

**CHINESE MARITIME TRANSPORT LTD.  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Six Months Ended June 30, 2021 and 2020 (Restated)**

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

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## Independent Auditors' Review Report

To the Board of Directors of  
CHINESE MARITIME TRANSPORT LTD.:

### Introduction

We have reviewed the accompanying consolidated balance sheets of Chinese Maritime Transport Ltd. and its subsidiaries as of June 30, 2021 and 2020 (restated), and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2021 and 2020 (restated), as well as the changes in equity and cash flows for the six months ended June 30, 2021 and 2020 (restated), and notes to the consolidated financial statements, including a summary of significant accounting policies. The 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 Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standard 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the 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 conducted in accordance with the generally accepted auditing standards 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 stated in Note (4)(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$1,858,440 thousand and \$1,866,792 thousand, constituting 9.75% and 9.55% of the consolidated total assets; and the total liabilities amounting to \$688,436 thousand and \$696,608 thousand, constituting 8.73% and 7.17% of the consolidated total liabilities as of June 30, 2021 and 2020, respectively; as well as the total comprehensive income amounting to \$9,590 thousand, \$5,504 thousand, \$14,219 thousand and \$11,196 thousand, constituting 0.67%, 55.95%, 0.83% and 121.06% of the absolute value of the consolidated total comprehensive income for the three months and the six months ended June 30, 2021 and 2020, respectively.

Furthermore, as stated in Note (6)(e), the other equity accounted investments of Chinese Maritime Transport Ltd. and its subsidiaries in its investee companies of \$604,257 thousand and \$1,654,221 thousand as of June 30, 2021 and 2020, respectively, and its equity in net earnings on these investee companies of \$5,956 thousand, \$21,586 thousand, \$11,780 thousand and \$45,780 thousand for the three months and the six months ended June 30, 2021 and 2020, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

### **Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Chinese Maritime Transport Ltd. and its subsidiaries as of June 30, 2021 and 2020 (restated), and of its consolidated financial performance for the three months and six months ended June 30, 2021 and 2020 (restated), as well as its consolidated cash flows for the six months ended June 30, 2021 and 2020 (restated) 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 Yiu-Kwan Au and Jui-Lan Lo.

KPMG

Taipei, Taiwan (Republic of China)  
August 6, 2021

### **Notes to Readers**

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**Reviewed only, not audited in accordance with the generally accepted auditing standards as of June 30, 2021 and 2020**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**June 30, 2021, December 31 and June 30, 2020**

**(Expressed in Thousands of New Taiwan Dollars)**

	June 30, 2021		December 31, 2020		June 30, 2020			June 30, 2021		December 31, 2020		June 30, 2020	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Assets</b>													
<b>Current assets:</b>							<b>Liabilities and Equity</b>						
1100 Cash and cash equivalents (note (6)(a))	\$ 2,831,034	15	3,814,015	20	3,192,405	16	2100 Short-term borrowings (note (6)(j))	\$ 659,990	3	194,940	1	2,080,508	11
1110 Current financial assets at fair value through profit or loss (notes (6)(b) and (8))	564,944	3	634,690	3	274,973	2	2130 Current contract liabilities (note (6)(q))	17,420	-	34,136	-	9,521	-
1150 Notes and accounts receivable, net (note (6)(d))	327,280	2	285,931	1	262,960	1	2150 Notes and accounts payable	190,389	1	166,113	1	158,538	1
1180 Accounts receivable due from related parties, net (notes (6)(d) and (7))	10,323	-	11,864	-	14,577	-	2200 Other payables	134,447	1	140,110	1	100,155	-
1470 Other current assets	71,445	-	71,902	-	72,743	-	2216 Dividends payable	315,975	2	-	-	157,988	1
1476 Other current financial assets (notes (6)(i) and (8))	<u>310,782</u>	<u>2</u>	<u>333,361</u>	<u>2</u>	<u>290,225</u>	<u>2</u>	2230 Current tax liabilities	10,655	-	10,752	-	11,368	-
	<u>4,115,808</u>	<u>22</u>	<u>5,151,763</u>	<u>26</u>	<u>4,107,883</u>	<u>21</u>	2280 Current lease liabilities (note (6)(k))	46,006	-	44,533	-	41,259	-
							2300 Other current liabilities	13,093	-	2,937	-	3,088	-
<b>Non-current assets:</b>							2320 Long-term liabilities, current portion (note (6)(j))	<u>944,622</u>	<u>5</u>	<u>2,912,538</u>	<u>15</u>	<u>2,945,890</u>	<u>15</u>
1510 Non-current financial assets at fair value through profit or loss (notes (6)(b) and (8))	835,227	4	208,915	1	104,419	1		<u>2,332,597</u>	<u>12</u>	<u>3,506,059</u>	<u>18</u>	<u>5,508,315</u>	<u>28</u>
1517 Non-current financial assets at fair value through other comprehensive income (notes (6)(c) and (8))	1,466,960	8	1,188,476	7	352,977	2	<b>Non-Current liabilities:</b>						
1550 Investments accounted for using equity method, net (notes (6)(e) and (8))	604,257	3	605,621	3	1,654,221	8	2530 Bonds payable (note (6)(j))	2,500,000	13	2,900,000	15	400,000	2
1600 Property, plant and equipment (notes (6)(f) and (8))	11,740,135	62	12,107,583	62	13,035,388	67	2540 Long-term borrowings (note (6)(j))	2,304,995	12	2,567,895	13	3,030,658	16
1755 Right-of-use assets (note (6)(g))	164,239	1	162,059	1	169,044	1	2570 Deferred tax liabilities	606,529	3	606,529	3	607,906	3
1760 Investment property, net (note (6)(h))	34,176	-	34,535	-	35,566	-	2580 Non-current lease liabilities (note (6)(k))	115,792	1	122,486	1	124,846	1
1780 Intangible assets	9,538	-	9,798	-	10,082	-	2640 Net defined benefit liability, non-current	27,812	-	31,704	-	40,377	-
1840 Deferred tax assets	17,355	-	17,355	-	19,206	-	2670 Other non-current liabilities, others	<u>1,424</u>	<u>-</u>	<u>668</u>	<u>-</u>	<u>958</u>	<u>-</u>
1900 Other non-current assets	58,362	-	38,108	-	33,453	-		<u>5,556,552</u>	<u>29</u>	<u>6,229,282</u>	<u>32</u>	<u>4,204,745</u>	<u>22</u>
1980 Other non-current financial assets (notes (6)(i) and (8))	<u>18,641</u>	<u>-</u>	<u>18,624</u>	<u>-</u>	<u>24,161</u>	<u>-</u>	<b>Total liabilities</b>	<u>7,889,149</u>	<u>41</u>	<u>9,735,341</u>	<u>50</u>	<u>9,713,060</u>	<u>50</u>
	<u>14,948,890</u>	<u>78</u>	<u>14,391,074</u>	<u>74</u>	<u>15,438,517</u>	<u>79</u>	<b>Equity attributable to owners of parent:</b>						
							(note (6)(o))						
							3100 Common stock	<u>1,974,846</u>	<u>11</u>	<u>1,974,846</u>	<u>10</u>	<u>1,974,846</u>	<u>10</u>
							3200 Capital surplus	<u>53,411</u>	<u>-</u>	<u>53,411</u>	<u>-</u>	<u>53,411</u>	<u>-</u>
							<b>Retained earnings:</b>						
							3310 Legal reserve	1,779,756	9	1,747,570	9	1,747,570	9
							3320 Special reserve	883,992	5	535,690	3	535,690	3
							3350 Unappropriated retained earnings	<u>6,641,761</u>	<u>35</u>	<u>6,322,409</u>	<u>33</u>	<u>6,135,633</u>	<u>31</u>
								<u>9,305,509</u>	<u>49</u>	<u>8,605,669</u>	<u>45</u>	<u>8,418,893</u>	<u>43</u>
							3400 Other equity interest	(179,703)	(1)	(883,992)	(5)	(676,183)	(3)
							<b>Total equity attributable to owners of parent</b>	<u>11,154,063</u>	<u>59</u>	<u>9,749,934</u>	<u>50</u>	<u>9,770,967</u>	<u>50</u>
							35XX <b>Equity attributable to predecessors' interests under common control</b>	-	-	32,893	-	35,642	-
							3610 <b>Non-controlling interests</b>	<u>21,486</u>	<u>-</u>	<u>24,669</u>	<u>-</u>	<u>26,731</u>	<u>-</u>
							<b>Total equity</b>	<u>11,175,549</u>	<u>59</u>	<u>9,807,496</u>	<u>50</u>	<u>9,833,340</u>	<u>50</u>
<b>Total assets</b>	<u>\$ 19,064,698</u>	<u>100</u>	<u>19,542,837</u>	<u>100</u>	<u>19,546,400</u>	<u>100</u>	<b>Total liabilities and equity</b>	<u>\$ 19,064,698</u>	<u>100</u>	<u>19,542,837</u>	<u>100</u>	<u>19,546,400</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the three months and six months ended June 30, 2021 and 2020**

