Limited	24,628	13,522	17,277
Jambatan Merah Formosa Depot Sdn Bhd.	1,436	3,032	4,355
Yes And HQL Logistics Company	9,826	13,164	14,113
Yes Easyway Logistics (Thailand) Co., Ltd. (Note)	—	258	1,195
	<u>\$ 395,340</u>	<u>\$ 382,889</u>	<u>\$ 387,488</u>

Note: The Group's board of directors resolved in October 2020 to establish a joint-venture Yes Easyway Logistics (Thailand) Co., Ltd and completed the Step1 capital injection in October 2022. YMTC directly or indirectly owns 48.6% of its shares. After the Group completed the Step2 capital injection in January 2023, YMTC directly or indirectly owns 49% of its shares.

The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were based on the joint ventures' financial statements which have not been reviewed.

All the joint ventures are accounted for using the equity method.

15. PROPERTY, PLANT AND EQUIPMENT

	June 30, 2024	December 31, 2023	June 30, 2023
Assets used by the Group	\$ 84,421,706	\$ 77,544,112	\$ 66,893,322
Assets leased under operating leases	8,702,662	5,937,429	6,147,344
	<u>\$ 93,124,368</u>	<u>\$ 83,481,541</u>	<u>\$ 73,040,666</u>

a. Assets used by the Group

	Land	Buildings	Container and Chassis	Ships	Leasehold Improvements	Miscellaneous Equipment	Total
<u>Cost</u>							
Balance at January 1, 2024	\$ 751,794	\$ 1,569,164	\$ 35,868,608	\$ 112,549,109	\$ 357,836	\$ 3,656,201	\$ 154,752,712
Additions	—	—	815,954	593,552	2,025	54,321	1,465,852
Disposals	—	—	(411,294)	(362,704)	(194)	(29,287)	(803,479)
Transfers to assets leased under operating leases	—	—	—	(3,361,266)	—	—	(3,361,266)
Reclassification (Note 16 (e))	—	—	—	14,613,389	—	1,807	14,615,196
Effects of foreign currency exchange differences	(17)	28,526	63	611,189	4,221	12,332	656,314
Balance at June 30, 2024	<u>\$ 751,777</u>	<u>\$ 1,597,690</u>	<u>\$ 36,273,331</u>	<u>\$ 124,643,269</u>	<u>\$ 363,888</u>	<u>\$ 3,695,374</u>	<u>\$ 167,325,329</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2024	\$ —	\$ 680,085	\$ 18,782,886	\$ 54,969,163	\$ 296,426	\$ 2,480,040	\$ 77,208,600
Disposals	—	—	(363,550)	(362,704)	(194)	(29,220)	(755,668)
Transfers to assets leased under operating leases	—	—	—	(556,808)	—	—	(556,808)
Depreciation expenses	—	16,887	969,085	2,766,796	7,278	105,867	3,865,913
Reclassification (Note 16 (c))	—	—	—	3,097,347	—	—	3,097,347
Effects of foreign currency exchange differences	—	13,708	—	18,473	2,460	9,598	44,239
Balance at June 30, 2024	<u>\$ —</u>	<u>\$ 710,680</u>	<u>\$ 19,388,421</u>	<u>\$ 59,932,267</u>	<u>\$ 305,970</u>	<u>\$ 2,566,285</u>	<u>\$ 82,903,623</u>
Balance at June 30, 2024, net value	<u>\$ 751,777</u>	<u>\$ 887,010</u>	<u>\$ 16,884,910</u>	<u>\$ 64,711,002</u>	<u>\$ 57,918</u>	<u>\$ 1,129,089</u>	<u>\$ 84,421,706</u>
Balance at December 31, 2023 and January 1, 2024, net value	<u>\$ 751,794</u>	<u>\$ 889,079</u>	<u>\$ 17,085,722</u>	<u>\$ 57,579,946</u>	<u>\$ 61,410</u>	<u>\$ 1,176,161</u>	<u>\$ 77,544,112</u>
<u>Cost</u>							
Balance at January 1, 2023	\$ 751,708	\$ 1,573,665	\$ 33,887,202	\$ 95,684,633	\$ 346,453	\$ 2,959,756	\$ 135,203,417
Additions	—	—	22,667	123,720	7,874	502,872	657,133
Disposals	—	—	(155,946)	(123,795)	—	(74,480)	(354,221)
Reclassification	—	—	—	25,001	(272)	195,126	219,855
Effects of foreign currency exchange differences	22	187	17	8,455	787	3,290	12,758
Balance at June 30, 2023	<u>\$ 751,730</u>	<u>\$ 1,573,852</u>	<u>\$ 33,753,940</u>	<u>\$ 95,718,014</u>	<u>\$ 354,842</u>	<u>\$ 3,586,564</u>	<u>\$ 135,738,942</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2023	\$ —	\$ 647,503	\$ 17,036,056	\$ 45,360,769	\$ 274,873	\$ 2,400,508	\$ 65,719,709
Disposals	—	—	(123,623)	(123,795)	—	(74,149)	(321,567)
Depreciation expenses	—	16,773	960,850	2,367,144	9,074	85,647	3,439,488
Effects of foreign currency exchange differences	—	1,724	—	3,748	408	2,110	7,990
Balance at June 30, 2023	<u>\$ —</u>	<u>\$ 666,000</u>	<u>\$ 17,873,283</u>	<u>\$ 47,607,866</u>	<u>\$ 284,355</u>	<u>\$ 2,414,116</u>	<u>\$ 68,845,620</u>
Balance at June 30, 2023, net value	<u>\$ 751,730</u>	<u>\$ 907,852</u>	<u>\$ 15,880,657</u>	<u>\$ 48,110,148</u>	<u>\$ 70,487</u>	<u>\$ 1,172,448</u>	<u>\$ 66,893,322</u>

The above items of property, plant and equipment used by the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	53-56 years
Container and chassis	6-10 years
Ships	20-25 years
Dry dock	2.5-5 years
Leasehold improvements	2-10 years
Miscellaneous equipment	3-18 years

The dry dock is a significant component of ships.

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 33.

b. Assets leased under operating leases

	<u>Ships</u>
<u>Cost</u>	
Balance at January 1, 2024	\$ 10,199,828
Additions	21,043
Disposals	(19,663)
Transfers from assets used by the Group	3,361,266
Effects of foreign currency exchange differences	374,694
Balance at June 30, 2024	<u>\$ 13,937,168</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2024	\$ 4,262,399
Disposals	(19,663)
Transfers from assets used by the Group	556,808
Depreciation expenses	238,895
Effects of foreign currency exchange differences	196,067
Balance at June 30, 2024	<u>\$ 5,234,506</u>
Balance at June 30, 2024, net value	<u>\$ 8,702,662</u>
Balance at December 31, 2023 and January 1, 2024, net value	<u>\$ 5,937,429</u>
<u>Cost</u>	
Balance at January 1, 2023	\$ 10,168,509
Additions	22,963
Disposals	(16,368)
Effects of foreign currency exchange differences	95,767
Balance at June 30, 2023	<u>\$ 10,270,871</u>

	<u>Ships</u>	
<u>Accumulated depreciation and impairment</u>		
Balance at January 1, 2023	\$	3,874,331
Disposals		(16,368)
Depreciation expenses		216,872
Effects of foreign currency exchange differences		48,692
Balance at June 30, 2023	<u>\$</u>	<u>4,123,527</u>
Balance at June 30, 2023, net value	<u>\$</u>	<u>6,147,344</u>

The maturity analysis of lease payments receivable under operating lease payments was as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Year 1	\$ 1,468,199	\$ 879,515	\$ 945,202
Year 2	4,758	9,568	—
	<u>\$ 1,472,957</u>	<u>\$ 889,083</u>	<u>\$ 945,202</u>

At the end of the lease terms of ships under operating leases, the Group assessed the demand of voyage line deployment to determine whether they should be reclassified to freehold or should be adjusted based on the market rent to continue leasing to reduce the risk of the residual assets of the lease assets.

Some of Group's chartered-out vessels are paid by flat-rate installment, while the others are paid with amount linking to the variation of Baltic Dry Index, depending on payment terms stipulated in each lease agreement.

The above items of property, plant and equipment leased under operating leases are depreciated on a straight-line basis over their estimated useful lives as follows:

Ships	20-25 years
Dry dock	2.5-5 years

The dry dock is a significant component of ships.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Carrying amounts			
Land	\$ 21,740	\$ 25,388	\$ 29,875
Buildings	1,462,069	1,657,439	1,837,221
Container and chassis	4,036,654	4,481,720	4,926,834

	June 30, 2024	December 31, 2023	June 30, 2023
Ships	37,115,417	49,813,507	60,115,437
Miscellaneous equipment	58,565	66,600	78,704
	<u>\$ 42,694,445</u>	<u>\$ 56,044,654</u>	<u>\$ 66,988,071</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Additions to right-of-use assets	<u>\$ 3,695,819</u>	<u>\$ 123,927</u>	<u>\$ 3,737,822</u>	<u>\$ 292,029</u>
Depreciation expenses for right-of-use assets				
Land	\$ 2,304	\$ 2,244	\$ 4,567	\$ 4,487
Buildings	127,579	122,875	258,427	249,438
Container and chassis	222,531	222,566	445,066	445,131
Ships	2,488,163	2,981,081	5,043,725	5,945,276
Miscellaneous equipment	11,406	10,269	22,653	20,173
	<u>\$ 2,851,983</u>	<u>\$ 3,339,035</u>	<u>\$ 5,774,438</u>	<u>\$ 6,664,505</u>
Income from the subleasing of right-of-use assets (presented in operating revenue and other income)	<u>\$ 62,589</u>	<u>\$ 118,131</u>	<u>\$ 133,625</u>	<u>\$ 252,580</u>

Except for the aforementioned additions, depreciation expenses and the below section c mentioned about chartered-in ships transferred to property, plant and equipment, no significant subleasing and impairment loss of the right-of-use assets was recorded for the three months ended June 30, 2024 and 2023 and the six months ended June 30, 2024 and 2023.

b. Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
Carrying amounts			
Current	<u>\$ 3,946,657</u>	<u>\$ 4,666,192</u>	<u>\$ 4,987,723</u>
Non-current	<u>\$ 18,618,749</u>	<u>\$ 24,445,367</u>	<u>\$ 26,995,128</u>
Lease liabilities designated as hedging (presented in financial liabilities for hedging)			
Current	<u>\$ 7,806,091</u>	<u>\$ 10,380,140</u>	<u>\$ 8,669,467</u>
Non-current	<u>\$ 18,762,031</u>	<u>\$ 21,401,129</u>	<u>\$ 32,928,652</u>

Financial liabilities designated as hedging

The Group designated certain USD-denominated lease liabilities as hedging instruments to hedge future volatility of USD-denominated operating revenue, and the accounting treatment is applied to cash flow hedges. The information on the contracts is summarized as follow:

	<u>Maturity Period</u>	<u>Account</u>	<u>Carrying Amount</u>
June 30, 2024	2026/02/28-2031/01/31	Financial liabilities for hedging	<u>\$ 26,568,122</u>
December 31, 2023	2024/01/09-2031/01/31	Financial liabilities for hedging	<u>\$ 31,781,269</u>
June 30, 2023	2026/02/28-2031/01/31	Financial liabilities for hedging	<u>\$ 41,598,119</u>

Impact on comprehensive income (loss):

	<u>Recognized in Other Comprehensive Income</u>	<u>Amount Reclassified to Profit or Loss</u>
For the three months ended June 30, 2024	<u>\$ (387,155)</u>	<u>\$ 116,592</u>
For the six months ended June 30, 2024	<u>\$ (1,547,095)</u>	<u>\$ 81,752</u>
For the three months ended June 30, 2023	<u>\$ (935,491)</u>	<u>\$ 9,817</u>
For the six months ended June 30, 2023	<u>\$ (551,815)</u>	<u>\$ 5,375</u>

The range of discount rate for lease liabilities (including USD-denominated lease contracts designated as hedge instruments) was as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Land	1.12%-1.49%	1.12%-1.49%	1.12%-1.49%
Buildings	0.89%-10.00%	0.89%-10.00%	0.89%-10.00%
Container and chassis	0.66%-2.16%	0.43%-2.16%	0.18%-2.16%
Ships	0.45%-7.32%	0.45%-7.65%	0.45%-7.49%
Miscellaneous equipment	0.84%-8.64%	0.84%-8.64%	0.84%-8.64%

c. Material lease-in activities and terms

Many of the ship leases across the Group contain extension options, some of them also contain purchase options. These terms are used to maximize operational flexibility in terms of managing contracts. When the rents are lower than the market price of lease market, the Group will extend the lease term; when the purchase option prices are better than the market price, the Group will consider if the purchase options are exercised or not. These terms are not reflected in measuring

lease liabilities in many cases because the options are not reasonably certain to be exercised. The table below summarizes potential future rental payments relating to periods following the exercise dates of extension and purchase options.

Containership Department	Lease Liabilities Recognized (Discounted)	Potential Future Lease Payments and Purchase Option Not Included in Lease Liabilities (Discounted)	Historical Ratio for Exercising Extension and Purchase Options
<u>June 30, 2024</u>			
Ships	<u>\$ 25,423,930</u>	<u>\$ 9,049,097</u>	31.45%
<u>December 31, 2023</u>			
Ships	<u>\$ 32,094,109</u>	<u>\$ 10,283,805</u>	31.07%
<u>June 30, 2023</u>			
Ships	<u>\$ 43,700,898</u>	<u>\$ 19,327,387</u>	31.25%

The Group's board of directors resolved in June 2023 to buy back 3 chartered-in ships with extension and purchase options to replace current lease contracts. The ship purchase contracts had been signed in July 2023 with a total price of US\$302,000 thousand, which had been fully delivered and settled. And the ships had been transferred to property, plant and equipment. The Group's board of directors resolved in November 2023 to buy back 2 chartered-in ships again with extension and purchase options to replace current lease contracts. The ship purchase contracts had been signed in November 2023 with a total price of US\$199,000 thousand, which had been fully delivered and settled in December 2023 and January 2024, respectively. And the ships had been transferred to property, plant and equipment.

The Group's board of directors resolved in May 2024 to buy back 3 chartered-in ships with extension options to replace current lease contracts. The ship purchase contracts had been signed in May 2024 with a total price US\$287,000 thousand, which had been fully delivered and settled. And the ships had been transferred to property, plant and equipment. The Group's board of directors resolved in Aug 2024 to authorize the buy-back of 2 chartered-in ships again with total price US\$186,000 thousand and the termination of current lease contracts. The ship purchase contracts will be signed in Sep 2024.

For the purpose of managing the storage, reforming, processing, transfer and distribution of goods, YMTC collaborated with the Port of Kaohsiung, Taiwan International Ports Corporation, Ltd. on the construction and operation of the First and Second Logistics Centers of the Kaohsiung Third Container Center. YMTC is entitled to the use of the First and Second Logistics Centers for 30 years and 28 years and 9 months, respectively, based on the initial investment made by YMTC. The Centers are amortized over the period in use. Furthermore, in accordance with the requirements, YMTC should pay land-use fees and administration fees for every month of the lease term (based on the actual volume of cargo stevedored). Administration fees depend on the lowest guaranteed volumes for each respective logistics center, which are 1 million and 0.85 million tons. If YMTC is unable to reach the lowest guaranteed volumes, it should calculate the payment for the administration fees based on the volumes of 1 million and 0.85 million tones,

respectively, and the administration fees will be adjusted under the annual Wholesale Price Index in Taiwan.

d. Subleases

In addition to the sublease transactions described in Note 11, the other sublease transactions are set out below.

Sublease of right-of-use assets

The Group subleases its right-of-use assets for property, plant and equipment under operating leases with lease terms of 1 to 2 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The leases do not have bargain purchase options to acquire the assets at the expiry of the lease periods.

Some of Group's chartered-out vessels are paid by flat-rate installment, while the others are paid with amount linking to the variation of Baltic Dry Index, depending on payment terms stipulated in each lease agreement.

The maturity analysis of lease payments receivable under operating subleases was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Year 1	\$ 285,828	\$ 142,744	\$ 140,754
Year 2	154,891	130,907	252
	<u>\$ 440,719</u>	<u>\$ 273,651</u>	<u>\$ 141,006</u>

e. Other lease information

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2024	2023	2024	2023
Expenses relating to short-term leases	<u>\$ 157,952</u>	<u>\$ 56,570</u>	<u>\$ 310,774</u>	<u>\$ 76,459</u>
Expenses relating to low-value asset leases	<u>\$ 732,373</u>	<u>\$ 712,580</u>	<u>\$ 1,368,047</u>	<u>\$ 1,462,974</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 68,356</u>	<u>\$ (149,428)</u>	<u>\$ 213,013</u>	<u>\$ (134,281)</u>
Expenses relating to service cost payments not included in the measurement of lease liabilities	<u>\$ 937,241</u>	<u>\$ 1,039,974</u>	<u>\$ 1,865,897</u>	<u>\$ 2,140,635</u>
Total cash outflow for leases			<u>\$ (22,873,917)</u>	<u>\$ (11,490,398)</u>

The Group has elected to apply the recognition exemption of short-term leases and low-value asset leases and thus, did not recognize right-of-use assets and lease liabilities for these leases.