**(Expressed in Thousands of New Taiwan Dollars, Except earnings per share)**

	For the three months ended June 30				For the six months ended June 30			
	2021		2020 (Restated)		2021		2020 (Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 <b>Operating Revenues (notes (6)(q), (7) and (14))</b>								
4621 Freight revenue-vessel chartering	\$ 373,549	46	385,615	52	751,013	47	814,427	53
4622 Freight revenue-container hauling and logistics	432,441	54	344,796	47	839,851	52	720,394	46
4623 Freight revenue-airline agent and others	931	-	9,824	1	9,364	1	17,826	1
	<u>806,921</u>	<u>100</u>	<u>740,235</u>	<u>100</u>	<u>1,600,228</u>	<u>100</u>	<u>1,552,647</u>	<u>100</u>
5000 <b>Operating costs (notes (6) (m), (s) and (12))</b>								
5621 Freight cost-vessel chartering	337,103	42	325,339	44	649,385	41	672,484	43
5622 Freight cost-container hauling and logistics	355,661	44	278,646	37	695,511	43	591,524	38
5623 Freight cost-airline agent and others	1,909	-	5,556	1	8,988	1	11,700	1
	<u>694,673</u>	<u>86</u>	<u>609,541</u>	<u>82</u>	<u>1,353,884</u>	<u>85</u>	<u>1,275,708</u>	<u>82</u>
5900 <b>Gross profit</b>	<u>112,248</u>	<u>14</u>	<u>130,694</u>	<u>18</u>	<u>246,344</u>	<u>15</u>	<u>276,939</u>	<u>18</u>
<b>Operating expenses:</b>								
6000 Operating expenses (notes (6)(m), (s), (7) and (12))	108,662	14	95,408	14	211,208	13	190,272	12
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 (note (6)(d))	404	-	162	-	326	-	51	-
	<u>109,066</u>	<u>14</u>	<u>95,570</u>	<u>14</u>	<u>211,534</u>	<u>13</u>	<u>190,323</u>	<u>12</u>
6900 <b>Net operating income</b>	<u>3,182</u>	<u>-</u>	<u>35,124</u>	<u>4</u>	<u>34,810</u>	<u>2</u>	<u>86,616</u>	<u>6</u>
<b>Non-operating income and expenses:</b>								
7010 Other income (notes (6)(b), (c), (l))	27,916	3	7,564	1	37,172	3	11,327	1
7050 Finance costs (note (6)(r))	(22,853)	(3)	(38,504)	(5)	(52,970)	(3)	(85,574)	(6)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method (note (6)(e))	5,956	1	21,586	3	11,780	1	45,780	3
7100 Interest income	2,442	-	7,649	1	6,756	-	20,040	1
7210 Gains (losses) on disposals of property, plant and equipment, net (note (6)(f))	(635)	-	(1,121)	-	(544)	-	1,904	-
7230 Foreign exchange gains or losses, net	7,289	1	(3,020)	-	565	-	(2,933)	-
7235 Gains on financial assets at fair value through profit or loss (note (6)(b))	787,580	98	106,141	15	994,655	62	67,530	4
7590 Miscellaneous disbursements	38	-	(280)	-	(61)	-	(288)	-
	<u>807,733</u>	<u>100</u>	<u>100,015</u>	<u>15</u>	<u>997,353</u>	<u>63</u>	<u>57,786</u>	<u>3</u>
7900 <b>Profit from continuing operation before tax</b>	<u>810,915</u>	<u>100</u>	<u>135,139</u>	<u>19</u>	<u>1,032,163</u>	<u>65</u>	<u>144,402</u>	<u>9</u>
7950 Less: Income tax expenses (note (6)(n))	6,637	-	5,141	1	11,421	1	13,157	1
<b>Profit</b>	<u>804,278</u>	<u>100</u>	<u>129,998</u>	<u>18</u>	<u>1,020,742</u>	<u>64</u>	<u>131,245</u>	<u>8</u>
8300 <b>Other comprehensive income:</b>								
8310 <b>Items that may not be reclassified subsequently to profit or loss</b>								
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note (6)(c))	859,811	107	76,562	10	785,623	49	(4,114)	-
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method, items that may not be reclassified to profit or loss	-	-	7,496	1	-	-	(5,800)	-
	<u>859,811</u>	<u>107</u>	<u>84,058</u>	<u>11</u>	<u>785,623</u>	<u>49</u>	<u>(9,914)</u>	<u>-</u>
8360 <b>Items that may be reclassified subsequently to profit or loss</b>								
8361 Exchange differences on translation	(213,615)	(26)	(193,715)	(26)	(76,313)	(5)	(112,831)	(8)
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method, items that may be reclassified to profit or loss	(14,339)	(2)	(30,178)	(4)	(13,144)	(1)	(17,748)	(1)
Total other comprehensive income that may be reclassified to profit or loss	<u>(227,954)</u>	<u>(28)</u>	<u>(223,893)</u>	<u>(30)</u>	<u>(89,457)</u>	<u>(6)</u>	<u>(130,579)</u>	<u>(9)</u>
8300 <b>Other comprehensive income</b>	<u>631,857</u>	<u>79</u>	<u>(139,835)</u>	<u>(19)</u>	<u>696,166</u>	<u>43</u>	<u>(140,493)</u>	<u>(9)</u>
<b>Total comprehensive income</b>	<u>\$ 1,436,135</u>	<u>179</u>	<u>(9,837)</u>	<u>(1)</u>	<u>1,716,908</u>	<u>107</u>	<u>(9,248)</u>	<u>(1)</u>
<b>Profit, attributable to:</b>								
Owners of parent	\$ 805,652	100	132,392	18	1,026,337	64	135,085	8
Predecessors' interests under common control	-	-	(1,026)	-	(2,412)	-	(2,194)	-
Non-controlling interests	(1,374)	-	(1,368)	-	(3,183)	-	(1,646)	-
	<u>\$ 804,278</u>	<u>100</u>	<u>129,998</u>	<u>18</u>	<u>1,020,742</u>	<u>64</u>	<u>131,245</u>	<u>8</u>
<b>Comprehensive income attributable to:</b>								
Owners of parent	\$ 1,437,509	179	(7,443)	(1)	1,722,503	107	(5,408)	(1)
Predecessors' interests under common control	-	-	(1,026)	-	(2,412)	-	(2,194)	-
Non-controlling interests	(1,374)	-	(1,368)	-	(3,183)	-	(1,646)	-
	<u>\$ 1,436,135</u>	<u>179</u>	<u>(9,837)</u>	<u>(1)</u>	<u>1,716,908</u>	<u>107</u>	<u>(9,248)</u>	<u>(1)</u>
<b>Earnings per share (note (6)(p))</b>								
9750 Basic net income per share (NT dollars)	<u>\$ 4.08</u>		<u>0.67</u>		<u>5.20</u>		<u>0.68</u>	
9850 Diluted net income per share (NT dollars)	<u>\$ 4.08</u>		<u>0.67</u>		<u>5.19</u>		<u>0.68</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
Reviewed only, not audited in accordance with generally accepted auditing standards