The amounts of lease commitments for short-term leases and low-value asset lease for which the recognition exemption is applied were \$6,136,528 thousand, \$6,736,427 thousand and \$3,105,646 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

The amounts of lease commitments for future service cost which was recognized as non-lease components of contracts were \$14,396,763 thousand, \$17,276,754 thousand and \$22,770,688 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

17. INVESTMENT PROPERTIES

	June 30, 2024	December 31, 2023	June 30, 2023
Completed Investment Property	\$ 7,220,316	\$ 7,220,132	\$ 7,146,807

Expect for the recognition of the changes in fair value, there are not significant additions, disposals and impairment losses for the six months ended June 30, 2024 and 2023.

The fair values of investment properties measured on a recurring basis were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Independent valuation	\$ 7,220,316	\$ 7,220,132	\$ 7,146,807

The maturity analysis of lease payments receivable under operating lease of investment properties as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Year 1	\$ 77,711	\$ 65,482	\$ 75,207
Year 2	51,124	49,322	54,003
Year 3	25,651	29,687	37,904
Year 4	5,623	8,037	15,619
Year 5	1,724	3,852	3,629
Year 6 onwards	914	1,371	1,828
	\$ 162,747	\$ 157,751	\$ 188,190

18. BORROWINGS

a. Short-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	\$ 1,385,000	\$ 1,405,000	\$ 1,580,000

	June 30, 2024	December 31, 2023	June 30, 2023
Loans from related parties (Note 32)	340,000	550,000	460,000
	<u>\$ 1,725,000</u>	<u>\$ 1,955,000</u>	<u>\$ 2,040,000</u>

- 1) The range of weighted average effective interest rate on credit borrowings was 2.05%-2.09%, 2.01%-2.05% and 2.01%-2.15% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.
- 2) Loans from related parties of the Group were the amounts repayable to government-related entities. Interest rates were 2.05%-2.12%, 1.98%-1.99% and 1.98%-2.10% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

b. Short-term bills payable

	June 30, 2024	December 31, 2023	June 30, 2023
Commercial paper	\$ 600,000	\$ 600,000	\$ 600,000
Less : Unamortized discount on bills payable	526	638	795
	<u>599,474</u>	<u>599,362</u>	<u>599,205</u>
Loans from related parties (Note 32)	500,000	500,000	500,000
Less : Unamortized discount on bills payable	534	1,005	564
	<u>499,466</u>	<u>498,995</u>	<u>499,436</u>
	<u>\$ 1,098,940</u>	<u>\$ 1,098,357</u>	<u>\$ 1,098,641</u>

Interest rates of the outstanding short-term bills payable were 2.05%-2.09%, 2.04%-2.05% and 2.06% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

Interest rates of the outstanding related parties' short-term bills payable were 2.05%, 2.04% and 2.06% per annum as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

c. Long-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Secured borrowings</u> (Note 33)			
Secured bank loans	\$ —	\$ —	\$ 5,717
Loans from related parties (Note 32)	—	92,200	129,061
	<u>—</u>	<u>92,200</u>	<u>134,778</u>

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Unsecured borrowings</u>			
Line of credit borrowings	—	180,000	194,005
Loans from related parties (Note 32)	292,222	120,000	120,000
	<u>292,222</u>	<u>300,000</u>	<u>314,005</u>
Total	292,222	392,200	448,783
Less : Current portion	126,666	103,723	85,340
Long-term borrowings	<u>\$ 165,556</u>	<u>\$ 288,477</u>	<u>\$ 363,443</u>

Bank loans are repayable in installments at varying amounts or fully repaid at maturity in New Taiwan dollars, U.S. dollars and MYR. The Group's loan features and terms are as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
<u>NT\$</u>			
Amount	\$ 292,222	\$ 392,200	\$ 429,061
Interest rate	2.10%-2.16%	1.98%-2.04%	1.85%-2.04%
Contract term	2023/06/07-2027/01/23	2020/02/27-2026/06/07	2020/02/27-2026/6/7
<u>US\$</u>			
Foreign currency amount	—	—	450
New Taiwan dollar amount	\$ —	\$ —	\$ 14,005
Interest rate	—	—	8.03 %
Contract term	—	—	2019/11/21-2024/11/21
<u>MYR</u>			
Foreign currency amount	—	—	857
New Taiwan dollar amount	\$ —	\$ —	\$ 5,717
Interest rate	—	—	4.50 %
Contract term	—	—	2019/08/26-2034/04/01

Secured borrowings

1) Secured bank loans

The secured bank loans of the Group will be repaid in MYR. The loans are repayable in advance on October 25, 2023. Interest rates was 4.50% on June 30, 2023. The Group's buildings are pledged as collaterals for the secured loans.

2) Loans from related parties

The Group's loans from related parties are borrowings repaid in New Taiwan dollars from government-related entities. The loans are repayable in advance on May 27, 2024. Interest rates were 1.98% and 1.85% on December 31, 2023 and June 30, 2023, respectively. The Group's ships are pledged as collaterals for the secured loans.

Unsecured borrowings

1) Unsecured bank loans

The Group's unsecured bank loans will be repaid in New Taiwan dollars and U.S. dollars in installments at very amounts or repaid in one-lump sum payment at maturity as the borrowing terms. The loans are repayable in advance on May 30, 2024. Interest rates were 2.03% and 1.98%-8.03% on December 31, 2023 and June 30, 2023, respectively.

2) Loans from related parties

The Group's unsecured loans from related parties are borrowings repaid in New Taiwan dollars from government-related entities, and will be repaid in installments as the borrowing terms. The loans are expected to be fully repaid before January 23, 2027. Interest rates were 2.10%-2.16%, 2.04% and 2.04% on June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

19. BONDS PAYABLE

	June 30, 2024	December 31, 2023	June 30, 2023
Secured domestic bonds	\$ 8,344,491	\$ 8,354,379	\$ 10,829,400
Less : Current portion	4,722,365	2,475,983	2,488,068
	<u>\$ 3,622,126</u>	<u>\$ 5,878,396</u>	<u>\$ 8,341,332</u>

Secured domestic bonds

YMTC issued five-year secured domestic bonds with an aggregate par value of \$5,000,000 thousand on November 28, 2019 (the November 2019 Bonds).

The bond features and terms are as follows:

Bonds issued in November 2019: Type A - aggregate par value: \$1,000,000 thousand; repayments: 50% - November 28, 2023 and 50% - November 28, 2024, an annual simple interest rate of 0.74%.

Type B - aggregate par value: \$1,500,000 thousand; repayments: 50% - November 28, 2023 and 50% - November 28, 2024, an annual simple interest rate of 0.74%.

Type C - aggregate par value: \$1,000,000 thousand; repayments: 50% - November 28, 2023 and 50% - November 28, 2024, an annual simple interest rate of 0.74%.

Type D - aggregate par value: \$1,000,000 thousand; repayments: 50% - November 28, 2023 and 50% - November 28, 2024, an annual simple interest rate of 0.74%.

Type E - aggregate par value: \$500,000 thousand; repayments: 50% - November 28, 2023 and 50% - November 28, 2024, an annual simple interest rate of 0.74%.

YMTC issued five-year to seven-year secured domestic bonds with an aggregate par value of \$5,900,000 thousand on April 28, 2021 (the April 2021 Bonds).

The bond features and terms are as follows:

Bonds issued in April 2021:	Type A - aggregate par value: \$1,000,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type B - aggregate par value: \$1,000,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type C - aggregate par value: \$500,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type D - aggregate par value: \$500,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type E - aggregate par value: \$500,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type F - aggregate par value: \$500,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type G - aggregate par value: \$500,000 thousand; repayments: 50% - April 28, 2025 and 50% - April 28, 2026, an annual simple interest rate of 0.45%.
	Type H - aggregate par value: \$400,000 thousand; repayments: 50% - April 28, 2027 and 50% - April 28, 2028, an annual simple interest rate of 0.49%.
	Type I - aggregate par value: \$1,000,000 thousand; repayments: 50% - April 28, 2027 and 50% - April 28, 2028, an annual simple interest rate of 0.49%.

The bonds are guaranteed by banks, of which \$5,000,000 thousand and \$4,400,000 thousand, respectively are guaranteed by government-related banks.

20. TRADE PAYABLES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Trade payables - operating</u>			
Trade payables - non-related parties	\$ 15,237,587	\$ 14,101,232	\$ 15,757,366
Trade payables - related parties	704,953	676,812	375,156
	<u>\$ 15,942,540</u>	<u>\$ 14,778,044</u>	<u>\$ 16,132,522</u>
Payable for cost of voyage in sailing	\$ 9,482,423	\$ 9,861,791	\$ 10,360,790
Payable for fuel	3,015,860	2,171,958	2,634,033
Payable for space hire	2,825,380	2,482,442	2,677,965
Payable for freight expenses	473,753	181,440	285,809
Payable for stevedoring expenses	140,046	75,607	168,965
Payable for management expenses	5,078	4,806	4,960
	<u>\$ 15,942,540</u>	<u>\$ 14,778,044</u>	<u>\$ 16,132,522</u>

21. OTHER PAYABLES

	June 30, 2024	December 31, 2023	June 30, 2023
Payable for container lease	\$ 661,150	\$ 436,639	\$ 485,605
Payable for salary and bonus	2,598,699	2,525,469	2,427,179
Payable for interest expenses	17,205	22,486	146,012
Payable for equipment M&R expenses	56,833	201,782	75,240
Payable for annual leave	137,030	135,258	137,345
Payable for vessel charter hire	146,953	118,665	189,399
Payable for equipment	92,281	803,625	211,692
Payable for dividends	6,988,828	1,877	69,852,699
Others	1,963,015	1,704,279	2,105,251
	<u>\$ 12,661,994</u>	<u>\$ 5,950,080</u>	<u>\$ 75,630,422</u>

22. PROVISIONS

	June 30, 2024	December 31, 2023	June 30, 2023
Restoration cost for leased assets (a)	\$ 4,685	\$ 4,955	\$ 5,141
Levies (b)	12,945	—	—
Others (c)	36,018	36,018	—
	<u>\$ 53,648</u>	<u>\$ 40,973</u>	<u>\$ 5,141</u>
Current	\$ 48,963	\$ 36,018	\$ —
Non-current	4,685	4,955	5,141
	<u>\$ 53,648</u>	<u>\$ 40,973</u>	<u>\$ 5,141</u>

- a. When returning right-of-use assets, lessees have legal or construction obligation to restore right-of-use assets to original status. Lessees need to accrue restoration costs provision over the lease term on a straight-line basis.
- b. As the shipping industry was included in the European Union Emission Trading Scheme (EU-ETS) starting from January 1st, 2024, a provision of levies was set up based on fuel consumption of related ships and carbon conversion factors.
- c. Other provisions have been evaluated conservatively, under relevant regulations possible violation decision with a total of \$36,018 thousand were based on the advice of lawyers.

23. RETIREMENT BENEFIT PLANS

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, employee benefits expenses in respect of the Group's defined benefit retirement plan were calculated using the actuarially determined pension cost discount rate as of December 31, 2023 and 2022, the amounts are \$19,408 thousand, \$21,345 thousand, \$38,828 thousand and \$43,404 thousand, respectively.

24. EQUITY

- a. Share capital

	June 30, 2024	December 31, 2023	June 30, 2023
Numbers of shares authorized (in thousands)	4,500,000	4,500,000	4,500,000
Shares authorized	<u>\$ 45,000,000</u>	<u>\$ 45,000,000</u>	<u>\$ 45,000,000</u>
Numbers of shares issued and fully paid (in thousands)	3,492,104	3,492,104	3,492,104
Shares issued	<u>\$ 34,921,043</u>	<u>\$ 34,921,043</u>	<u>\$ 34,921,043</u>

Fully paid ordinary shares, which have a par value at \$10, carry one vote per share and carry a right to dividends.

b. Capital surplus

	June 30, 2024	December 31, 2023	June 30, 2023
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital</u>			
Issuance of Ordinary Shares	\$ 27,975,030	\$ 27,975,030	\$ 27,975,030

Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's Articles of Incorporation (the "Articles"), when Company makes profit in a fiscal year, at least 25% of the remaining profit should be distributed as dividends after the profit has been utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the expansion of transportation equipment and improvement of financial structure, and distributing dividends for preference shares. The Company's board of directors should consider long-term financial plans, the change in the environment of the industry, capital expenditures, the working capital for operation and the shareholders' interests as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting. At least 20% of the amount declared as dividends for ordinary shares should be in the form of cash as opposed to stock. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors before and after amendment, refer to Note 26 h. compensation of employees and remuneration of directors.

Appropriation of earnings to legal reserve shall at least be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset a deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The amendments explicitly stipulate that when a special reserve is appropriated for cumulative net debit balance reserves from the prior period and cumulative net increases in fair value measurement of investment properties from the prior period, the sum of net profit for the current period and items other than the net profit that are included directly in the unappropriated earnings for the current period is used if the prior unappropriated earnings are not sufficient.

The appropriation of earnings for 2023 and 2022 approved in the shareholders' meeting on May 24, 2024 and May 26, 2023, respectively, were as follows:

	For the year ended December 31, 2023	For the year ended December 31, 2022
Legal reserve	\$ 475,457	\$ 18,084,869
Special reserve	\$ 947,930	\$ 275,542
Cash dividends	\$ 6,984,208	\$ 69,842,086
Cash dividends per share (NT\$)	\$ 2	\$ 20

d. Special reserves

Special reserve should be appropriated for the amount equal to the net debit balance reserves. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

On the initial application of fair value model to investment properties, the Company appropriated for a special reserve at the amount that were the same as the net increase arising from fair value measurement and transferred to retained earnings. Additional special reserve should be appropriated for subsequent net increase in fair value. The amount appropriated may be reversed to the extent that the cumulative net increases in fair value decrease or on the disposal of investment properties. If the Company offsets the deficit with special reserves before the reason for appropriating special reserves eliminated, the Company should compensate the special reserves before appropriating earnings.

e. Others equity items

1) Exchange differences on translation of the financial statements of foreign operations

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ (346,936)	\$ 86,183
Recognized for the period		
Exchange differences on translation of the financial statements of foreign operations	7,000,692	1,243,482
Related income tax	(1,340,763)	(234,277)
Other comprehensive income (loss) recognized for the period	5,659,929	1,009,205
Balance at June 30	<u>\$ 5,312,993</u>	<u>\$ 1,095,388</u>

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ (748,123)	\$ (685,376)
Recognized for the period		
Unrealized gain (loss) Equity instruments	(25,172)	39,364
Share from associates and joint ventures accounted for using the equity method	176,485	11,777
Other comprehensive (loss) income recognized for the period	<u>151,313</u>	<u>51,141</u>

	For the Six Months Ended June 30	
	2024	2023
Cumulative unrealized gain (loss) of equity instruments transferred to retained earnings due to disposal by associates	(4,396)	—
Balance at June 30	<u>\$ (601,206)</u>	<u>\$ (634,235)</u>

3) Gain (loss) on hedging instruments

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	<u>\$ 187,173</u>	<u>\$ 585,616</u>
Recognized for the period		
Foreign currency risk- lease liabilities	(1,547,095)	(551,815)
Foreign currency risk- demand and time deposits	978,489	405,528
Related income tax	97,371	41,736
Reclassification adjustments		
Hedged items affects profit or loss		
Foreign currency risk- operating revenue	81,752	5,375
Hedged items no longer expected to occur		
Foreign currency risk- prepayments for equipment	—	(67,770)
Other comprehensive income (loss) recognized for the period	<u>(389,483)</u>	<u>(166,946)</u>
Balance at June 30	<u>\$ (202,310)</u>	<u>\$ 418,670</u>

f. Non-controlling interests

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	<u>\$ 723,297</u>	<u>\$ 826,225</u>
Share of profit for the period	152,330	177,499
Other comprehensive income (loss) during the period		
Exchange difference on translating the financial statements of foreign entities	(379)	(65,473)
Related income tax	(246)	150

	For the Six Months Ended June 30	
	2024	2023
Cash dividends distributed by subsidiaries	(82,536)	(181,369)
Balance at June 30	<u>\$ 792,466</u>	<u>\$ 757,032</u>

25. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Cargo revenue	\$ 48,718,412	\$ 30,692,453	\$ 88,494,064	\$ 61,734,148
Slottage revenue	776,362	926,077	1,931,276	1,988,374
Rental income				
Rental revenue on vessel	529,753	522,698	981,886	1,117,817
Other operating revenue	2,564,693	2,905,145	4,983,423	7,159,472
	<u>\$ 52,589,220</u>	<u>\$ 35,046,373</u>	<u>\$ 96,390,649</u>	<u>\$ 71,999,811</u>

a. Contract balances

	June 30, 2024	December 31, 2023	June 30, 2023	January 1, 2023
Trade receivables (Note 10)	<u>\$ 11,780,348</u>	<u>\$ 6,364,945</u>	<u>\$ 9,016,805</u>	<u>\$ 10,638,133</u>
Contract assets				
Cargo revenue	\$ 3,428,926	\$ 1,570,867	\$ 1,798,451	\$ 1,876,839
Less : Allowance for impairment loss	(22,333)	(10,151)	(20,616)	(23,376)
Contract assets	<u>\$ 3,406,593</u>	<u>\$ 1,560,716</u>	<u>\$ 1,777,835</u>	<u>\$ 1,853,463</u>
Contract liabilities - current				
Advance on contract	<u>\$ 616,027</u>	<u>\$ 304,854</u>	<u>\$ 483,152</u>	<u>\$ 532,259</u>

The Group measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to accounts receivable when the container shipping services have been completed, and the contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables can be applied to the contract assets (Note 10).

The movements of the loss allowance of contract assets were as follows:

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 10,151	\$ 23,376
Add : Net remeasurement of loss allowance	11,491	(3,020)
Foreign exchange gains and losses	691	260
Balance at June 30	<u>\$ 22,333</u>	<u>\$ 20,616</u>

The changes in the balance of contract assets and contract liabilities primarily result from the timing difference between the Group's performance and the respective customer's payment.

b. Disaggregation of revenue

Revenue from contracts with customers mainly comes from the containership department. Refer to Note 38 for information about disaggregation of revenue.

26. NET PROFIT (LOSS)

a. Other operating income and expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Gain on disposal and retirement of property, plant and equipment	\$ 72,716	\$ 30,349	\$ 124,992	\$ 35,298
Reimbursement income	91,920	81,966	131,201	85,950
Reimbursement loss	—	(880)	(138)	(880)
	<u>\$ 164,636</u>	<u>\$ 111,435</u>	<u>\$ 256,055</u>	<u>\$ 120,368</u>

b. Interest income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Bank deposits (including USD-denominated demand and time deposits as hedging instruments)	\$ 2,662,887	\$ 3,063,822	\$ 5,268,737	\$ 6,147,323
Net investments in leases	324	1,437	666	4,252
Short-term bills	20,000	9,288	20,715	29,750
Corporate bonds	121,108	44,718	212,766	75,050
Others	418	317	539	464
	<u>\$ 2,804,737</u>	<u>\$ 3,119,582</u>	<u>\$ 5,503,423</u>	<u>\$ 6,256,839</u>

c. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Rental income - operating leases	\$ 27,360	\$ 22,952	\$ 47,925	\$ 43,593
Dividends	16,622	—	16,622	—
	<u>\$ 43,982</u>	<u>\$ 22,952</u>	<u>\$ 64,547</u>	<u>\$ 43,593</u>

d. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Net foreign exchange gains	\$ 566,781	\$ 1,762,504	\$ 1,925,095	\$ 1,840,672
Fair value changes of financial assets and financial liabilities				
Financial assets mandatorily classified as at FVTPL	4,842	22,616	19,351	34,131
Gain (loss) on ineffectiveness of cash flow hedging				
Ineffectiveness of cash flow hedging	—	67,770	—	67,770
Gain arising from lease modifications	1,123	103	1,149	103
Loss on disposal of intangible assets	(4)	—	(277)	—
Loss arising from the change in fair value of investment properties	(2,154)	—	(1,970)	—
Others	8,856	48,550	14,789	95,954
	<u>\$ 579,444</u>	<u>\$ 1,901,543</u>	<u>\$ 1,958,137</u>	<u>\$ 2,038,630</u>

e. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 16,296	\$ 18,619	\$ 33,793	\$ 37,911
Interest on lease liabilities (including USD-denominated lease contracts designated as hedging instruments)	448,458	547,467	870,722	1,111,244
Other interest expenses	30,586	47,046	61,524	93,780
	<u>\$ 495,340</u>	<u>\$ 613,132</u>	<u>\$ 966,039</u>	<u>\$ 1,242,935</u>

f. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Right-of -use assets	\$ 2,851,983	\$ 3,339,035	\$ 5,774,438	\$ 6,664,505
Property, plant and equipment	2,033,812	1,824,644	4,104,808	3,656,360
Intangible assets	23,432	18,848	44,592	35,870
	<u>\$ 4,909,227</u>	<u>\$ 5,182,527</u>	<u>\$ 9,923,838</u>	<u>\$ 10,356,735</u>
An analysis of depreciation by function				
Operating costs	\$ 4,775,768	\$ 5,060,379	\$ 9,653,998	\$ 10,111,523
Operating expenses	110,027	103,300	225,248	209,342
	<u>\$ 4,885,795</u>	<u>\$ 5,163,679</u>	<u>\$ 9,879,246</u>	<u>\$ 10,320,865</u>
An analysis of amortization by function				
Operating costs	\$ 1,897	\$ 1,941	\$ 3,665	\$ 3,426
Operating expenses	21,535	16,907	40,927	32,444
	<u>\$ 23,432</u>	<u>\$ 18,848</u>	<u>\$ 44,592</u>	<u>\$ 35,870</u>

g. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Post-employment benefits				
Defined contribution plans	\$ 89,191	\$ 83,232	\$ 172,841	\$ 159,988
Defined benefit plans (Note 23)	19,408	21,345	38,828	43,404
Termination benefits	18,657	14,722	25,101	30,281
Other employee benefits	3,028,434	2,394,021	5,772,340	4,719,529
Total employee benefits expense	<u>\$ 3,155,690</u>	<u>\$ 2,513,320</u>	<u>\$ 6,009,110</u>	<u>\$ 4,953,202</u>
An analysis of employee benefits by function				
Operating costs	\$ 1,025,456	\$ 893,309	\$ 2,041,617	\$ 1,815,888
Operating expenses	2,130,234	1,620,011	3,967,493	3,137,314
	<u>\$ 3,155,690</u>	<u>\$ 2,513,320</u>	<u>\$ 6,009,110</u>	<u>\$ 4,953,202</u>

h. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of 1%-5% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. However, if there were accumulated deficit, the Company should reserve offset amount in advance.

The compensation of employees and the remuneration of directors for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 are as follows:

Accrual rate

	For the Six Months Ended June 30	
	2024	2023
Compensation of employees	1%	1%
Remuneration of directors	—	—

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Compensation of employees	\$ 169,918	\$ 58,669	\$ 285,100	\$ 99,692
Remuneration of directors	\$ —	\$ —	\$ —	\$ —

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The compensation of employees and the remuneration of directors for the year ended December 31, 2023 and 2022, which were approved by the Company's board of directors on March 7, 2024 and March 9, 2023 are as follows:

Amount

	For the Year Ended December 31	
	2023	2022
	Cash	Cash
Compensation of employees	\$ 103,483	\$ 2,328,973
Remuneration of directors	\$ 12,000	\$ 80,000

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the annual financial statements for the year ended December 31, 2023 and 2022.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

27. INCOME TAXES

a. Income tax expense recognized in profit or loss

Major components of income tax expense are as follow:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Current tax				
In respect of the current period	\$ 577,989	\$ 1,181,221	\$ 1,367,289	\$ 2,846,195
Income tax on unappropriated earnings	5,824	4,662,817	5,824	4,662,817
Adjustments for prior years	(2,563,829)	(80,878)	(2,791,945)	(288,161)
	<u>(1,980,016)</u>	<u>5,763,160</u>	<u>(1,418,832)</u>	<u>7,220,851</u>
Deferred tax				
In respect of the current period	2,955,191	213,959	4,566,565	(479,910)
Adjustments for prior years	2,235,436	190,534	2,235,436	190,534
	<u>5,190,627</u>	<u>404,493</u>	<u>6,802,001</u>	<u>(289,376)</u>
Income tax expense recognized in profit or loss	<u>\$ 3,210,611</u>	<u>\$ 6,167,653</u>	<u>\$ 5,383,169</u>	<u>\$ 6,931,475</u>

b. Income tax recognized in other comprehensive income (loss)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Deferred tax				
In respect of the current period				
- Translation of foreign operations	\$ 380,903	\$ 392,690	\$ 1,341,009	\$ 234,127
- Cash flow hedges	(3,501)	(65,583)	(97,371)	(41,736)
Income tax recognized in other comprehensive income (loss)	<u>\$ 377,402</u>	<u>\$ 327,107</u>	<u>\$ 1,243,638</u>	<u>\$ 192,391</u>

c. Income tax assessments

<u>Company</u>	<u>Year</u>
Yang Ming Marine Transport Corporation	2022
Kuang Ming Shipping Corp.	2022
Hong Ming Terminal & Stevedoring Corp.	2022
Jing Ming Transportation Co., Ltd.	2022
YES Logistics Corp.	2021

d. Global Anti-Base Erosion Model Rules (Pillar Two)

The Pillar Two Regime issued by the Organization for Economic Co-operation and Development (OECD) applies to the Group.

Some subsidiaries of the Group are registered in tax jurisdictions where the Pillar Two income tax law has been taken effect, including subsidiaries in Korea, Japan, Vietnam, the Netherlands, the United Kingdom, France, Canada, Belgium, Germany, Spain, Greece, Italy, Austria, and Bulgaria, among others. According to the law, the Group is required to pay supplementary taxes on the difference between the effective tax rate calculated according to the Global Anti-Base Erosion (GloBE) and the minimum tax rate of 15%. The Group decided that Pillar Two income tax law has no significant impact on the current income tax of the Group as of June 30, 2024, and will continue to review its impact on the Group's future financial performance.

Some subsidiaries of the Group are registered in locations such as Singapore, Malaysia, Thailand, and Hong Kong, where the Pillar Two income tax law is expected to be taken effect in 2025.

28. EARNINGS (LOSS) PER SHARE

Unit: NT\$ Per Share

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Basic earnings (loss) per share	<u>\$ 3.98</u>	<u>\$ (0.04)</u>	<u>\$ 6.66</u>	<u>\$ 0.94</u>
Diluted earnings (loss) per share	<u>\$ 3.97</u>	<u>\$ (0.04)</u>	<u>\$ 6.65</u>	<u>\$ 0.93</u>

The earnings (loss) and weighted average number of ordinary shares outstanding in the computation of earnings (loss) per share were as follows:

Net Profit (Loss) for the Period

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Earnings (loss) used in the computation of earnings (loss) per share	<u>\$ 13,887,026</u>	<u>\$ (130,345)</u>	<u>\$ 23,266,523</u>	<u>\$ 3,271,086</u>

Weighted Average Number of Ordinary Shares Outstanding (In Thousands of Shares)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings (loss) per share	3,492,104	3,492,104	3,492,104	3,492,104
Effect of potentially dilutive ordinary shares:				
Compensation of employees	3,822	—	4,604	14,586
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share	3,495,926	3,492,104	3,496,708	3,506,690

The Group may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

The Group did not consider the potential shares of compensation of employees in the calculation of diluted EPS for the three months ended June 30, 2023 due to the anti-dilutive effect.

29. CASH FLOW INFORMATION

Changes in Liabilities Arising from Financing Activities

For the six months ended June 30, 2024

	January 1, 2024	Cash Flows	Non-Cash Changes		June 30, 2024
			New Leases	Others (Note)	
Short-term borrowings	\$ 1,955,000	\$ (230,000)	\$ —	\$ —	\$ 1,725,000
Short-term bills payable	1,098,357	—	—	583	1,098,940
Long-term borrowings	392,200	(99,978)	—	—	292,222
Bonds payable	8,354,379	—	—	(9,888)	8,344,491
Lease liabilities	60,892,828	(18,510,324)	3,737,822	3,013,202	49,133,528
Other non-current liabilities	1,214,547	(39,725)	—	—	1,174,822
	\$ 73,907,311	\$ (18,880,027)	\$ 3,737,822	\$ 3,003,897	\$ 61,769,003

For the six months ended June 30, 2023

	January 1, 2023	Cash Flows	Non-Cash Changes		June 30, 2023
			New Leases	Others (Note)	
Short-term borrowings	\$ 2,430,000	\$ (390,000)	\$ —	\$ —	\$ 2,040,000
Short-term bills payable	1,098,548	—	—	93	1,098,641
Long-term borrowings	390,466	58,643	—	(326)	448,783
Bonds payable	10,826,188	—	—	3,212	10,829,400
Lease liabilities	79,170,190	(6,817,093)	292,029	935,844	73,580,970

	January 1, 2023	Cash Flows	Non-Cash Changes		June 30, 2023
			New Leases	Others (Note)	
Other non-current liabilities	1,316,724	(53,065)	—	—	1,263,659
	<u>\$ 95,232,116</u>	<u>\$ (7,201,515)</u>	<u>\$ 292,029</u>	<u>\$ 938,823</u>	<u>\$ 89,261,453</u>

Note: Other changes include lease modification, interest amortization of short-term bills payable, long-term borrowings and bonds payable, and effect of foreign currency exchange rate.

30. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns to maintain the capital structure through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, capital surplus, retained earnings, other equity and non-controlling interests).

31. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

June 30, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Finance lease receivables	\$ 96,203	\$ —	\$ 94,243	\$ —	\$ 94,243
Financial assets measured at amortized cost					
- Foreign corporate bonds	10,529,875	—	10,472,488	—	10,472,488
Total	<u>\$ 10,626,078</u>	<u>\$ —</u>	<u>\$ 10,566,731</u>	<u>\$ —</u>	<u>\$ 10,566,731</u>
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
- Secured domestic bonds	\$ 8,344,491	\$ —	\$ 8,328,251	\$ —	\$ 8,328,251

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Finance lease receivables	\$ 106,542	\$ —	\$ 104,540	\$ —	\$ 104,540
Financial assets measured at amortized cost					
- Foreign corporate bonds	4,715,387	—	4,779,165	—	4,779,165
Total	<u>\$ 4,821,929</u>	<u>\$ —</u>	<u>\$ 4,883,705</u>	<u>\$ —</u>	<u>\$ 4,883,705</u>

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
- Secured domestic bonds	\$ 8,354,379	\$ —	\$ 8,332,157	\$ —	\$ 8,332,157

June 30, 2023

	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial assets</u>					
Finance lease receivables					
	\$ 245,759	\$ —	\$ 242,608	\$ —	\$ 242,608
Financial assets measured at amortized cost					
- Foreign corporate bonds	2,547,214	—	2,502,972	—	2,502,972
Total	\$ 2,792,973	\$ —	\$ 2,745,580	\$ —	\$ 2,745,580
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
- Secured domestic bonds	\$ 10,829,400	\$ —	\$ 10,803,090	\$ —	\$ 10,803,090

The fair values of the financial assets and financial liabilities included in the Level 2 category above have been determined in accordance with income approaches based on a discounted cash flow analysis; the fair values of corporate bonds and bonds payable have been determined by quoted market prices provided by third-party pricing services.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic listed shares	\$ 438,095	\$ —	\$ —	\$ 438,095
Mutual funds	1,004,822	—	—	1,004,822
Domestic limited partnership	—	—	27,231	27,231
Total	\$ 1,442,917	\$ —	\$ 27,231	\$ 1,470,148
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments at FVTOCI				
Domestic Unlisted shares	\$ —	\$ —	\$ 466,729	\$ 466,729

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic listed shares	\$ 366,795	\$ —	\$ —	\$ 366,795
Mutual funds	54,717	—	—	54,717
Domestic limited partnership	—	—	29,111	29,111
Total	<u>\$ 421,512</u>	<u>\$ —</u>	<u>\$ 29,111</u>	<u>\$ 450,623</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI

Domestic Unlisted shares

\$ —	\$ —	\$ 491,901	\$ 491,901
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June 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic listed shares	\$ 338,987	\$ —	\$ —	\$ 338,987
Mutual funds	8,926,967	—	—	8,926,967
Domestic limited partnership	—	—	29,456	29,456
Total	<u>\$ 9,265,954</u>	<u>\$ —</u>	<u>\$ 29,456</u>	<u>\$ 9,295,410</u>

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI

Domestic Unlisted shares

\$ —	\$ —	\$ 546,211	\$ 546,211
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There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the six months ended June 30, 2024

Financial assets at FVTPL

	<u>Other Instruments</u>
	<u>Domestic Limited Partnership</u>
Balance at January 1, 2024	\$ 29,111
Recognized in profit or loss(included in other gains and losses)	(1,880)
Purchases	—

	<u>Other Instruments</u> <u>Domestic Limited Partnership</u>
Sales/settlements	—
Transfers out of Level 3	—
Balance at June 30, 2024	<u>\$ 27,231</u>
Unrealized gain or loss for the current period included in profit or loss relating to assets held at the end of the period	<u>\$ (1,880)</u>

Financial assets at FVTOCI

	<u>Equity Instruments</u>
Balance at January 1, 2024	\$ 491,901
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	(25,172)
Balance at June 30, 2024	<u>\$ 466,729</u>

For the six months ended June 30, 2023

Financial assets at FVTPL

	<u>Other Instruments</u> <u>Domestic Limited Partnership</u>	<u>Derivatives</u> <u>Oil derivatives</u>	<u>Total</u>
Balance at January 1, 2023	\$ 29,589	\$ —	\$ 29,589
Recognized in profit or loss (included in other gains and losses)	(133)	(776)	(909)
Purchase	—	776	776
Sales/settlements	—	—	—
Transfers out of Level 3	—	—	—
Balance at June 30, 2023	<u>\$ 29,456</u>	<u>\$ —</u>	<u>\$ 29,456</u>
Unrealized gain or loss for the current period included in profit or loss relating to assets held at the end of the period	<u>\$ (133)</u>	<u>\$ —</u>	<u>\$ (133)</u>

Financial assets at FVTOCI

	<u>Equity Instruments</u>
Balance at January 1, 2023	\$ 506,847
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	39,364
Balance at June 30, 2023	<u>\$ 546,211</u>

3) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

- a) The fair values of oil derivatives are determined using Balck-Scholes models where the significant unobservable inputs are implied volatility. The variable in the implied volatility used in isolation would result in a increase or decrease in the fair value.
- b) The fair values of domestic unlisted ordinary shares and domestic limited partnership are determined using the comparable company analysis approach and asset-based approach. The comparable company analysis approach is a way to determine the value of a target company by reference to companies engaged in the similar industry, stock price in the active market and value multiplier implied by such prices, based on liquidity reduction. The asset-based approach is a way to determine the value of a target company by assessing the total value of individual assets and liabilities, based on liquidity reduction.

c. Categories of financial instruments

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 1,470,148	\$ 450,623	\$ 9,295,410
Financial assets at amortized cost (1)	213,650,967	197,175,014	275,561,411
Financial assets for hedging	18,248,258	17,269,769	29,185,965
Financial assets at FVTOCI			
Equity instruments	466,729	491,901	546,211
<u>Financial liabilities</u>			
Financial liabilities for hedging			
	26,568,122	31,781,269	41,598,119
Amortized cost (2)	30,377,091	29,899,277	33,791,982

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, time deposits with original maturities of more than 3 months, repurchase agreements, corporate bonds, restricted bank balance, notes receivable, trade receivables (including related parties), and other receivables(including related parties).