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest							
	Share capital		Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity interest	Total equity attributable to owners of parent	Equity attributable to predecessors' interests under common control		Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings					Equity attributable to common control	Non-controlling interests		
<b>Balance at January 1, 2020 (Restated)</b>	\$ 1,974,846	53,411	1,715,537	359,487	6,366,772	8,441,796	(541,143)	5,453	(535,690)	9,934,363	-	-	9,934,363	
Retrospective adjustment of equity attributable to predecessors' interests under common control	-	-	-	-	-	-	-	-	-	-	37,836	28,377	66,213	
Adjusted balance at January 1, 2020 (Restated)	1,974,846	53,411	1,715,537	359,487	6,366,772	8,441,796	(541,143)	5,453	(535,690)	9,934,363	37,836	28,377	10,000,576	
Legal reserve appropriated	-	-	32,033	-	(32,033)	-	-	-	-	-	-	-	-	
Special reserve appropriated	-	-	-	176,203	(176,203)	-	-	-	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(157,988)	(157,988)	-	-	-	(157,988)	-	-	(157,988)	
Net income for the six months ended June 30, 2020	-	-	32,033	176,203	(366,224)	(157,988)	-	-	-	(157,988)	-	-	(157,988)	
Other comprehensive income for the six months ended June 30, 2020	-	-	-	-	135,085	135,085	-	-	-	135,085	(2,194)	(1,646)	131,245	
Total comprehensive income for the six months ended June 30, 2020	-	-	-	-	135,085	135,085	(130,579)	(9,914)	(140,493)	(140,493)	-	-	(140,493)	
<b>Balance at June 30, 2020 (Restated)</b>	\$ 1,974,846	53,411	1,747,570	535,690	6,135,633	8,418,893	(671,722)	(4,461)	(676,183)	9,770,967	35,642	26,731	9,833,340	
<b>Balance at January 1, 2021 (Restated)</b>	\$ 1,974,846	53,411	1,747,570	535,690	6,322,409	8,605,669	(1,154,720)	270,728	(883,992)	9,749,934	32,893	24,669	9,807,496	
Legal reserve appropriated	-	-	32,186	-	(32,186)	-	-	-	-	-	-	-	-	
Special reserve appropriated	-	-	-	348,302	(348,302)	-	-	-	-	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	(315,975)	(315,975)	-	-	-	(315,975)	-	-	(315,975)	
Net income for the six months ended June 30, 2021	-	-	-	-	1,026,337	1,026,337	-	-	-	1,026,337	(2,412)	(3,183)	1,020,742	
Other comprehensive income for the six months ended June 30, 2021	-	-	-	-	(8,123)	(8,123)	(89,457)	793,746	704,289	696,166	-	-	696,166	
Total comprehensive income for the six months ended June 30, 2021	-	-	-	-	1,018,214	1,018,214	(89,457)	793,746	704,289	1,722,503	(2,412)	(3,183)	1,716,908	
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	(2,399)	(2,399)	-	-	-	(2,399)	2,399	-	-	
Effect of reorganization	-	-	-	-	-	-	-	-	-	-	(32,880)	-	(32,880)	
<b>Balance at June 30, 2021</b>	\$ 1,974,846	53,411	1,779,756	883,992	6,641,761	9,305,509	(1,244,177)	1,064,474	(179,703)	11,154,063	-	21,486	11,175,549	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**REVIEWED ONLY, NOT AUDITED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the six months ended June 30, 2021 and 2020**

**(Expressed in Thousands of New Taiwan Dollars)**

	For the six months ended June 30	
	2021	2020 (Restated)
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit before tax</b>	\$ 1,032,163	144,402
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation and amortization expense	442,573	473,637
Expected credit loss	326	51
Net gain on financial assets at fair value through profit or loss	(994,655)	(67,530)
Interest expense	52,970	85,574
Interest income	(6,756)	(20,040)
Dividend income	(30,787)	(4,028)
Share of profit of associates and joint ventures accounted for using equity method	(11,780)	(45,780)
Net (gain) loss on disposal of property, plant and equipment	544	(1,904)
Others	(261)	(316)
<b>Total adjustments to reconcile profit (loss)</b>	<u>(547,826)</u>	<u>419,664</u>
<b>Changes in operating assets:</b>		
Decrease (increase) in notes and accounts receivable (including related parties)	(40,134)	12,818
Decrease (increase) in other current assets	14,002	(18,655)
Decrease (increase) in other current financial assets	5,898	(16,217)
	<u>(20,234)</u>	<u>(22,054)</u>
<b>Changes in operating liabilities:</b>		
Increase (decrease) in notes and accounts payable	24,276	(81,165)
Decrease in current contract liabilities	(16,716)	(9,806)
Decrease (increase) in other current liabilities	16,802	(60,881)
Decrease in net defined benefit liabilities	(3,892)	(402)
	<u>20,470</u>	<u>(152,254)</u>
<b>Total changes in operating assets and liabilities</b>	<u>236</u>	<u>(174,308)</u>
<b>Total adjustments</b>	<u>(547,590)</u>	<u>245,356</u>
Cash inflow generated from operations	484,573	389,758
Interest received	7,534	23,442
Dividend received	8,864	4,028
Interest paid	(65,233)	(109,536)
Income taxes paid	(11,548)	(25,981)
<b>Net cash flows from operating activities</b>	<u>424,190</u>	<u>281,711</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	-	(41,957)
Proceeds from disposal of financial assets at fair value through other comprehensive income	507,139	-
Acquisition of financial assets at fair value through profit or loss	(37,101)	(178,258)
Proceeds from disposal of financial assets at fair value through profit or loss	475,190	-
Acquisition of property, plant and equipment	(146,476)	(56,427)
Proceeds from disposal of property, plant and equipment	609	10,847
Increase in other non-current assets	(21,743)	(23,433)
Decrease in other current financial assets	37,852	61,639
Increase in other non-current financial assets	(17)	(2,371)
Decrease in equity attributable to predecessors' interests under common control	(32,880)	-
<b>Net cash flows used in investing activities</b>	<u>782,573</u>	<u>(229,960)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term borrowings	465,050	550,625
Repayments of bonds	(2,300,000)	(400,000)
Repayments of long-term borrowings	(306,967)	(326,978)
Payment of lease liabilities	(29,585)	(32,739)
Others	756	(3)
<b>Net cash flows used in financing activities</b>	<u>(2,170,746)</u>	<u>(209,095)</u>
Effect of exchange rate changes on cash and cash equivalents	(18,998)	(28,889)
<b>Net decrease in cash and cash equivalents</b>	<u>(982,981)</u>	<u>(186,233)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>3,814,015</u>	<u>3,378,638</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 2,831,034</u>	<u>3,192,405</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
Reviewed only, not audited in accordance with generally accepted auditing standards