- 2) The balances included financial liabilities measured at amortized cost, which comprise short-term and long-term loans, short-term bills payable, notes and trade payables (including related parties), other payables, and bonds payable.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, financial assets at amortized cost, trade payables, other payables, bonds payable, borrowings, and lease liabilities. The Group's Corporate Treasury function provides all kinds of financial service to each division by using different financial instruments. Also, the treasury function controls and analyzes the financial risks related to operations; these risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by managing stocks and flow and using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies "Regulations Governing the Acquisition and Disposal of Assets" approved by the board of directors. Compliance with policies was reviewed by the internal auditors on a continuous basis.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group uses assets, liabilities and a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group's operations involve foreign currency transactions so the Group is exposed to foreign currency risk. The Group's transaction involve contain various currencies due to its industrial feature, operating revenue and operating costs are mainly denominated in U.S. dollars. Exchange rate exposures were managed within approved policy parameters utilizing net cash flows offset of the influence on net assets and liabilities, instruments of swap and options.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities are set out in Note 36.

Sensitivity analysis

Monetary assets and liabilities were mainly exposed to the U.S. dollars, GBP, CNY, EUR, HKD and AUD.

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the U.S.dollars, GBP, CNY, EUR, HKD and AUD. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive

number below indicates an increase in profit and other equity associated with New Taiwan dollars strengthening 1% against U.S. dollars, GBP, CNY, EUR, HKD and AUD. For a 1% weakening of New Taiwan dollars against the U.S. dollars, GBP, CNY, EUR, HKD and AUD, there would be an equal and opposite impact on profit or loss.

Profit (loss)/Equity of 1% Variation	For the Six Months Ended June 30	
	2024	2023
Profit (loss) (i)		
U.S. dollars	\$ 103,028	\$ 565,067
GBP	34,316	25,337
CNY	3,076	781
EUR	139,399	86,948
HKD	1,123	2,683
AUD	18,310	16,131
Equity(ii)		
U.S. dollars	(83,199)	(124,122)

- i. This was mainly attributable to the exposure of outstanding foreign currency deposits, repurchase agreements, corporate bonds, receivables, payables, and bank loans at the end of the reporting period.
- ii. This was mainly attribute to the exposure of changing in foreign exchange rates of U.S. dollars demand and time deposits and lease contracts designated as cash flow hedge.

The Group's sensitivity to foreign currency exchange rate during the current period was mainly due to the decrease in U.S. dollars and HKD monetary net assets caused by the decrease in U.S. dollar, and HKD monetary assets; the increase in GBP, EUR and AUD monetary net assets caused by the increase in GBP, EUR and AUD monetary assets; the increase in CNY monetary net assets caused by the decrease in CNY monetary liability.

Hedge accounting

The Group's hedging strategy is to enter into USD-denominated demand deposits and time deposits to avoid exchange rate exposure of highly possible USD-denominated prepayments for ship purchase. Those transactions are designated as cash flow hedges.

The Group expects that the value of the U.S. dollars demand deposits and time deposits will have systematically change in opposite directions with the value of corresponding hedged items.

The source of hedge ineffectiveness in these hedging relationships is the USD-denominated demand deposits and time deposits are not paid for USD-denominated ship purchase.

There was no other source of hedge ineffectiveness during hedging period.

The Group's hedging strategy is to enter into USD-denominated lease liabilities to avoid exchange rate exposure of 100% of highly probable forecast of USD-denominated operating revenue. Those transactions are designated as cash flow hedges.

The Group expects that the value of the U.S. dollars lease liabilities and the value of the corresponding hedged items will systematically change in opposite directions.

The source of hedge ineffectiveness in these hedging relationships is the USD-denominated operating revenue of the Group is lower than the distribution amount of settlement of lease liabilities.

There was no other source of hedge ineffectiveness during hedging period.

Refer to Note 6 and 16 (b) for information relating to foreign exchange rates hedging instruments.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Fair value interest rate risk			
- Financial assets	\$ 203,081,018	\$ 193,436,601	\$ 279,342,723
- Financial liabilities	60,301,959	72,300,564	87,549,011
Cash flow interest rate risk			
- Financial assets	15,234,045	12,892,542	14,209,493
- Financial liabilities	292,222	392,200	448,783

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit (loss) for the six months ended June 30, 2024 would have increased/decreased by \$7,471 thousand, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings and variable-rate financial assets.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit (loss) for the six months ended June 30, 2023 would have increased/decreased by \$6,880 thousand, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings and variable-rate financial assets.

The Group's sensitivity to interest rate increased during the current year mainly due to the increase in other instruments at FVTPL.

c) Other price risk

The Group was exposed to equity price risk through its investments in limited partnership and mutual funds. The Group periodically evaluates price risk and investment performance according to procedures of acquisition and disposal of assets and expects no significant price risk occurred.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower, pre-tax profit (loss) for the six months ended June 30, 2024 would have increased/decreased by \$21,905 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income (loss) for the six months ended June 30, 2024 would have increased/decreased by \$23,336 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices had been 5% higher/lower, pre-tax profit (loss) for the six months ended June 30, 2023 would have increased/decreased by \$16,949 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income (loss) for the six months ended June 30, 2023 would have increased/decreased by \$27,311 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If limited partnership and mutual funds had been 5% higher/lower, pre-tax profit (loss) for the six months ended June 30, 2024 would have increased/decreased by \$51,603 thousand, as a result of the changes in fair value of financial assets at FVTPL.

If limited partnership and mutual funds had been 5% higher/lower, pre-tax profit (loss) for the six months ended June 30, 2023 would have increased/decreased by \$447,821 thousand, as a result of the changes in fair value of financial assets at FVTPL.

The Group's sensitivity to price increased during the current period mainly due to the increase in financial assets measured at FVTPL. The Group's sensitivity to limited partnership and mutual funds price decreased during the current period mainly due to the decrease in other instruments at FVTPL.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure

of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from:

- a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and
- b) The amount of contingent liabilities in relation to financial guarantee issued by the Group.

There is no significant concentration of credit risk for the Group. Credit risk is from cash and cash equivalents deposit in banks, derivative financial instruments transactions with banks and financial institutions and trade receivable from customers.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient letter of bank guarantee and security deposit, where appropriate, as a means of mitigating the risk of financial loss from defaults. To reduce credit risk, the Group has established an internal monitoring procedures to monitor credit risk exposure and credit condition of counterparties.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings assigned by credit-rating agencies.

Financial credit risk

The objective of the Group's investment policy is to achieve a return that will allow the Group to preserve principal and support liquidity requirements. The Group mitigates its financial credit risk by selecting counterparties with investment grade credit ratings, by limiting the exposure to any individual counterparty, regularly reviewing the market conditions and monitoring risks.

The Group assesses whether there has been a significant increase in credit risk in the invested securities since initial recognition by reviewing changes in external credit ratings, financial market conditions and material information of the issuers. The Group assesses the 12-month expected credit loss and lifetime expected credit loss based on the probability of default and loss given default provided by external credit rating agencies. The current credit risk assessment policies are as follows:

Category	Description	Basis for Recognizing Expected Credit Loss	Expected Credit Loss Ratio
Performing	Credit rating is investment grade on valuation date	12 months expected credit loss	0%~0.0330%
Doubtful	Credit rating is non-investment grade on valuation date	Lifetime expected credit loss-not credit impaired	—
In default	Credit rating is CC or below on valuation date	Lifetime expected credit loss-credit impaired	—
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery	Amount is written off	—

For the six months ended June 30, 2024, the expected credit loss were \$1,661 thousand. The changes were mainly due to increased investment amount and adjusted investment portfolio

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had available unutilized bank loans facilities of \$10,159,184 thousand, \$7,319,557 thousand and \$11,887,652 thousand, respectively.

a) Liquidity and interest risk rate tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

June 30, 2024

	<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>
Non-interest bearing	\$ 28,640,995	\$ 931,841	\$ —	\$ —
Lease liabilities	13,081,431	32,319,416	7,071,675	7,474
Variable interest rate liabilities	131,854	168,269	—	—
Fixed interest rate liabilities	7,614,355	3,674,307	—	—
Short-term and low value lease commitment	1,922,512	3,259,018	954,998	—
Lease commitment for future service costs	3,508,109	8,586,574	2,302,080	—
	<u>\$ 54,899,256</u>	<u>\$48,939,425</u>	<u>\$10,328,753</u>	<u>\$ 7,474</u>

December 31, 2023

	<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>
Non-interest bearing	\$ 20,761,945	\$ 921,706	\$ —	\$ —
Lease liabilities	16,587,288	38,017,671	10,576,403	9,135
Variable interest rate liabilities	111,330	290,186	—	—
Fixed interest rate liabilities	5,611,234	5,935,974	—	—
Short-term and low value lease commitment	2,119,152	3,464,784	1,152,491	—

	<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>
Lease commitment for future service costs	3,575,623	10,289,071	3,412,060	—
	<u>\$ 48,766,572</u>	<u>\$ 58,919,392</u>	<u>\$ 15,140,954</u>	<u>\$ 9,135</u>

June 30, 2023

	<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>	<u>10-15 Years</u>
Non-interest bearing Lease liabilities	\$ 91,792,381	\$ 918,848	\$ —	\$ —
Variable interest rate liabilities	15,236,366	49,181,319	14,276,079	10,796
Fixed interest rate liabilities	94,091	368,832	—	—
Short-term and low value lease commitment	5,711,444	8,472,885	—	—
Lease commitment for future service costs	1,667,285	1,358,291	80,070	—
	4,311,595	13,953,159	4,505,934	—
	<u>\$ 118,813,162</u>	<u>\$ 74,253,334</u>	<u>\$ 18,862,083</u>	<u>\$ 10,796</u>

b) Derivative instruments

The Group did not have outstanding derivative instruments contracts as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

32. TRANSACTIONS WITH RELATED PARTIES

The Ministry of Transportation and Communications R.O.C. (MOTC), National Development Fund, and Taiwan International Ports Corporation, Ltd. held 31.16% of the ordinary shares of YMTC as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively. Over 50% of the members of YMTC's board of directors were appointed by the MOTC, National Development Fund, and Taiwan International Ports Corporation, Ltd. Therefore, the Group is a government - related entity, which is controlled by the central government. Transactions with other government - related entities were mainly bank deposits, borrowings and guarantees with government - related banks (see Notes 18 and 19) and concession rights of the Port of Kaohsiung, Taiwan International Ports Corporation Kaohsiung logistics center (see Note 16).

Balances and transactions between the Group and its subsidiaries, which are related party of the Group, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in other notes and Table A and B, details of transaction between the Group and other related parties are disclosed as follows:

a. Related party name and relationship

<u>Related Party Name</u>	<u>Relationship with the Group</u>
Yang Ming (U.A.E.) LLC	Associate
Yang Ming (Australia) Pty. Ltd.	Associate
West Basin Container Terminal LLC	Associate
Yang Ming Shipping (Egypt) S.A.E.	Associate
Kao Ming Container Terminal Corp.	Associate
Taiwan Navigation Co., Ltd.	Associate
Taiwan Foundation International Pte. Ltd.	Associate

(Continued)

Related Party Name	Relationship with the Group
LogiTrans Technology Private Limited	Joint venture
YES LIBERAL Logistics Corp.	Joint venture
YES and HQL Logistics Group	Joint venture
Yes Easyway Logistics (Thailand) Co., Ltd.	Joint venture
Chunghwa Telecom Co., Ltd.	Government - related party
Taiwan International Ports Corporation, Ltd.	Government - related party
Taiwan International Ports Logistics Corporation	Government - related party
Chunghwa Post Co., Ltd.	Government - related party
Agricultural Bank of Taiwan	Government - related party
Taipei Exchange	Government - related party
First Commercial Bank	Government - related party
Mega International Commercial Bank Co., Ltd.	Government - related party
Chung Kuo Insurance Group, Limited	Government - related party
Mega Securities	Government - related party
Bank of Taiwan	Government - related party
Land Bank of Taiwan	Government - related party
Taiwan Cooperative Bank Co., Ltd.	Government - related party
Taiwan Cooperative Bills Finance Co., Ltd.	Government - related party
Taiwan Business Bank Co., Ltd.	Government - related party
Chang Hwa Bank Ltd.	Government - related party
Taiwan Power Group	Government - related party
Taiwan Water Corporation	Government - related party
China Steel Corporation	Government - related party
CPC Corporation, Taiwan	Government - related party
CSBC Corporation, Taiwan	Government - related party
Hua Nan Commercial Bank, Ltd.	Government - related party
Taiwan Stock Exchange Corporation	Government - related party
South China Insurance Co., Ltd.	Government – related party
Northern Region Branch, National Property Administration, MOF	Government – related party
National Taiwan Ocean University	Government – related party
Keelung Hospital, Ministry of Health and Welfare	Government – related party
Ministry of Interior	Government – related party
National Kaohsiung University of Science and Technology	Government – related party
National Museum of Marine Science & Technology	Government – related party
National Chengchi University	Government – related party
China Airlines Co., Ltd.	Government – related party
Ministry of Environment	Government – related party
Maritime Port Bureau	Government – related party
Taiwan Centers for Disease Control	Government – related party
Kaohsiung Customs, Customs Administration, Ministry of Finance	Government – related party
Keelung Customs, Customs Administration, Ministry of Finance	Government – related party
China Steel Aluminium Corporation	Government – related party

(Continued)

Related Party Name	Relationship with the Group
Bureau of Standards, Metrology and Inspection	Government – related party
China Steel Express Corporation	Government – related party
National Taiwan University	Government – related party
Leader Container Transportation Co., Ltd.	Investor that has significant influence over the subsidiaries
Marine Container Services India Private Limited	Investor that has significant influence over the subsidiaries
Unicorn Enterprises	Investor that has significant influence over the subsidiaries
Bay Container Terminal Private Limited	Investor that has significant influence over the subsidiaries
Marine Container Services (South) Private Limited	Investor that has significant influence over the subsidiaries
Omega Intermodal Container Services Private Limited	Investor that has significant influence over the subsidiaries
Sebang Co Ltd.	Investor that has significant influence over the subsidiaries
Arkas Lojistik A.S	Investor that has significant influence over the subsidiaries
Limar Liman ve Gemi İşletmeleri A.S	Investor that has significant influence over the subsidiaries
Arkas Denizcilik ve Nakliyat A.S.	Investor that has significant influence over the subsidiaries
Marport Liman İşletmeleri.	Investor that has significant influence over the subsidiaries
Hapag-Lloyd Denizaşırı Nakliyat A.S.	Investor that has significant influence over the subsidiaries
Schenker Arkas Nakliyat ve Tic. A.S.	Investor that has significant influence over the subsidiaries
Ekopons Madencilik San. ve Dış Tic. A.S.	Investor that has significant influence over the subsidiaries
Naxco Group.	Investor that has significant influence over the subsidiaries
Finsea S.p.A.	Investor that has significant influence over the subsidiaries
Marinter Shipping Agency Srl.	Investor that has significant influence over the subsidiaries
Catalana del Mar, S.A..	Investor that has significant influence over the subsidiaries
Arkas Holding A.S.	Investor that has significant influence over the subsidiaries
Arkas Otomotiv Servis ve Ticaret A.S.	Investor that has significant influence over the subsidiaries
SHIPEEDY LOJISTIK A.S.	Investor that has significant influence over the subsidiaries
Bimar Bilgi İşlem Hizmetleri A.S.	Investor that has significant influence over the subsidiaries
PT. Spil Investama Satu.	Investor that has significant influence over the subsidiaries

(Continued)

<u>Related Party Name</u>	<u>Relationship with the Group</u>
PT. Kece Nusantara.	Investor that has significant influence over the subsidiaries
M/s Premium Container Terminal LLP	Investor that has significant influence over the subsidiaries
Yang Ming Cultural Foundation	Other related party

(Concluded)

b. Operating transaction

Line Item	Related Party Category/ Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Operating revenue	Associates	\$ 63,287	\$ 56,198	\$ 108,880	\$ 105,961
	Joint ventures	313	313	658	845
	Government – related parties	624,649	455,611	962,844	965,416
		<u>\$ 688,249</u>	<u>\$ 512,122</u>	<u>\$ 1,072,382</u>	<u>\$ 1,072,222</u>
Operating cost	Associates	\$ 626,791	\$ 616,307	\$ 1,556,769	\$ 1,061,784
	Joint ventures	23,396	19,862	49,077	39,232
	Government – related parties	90,167	21,786	141,447	44,169
	Investors that have significant influence over the subsidiaries	75,548	67,358	142,087	136,105
		<u>\$ 815,902</u>	<u>\$ 725,313</u>	<u>\$ 1,889,380</u>	<u>\$ 1,281,290</u>
Operating expenses	Associates	\$ —	\$ —	\$ —	\$ 24
	Joint ventures	21,757	13,971	39,919	27,946
	Government – related parties	19,215	19,208	30,797	27,888
	Investors that have significant influence over the subsidiaries	27,145	348	29,172	351
	Other related parties	6,113	5,316	12,877	13,629
	<u>\$ 74,230</u>	<u>\$ 38,843</u>	<u>\$ 112,765</u>	<u>\$ 69,838</u>	

The Group's transactions with related parties were conducted under contract terms.

c. Bank deposits

Bank deposits on reporting period (including time deposits with original maturities for more than 3 months and restricted bank balance under financial assets at amortized cost and financial assets for hedging) were as follows:

Related Party Category/ Name	June 30, 2024	December 31, 2023	June 30, 2023
Government – related parties			
Land Bank of Taiwan	\$ 11,918,987	\$ 14,203,161	\$ 34,234,390
Taiwan Cooperative Bank Co., Ltd.	33,885,979	34,677,189	35,690,956

Related Party Category/ Name	June 30, 2024	December 31, 2023	June 30, 2023
Others	22,338,740	19,413,315	36,006,987
	<u>\$ 68,143,706</u>	<u>\$ 68,293,665</u>	<u>\$ 105,932,333</u>

d. Contract assets

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Contract assets	Associates	<u>\$ 106,840</u>	<u>\$ 129,443</u>	<u>\$ 133,290</u>

For the six months ended June 30, 2024 and 2023, no impairment losses were recognized for contract assets from related parties.

e. Receivables and payables from related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Trade receivables	Associates	\$ 224,613	\$ 151,810	\$ 216,611
	Joint ventures	357	640	5,258
	Government – related parties	111,036	39,860	21,768
	Investors that have significant influence over the subsidiaries	24,569	21,858	—
		<u>\$ 360,575</u>	<u>\$ 214,168</u>	<u>\$ 243,637</u>
Other receivables (included in other current assets)	Associates			
	Kao Ming Container Terminal Corp.	\$ —	\$ —	\$ 180,880
	Others	41,833	17,420	39,177
		<u>41,833</u>	<u>17,420</u>	<u>220,057</u>
	Joint ventures	1,158	—	—
	Government – related parties	116,324	178,781	228,930
	Other related parties	97	4,398	—
		<u>\$ 159,412</u>	<u>\$ 200,599</u>	<u>\$ 448,987</u>
Long-term receivables-related parties (included in other non-current assets)	Joint ventures			
	Yes Easyway Logistics (Thailand) Co., Ltd.	\$ 993	\$ 940	\$ —
Notes payable	Associates	<u>\$ —</u>	<u>\$ 292</u>	<u>\$ —</u>
Trade payables	Associates	\$ 537,166	\$ 553,455	\$ 292,682
	Joint ventures	20,241	13,448	12,865

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
	Government – related parties	19,754	12,823	—
	Investors that have significant influence over the subsidiaries	127,792	97,086	69,609
		<u>\$ 704,953</u>	<u>\$ 676,812</u>	<u>\$ 375,156</u>
Other payables	Associates	\$ 952	\$ 2,314	\$ 1,523
	Joint ventures	12,442	—	2,852
	Government – related parties	24,138	27,755	32,922
	Investors that have significant influence over the subsidiaries	2,040	1,007	—
	Other related parties	—	607	—
		<u>\$ 39,572</u>	<u>\$ 31,683</u>	<u>\$ 37,297</u>

For the six months ended June 30, 2024 and 2023, no impairment losses were recognized for trade receivables and other receivables from related parties.

f. Prepayments

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Prepayments to shipping agents	Associates			
	Yang Ming Shipping (Egypt) S.A.E.	\$ —	\$ 96,827	\$ 101,948
Prepayments	Associates	\$ 830	\$ —	\$ 793
	Government – related parties	46	170	—
		<u>\$ 876</u>	<u>\$ 170</u>	<u>\$ 793</u>
Prepayments for equipment	Government – related parties	\$ 351	\$ 253	\$ —

g. Disposals of property, plant and equipment

Line Item	Related Party Category/Name	Amounts on disposals			
		For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Disposals of property, plant and equipment	Associates	\$ —	\$ —	\$ —	\$ 19

Line Item	Related Party Category/Name	Gain (Loss) on disposals			
		For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Disposals of property, plant and equipment	Associates	\$ —	\$ —	\$ —	\$ 19

h. Lease arrangements

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
<u>Acquisition of right-of-use assets</u>				
Government – related parties	\$ —	\$ 44,645	\$ 1,230	\$ 44,645
Investors that have significant influence over the subsidiaries	8,353	5,921	14,578	6,326
	<u>\$ 8,353</u>	<u>\$ 50,566</u>	<u>\$ 15,808</u>	<u>\$ 50,971</u>

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Lease liabilities	Associates	\$ —	\$ 952	\$ 952
	Government – related parties	554,773	655,321	756,169
	Investors that have significant influence over the subsidiaries	24,949	26,566	8,323
		<u>\$ 579,722</u>	<u>\$ 682,839</u>	<u>\$ 765,444</u>

Line Item	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Interest expense	Associates	\$ —	\$ 14	\$ —	\$ 14
	Government – related parties	2,275	2,897	4,741	5,912
	Investors that have significant influence over the subsidiaries	278	181	632	253
		<u>\$ 2,553</u>	<u>\$ 3,092</u>	<u>\$ 5,373</u>	<u>\$ 6,179</u>

The Group's lease agreements with related parties were conducted under contract terms.

i. Bonds payable

Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Government – related parties			
Taiwan Cooperative Bank Co., Ltd.	\$ 1,100,000	\$ 1,100,000	\$ 1,800,000
Hua Nan Commercial Bank , Ltd.	950,000	950,000	1,200,000
Others	650,000	650,000	900,000
	\$ 2,700,000	\$ 2,700,000	\$ 3,900,000

Note: Original investment amount of domestic bonds.

j. Loans from related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Short-term borrowings	Government – related parties			
	Mega International Commercial Bank Co., Ltd.	\$ 200,000	\$ 200,000	\$ 150,000
	Taiwan Cooperative Bank Co., Ltd.	140,000	200,000	100,000
	Others	—	150,000	210,000
		\$ 340,000	\$ 550,000	\$ 460,000
Short-term bills payable	Government – related parties			
	Mega Bills Finance Co., Ltd.	\$ 499,466	\$ 498,995	\$ 499,436
Long-term borrowings				
Secured borrowings	Government – related parties			
	Chang Hwa Bank Ltd.	\$ —	\$ 92,200	\$ 129,061
Unsecured borrowings	Government – related parties			
	Hua Nan Commercial Bank , Ltd.	\$ 120,000	\$ 120,000	\$ 120,000
	Chang Hwa Bank Ltd.	172,222	—	—
		\$ 292,222	\$ 120,000	\$ 120,000

k. Others

Line Item	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
Rental income	Associates	\$ 35	\$ 35	\$ 69	\$ 69
	Government – related parties				
	Ministry of Interior	5,765	1,922	5,765	1,922
	Other related parties	952	952	1,428	1,428
		<u>\$ 6,752</u>	<u>\$ 2,909</u>	<u>\$ 7,262</u>	<u>\$ 3,419</u>
Interest income	Joint ventures	\$ 13	\$ —	\$ 26	\$ —
	Government – related parties				
	Taiwan Cooperative Bank Co., Ltd.	469,797	454,125	906,399	721,151
	Bank of Taiwan	190,557	18,606	496,237	56,880
	Land Bank of Taiwan Co. Ltd.	67,891	678,253	179,508	1,111,690
	Others	97,458	434,416	214,816	803,065
			<u>825,703</u>	<u>1,585,400</u>	<u>1,796,960</u>
		<u>\$ 825,716</u>	<u>\$ 1,585,400</u>	<u>\$ 1,796,986</u>	<u>\$ 2,692,786</u>
Finance cost	Government – related parties	<u>\$ 29,602</u>	<u>\$ 41,337</u>	<u>\$ 60,268</u>	<u>\$ 83,787</u>
Reimbursement Income	Associates	<u>\$ —</u>	<u>\$ 446</u>	<u>\$ —</u>	<u>\$ 446</u>
Other gains & losses	Associates	\$ 25,829	\$ 13,467	\$ 28,317	\$ 26,271
	Joint ventures	1,003	976	1,991	1,941
	Government – related parties	(213)	(1,750)	(1,386)	(2,922)
	Investors that have significant influence over the subsidiaries	205	—	205	—
		<u>\$ 26,824</u>	<u>\$ 12,693</u>	<u>\$ 29,127</u>	<u>\$ 25,290</u>

The Group's transactions with related parties were conducted under contract terms.

l. Remuneration of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 33,911	\$ 17,173	\$ 56,360	\$ 35,474
Post-employment benefits	1,440	872	2,879	1,744
	<u>\$ 35,351</u>	<u>\$ 18,045</u>	<u>\$ 59,239</u>	<u>\$ 37,218</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collaterals for syndicated bank loans, long-term bank loans and credit lines:

	June 30, 2024	December 31, 2023	June 30, 2023
Restricted bank balance (included in financial assets at amortized cost)	\$ 148,683	\$ 121,406	\$ 131,018
Property, plant and equipment, net	—	597,618	651,094
	<u>\$ 148,683</u>	<u>\$ 719,024</u>	<u>\$ 782,112</u>

34. COMMITMENTS AND CONTINGENT LIABILITY

In addition to those mentioned in Table B and Note 16, commitments and contingent liabilities on reporting periods were as follows:

- a. The Group's shipping and port business were secured by the letter of guarantee issued by a bank for \$514,734 thousand, \$456,977 thousand and \$444,658 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.
- b. The Group signed container building contracts with other companies. As of December 31, 2023 and June 30, 2023, unpaid amounts for these contracts were US\$28,592 thousand and US\$24,743 thousand, respectively. As of June 30, 2024, there was no outstanding container building contract.
- c. The Group signed shipbuilding contracts with other companies. As of June 30, 2024 and December 31, 2023, prepayments for equipment for these contracts amounted to US\$374,900 thousand and unpaid amounts for these contracts were US\$562,350 thousand, US\$562,350 thousand and US\$937,250 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

35. SIGNIFICANT SUBSEQUENT EVENTS

On August 9, 2024, the Group was informed a fire accident occurred in its vessel YM Mobility docking in Port Ningbo, China. As of August 12, 2024, the cause of the accident is still under investigation and the operating loss is estimated between US\$ 1,500 thousand and US\$ 9,500 thousand.

thousand, depending on the identification of the liable party. Shipowner's liability Insurance, Hull Insurance and Container Insurance have been activated, while the cargo transshipment and vessel repairment will be arranged in due course.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The entities in the Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the Group and the related exchange rates between foreign currencies and respective functional currencies were as follows:

	June 30, 2024			
	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 1,708,093	32.4500	(USD : NTD)	\$ 55,427,606
GBP	1	1.2635	(GBP : USD)	25
CNY	88,798	4.4660	(CNY : NTD)	396,575
USD	20,348	32.9320	(USD : TRY)	660,281
EUR	411,665	34.7004	(EUR : NTD)	14,284,927
GBP	84,681	41.0022	(GBP : NTD)	3,472,113
HKD	49,265	4.1560	(HKD : NTD)	204,748
JPY	9,922,987	0.2016	(JPY : NTD)	2,000,565
USD	28,185	7.2660	(USD : CNY)	914,616
CAD	900	23.6680	(CAD : NTD)	21,307
AUD	86,988	21.5338	(AUD : NTD)	1,873,175
<u>Non-monetary items</u>				
<u>Investments accounted for using the equity method</u>				
USD	52,798	32.4500	(USD : NTD)	1,713,289
AUD	1,061	21.5338	(AUD : NTD)	22,841
AED	2,774	8.8347	(AED : NTD)	24,504
INR	63,344	0.3888	(INR : NTD)	24,628
CNY	80,213	4.4660	(CNY : NTD)	358,233
IDR	4,021,000	0.0020	(IDR : NTD)	8,042
VND	7,558,462	0.0013	(VND : NTD)	9,826
EGP	47,947	0.6756	(EGP : NTD)	32,393
MYR	209	6.8772	(MYR : NTD)	1,436
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	1,668,900	32.4500	(USD : NTD)	54,155,792

(Continued)

June 30, 2024

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
GBP	59	1.2635	(GBP : USD)	2,405
CNY	19,923	4.4660	(CNY : NTD)	88,978
EUR	9,942	34.7004	(EUR : NTD)	344,984
USD	5,186	32.9320	(USD : TRY)	168,275
JPY	1,011,258	0.2016	(JPY : NTD)	203,879
GBP	930	41.0022	(GBP : NTD)	38,138
USD	21,433	7.2660	(USD : CNY)	695,499
HKD	22,238	4.1560	(HKD : NTD)	92,420
CAD	449	23.6680	(CAD : NTD)	10,630
AUD	1,959	21.5338	(AUD : NTD)	42,188

(Concluded)

December 31, 2023

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 1,787,831	30.7100	(USD : NTD)	\$ 54,904,275
GBP	1	1.2752	(GBP : USD)	24
CNY	67,867	4.3306	(CNY : NTD)	293,907
USD	10,325	29.5495	(USD : TRY)	317,088
EUR	319,098	34.0144	(EUR : NTD)	10,853,911
GBP	72,745	39.1629	(GBP : NTD)	2,848,918
HKD	329,729	3.9313	(HKD : NTD)	1,296,274
JPY	8,999,010	0.2171	(JPY : NTD)	1,954,038
USD	19,351	7.0914	(USD : CNY)	594,281
CAD	2,798	23.1957	(CAD : NTD)	64,901
AUD	84,647	20.9765	(AUD : NTD)	1,775,604
<u>Non-monetary items</u>				
Investments accounted for using the equity method				
USD	53,131	30.7100	(USD : NTD)	1,631,663
AUD	2,613	20.9765	(AUD : NTD)	54,806
AED	7,201	8.3618	(AED : NTD)	60,210
INR	36,615	0.3693	(INR : NTD)	13,522
CNY	81,648	4.3306	(CNY : NTD)	353,583
IDR	3,453,500	0.0020	(IDR : NTD)	6,907
VND	10,126,154	0.0013	(VND : NTD)	13,164
EGP	71,395	0.9931	(EGP : NTD)	70,902
MYR	452	6.7089	(MYR : NTD)	3,032

(Continued)

December 31, 2023

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
THB	287	0.8984	(THB : NTD)	258
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	2,365,900	30.7100	(USD : NTD)	72,656,785
CNY	55,693	4.3306	(CNY : NTD)	241,184
EUR	16,045	34.0144	(EUR : NTD)	545,769
USD	1,592	29.5495	(USD : TRY)	48,901
JPY	2,013,682	0.2171	(JPY : NTD)	437,249
GBP	894	39.1629	(GBP : NTD)	35,009
USD	9,794	7.0914	(USD : CNY)	300,779
HKD	29	3.9313	(HKD : NTD)	115
CAD	3,275	23.1957	(CAD : NTD)	75,976
AUD	1,627	20.9765	(AUD : NTD)	34,119
				(Concluded)