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**June 30, 2021 and 2020**

**(Expressed in Thousands of New Taiwan Dollars Except for Earnings Per Share Information and Unless Otherwise Specified)**

**(1) Company history**

CHINESE MARITIME TRANSPORT LTD. (the “Company”), previously named Associated Transport Inc., was incorporated as a company limited by shares on January 31, 1978, in the Republic of China. The Company’s common shares were listed on the Taiwan Stock Exchange (TWSE). The consolidated financial statements of the Company as of and for the six months ended June 30, 2021 comprise the Company and its subsidiaries (together refined to as the “Group”). The main activities of the Group are bulk-carrier transportation through its 100%-owned overseas subsidiaries; domestic container hauling, vessel transportation, warehousing, and related business; and acting as the general sales agent for Saudi Arabian Airlines. The Group also owns investment companies to engage in the business of investment. Based on the organization of the Group and distribution of duties, the Company leads and invests in the business in the Group related to transportation. Please refer to note (4)(b) for related information.

The Company had acquired 40% ownership of AG MOTORS CORP(AGM) with the cash considerations of \$32,800 on April 1, 2021. The percentage of ownership of AGM held by the Group had increased to 70%, thereby the Group had obtained the control of AGM. The transaction was accounted for as a business reorganization under common control in compliance with the Accounting Research and Development Foundation's IFRS Question and Answers. When presenting comparative consolidated financial statements, the Group presented them as if AGM had always been combined and the consolidated financial statements were restated retrospectively. Please refer to note (12)(c) for related information.

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

These consolidated financial statements were authorized for issue by the Board of Directors on August 6, 2021.

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

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2021:

- Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”
- Amendments to IFRS 9, IAS39, IFRS7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform—Phase 2”
- Amendments to IFRS 16 “Covid-19-Related Rent Concessions beyond June 30, 2021”

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2022, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

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

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.	January 1, 2023

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

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”

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

**(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies used in the financial statements are consistent with the consolidated financial statements for the year ended December 31, 2020. For the related information, please refer to note (4) of the consolidated financial statements for the year ended December 31, 2020.

**(b) Basis of consolidation**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
The Company	Chinese Maritime Transport(S) Pte. Ltd. (CMTS)	Investment holding of ship-owning companies	0.34	0.34	0.34	
"	Chinese Maritime Transport (Hong Kong), Limited (CMTHK)	Investment holding of ship-owning companies	100	100	100	
"	Chinese Maritime Transport International Pte. Ltd. (CMTI)	Investment holding of ship-owning companies	100	-	-	Note 6
"	CMT Logistics Co., Ltd. (CMTL)	Warehouse management	100	100	100	Note 3
"	Hope Investment Ltd. (HIL)	Investment	100	100	100	
"	AGM Investment Ltd. (AGMI)	Investment	100	100	100	
"	Mo Hsin Investment Ltd. (MHI)	Investment	100	100	100	
"	Associated Transport Inc. (ATI)	Container trucking	100	100	100	

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
The Company	CMT Travel Service Ltd. (CMTTSL)	Travel	100	100	100	Note 3
"	United Nan Hai Petroleum INC (UNH)	Gasoline international trade	-	100	100	Note 1
"	United Nan Hai Development Inc. (NHD)	Investment	-	100	100	Note 2
"	AG MOTORS CORP (AGM)	Automobile and its part manufacturing	70	70	70	Note 4, Note 5
CMTS	China Fortune Shipping Pte Ltd. (CFR)	Bulk-carrier transportation	100	100	100	
"	China Enterprise Shipping PTE. Ltd. (CEP)	Bulk-carrier transportation	100	100	100	
CMTHK	China Prosperity Shipping Ltd. (CPS)	Bulk-carrier transportation	100	100	100	
CMTHK	China Peace Shipping Ltd. (CPC)	Bulk-carrier transportation	100	100	100	
"	China Progress Shipping Ltd. (CPG)	Bulk-carrier transportation	100	100	100	
"	China Pioneer Shipping Ltd. (CPN)	Bulk-carrier transportation	100	100	100	
"	China Pride Shipping Ltd. (CPD)	Bulk-carrier transportation	100	100	100	
"	CMT Chartering Ltd. (CCL)	Bulk-chartering services	100	100	100	
"	China Triumph Shipping Ltd. (CTU)	Bulk-carrier transportation	100	100	100	
"	China Trade Shipping Ltd. (CTD)	Bulk-carrier transportation	100	100	100	
"	China Harmory Shipping Ltd. (CHM)	Bulk-carrier transportation	100	100	100	
"	China Honour shipping Ltd. (CHN)	Bulk-carrier transportation	100	100	100	
"	CMT Investment CO., Limited (CHI)	Investment	100	100	100	
"	Chinese Maritime Transport Ship Management (Hong Kong) Limited (CIM)	Investment management	100	100	100	
CMTHK	CMTS	Investment holding of ship-owning companies	99.66	99.66	99.66	
CMTI	China Champion Shipping Pte. Ltd (CCMP)	Bulk-carrier transportation	100.00	-	-	Note 6
CMTI	China Venture Shipping Pte. Ltd (CVTR)	Bulk-carrier transportation	100.00	-	-	Note 6

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2021	December 31, 2020	June 30, 2020	
ATI	Chang-Shun Transport CO., Ltd. (CST)	Container trucking	100	100	100	
"	Huang-Yuen Transport CO., Ltd. (HYT)	Container trucking	100	100	100	
"	Mao-Hua Transport CO., Ltd. (MHT)	Container trucking	100	100	100	
"	AG Prosperity Transport CO., Ltd. (APT)	Container trucking	100	100	100	
"	Pioneer Transport Co., Ltd. (PTL)	Container trucking	100	100	100	

Note 1: Subsidiary incorporated in April 2013; and the liquidation procedures has been completed on May, 2021.

Note 2: Subsidiary incorporated in December 2015; and the liquidation procedures has been completed on February, 2021.

Note 3: Non-significant subsidiary, its financial statements have not been reviewed.

Note 4: Subsidiary was reorganized under a business reorganization under common control and included in the consolidated financial statements as of June 30, 2020, after the consolidated financial statements were restated, its financial statements as of June 30, 2020 and 2021 have not been reviewed.