June 30, 2023

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 3,784,930	31.1400	(USD : NTD)	\$ 117,862,725
GBP	1	1.2624	(GBP : USD)	24
CNY	65,644	4.2873	(CNY : NTD)	281,437
USD	16,299	26.0620	(USD : TRY)	507,548
EUR	275,777	33.7667	(EUR : NTD)	9,312,075
GBP	65,934	39.3127	(GBP : NTD)	2,592,048
HKD	103,685	3.9746	(HKD : NTD)	412,108
JPY	6,392,879	0.2149	(JPY : NTD)	1,374,110
USD	19,282	7.2633	(USD : CNY)	600,432
CAD	8,746	23.4797	(CAD : NTD)	205,355
AUD	79,670	20.6038	(AUD : NTD)	1,641,502
<u>Non-monetary items</u>				
Investments accounted for using the equity method				
USD	50,858	31.1400	(USD : NTD)	1,583,713
AUD	1,849	20.6038	(AUD : NTD)	38,097
AED	3,108	8.4780	(AED : NTD)	26,347
INR	45,526	0.3795	(INR : NTD)	17,277
CNY	86,117	4.2873	(CNY : NTD)	369,209
IDR	2,992,381	0.0021	(IDR : NTD)	6,284
				(Continued)

June 30, 2023

	Foreign Currencies (In Thousands)	Exchange Rate		Carrying Amount
VND	10,856,154	0.0013	(VND : NTD)	14,113
EGP	40,143	1.0076	(EGP : NTD)	40,448
MYR	653	6.6724	(MYR : NTD)	4,355
THB	1,363	0.8769	(THB : NTD)	1,195
 <u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	2,393,028	31.1400	(USD : NTD)	74,518,880
CNY	47,436	4.2873	(CNY : NTD)	203,371
EUR	18,280	33.7667	(EUR : NTD)	617,255
USD	1,617	26.0620	(USD : TRY)	50,342
JPY	1,114,825	0.2149	(JPY : NTD)	239,625
GBP	1,486	39.3127	(GBP : NTD)	58,402
USD	9,858	7.2633	(USD : CNY)	306,991
HKD	36,180	3.9746	(HKD : NTD)	143,800
CAD	4,901	23.4797	(CAD : NTD)	115,084
AUD	1,380	20.3299	(AUD : NTD)	28,057
(Concluded)				

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, realized and unrealized net foreign exchange gains (losses) were \$566,781 thousand, \$1,762,504 thousand, \$1,925,095 thousand and \$1,840,672 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

37. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions

- 1) Financing provided to others: See Table A attached;
- 2) Endorsement/guarantee provided: See Table B attached;
- 3) Marketable securities held: See Table C attached;
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: See Table D attached;
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None;
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None;
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None;

- 8) Receivable from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: See Table E attached;
 - 9) Trading in derivative instruments: None;
 - 10) Intercompany relationships and significant intercompany transactions: See Table F attached;
- b. Information on investees: See Table G attached;
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: See Table H attached;
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: See Table F attached;
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: See Table I attached.

38. SEGMENT INFORMATION

The Group considered the following factors and has decided to aggregate the operating segments into a single operating segment for the preparation of these consolidated financial statements:

- a. The segments have similar long-term gross profit;
- b. The methods used to provide the segments' services are similar; and
- c. The type or class of customers is similar among the segments.

a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

	For the Six Months Ended June 30, 2024				
	Containership Segment	Bulk Shipping Segment	Other Segments	Adjustment and Eliminations	Combined
Operating revenue					
Sales to customers	\$ 90,341,034	\$ 1,874,485	\$ 4,175,130	\$ —	\$ 96,390,649
Intercompany sales	1,857,000	—	746,052	(2,603,052)	—
Total revenue	<u>\$ 92,198,034</u>	<u>\$ 1,874,485</u>	<u>\$ 4,921,182</u>	<u>\$ (2,603,052)</u>	<u>\$ 96,390,649</u>
Segment operating income (loss)	<u>\$ 21,969,773</u>	<u>\$ 131,229</u>	<u>\$ 87,378</u>	<u>\$ 41,602</u>	\$ 22,229,982
Administration cost					(465,484)
Other operating income and expenses					256,055
Interest income					5,503,423
Other income					64,547
Other gains and losses					1,958,137
Financial costs					(966,039)
Share of profit of associates and joint ventures					221,401
Profit before income tax					<u>\$ 28,802,022</u>

	For the Six Months Ended June 30, 2023				
	Containership Segment	Bulk Shipping Segment	Other Segments	Adjustment and Eliminations	Combined
Operating revenue					
Sales to customers	\$ 67,113,480	\$ 2,032,508	\$ 2,853,823	\$ —	\$ 71,999,811
Intercompany sales	1,038,851	—	720,172	(1,759,023)	—
Total revenue	<u>\$ 68,152,331</u>	<u>\$ 2,032,508</u>	<u>\$ 3,573,995</u>	<u>\$ (1,759,023)</u>	<u>\$ 71,999,811</u>
Segment operating income (loss)	<u>\$ 2,975,058</u>	<u>\$ 141,387</u>	<u>\$ 105,184</u>	<u>\$ 31,876</u>	\$ 3,253,505
Administration cost					(332,177)
Other operating income and expenses					120,368
Interest income					6,256,839
Other income					43,593
Other gains and losses					2,038,630
Financial costs					(1,242,935)
Share of profit of associates and joint ventures					242,237
Profit before income tax					<u>\$ 10,380,060</u>

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, other operating income and expenses, interest income, other income, other gains and losses, financial costs, share of profit or loss of associates and joint ventures and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment assets and liabilities

Reportable segments do not regularly report the measure of total assets and liabilities to the chief operating decision maker and therefore was not disclosed.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2024

TABLE A

Unit : In Thousands of New Taiwan Dollars,
Unless Stated Otherwise

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period (Note C)	Ending Balance (Note C)	Actual Borrowing Amounts (Note C)	Interest Rate	Nature of Financing (Note A)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note B)	Aggregate Financing Limits (Note B)
													Item	Value		
0	Yang Ming Marine Transport Corporation	All Oceans Transportation Inc.	Other receivables	Y	\$ 1,995,506	\$ 1,896,142	\$ 1,896,142	1.3000%~6.6500%	1	\$ 3,291,595	—	\$ —	—	\$ —	\$ 7,970,641	\$ 149,340,993
1	Yang Ming Line (Singapore) Pte Ltd	All Oceans Transportation Inc.	Other receivables	Y	326,772 (USD 10,070 thousand)	326,772 (USD 10,070 thousand)	326,772 (USD 10,070 thousand)	6.7400%	2	—	Obtain working capital	—	—	—	34,889,032	34,889,032
		Yang Ming Line (Thailand) Co., Ltd.	Other receivables	Y	4,411 (THB 5,000 thousand)	4,411 (THB 5,000 thousand)	3,529 (THB 4,000 thousand)	3.5213%	2	—	Obtain working capital	—	—	—	6,977,806	20,933,419
		Yang Ming Line (Hong Kong) Ltd.	Other receivables	Y	64,900 (USD 2,000 thousand)	64,900 (USD 2,000 thousand)	64,900 (USD 2,000 thousand)	1.5000%	2	—	Obtain working capital	—	—	—	34,889,032	34,889,032
2	YES Logistics Corp.	Yes Logistics Europe GmbH	Other receivables	Y	34,088 (EUR 982 thousand)	34,088 (EUR 982 thousand)	34,088 (EUR 982 thousand)	1.1100%~4.8900%	1	39,798	—	—	—	—	69,527	880,867
		Yes Logistics Europe GmbH	Other receivables	Y	67,666 (EUR 1,950 thousand)	33,833 (EUR 975 thousand)	33,833 (EUR 975 thousand)	4.8900%	2	—	Obtain working capital	—	—	—	88,087	176,173
		Yes Logistics (Shanghai) Corp.	Other receivables	Y	115,513 (USD 2,500 thousand and CNY 7,700 thousand)	115,513 (USD 2,500 thousand and CNY 7,700 thousand)	115,513 (USD 2,500 thousand and CNY 7,700 thousand)	3.8500%~5.5390%	1	74,824	—	—	—	—	264,260	880,867
		YES MLC GmbH	Other receivables	Y	55,521 (EUR 1,600 thousand)	27,760 (EUR 800 thousand)	27,760 (EUR 800 thousand)	4.8900%	2	—	Obtain working capital	—	—	—	88,087	176,173
		Yes Easyway Logistics (Thailand) Co., Ltd.	Other receivables	Y	993 (USD 31 thousand)	993 (USD 31 thousand)	993 (USD 31 thousand)	5.4620%	2	—	Obtain working capital	—	—	—	88,087	176,173
3	YES Logistics Corporation (USA)	Yes Easyway Logistics (Thailand) Co., Ltd.	Other receivables	Y	2,979 (USD 92 thousand)	2,979 (USD 92 thousand)	1,158 (USD 36 thousand)	5.4360%	2	—	Obtain working capital	—	—	—	53,416	106,833
		YES MLC GmbH	Other receivables	Y	3,470 (EUR 100 thousand)	—	—	—	2	—	Obtain working capital	—	—	—	53,416	106,833

Notes:

- A. Nature of financing:
1. The Company has transactions with the borrower.
2. The borrower needs short-term financing.
- B. 1. Yang Ming Marine Transport Corporation: The maximum financing amount is 60% of the net assets of the Company. For borrowers with transactions with the Company, maximum financing is 50% of the net assets of the Company. For the borrower with transactions with the Company, maximum financing is the lower of 15% of the net assets of the Company or the total amount of transactions between the Company and the borrower in the last two years. For a borrower that is a subsidiary of the Company, maximum financing is the lower of 40% of the latest net assets audited or reviewed by CPA of the Company or the total amount of transactions between the Company and the subsidiary in the last five years. For borrowers with short-term financing need, the maximum is 10% of the net assets of the Company. For the borrower needing short-term financing, maximum financing is 5% of the net assets of the Company.
2. Yang Ming Line (Singapore) Pte. Ltd.: The maximum financing amount is 50% of the net assets of the lender. For borrowers with transactions with the lender, maximum financing is 50% of the net assets of the lender. For the borrower with transactions with the lender, maximum financing is the lower of 25% of the net assets of the lender or the total amount of transactions between the lender and the borrower in the last two years. For borrowers with short-term financing need, the maximum is 30% of the net assets of the lender. For the borrower needing short-term financing, maximum financing is 10% of the net assets of the lender. For the borrower needing short-term financing with direct or indirect holding of 100% voting right on corporation not established in the ROC, maximum financing is 50% of the net total assets.
3. Yes Logistics Corp.: The maximum financing amount is the 60% of the net assets of the lender. For borrowers with transactions with the lender, maximum financing is 50% of the net assets of the lender. For the borrower with transactions with the lender, maximum financing is the lower of 15% of the net assets of the lender or the total amount of transactions between the lender and the borrower in the last two years. For borrowers with short-term financing need, the maximum is 10% of the net assets of the lender. For the borrower needing short-term financing, maximum financing is 5% of the net assets of the lender.
4. Yes Logistics Corporation(USA): The maximum financing amount is the 60% of the net assets of the lender. For borrowers with transactions with the lender, maximum financing is 20% of the net assets of the lender. For the borrower with transactions with the lender, maximum financing is the lower of 10% of the net assets of the lender or the total amount of transactions between the lender and the borrower in the last two years. For borrowers with short-term financing need, the maximum is 40% of the net assets of the lender. For the borrower needing short-term financing, maximum financing is 20% of the net assets of the lender.
- C. United States dollars, Thai Baht, Euros and Chinese Yuan translated into New Taiwan dollars at the exchange rates of US\$1=NT\$32.4500, THB1= NT\$0.8822, EUR1= NT\$34.7004 and CNY1= NT\$4.4660 as of June 30, 2024.
- D. Except for Yamgming-UK, YM-Singapore, YML-Singapore, Kuang Ming and Kuang Ming (Liberia) Corp., others were based on the investees' financial statements which have not been reviewed.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
ENDORSEMENT/GUARANTEE PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2024

TABLE B

Unit : In Thousands of New Taiwan Dollars,
Unless Stated Otherwise

No.	Endorser/Guarantor	Endorser/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note A)	Maximum Amount Endorsed/ Guaranteed During the Period (Note B)	Outstanding Endorsement/Guarantee at the End of the Period (Note B)	Actual Borrowing Amount (Note B)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note A)	Endorsement /Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement /Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement /Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Yang Ming Marine Transport Corporation	Yang Ming (America) Corp.	Subsidiary	\$ 477,891,176	\$ 97,350	\$ 97,350	\$ —	\$ —	0.03%	\$ 896,045,956	Y	N	N
		Kuang Ming Shipping Corp.	Subsidiary	477,891,176	(USD 3,000 thousand) 370,000	(USD 3,000 thousand) —	—	—	—	896,045,956	Y	N	N

Notes:

- A. 1. Represents 300% of the latest net assets audited or reviewed by CPA of Yang Ming Marine Transport Corporation (the "Corporation"). Represents 160% of the amount as aforementioned.
2. Represents 400% of the latest net assets audited or reviewed by CPA of the Company and subsidiaries. Represents 180% of the amount as aforementioned.
- B. United States dollars translated into New Taiwan dollars at the exchange rates of US\$1=\$32.4500 as of June 30, 2024.
- C. Except for Yamgming-UK, YM-Singapore, YML-Singapore, Kuang Ming and Kuang Ming (Liberia) Corp., others were based on the investees' financial statements which have not been reviewed.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

JUNE 30, 2024

TABLE C

Unit : In Thousands of New Taiwan Dollars,
Unless Stated Otherwise

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Yang Ming Marine Transport Corporation	<u>Domestic unlisted shares</u>							
	Taipei Port Container Terminal Co., Ltd.	—	Financial assets at FVTOCI - non-current	51,000,000	\$ 446,472	9.81	\$ 446,472	
	United Stevedoring Corp.	—	Financial assets at FVTOCI - non-current	500,000	4,615	10.00	4,615	
	Pro-Ascentek Investment Corporation	—	Financial assets at FVTOCI - non-current	2,000,000	14,040	1.67	14,040	
	<u>Domestic listed shares</u>							
	Fubon Financial Holding Co., Ltd. Preferred Shares C	—	Financial assets at FVTPL - current	1,165,000	62,444	—	62,444	
	Taishin Financial Holding Co.,Ltd. Class Z	—	Financial assets at FVTPL - non-current	16,000,000	268,000	—	268,000	
	Chunghwa Telecom Co., Ltd.	Government – related party	Financial assets at FVTPL - current	53,000	6,651	—	6,651	
	MEGA FHC	Government – related party	Financial assets at FVTPL - current	2,500,000	101,000	—	101,000	
	<u>Mutual funds</u>							
	Yuanta Taiwan High Dividend LowVolatility ETF.	—	Financial assets at FVTPL - current	50,000	2,888	—	2,888	
	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL - current	71,372,493	1,001,934	—	1,001,934	
	<u>Domestic limited partnership</u>							
	Taiwania Capital Buffalo Fund V, LP.	—	Financial assets at FVTPL - non-current	—	27,231	3.19	27,231	
<u>Corporate bonds</u>								
Domestic privately placed unsecured bonds – Kuang Ming Shipping Corp.	Subsidiary	Financial assets at amortized cost - non-current	—	600,000	—	600,000		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Alphabet Inc.	—	Financial assets at amortized cost - non-current	—	\$ 62,068	—	\$ 61,800	
	Apple Inc.	—	Financial assets at amortized cost - non-current	—	152,939	—	151,498	
	BANK OF AMERICA CORP.	—	Financial assets at amortized cost - non-current	—	194,450	—	192,907	
	Citigroup Global Markets Holdings	—	Financial assets at amortized cost - current	—	162,196	—	158,536	
	Citigroup Global Markets Holdings	—	Financial assets at amortized cost - non-current	—	648,786	—	634,719	
	Commonwealth Bank of Australia	—	Financial assets at amortized cost - non-current	—	60,985	—	60,986	
	FOXCONN (FAR EAST) LTD.	—	Financial assets at amortized cost - non-current	—	219,046	—	215,334	
	Intel Corporation	—	Financial assets at amortized cost - non-current	—	156,096	—	156,372	
	International Business Machines Corporation	—	Financial assets at amortized cost - non-current	—	95,441	—	94,928	
	JPMORGAN CHASE & CO.	—	Financial assets at amortized cost - non-current	—	128,840	—	127,782	
	Mitsubishi UFJ Financial Group, Inc.	—	Financial assets at amortized cost - current	—	64,552	—	64,878	
	Mitsubishi UFJ Financial Group, Inc.	—	Financial assets at amortized cost - non-current	—	90,106	—	90,043	
	MIZUHO FINANCIAL GROUP	—	Financial assets at amortized cost - non-current	—	150,556	—	150,972	
	QNB FINANCE LTD.	—	Financial assets at amortized cost - non-current	—	62,966	—	60,992	
	The Walt Disney Company	—	Financial assets at amortized cost - non-current	—	94,271	—	94,370	
	TSMC GLOBAL LTD.	—	Financial assets at amortized cost - non-current	—	376,117	—	369,757	
YES Logistics Corp.	<u>Domestic unlisted shares</u> United Raw Material Solutions Inc./URMS	—	Financial assets at FVTOCI - non-current	319,751	1,602	2.76	1,602	
Yang Ming Line (Singapore) Pte Ltd	<u>Corporate bonds</u> Amazon.com, Inc.	—	Financial assets at amortized cost - non-current	—	223,018	—	221,857	
	Apple Inc.	—	Financial assets at amortized cost - non-current	—	163,460	—	164,338	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	BANK OF AMERICA CORP.	—	Financial assets at amortized cost - non-current	—	\$ 555,133	—	\$ 558,790	
	BMW US Capital LLC	—	Financial assets at amortized cost - non-current	—	251,755	—	248,712	
	Citigroup Global Markets Holdings	—	Financial assets at amortized cost - non-current	—	61,053	—	61,201	
	Costco Wholesale	—	Financial assets at amortized cost - non-current	—	190,207	—	190,576	
	DaimlerChrysler North America Holding Corporation	—	Financial assets at amortized cost - non-current	—	375,645	—	372,603	
	FOXCONN (FAR EAST) LTD.	—	Financial assets at amortized cost - non-current	—	193,251	—	193,211	
	Intercontinental Exchange Inc.	—	Financial assets at amortized cost - non-current	—	340,987	—	337,799	
	International Business Machines Corporation	—	Financial assets at amortized cost - non-current	—	184,967	—	181,756	
	Johnson & Johnson	—	Financial assets at amortized cost - non-current	—	222,193	—	221,644	
	JPMORGAN CHASE & CO.	—	Financial assets at amortized cost - non-current	—	796,591	—	798,685	
	Kimberly-Clark Corp.	—	Financial assets at amortized cost - non-current	—	235,474	—	237,103	
	Microsoft Corporation	—	Financial assets at amortized cost - non-current	—	117,227	—	116,200	
	Mitsubishi UFJ Financial Group, Inc.	—	Financial assets at amortized cost - non-current	—	321,608	—	322,020	
	MIZUHO FINANCIAL GROUP	—	Financial assets at amortized cost - non-current	—	458,363	—	458,959	
	NESTLE CAPITAL CORP.	—	Financial assets at amortized cost - non-current	—	258,200	—	256,884	
	Nestle Holdings, Inc.	—	Financial assets at amortized cost - non-current	—	195,205	—	194,352	
	NVIDIA Corporation	—	Financial assets at amortized cost - non-current	—	29,221	—	29,388	
	PepsiCo, Inc.	—	Financial assets at amortized cost - non-current	—	220,576	—	217,033	
	Procter & Gamble Co.	—	Financial assets at amortized cost - non-current	—	116,477	—	119,328	
	S&P Global Inc.	—	Financial assets at amortized cost - non-current	—	168,523	—	167,661	
	Saudi Arabian Oil Company	—	Financial assets at amortized cost - non-current	—	377,620	—	372,031	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Sumitomo Mitsui Banking Corporation	—	Financial assets at amortized cost - non-current	—	\$ 485,780	—	\$ 484,168	
	Target Corporation	—	Financial assets at amortized cost - non-current	—	178,337	—	175,791	
	The Walt Disney Company	—	Financial assets at amortized cost - non-current	—	355,252	—	351,759	
	TSMC Arizona Corporation	—	Financial assets at amortized cost - non-current	—	126,660	—	125,688	
	TSMC GLOBAL LTD.	—	Financial assets at amortized cost - non-current	—	494,278	—	494,045	
	Visa Inc.	—	Financial assets at amortized cost - non-current	—	57,310	—	55,714	
	Walmart, Inc.	—	Financial assets at amortized cost - non-current	—	56,089	—	57,318	