Note 5: The Company had acquired 40% ownership of AGM with the cash considerations of \$32,800 on April 1, 2021. The percentage of ownership of AGM held by the Group had increased to 70%, thereby the Group had obtained the control of AGM. The transaction was accounted for as a business reorganization under common control. When presenting comparative consolidated financial statements, the Group presented it as if AGM had always been combined and the consolidated financial statements were restated retrospectively.

Note 6: Subsidiary incorporated in May 2021.

(c) Employee benefits

The pension cost for an interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

(d) Income taxes

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the effective tax rate at the time of realization or liquidation and recognized directly in equity or other comprehensive income as tax expense.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(e) Business combination

The Group did not account for business combinations using the acquisition method but using the book-value method. When presenting comparative consolidated financial statements, the Group presented them as if it had always been combined and the consolidated financial statements were restated retrospectively. Please refer to note (12)(b) for related information.

The Group's purchase of a subsidiary was reorganized under a business reorganization within the Group due to the economy substance. The transaction should be recorded at carrying amounts of the sellers. When presenting comparative consolidated financial statements, the Group presented them as if it had always been combined and the consolidated financial statements were restated retrospectively. The equity held by the predecessor was attributable to the "Equity attributable to predecessors' interests under common control" when the consolidated balance sheets and the consolidated statement of changes in equity were prepared in the previous period. The profit held by the predecessors' was attributable to the "Predecessors' interests under common control" when the consolidated statements of comprehensive income were prepared in the previous period.

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

The preparation of the consolidated financial statements in conformity with IFRSs (in accordance with IAS 34 endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In the preparation of this consolidated interim financial statements, the major sources of accounting assumptions, judgments and estimation uncertainty are consistent with note (5) of the annual consolidated financial statements for the year ended December 31, 2020.

**(6) Explanation of significant accounts**

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2020 consolidated financial statements. Please refer to note (6) of the consolidated financial statements for the year ended December 31, 2020.

(a) Cash and cash equivalents

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Petty cash, checking accounts and demand deposits	\$ 1,644,248	863,841	668,246
Time deposits	989,524	2,475,758	2,336,898
Cash equivalents-commercial paper and reverse repurchase agreement	<u>197,262</u>	<u>474,416</u>	<u>187,261</u>
	<b><u>\$ 2,831,034</u></b>	<b><u>3,814,015</u></b>	<b><u>3,192,405</u></b>

Please refer to note(6)(t) for the exchange rate risk, the interest risk and, the fair value sensitivity analysis of the financial assets and liabilities of the Group.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

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

(i) Information is as follows:

	<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
<b>Current financial assets mandatorily measured as at fair value through profit or loss:</b>			
Non-derivative financial instrument			
Domestic listed stocks	\$ 564,944	634,690	274,973
<b>Non-current financial assets mandatorily measured as at fair value through profit or loss:</b>			
Non-derivative financial instrument			
Domestic listed stocks	128,596	64,856	51,474
Domestic listed stocks under private placement	681,670	119,098	27,400
Domestic unlisted stocks	<u>24,961</u>	<u>24,961</u>	<u>25,545</u>
	<u>\$ 1,400,171</u>	<u>843,605</u>	<u>379,392</u>
Current	\$ 564,944	634,690	274,973
Non-current	<u>835,227</u>	<u>208,915</u>	<u>104,419</u>
	<u>\$ 1,400,171</u>	<u>843,605</u>	<u>379,392</u>

The gain on financial assets at fair value through profit or loss for the three months ended and six months ended June 30, 2021 and 2020 amounted of \$787,580, \$106,141, \$994,655 and \$67,530, respectively.

During the six months ended June 30, 2021 and 2020, the dividends of \$24,907 and \$120, respectively, related to investment at fair value through profit or loss, were recognized.

The Group did not provide any aforementioned financial assets as collateral as of June 30, 2020.

As of June 30, 2021 and December 31, 2020, the financial assets measured at fair value through profit or loss of the Group had been pledged as collateral, please refer to note (8).

- (ii) The Group has assessed that the domestic unlisted common shares are held within a business model whose objective is achieved by both collecting the contractual cash flows and by selling securities; therefore, they have been designated as debt investment and classified as financial assets mandatorily measured value through profit or loss.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(c) Financial assets at fair value through other comprehensive income

	<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
Equity investments at fair value through other comprehensive income			
Domestic listed stocks	\$ <u>1,466,960</u>	<u>1,188,476</u>	<u>352,977</u>

(i) Except for the following disclosures, there was no significant difference as compared with financial assets at fair value through other comprehensive income for the three months ended March 31, 2021 and 2020. Please refer to note (6)(c) of the consolidated financial statements for the year ended December 31, 2020.

(ii) Equity investments at fair value through other comprehensive income

The Group newly purchased those investments for strategic purposes amounting to \$0 and \$41,957 for the six months ended June 30, 2021 and 2020, respectively.

The Group disposed part of its investment in TNCL with the disposal cost amounting to \$507,139 for the six months ended June 30, 2021, resulting in a disposal loss of \$8,123, which was reclassified from other comprehensive income to retained earnings. There were no disposal of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments during the six months ended June 30, 2020.

During the three months and six months ended June 30, 2021 and 2020, the Group had recognized unrealized gain or loss on financial assets at fair value through other comprehensive income of gain \$859,811, gain \$76,562, gain \$785,623 and loss \$4,114, respectively.

During the six months ended June 30, 2021 and 2020, the dividends of \$5,880 and \$3,908, respectively, related to equity investment at fair value through other comprehensive income were recognized.

(iii) Please refer to note (6)(t) for market risk.

(iv) As of June 30, 2021, December 31 and June 30, 2020, the financial assets measured at other comprehensive income of the Group had been pledged as collateral, please refer to note (8).

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(d) Notes and accounts receivable

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Notes receivable	\$ 10,524	11,158	13,079
Accounts receivable	327,579	286,811	264,667
Less: Loss allowance	(500)	(174)	(209)
	<u>\$ 337,603</u>	<u>297,795</u>	<u>277,537</u>
Notes and accounts receivable, net	<u>\$ 327,280</u>	<u>285,931</u>	<u>262,960</u>
Notes and accounts receivable due from related parties, net	<u>\$ 10,323</u>	<u>11,864</u>	<u>14,577</u>

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

	<b>June 30, 2021</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 321,470	-	-
1 to 30 days past due	11,181	-	-
30 to 180 days past due	5,452	9.17%	500
More than 180 days past due	-	-	-
	<u>\$ 338,103</u>		<u>500</u>
	<b>December 31, 2020 (Restated)</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 282,929	-	-
1 to 30 days past due	12,767	-	-
30 to 180 days past due	2,273	7.66%	174
More than 180 days past due	-	-	-
	<u>\$ 297,969</u>		<u>174</u>

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>June 30, 2020 (Restated)</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not current	\$ 266,948	-	-
1 to 30 days past due	8,692	-	-
30 to 180 days past due	2,106	9.92%	209
More than 180 days past due	-		-
	<u>\$ 277,746</u>		<u>209</u>

The movement in the allowance for notes and accounts receivable was as follows:

	<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020 (Restated)</b>
Balance on January 1	\$ 174	158
Impairment losses reversed	326	51
Balance on June 30	<u>\$ 500</u>	<u>209</u>

The Group did not provide any aforementioned notes and accounts receivable as collaterals as of June 30, 2021, December 31 and June 30, 2020.

Please refer to note (6)(t) for credit risk of other receivables.

(e) Investments accounted for using equity method

- (i) A summary of the Group's financial information for equity-accounted investees at the reporting date is as follows:

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Associates	<u>\$ 604,257</u>	<u>605,621</u>	<u>1,654,221</u>

- (ii) The Group's share of the profit (loss) of associates and joint ventures was as follows:

	<b>For the three months ended June 30,</b>		<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020 (Restated)</b>	<b>2021</b>	<b>2020 (Restated)</b>
Associates	<u>\$ 5,956</u>	<u>21,586</u>	<u>11,780</u>	<u>45,780</u>

(Continued)

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(iii) Details of the material associate are as follows:

<u>Name</u>	<u>Nature of the relationship</u>	<u>Principal place of business/ Country of incorporation</u>	<u>Effective ownership interest and voting right</u>		
			<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
Taiwan Navigation Co., Ltd. (TNCL)	Entity in which the Group has significant influence and in which its main activities are sea shipping services and construction subcontractor, leasing and sales of commercial and residential buildings	Taiwan	Note	Note	10.406 %

Note: The Group had lost its significant influence over TNCL, resulting in its investments accounted for using equity method to be reclassified to financial asset at fair value through other comprehensive income.

The fair value of the shares of the listed material associate of the Group was as follows:

	<b>June 30, 2020 (Restated)</b>
TNCL	\$ 759,886

The following table summarizes the information of the Group's material associate adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates.

1) Summarized financial information of TNCL

	<b>June 30, 2020 (Restated)</b>
Current assets	\$ 1,699,698
Non-current assets	13,451,263
Current liabilities	(1,127,636)
Non-current liabilities	(3,999,939)
Net assets (Attributable to the investee)	<b>\$ 10,023,386</b>
	<b>For the three months ended June 30, 2020 (Restated)</b>
Revenue	\$ 579,604
Profit from continuing operations	109,934
Other comprehensive income	(102,638)
Total comprehensive income (Attributable to the investee)	<b>\$ 7,296</b>
	<b>For the six months ended June 30, 2020 (Restated)</b>
	1,209,552
	273,571
	(157,578)
	<b>115,993</b>

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	<b>For the six months ended June 30, 2020</b>
Group's share of net assets attributable	\$ 1,065,702
Total comprehensive income attributable	<u>12,069</u>
Dividends received by associates	<u>(34,737)</u>
Ending balance of net assets attributable	<b><u>\$ 1,043,034</u></b>

(iv) Summarized financial information of individually insignificant associates

The summarized financial information on individually insignificant associates using the equity-accounted method is as follows:

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Carrying amount of individually insignificant associates' equity	<b><u>\$ 604,257</u></b>	<b><u>605,621</u></b>	<b><u>611,186</u></b>
	<b>For the three months ended June 30, 2021</b>	<b>For the six months ended June 30, 2020 (Restated)</b>	<b>For the six months ended June 30, 2020 (Restated)</b>
Share of resells attributable to the Group:			
Profit from continuing operations	\$ 5,956	10,148	11,780
Other comprehensive (loss) income	<u>(14,339)</u>	<u>(12,001)</u>	<u>(13,144)</u>
Comprehensive income	<b><u>(8,383)</u></b>	<b><u>(1,853)</u></b>	<b><u>(1,364)</u></b>
		<b><u>(1,364)</u></b>	<b><u>10,162</u></b>

- (v) Except for the following disclosures, there was no significant difference as compared with investments accounted for using the equity method for the six months ended June 30, 2021 and 2020. Please refer to note (6)(e) of the consolidated financial statements for the year ended December 31, 2020.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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(vi) Pledges

As of June 30, 2021 and December 31 2020, the Group did not provide investment accounted for using equity method as collateral.

As of June 30, 2020, the Group provided investment accounted for using equity method as collateral. Please refer to note (8).

(f) Property, plant and equipment

The cost depreciation, and impairment of the property, plant and equipment of the Group for the six months ended June 30, 2021 and 2020 were as follows:

	<u>Land</u>	<u>Buildings and construction</u>	<u>Transportation Equipment</u>	<u>Other equipment</u>	<u>Under construction</u>	<u>Total</u>
<b>Cost or deemed cost:</b>						
Balance on January 1, 2021 (Restated)	\$ 1,719,551	145,317	17,671,712	627,070	26,451	20,190,101
Additions	-	26,513	98,866	20,996	101	146,476
Disposals	-	(479)	(1,574)	(22,031)	-	(24,084)
Reclassifications	(19,908)	19,908	(13,544)	-	-	(13,544)
Effect of movements in exchange rates	-	(275)	(144,877)	-	(227)	(145,379)
Balance on June 30, 2021	<u>\$ 1,699,643</u>	<u>190,984</u>	<u>17,610,583</u>	<u>626,035</u>	<u>26,325</u>	<u>20,153,570</u>
Balance on January 1, 2020 (Restated)	\$ 1,719,551	146,964	18,762,193	611,783	28,220	21,268,711
Additions	-	625	53,561	2,241	-	56,427
Disposals	-	(780)	(21,204)	(14,389)	-	(36,373)
Reclassifications	-	281	4,240	3,922	-	8,443
Effect of movements in exchange rates	-	(401)	(210,078)	-	(329)	(210,808)
Balance on June 30, 2020 (Restated)	<u>\$ 1,719,551</u>	<u>146,689</u>	<u>18,588,712</u>	<u>603,557</u>	<u>27,891</u>	<u>21,086,400</u>
<b>Depreciation and impairments loss:</b>						
Balance on January 1, 2021 (Restated)	\$ -	91,898	7,658,644	331,976	-	8,082,518
Depreciation	-	5,678	392,564	19,900	-	418,142
Disposals	-	(409)	(1,383)	(21,139)	-	(22,931)
Effect of movements in exchange rates	-	(62)	(64,232)	-	-	(64,294)
Balance on June 30, 2021	<u>\$ -</u>	<u>97,105</u>	<u>7,985,593</u>	<u>330,737</u>	<u>-</u>	<u>8,413,435</u>

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	<u>Land</u>	<u>Buildings and construction</u>	<u>Transportation Equipment</u>	<u>Other equipment</u>	<u>Under construction</u>	<u>Total</u>
Balance on January 1, 2020 (Restated)	\$ -	83,760	7,303,655	329,652	-	7,717,067
Depreciation	-	4,620	420,504	19,991	-	445,115
Disposals	-	(600)	(14,126)	(12,704)	-	(27,430)
Effect of movements in exchange rates	-	(84)	(83,656)	-	-	(83,740)
Balance on June 30, 2020 (Restated)	<u>\$ -</u>	<u>87,696</u>	<u>7,626,377</u>	<u>336,939</u>	<u>-</u>	<u>8,051,012</u>
<b>Carrying amounts:</b>						
Balance on January 1, 2021 (Restated)	<u>\$ 1,719,551</u>	<u>53,419</u>	<u>10,013,068</u>	<u>295,094</u>	<u>26,451</u>	<u>12,107,583</u>
Balance on June 30, 2021	<u>\$ 1,699,643</u>	<u>93,879</u>	<u>9,624,990</u>	<u>295,298</u>	<u>26,325</u>	<u>11,740,135</u>
Balance on June 30, 2020 (Restated)	<u>\$ 1,719,551</u>	<u>58,993</u>	<u>10,962,335</u>	<u>266,618</u>	<u>27,891</u>	<u>13,035,388</u>