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2024

TABLE D

Unit : In Thousands of New Taiwan Dollars

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares	Amount (Note A)	Shares	Amount	Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares	Amount (Note A)
Yang Ming Marine Transport Corporation	<u>Mutual funds</u>													
	Jih Sun Money Market Fund	Financial assets at FVTPL - current	—	—	—	\$ —	65,384,523	\$ 1,000,000	65,384,523	\$ 1,002,634	\$ 1,000,000	\$ 2,634	—	\$ —
	FSITC Taiwan Money Market Fund	Financial assets at FVTPL - current	—	—	—	—	114,036,754	1,800,000	114,036,754	1,802,381	1,800,000	2,381	—	—
	SinoPac TWD Money Market Fund	Financial assets at FVTPL - current	—	—	—	—	48,804,865	700,000	48,804,865	701,018	700,000	1,018	—	—
	Fubon Chi-Hsiang Money Market Fund	Financial assets at FVTPL - current	—	—	—	—	30,928,728	500,000	30,928,728	500,105	500,000	105	—	—
	CTBC Hua Win Money Market Fund	Financial assets at FVTPL - current	—	—	—	—	44,015,634	500,000	44,015,634	500,128	500,000	128	—	—
	Taishin 1699 Money Market Fund	Financial assets at FVTPL - current	—	—	—	—	71,372,493	1,000,000	—	—	—	—	71,372,493	1,000,000
Yang Ming Line (Singapore) Pte Ltd	Franklin Templeton Sinoam Money Market Fund	Financial assets at FVTPL - current	—	—	—	—	28,089,625	300,000	28,089,625	300,275	300,000	275	—	—
	<u>Foreign bonds</u>													
	Intercontinental Exchange Inc.	Financial assets at amortized cost - non-current	—	—	—	—	—	332,058	—	—	—	—	—	332,058
	JPMORGAN CHASE & CO.	Financial assets at amortized cost - non-current	—	—	—	243,241	—	534,555	—	—	—	—	—	777,796
	Saudi Arabian Oil Company	Financial assets at amortized cost - non-current	—	—	—	—	—	363,045	—	—	—	—	—	363,045
	Sumitomo Mitsui Banking Corporation	Financial assets at amortized cost - non-current	—	—	—	127,622	—	348,791	—	—	—	—	—	476,413
The Walt Disney Company	Financial assets at amortized cost - non-current	—	—	—	28,872	—	317,845	—	—	—	—	—	346,717	

Notes:

A. The balance is the time of investment acquisition.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NTS100 MILLION OR 20 OF THE PAID-IN CAPITAL
JUNE 30, 2024

TABLE E

Unit : In Thousands of New Taiwan Dollars

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Yang Ming Marine Transport Corporation	All Oceans Transportation Inc.	Subsidiary	\$ 1,896,142 (Note A)	—	\$ —	-	\$ —	\$ —
	Yang Ming (Singapore) Pte. Ltd.	Subsidiary	2,738,982	—	—	-	2,738,982	—
	YES Logistics Corp.	Subsidiary	567,659 (Note B)	—	—	-	12,600	—
Yang Ming (Singapore) Pte. Ltd.	Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	The same parent company	1,366,515	—	—	-	714,785	—
	Yang Ming (America) Corp.	The same parent company	120,361	—	—	-	120,361	—
	Yang Ming (Italy) S.P.A.	The same parent company	130,632	—	—	-	130,632	—
	Yang Ming Marine Transport Corporation	Parent company	704,177	—	—	-	704,177	—
Yang Ming Line (Singapore) Pte Ltd	All Oceans Transportation Inc.	The same parent company	337,892 (Note A)	—	—	-	—	—
YES Logistics Corp.	Yes Logistics (Shanghai) Corp.	Subsidiary	123,928 (Note D)	—	—	-	1,794	—
All Oceans Transportation Inc.	Yang Ming Marine Transport Corporation	Parent company	4,066,326 (Note C)	—	—	-	36,244	—
Jing Ming Transportation Co., Ltd.	Yang Ming Marine Transport Corporation	Parent company	122,517	—	—	-	15,355	—
Yang Ming (Korea) Co., Ltd	Yang Ming Marine Transport Corporation	Parent company	101,790	—	—	-	101,790	—
Yang Ming Anatolia Shipping Agency S.A.	Yang Ming Marine Transport Corporation	Parent company	186,551	—	—	-	186,551	—
Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Yang Ming Marine Transport Corporation	Parent company	388,177	—	—	-	388,177	—
Yang Ming (America) Corp.	Yang Ming Marine Transport Corporation	Parent company	170,510	—	—	-	170,510	—
	Yang Ming (Singapore) Pte. Ltd.	The same parent company	121,970	—	—	-	121,970	—
Kuang Ming Shipping Corp.	Taiwan Power Company	Government - related party	110,385	—	—	-	93,066	—

Notes:

- A. Interest receivable, financing provided.
- B. Finance lease receivables, dividends receivables.
- C. Finance lease receivables, other receivables.
- D. Financing provided, interest receivable, and collection of freight and fees between related parties.
- E. Collections between related parties made according to “Agency Accounting Procedure” by the Company and local business conventions.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2024

TABLE F

Unit : In Thousands of New Taiwan Dollars

Number (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Accounts	Amount (Note C)	Payment Terms	% to Total Sales or Assets
0	Yang Ming Marine Transport Corporation	All Oceans Transportation Inc.	1	Right-of-use assets	\$ 16,877,265	Conducted as agreed terms	0.04
				Long-term notes receivable and trade receivables	1,896,142	Conducted as agreed terms	—
				Lease liabilities	4,010,399	Conducted as agreed terms	0.01
				Operating cost	2,192,103	Conducted as agreed terms	0.02
		Hong Ming Terminal & Stevedoring Corp. Jing Ming Transportation Co., Ltd.	1 1	Operating cost	202,528	Conducted as agreed terms	—
				Trade payables	121,922	Conducted as agreed terms	—
		Yang Ming (Singapore) Pte. Ltd.	1	Operating cost	111,190	Conducted as agreed terms	—
				Other receivables	2,641,085	Conducted as agreed terms	0.01
				Trade payables	644,999	Conducted as agreed terms	—
				Operating revenue	17,220,533	Conducted as agreed terms	0.18
		Yang Ming (UK) Ltd	1	Operating cost	191,918	Conducted as agreed terms	—
				Operating cost	109,057	Conducted as agreed terms	—
		Yang Ming (Korea) Co., Ltd	1	Payables to shipping agents	101,790	Conducted as agreed terms	—
		Yang Ming Anatolia Shipping Agency S.A.	1	Payables to shipping agents	186,551	Conducted as agreed terms	—
		Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	1	Payables to shipping agents	387,721	Conducted as agreed terms	—
		Yang Ming (America) Corp.	1	Payables to shipping agents	285,587	Conducted as agreed terms	—
				Operating cost	115,813	Conducted as agreed terms	—
		Kuang Ming Shipping Corp.	1	Financial assets at amortized cost	600,000	Conducted as agreed terms	—
		YES Logistics Corp.	1	Finance lease receivables - non-current	400,758	Conducted as agreed terms	—
				Operating revenue	266,708	Conducted as agreed terms	—
1	All Oceans Transportation Inc.	Yes Logistics (Shanghai) Corp.	1	Operating revenue	1,488,890	Conducted as agreed terms	0.02
		Yang Ming Line (Singapore) Pte Ltd	2	Other payables	337,892	Conducted as agreed terms	—
2	Yang Ming (Singapore) Pte. Ltd.	Jing Ming Transportation Co., Ltd.	2	Operating cost	154,777	Conducted as agreed terms	—
				Operating cost	390,637	Conducted as agreed terms	—
		Yang Ming (UK) Ltd	2	Contract assets	109,475	Conducted as agreed terms	—
				Contract assets	295,903	Conducted as agreed terms	—
		Yang Ming Shipping (Vietnam) Co., Ltd	2	Contract assets	2,418,526	Conducted as agreed terms	0.01
		Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	2	Trade receivables	1,366,515	Conducted as agreed terms	—
				Operating cost	448,826	Conducted as agreed terms	—
		Yang Ming (America) Corp.	2	Contract assets	254,128	Conducted as agreed terms	—
				Trade receivables	120,361	Conducted as agreed terms	—
		Operating cost	607,019	Conducted as agreed terms	0.01		
3	Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Yang Ming (Italy) S.P.A.	2	Trade receivables	130,632	Conducted as agreed terms	—
		Yang Ming Shipping Europe GmbH	2	Operating cost	122,066	Conducted as agreed terms	—
		Yang Ming (Spain), S.L.	2	Contract assets	109,558	Conducted as agreed terms	—
		Yes Logistics (Shanghai) Corp.	2	Trade receivables	513,631	Conducted as agreed terms	—

(Continued)

Number (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Accounts	Amount (Note C)	Payment Terms	% to Total Sales or Assets
4	YES Logistics Corp.	Yes Logistics Corporation (USA)	2	Operating cost	\$ 141,571	Conducted as agreed terms	—
		Yes Logistics (Shanghai) Corp.	2	Long-term notes receivable and trade receivables	115,513	Conducted as agreed terms	—

Note A: Transactions between Yang Ming Marine Transport Corp. and its subsidiaries should be remarked, as well as numbered in the first column. Rules are as follows:

1. Yang Ming Marine Transport Corp. - 0
2. Subsidiaries are numbered in Arabic figures.

Note B: Related party transactions are divided into two categories as follows:

1. Yang Ming Marine Transport Corp. to its subsidiaries.
2. Subsidiaries to subsidiaries.

Note C: Information on the table is equivalent to the eliminated material intercompany transactions.

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTEEES
FOR THE SIX MONTHS ENDED JUNE 30, 2024

TABLE G

Unit : In Thousands of New Taiwan Dollars,
Unless Stated Otherwise

Investor Company	Investee Company	Location	Main Business and Products	Original Investment Amount (Note A)		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Amount			
Yang Ming Marine Transport Corporation	Kao Ming Container Terminal Corp.	Taiwan	Terminal operation and stevedoring	\$ 3,181,313	\$ 3,181,313	323,000,000	47.50	\$ 3,693,467	\$ 209,261	\$ 99,399	Investments in associates
	Yang Ming Line (B.V.I.) Holding Co., Ltd.	British Virgin Islands	Investment, shipping agency, forwarding agency and shipping managers	555,266	555,266	1,757	100.00	15,840,673	253,564	218,957	Subsidiary
	Yang Ming Line B.V.	Netherlands	Investment, shipping agency, forwarding agency and shipping managers	—	—	2,500	100.00	2,521,247	158,745	158,745	Subsidiary
	Kuang Ming Shipping Corp.	Taiwan	Shipping service, shipping agency and forwarding agency	8,927,857	8,927,857	98,882,111	98.88	3,048,842	102,965	101,514	Subsidiary
	Yang Ming Line (Singapore) Pte Ltd	Singapore	Investment, shipping service, sale and purchase of ships, chartering and forwarding agency	(Note O) 59,505,796	(Note O) 59,505,796	(Note O) 2,603,793,000	100.00	69,778,741	2,129,087	2,129,773	Subsidiary
	Yang Ming Line Holding Co.	U.S.A.	Investment, shipping agency, forwarding agency and shipping managers	143,860	143,860	13,500	100.00	4,520,019	45,076	45,076	Subsidiary
	All Oceans Transportation Inc.	Republic of Liberia	Shipping agency, forwarding agency and shipping managers	1,500,181	1,500,181	1,000	100.00	1,701,402	75,520	89,520	Subsidiary
	YES Logistics Corp.	Taiwan	Sea and air freight forwarding agency and warehouse operation	1,141,691	1,141,691	115,630,977	96.36	1,533,664	72,558	69,335	Subsidiary
	Hong Ming Terminal & Stevedoring Corp.	Taiwan	Terminal operation and stevedoring	104,261	104,261	10,000,000	100.00	173,063	18,060	18,200	Subsidiary
	Jing Ming Transportation Co., Ltd.	Taiwan	Container transportation	35,844	35,844	8,615,923	50.98	135,858	5,008	2,545	Subsidiary
	Yunn Wang Investment Co., Ltd.	Taiwan	Investment	179,810	179,810	5,211,474	49.75	243,056	(1,962)	(976)	Investments in associates
	Taiwan Foundation International Pte. Ltd.	Singapore	Investment and subsidiaries management	103,802	103,802	3,400,000	34.00	122,714	5,232	1,779	Investments in associates
	Taiwan Navigation Co., Ltd.	Taiwan	Shipping agency, forwarding agency, shipping managers and shipping lines	4,367,004	4,367,004	70,793,243	16.96	3,051,886	579,723	98,321	Investments in associates
Yang Ming (Singapore) Pte. Ltd.	Singapore	Shipping agency, forwarding agency, shipping managers and shipping lines	444,930	444,930	799,342,500	100.00	50,641,001	20,586,955	20,586,955	Subsidiary	

(Continued)