- (i) The pledge information is summarized in note (8).
- (ii) The Group disposed of the property, plant and equipment during the six months ended June 30, 2021 and 2020 for \$609 and \$10,847, respectively, and the related gain or loss of disposal were a loss of \$544 and a gain of \$1,904, respectively. The registration procedures of the assets transfer have been completed and related receivable have been collected.
- (iii) The Group evaluated its transportation equipment for impairment, exercised impairment testing and recognized no impairment loss according to IFRS 36 “Impairments Non-Financial Asset”. The accumulated impairment loss was USD\$31,555 thousand (\$879,122, \$886,696 and \$934,975 in thousand New Taiwan dollars) as of June 30, 2021, December 31 and June 30, 2020, respectively.
- (iv) Operating lease

The transportation equipment, bulk carriers that owned by the Group are leased to third parties under operating leases. The leases of bulk carriers contain an initial non-cancellable lease term of 1 to 3 years. For all bulk carriers leases, the rental income is fixed under the contract. For more information of operating leases, please refer to note (6)(1).

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(g) Right-of-use assets

The Group leases many assets including land and buildings. Information about leases for which the Group as a lessee is presented below:

	<u>Land</u>	<u>Buildings and construction</u>	<u>Total</u>
Cost:			
Balance on January 1, 2021 (Restated)	\$ 167,841	78,813	246,654
Additions	49,070	-	49,070
Disposal	(48,891)	-	(48,891)
Balance on June 30, 2021	<u>\$ 168,020</u>	<u>78,813</u>	<u>246,833</u>
Balance on January 1, 2020 (Restated)	\$ 194,468	78,813	273,281
Disposal	(41,382)	-	(41,382)
Balance on June 30, 2020 (Restated)	<u>\$ 153,086</u>	<u>78,813</u>	<u>231,899</u>
Accumulated depreciation and impairment losses:			
Balance on January 1, 2021 (Restated)	\$ 54,289	30,306	84,595
Depreciation	14,868	7,576	22,444
Disposal	(24,445)	-	(24,445)
Balance on June 30, 2021	<u>\$ 44,712</u>	<u>37,882</u>	<u>82,594</u>
Balance on January 1, 2020 (Restated)	\$ 39,345	15,153	54,498
Depreciation	19,122	7,576	26,698
Disposal	(18,341)	-	(18,341)
Balance on June 30, 2020 (Restated)	<u>\$ 40,126</u>	<u>22,729</u>	<u>62,855</u>
Carrying Amount:			
Balance on January 1, 2021 (Restated)	<u>\$ 113,552</u>	<u>48,507</u>	<u>162,059</u>
Balance on June 30, 2021	<u>\$ 123,308</u>	<u>40,931</u>	<u>164,239</u>
Balance on June 30, 2020 (Restated)	<u>\$ 112,960</u>	<u>56,084</u>	<u>169,044</u>

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(h) Investments property

Investment property comprises office buildings that are leased to third parties under operating leases that are owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 1 to 5 years. For all investment property leases, the rental income is fixed under the contracts.

	<u>Owned Property</u>		<u>Total</u>
	<u>Land</u>	<u>Building</u>	
<b>Cost or deemed cost:</b>			
Balance on January 1, 2021 (Restated) \$	19,094	23,811	42,905
Effect of movements in exchange rates	-	(171)	(171)
Balance on June 30, 2021	<u>\$ 19,094</u>	<u>23,640</u>	<u>42,734</u>
Balance on January 1, 2020 (Restated) \$	19,094	25,152	44,246
Effect of movements in exchange rates	-	(250)	(250)
Balance on June 30, 2020 (Restated) \$	<u>19,094</u>	<u>24,902</u>	<u>43,996</u>
<b>Depreciation and impairment losses:</b>			
Balance on January 1, 2021 (Restated) \$	-	8,370	8,370
Depreciation	-	238	238
Effect of movements in exchange rates	-	(50)	(50)
Balance on June 30, 2021	<u>\$ -</u>	<u>8,558</u>	<u>8,558</u>
Balance on January 1, 2020 (Restated) \$	-	8,251	8,251
Depreciation	-	247	247
Effect of movements for exchange rates	-	(68)	(68)
Balance on June 30, 2020 (Restated) \$	<u>-</u>	<u>8,430</u>	<u>8,430</u>
<b>Carrying amount:</b>			
Balance on January 1, 2021 (Restated) \$	<u>19,094</u>	<u>15,441</u>	<u>34,535</u>
Balance on June 30, 2021	<u>\$ 19,094</u>	<u>15,082</u>	<u>34,176</u>
Balance on June 30, 2020 (Restated) \$	<u>19,094</u>	<u>16,472</u>	<u>35,566</u>

The fair value of investment properties was based on a valuation by a qualified independent appraiser who has recent valuation experience in the location and category of the investment property being valued.

There was no significant change in the fair value of investment property during the six months ended June 30, 2021 as disclosed in note (6)(h) of the consolidated financial statements for the year ended December 31, 2020.

As of June 30, 2021, December 31 and June 30, 2020, the investment property of the Group was not pledged as collateral or restricted.

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## (i) Other financial assets

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Restricted deposits	\$ 37,534	67,657	20,859
Time deposits (over three months)	25,295	25,402	8,310
Other receivables	15,697	22,347	6,401
Dividends receivable	21,923	-	38,435
Refundable deposits	6,767	8,224	6,568
Pledged assets-time deposits	222,207	228,355	233,813
	<b><u>\$ 329,423</u></b>	<b><u>351,985</u></b>	<b><u>314,386</u></b>
Other current financial assets	\$ 310,782	333,361	290,225
Other non-current financial assets	18,641	18,624	24,161
	<b><u>\$ 329,423</u></b>	<b><u>351,985</u></b>	<b><u>314,386</u></b>

The restricted time deposits are applicable to “The Management, Utilization, and Taxation of Repatriated Offshore Funds Act” for the Group in 2021 and 2020. The restricted time deposits accounts are used for the purpose of offshore funds only.

As of June 30, 2021, December 31 and June 30, 2020, the Group provided other financial assets as collateral. Please refer to note (8).