Investor Company	Investee Company	Location	Main Business and Products	Original Investment Amount (Note A)		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Amount			
Yang Ming Line Holding Co.	Yang Ming (America) Corp.	U.S.A.	Shipping agency, forwarding agency and shipping managers	\$ 17,305	\$ 17,305	5,000	100.00	\$ 388,121	\$ 35,081	\$ —	Subsidiary
	Transcont Intermodal Logistics, Inc.	U.S.A.	Inland forwarding agency	326	326	200	100.00	223	(5)	—	Subsidiary
	Yang Ming Shipping (Canada) Ltd.	Canada	Shipping agency, forwarding agency and shipping managers	2,981	2,981	1,000	100.00	27,514	514	—	Subsidiary
	West Basin Container Terminal LLC	U.S.A.	Terminal operation and stevedoring	132,050	132,050	(Note C)	40.00	1,191,719	(172,546)	—	Investments in associates
	United Terminal Leasing LLC	U.S.A.	Terminal operation and machine lease	34,750	34,750	(Note D)	40.00	398,856	143,985	—	Investments in associates
Yang Ming Line (B.V.I.) Holding Co., Ltd.	Yang Ming (UK) Ltd	U.K.	Shipping agency, forwarding agency, shipping managers and shipping lines	174,041 (Note R)	2,633,724	4,500,000 (Note R)	100.00 (Note R)	1,217,935	(103,596)	—	Subsidiary
Yang Ming Line B.V.	Yang Ming (Belgium) N.V.	Belgium	Shipping agency	8,614	8,614	553	89.92	49,672	4,109	—	Subsidiary
	Yang Ming (Netherlands) B.V.	Netherlands	Shipping agency	15,285	15,285	400,000	100.00	73,878	28,781	—	Subsidiary
	Yang Ming (Italy) S.P.A.	Italy	Shipping agency	4,319	4,319	125,000	50.00	24,046	12,228	—	Subsidiary
	Yang Ming (UK) Ltd	U.K.	Shipping agency, forwarding agency, shipping managers and shipping lines	— (Note R)	70,709	— (Note R)	— (Note R)	—	(103,596)	—	Subsidiary
	Yang Ming Shipping Europe GmbH	Germany	Shipping agency, forwarding agency and shipping managers	29,697	29,697	(Note E)	100.00	219,396	5,224	—	Subsidiary
	Yang Ming (Russia) LLC	Russia	Shipping agency	3,017	3,017	(Note F)	60.00	4,636	(906)	—	Subsidiary
	Yang Ming (Spain), S.L.	Spain	Shipping agency	2,213	2,213	60,000	60.00	287,575	60,181	—	Subsidiary
	Yang Ming (MEDITERRANEAN) Marine Services Single-Member Limited Liability Company	Greece	Shipping agency, forwarding agency and shipping managers	39,379	39,379	11,000	100.00	45,290	648	—	Subsidiary
Yang Ming (Netherlands) B.V.	Yang Ming Shipping (Egypt) S.A.E	Egypt	Shipping agency, forwarding agency and shipping managers	15,757	15,757	24,500	49.00	32,393	50,182	—	Investments in associates
Yang Ming (UK) Ltd	Yang Ming (Belgium) N.V.	Belgium	Shipping agency	1,900	1,900	62	10.08	5,568	4,109	—	Subsidiary
	Corstor Ltd.	U.K.	Warehouse management and container haulage services	7,411	7,411	1,000	100.00	19,984	650	—	Subsidiary
Yang Ming (Italy) S.P.A.	Yang Ming (Naples) S.r.l.	Italy	Forwarding agency	1,695 (Note Q)	1,695 (Note Q)	(Note G)	60.00	4,398	(1,262)	—	Subsidiary
Yang Ming Line (Singapore) Pte Ltd	Yang Ming Shipping (B.V.I.) Inc.	British Virgin Islands	Forwarding agency and shipping agency	247,772	247,772	1,000	100.00	105,491	5,310	—	Subsidiary
	Yang Ming Line (Hong Kong) Ltd.	Hong Kong	Forwarding agency and shipping agency	2,138	2,138	1,000,000	1.44	(456) (Note B)	4,525	—	Subsidiary
	Yang Ming Line (India) Pvt. Ltd.	India	Shipping agency, forwarding agency and shipping managers	2,228	2,228	300,000	60.00	32,618	7,189	—	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Business and Products	Original Investment Amount (Note A)		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Amount			
	Yang Ming (Korea) Co., Ltd	Korea	Shipping agency, forwarding agency and shipping managers	\$ 10,107	\$ 10,107	60,000	60.00	\$ 50,028	\$ 22,091	\$ —	Subsidiary
	Young-Carrier Company Ltd.	Hong Kong	Investment, shipping agency, forwarding agency and shipping managers	14,926	14,926	1,000,000	100.00	20,265	(450)	—	Subsidiary
	Yangming (Japan) Co., Ltd.	Japan	Shipping services, sale and purchase of ships, chartering and forwarding agency	36,235	36,235	3,000	100.00	60,130	17,362	—	Subsidiary
	Yang Ming Line (M) Sdn. Bhd.	Malaysia	Shipping agency, forwarding agency and shipping managers	10,727	10,727	1,000,000	100.00	65,279	1,159	—	Subsidiary
	Yang Ming Anatolia Shipping Agency S.A.	Turkiye	Shipping agency, forwarding agency and shipping managers	1,077	1,077	50,000	50.00	191,253	195,368	—	Subsidiary
	Formosa International Development Corporation	Vietnam	Invest industry district and real estate	246,818	246,818	(Note H)	30.00	—	—	—	Investments in associates
	Yang Ming (U.A.E.) LLC	U.A.E.	Shipping agency, forwarding agency and shipping managers	2,140	2,140	(Note I)	49.00	24,504	23,617	—	Investments in associates
	Yang Ming Shipping (Vietnam) Co., Ltd	Vietnam	Forwarding agency and shipping managers	9,881	9,881	(Note J)	100.00	40,207	3,370	—	Subsidiary
	Yang Ming (Australia) Pty. Ltd.	Australia	Shipping agency, forwarding agency and shipping managers	4,597	4,597	150,000	50.00	22,841	11,501	—	Investments in associates
	LogiTrans Technology Private Limited	India	Information system service	10,211	10,211	2,040,000	51.00	24,628	6,532	—	Investments in joint ventures
	Yang Ming Shipping Philippines, Inc.	Philippines	Forwarding agency and shipping managers	6,435	6,435	99,995	100.00	4,022	5,028	—	Subsidiary
	Yang Ming (Latin America) Corp.	Panama	Shipping agency, forwarding agency and shipping managers	6,020	6,020	200	100.00	9,525	251	—	Subsidiary
	Yang Ming Line (Thailand) Co., Ltd.	Thailand	Shipping agency, forwarding agency and shipping managers	3,589	3,589	3,920	49.00	27,521	3,589	—	Subsidiary
	Yang Ming Line shipping (Thailand) Co., Ltd.	Thailand	Shipping agency	2,282	2,282	2,450	49.00	17,103	2,306	—	Subsidiary
	Yang Ming Insurance Co., Ltd.	Bermuda	Insurance	7,740	7,740	250,000	100.00	147,825	12,738	—	Subsidiary
	PT Yang Ming Shipping Indonesia	Indonesia	Shipping agency, forwarding agency and shipping managers	40,946	40,946	18,865	49.00	56,414	8,322	—	Subsidiary
	PT. Formosa Sejati Logistics	Indonesia	Storage and stevedoring	5,701	5,701	1,875	15.00	8,042	5,297	—	Investments in associates
	Jambatan Merah Formosa Depot Sdn Bhd.	Malaysia	Storage and stevedoring	1,743	1,743	250,000	25.00	1,436	(4,943)	—	Investments in joint ventures
	Yang Ming (France) S.A.S.	France	Shipping agency, forwarding agency and shipping managers	3,025	3,025	90,000	60.00	25,089	12,852	—	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Business and Products	Original Investment Amount (Note A)		As of June 30, 2024			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				June 30, 2024	December 31, 2023	Shares	Percentage of Ownership	Carrying Amount			
Yang Ming Line (Thailand) Co., Ltd.	Yang Ming Line shipping (Thailand) Co., Ltd.	Thailand	Shipping agency	\$ 2,328	\$ 2,328	2,500	50.00	\$ 17,452	\$ 2,306	\$ —	Subsidiary
Yang Ming Line shipping (Thailand) Co., Ltd.	Yang Ming Line (Thailand) Co., Ltd.	Thailand	Shipping agency, forwarding agency and shipping managers	3,678	3,678	3,920	49.00	27,521	3,589	—	Subsidiary
Yangming (Japan) Co., Ltd.	Manwa & Company, Ltd.	Japan	Forwarding agency and shipping agency	2,666	2,666	200	100.00	2,119	33	—	Subsidiary
Yang Ming Shipping (B.V.I.) Inc.	Yang Ming Line (Hong Kong) Ltd.	Hong Kong	Forwarding agency and shipping agency	249,953	249,953	68,556,347	98.56	(31,288)	4,525	—	Subsidiary
Kuang Ming Shipping Corp.	Karlman Properties Limited	Hong Kong	Property agency	4	4	24,000,000	100.00	94,543	859	—	Subsidiary
	Kuang Ming (Liberia) Corp.	Republic of Liberia	Forwarding agency	6,032,544 (Note P)	6,032,544 (Note P)	5	100.00	3,669,980	4,586	—	Subsidiary
YES Logistics Corp.	Yes Logistics Corporation (USA)	U.S.A.	Sea and air freight forwarding agency	179,763	179,763	2,173,411	100.00	267,082	2,373	—	Subsidiary
Yes Yangming Logistics (Singapore) Pte. Ltd.	Yes Yangming Logistics (Singapore) Pte. Ltd.	Singapore	Investment and subsidiaries management	40,305	40,305	1,750,784	100.00	44,748	(5,424)	—	Subsidiary
	PT. YES Logistics Indonesia	Indonesia	Forwarding agency	15,315	15,315	510,000	51.00	10,676	(2,882)	—	Subsidiary
	YES LIBERAL Logistics Corp.	Taiwan	Warehouse operation	75,000	75,000	7,500,000	50.00	76,260	789	—	Investments in joint ventures
	Yes Logistics Benelux B.V.	Netherlands	Forwarding agency	10,179	10,179	12,600	70.00	15,160	(2,341)	—	Subsidiary
Yes Logistics Corporation (USA)	Yes Logistics Company Ltd.	Hong Kong	Forwarding agency	32,351	32,351	7,882,278	100.00	16,660	(1,948)	—	Subsidiary
	Yes And HQL Logistics Company	Vietnam	Forwarding agency	3,128	3,128	(Note N)	51.00	9,826	(348)	—	Investments in joint ventures
	Yes Easyway Logistics (Thailand) Co., Ltd.	Thailand	Forwarding agency	2,530	2,530	29,400	49.00	—	1,522	—	Investments in joint ventures
	Golden Logistics USA Corporation	U.S.A.	Container transportation	328	328	100	100.00	6,499	576	—	Subsidiary
Yes Logistics Europe GmbH	Yes Logistics Europe GmbH	Germany	Forwarding agency	40,090	40,090	(Note K)	100.00	(64,159)	(4,387)	—	Subsidiary
	YES MLC GmbH	Germany	Import and export, storage and delivery, and other warehousing related business	10,826	10,826	(Note L)	100.00	(15,139)	79	—	Subsidiary
YES MLC GmbH	Merlin Logistics GmbH	Austria	Warehouse operation and logistics	1,380	1,380	(Note M)	100.00	134	(256)	—	Subsidiary
Merlin Logistics GmbH	YES Logistics Bulgaria Ltd.	Bulgaria	Cargo consolidation service and forwarding agency	740	740	500	100.00	(253)	(109)	—	Subsidiary

Notes:

- A. This is translated into New Taiwan dollars at the exchange rate prevailing at the time of investment acquisition.
- B. Investees had negative net assets. Thus, the negative carrying values of the investments were presented as liability.
- C. This is equivalent to US\$3,800 thousand, and no shares were issued.

- D. This is equivalent to US\$1,000 thousand, and no shares were issued.
- E. This equivalent to EUR818 thousand and no shares were issued.
- F. This equivalent to US\$92 thousand and no shares were issued.
- G. This is equivalent to EUR6 thousand, and no shares were issued.
- H. This is equivalent to US\$7,700 thousand, and no shares were issued.
- I. This is equivalent to AED245 thousand, and no shares were issued.
- J. This equivalent to US\$300 thousand and no shares were issued.
- K. This is equivalent to EUR1,025 thousand, and no shares were issued.
- L. This is equivalent to EUR290 thousand, and no shares were issued.
- M. This is equivalent to EUR35 thousand, and no shares were issued.
- N. This equivalent to US\$102 thousand and no shares were issued.
- O. The original investment amount did not deduct the amount of offsetting the deficit of \$3,000,000 thousand and \$4,701,339 thousand in May 2021 and May 2017, respectively.
- P. The original investment amount did not deduct the amount of offsetting the deficit of \$2,139,659 thousand in June 2017.
- Q. The original investment amount did not deduct the amount of offsetting the deficit of \$1,457 thousand in May 2020.
- R. Yang Ming (UK) Ltd. applied for capital reduction of GBP65,098 thousand in May 2024, and Yang Ming Line (B.V.I.) Holding Co., Ltd. 's share of Yang Ming (UK) Ltd. increased to 100% after the capital reduction.
- S. The information on investments in mainland China is provided in Table H.

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2024

TABLE H

Unit : In Thousands of New Taiwan Dollars,
Unless Stated Otherwise

Company Name	Investee Company	Main Business and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024 (Note J)	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2024 (Note J)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note E)	Carrying Amount as of June 30, 2024 (Note E)	Accumulated Repatriation of Investment Income as of June 30, 2024
						Outflow	Inflow						
Yang Ming Marine Transport Corporation	Huan Ming (Shanghai) International Shipping Agency Co., Ltd. (Note G)	Shipping agency, forwarding agency and shipping managers	US\$ 1,000 thousand (Note H)	Indirect investment through Singapore-based subsidiary's direct investment in Mainland China	\$ —	\$ —	\$ —	\$ —	\$ 50,255	100.00% (Note I)	\$ 50,255	\$ (118,724)	\$ —
	Sino Trans PFS Cold Chain Logistics Co., Ltd. (Note D)	Storage facilities construction and operation as well as providing supporting services related	US\$ 46,242 thousand	The Company direct investment in Mainland China	23,263 (CNY 5,209 thousand)	—	23,263 (CNY 5,209 thousand)	(3,372)	6.67%	(225)	15,634	—	
YES Logistics Corp.	Yes Logistics (Shanghai) Corp. (Note A)	Forwarding agency	US\$ 4,300 thousand	Investee's direct & indirect investment through US based subsidiary's direct investment in Mainland China	259,600 (US\$ 8,000 thousand)	—	259,600 (US\$ 8,000 thousand)	12,431	96.36%	11,978	483,225	—	
	Chang Ming Logistics Company Limited (Note B)	Terminal operation and stevedoring, storage, and shipping agency	CNY 144,800 thousand	Investee's direct investment in Mainland China	301,817 (US\$ 9,301 thousand)	—	301,817 (US\$ 9,301 thousand)	(3,860)	47.22%	(1,823)	283,190	—	
	Sino Trans PFS Cold Chain Logistics Co., Ltd.	Storage facilities construction and operation as well as providing supporting services related	US\$ 46,242 thousand	Investee's direct investment in Mainland China	200,022 (US\$ 6,164 thousand)	—	200,022 (US\$ 6,164 thousand)	(3,372)	12.85%	(433)	31,397	—	
	Shanghai United Cold Chain Logistics Co., Ltd. (Note F)	Storage facilities construction and operation as well as providing supporting services related	CNY 50,000 thousand	Investee's direct investment in Mainland China	44,660 (CNY 10,000 thousand)	—	44,660 (CNY 10,000 thousand)	(11,237)	19.27%	(2,165)	28,012	—	

Company Name	Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2024 (Note J)	Investment Amounts Authorized by Investment Commission, MOEA (Note J)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Yang Ming Marine Transport Corporation (Note D)	\$23,263 (CNY 5,209 thousand)	\$251,614 (US\$ 7,037 thousand) (CNY 5,209 thousand)	\$179,684,671
YES Logistics Corp. (Note C)	784,717 (US\$ 17,301 thousand) (CNY 50,000 thousand)	784,717 (US\$ 17,301 thousand) (CNY 50,000 thousand)	1,067,093

Notes:

- A. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on June 3, 2004, July 4, 2006, December 26, 2006 and August 31, 2016.
- B. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on April 11, 2005, August 22, 2006, November 29, 2006 and December 2, 2008.
- C. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on December 16, 2013.
- D. The Company was authorized to invest in mainland China by Investment Commission, Ministry of Economic Affairs on August 25, 2021.
- E. Calculated by the % ownership of direct or indirect investment.
- F. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on May 12, 2017.
- G. The Company was authorized to invest in mainland China by Investment Commission, Ministry of Economic Affairs on December 25, 2019.
- H. Investing by the unappropriated earnings of Yang Ming Line (Singapore) Pte Ltd.

- I. The Group contributed 51% of capital in terms of cash input, but de facto holds 100% of the equity based on terms stipulated in the joint venture agreement.
- J. United States dollars and Chinese Yuan translated into New Taiwan dollars at the exchange rates of US\$1=NT\$32.4500 and CNY1=NT\$4.4660 as of June 30, 2024.

YANG MINT MARINE TRANSPORT CORPORATION AND SUBSIDIARIES
INFORMATION OF MAJOR SHAREHOLDERS

JUNE 30, 2024

TABLE I

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
The Ministry of Transportation and Communications R.O.C.	467,682,372	13.39
National Development Fund	460,000,000	13.17

Note A: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Group as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note B: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.