## (j) Loans

The Group’s details of loans were as follows:

## (i) Short-term borrowings and commercial paper payable, net

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Bank loans	\$ 630,000	120,000	1,386,000
Commercial paper payable	30,000	75,000	695,000
Less: discount on commercial paper payable	(10)	(60)	(492)
	<b><u>\$ 659,990</u></b>	<b><u>194,940</u></b>	<b><u>2,080,508</u></b>
Unused credit lines	<b><u>\$ 3,450,000</u></b>	<b><u>3,815,000</u></b>	<b><u>1,809,000</u></b>
Range of interest rate	<b><u>0.85%~1.12%</u></b>	<b><u>0.88%~1.208%</u></b>	<b><u>0.88%~1.168%</u></b>

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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## (ii) Long-term loans

<u>Bank</u>	<u>Currency</u>	<u>Due Year</u>	<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
Mega International Commercial Bank	USD	2021	\$ 62,685	126,450	200,003
Bank Sinopec	"	2022	466,275	516,659	593,682
Mega International Commercial Bank	"	2022	125,370	189,675	266,670
Bank Sinopec	"	2023	508,386	558,783	637,731
BNP PARIBAS	"	2026	427,229	454,608	504,349
CTBC Bank	"	2027	628,363	666,883	738,105
Mega International Commercial Bank	"	2027	631,309	667,375	736,008
			<u>2,849,617</u>	<u>3,180,433</u>	<u>3,676,548</u>
Current portion			<u>(544,622)</u>	<u>(612,538)</u>	<u>(645,890)</u>
Total			<u>\$ 2,304,995</u>	<u>2,567,895</u>	<u>3,030,658</u>
Range of interest rates			<u>0.91%~1.83%</u>	<u>0.955%~3.52%</u>	<u>1.18%~3.52%</u>

## (iii) Bonds Payable

The Company issued secured bonds at face value. The interest is calculated and paid annually from the date of issuance. The bonds payables were as follows:

	<u>Guarantee bank</u>	<u>Interest rate</u>	<u>Due</u>	<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
2016						
The first secured bonds payable	Bank of Taiwan	0.88 %	March 2021	\$ -	900,000	900,000
The second secured bonds payable	Mega Bank	1.00 %	March 2021	-	1,400,000	1,400,000
2017						
The first secured bonds payable	Shanghai Commercial Bank	1.13 %	April 2022	400,000	400,000	400,000
2020						
The first secured bonds payable	Shanghai Commercial Bank	0.64 %	August 2025	500,000	500,000	-
"	"	0.66 %	August 2025	500,000	500,000	-
"	Mega Bank	0.64 %	August 2025	1,000,000	1,000,000	-
"	"	0.66 %	August 2025	<u>500,000</u>	<u>500,000</u>	<u>-</u>
				<u>2,900,000</u>	<u>5,200,000</u>	<u>2,700,000</u>
Current portion				<u>(400,000)</u>	<u>(2,300,000)</u>	<u>(2,300,000)</u>
				<u>\$ 2,500,000</u>	<u>2,900,000</u>	<u>400,000</u>

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- (iv) In order to repay its bank loans and bonds payable which were issued previously, as well as to increase its working capital for the requirement of business development, the Company issued secured corporate bonds, which were approved at the Board of Directors' meeting on May 13, 2020. The first secured corporate bonds were released with a period of five years, which amounted to \$1,000, at par value, with a total amount of \$2,500,000. The bonds were issued at full.
- (v) Refer to note (6)(t) for the information of exposure to liquidity risk. The Group provided assets as collaterals for credit line of short-term and long-term borrowing, please refer to note (8).

(k) Lease liabilities

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Current	\$ <u>46,006</u>	<u>44,533</u>	<u>41,259</u>
Non-current	\$ <u>115,792</u>	<u>122,486</u>	<u>124,846</u>

For the maturity analysis, please refer to note (6)(t) financial instruments.

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended June 30,</b>		<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020 (Restated)</b>	<b>2021</b>	<b>2020 (Restated)</b>
Interest on lease liabilities	\$ <u>428</u>	<u>492</u>	<u>800</u>	<u>1,022</u>

The amounts recognized in the consolidated statements of cash flows for the Group were as follows:

	<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020 (Restated)</b>
Total cash outflow for leases	\$ <u>30,385</u>	<u>33,761</u>

Land and building leases

As of June 30, 2021, the Group leases land and building for its parking space and warehouses. The leases of land typically run for period of 2 to 8 years, and of warehouses for 4 to 6 years.

(l) Operating lease

The Group leases out its investment property and some machines. The Group has classified these leases as operating leases, because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Please refer to note (6)(h) sets out information about the operating leases of investment property.

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The Group leases the bulk carriers in fixed amount. In the end of the lease term, lessee does not have the bargain purchase option. Therefore, the leases of bulk carriers are classified as operating lease. Please refer to note (6)(f).

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date is as follows:

	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u> <u>(Restated)</u>	<u>June 30,</u> <u>2020</u> <u>(Restated)</u>
Less than one year	\$ 855,923	1,021,720	804,120
Between one and five years	1,799	15,336	3,017
Total undiscounted lease payments	<u>\$ 857,722</u>	<u>1,037,056</u>	<u>807,137</u>

(m) Employee benefits

(i) Defined benefit plans

Given there was no significant volatility of the market or any significant reimbursement, settlement or other one-time event in the prior fiscal year, pension cost in the interim financial statements is measured and disclosed in accordance with the actuarial report measured on December 31, 2019 and 2020.

The pension costs of the defined benefit plans were as follows:

	<u>For the three months ended</u> <u>June 30,</u>		<u>For the six months ended</u> <u>June 30,</u>	
	<u>2021</u>	<u>2020</u> <u>(Restated)</u>	<u>2021</u>	<u>2020</u> <u>(Restated)</u>
Cost of sales and operating expense	<u>\$ 613</u>	<u>629</u>	<u>1,200</u>	<u>1,348</u>

(ii) Defined contribution plans

The pension costs under the defined contribution plans were as follows, and the payment was made to the Bureau of Labor Insurance:

	<u>For the three months ended</u> <u>June 30,</u>		<u>For the six months ended</u> <u>June 30,</u>	
	<u>2021</u>	<u>2020</u> <u>(Restated)</u>	<u>2021</u>	<u>2020</u> <u>(Restated)</u>
Cost of sales and operating expense	<u>\$ 3,127</u>	<u>3,041</u>	<u>6,275</u>	<u>6,037</u>

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(n) Income taxes

(i) Tax expenses

The components of income tax for the three months ended and six months ended June 30, 2021 and 2020 were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2020		2020	
	2021	(Restated)	2021	(Restated)
Current tax expense	\$ 6,637	6,891	11,421	13,157
Deferred tax expense	-	(1,750)	-	-
Tax expense	<u>\$ 6,637</u>	<u>5,141</u>	<u>11,421</u>	<u>13,157</u>

(ii) Assessment of tax

The tax returns of the Company and the domestic entities for the years through 2018 were assessed by the tax administration.

(o) Capital and other equities

Except for the following disclosures, there was no significant change for capital and other equity for the six months ended June 30, 2021 and 2020. For the related information, please refer to note (6)(o) of the consolidated financial statements for the year ended December 31, 2020.

(i) Retained Earning

In accordance with the Company's articles of incorporation, net earnings should first be used to offset the prior years' deficits, if any, before paying any in income taxes, of the remaining balance, 10% is to be appropriated as legal reserve, and when there is a reduction in shareholders' equity at the end of the year, the Company should appropriate the same amount as special reserve from retained earnings. The remainder and the accumulated unappropriated earnings of prior years are distributable as dividends to shareholders. The distribution rate is based on the proposal of the Company's board of directors and should be approved in the shareholders' meeting.

Dividends are paid in cash or stock from retained earnings, and the amount of cash dividends should not be less than 10% of total dividends.

1) Legal reserve

When the Company has no accumulated deficits on the books, the legal reserve can be converted to share capital or distributed as cash dividends, and only the portion of legal reserve that exceeds 25% of issued share capital may be distributed.

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2) Special reserve

By choosing to apply the exemptions granted under IFRS 1 "First-time Adoption of International Financial Reporting Standards" during the Company's first-time adoption of the International Financial Reporting Standards approved by the Financial Supervisory Commission (IFRSs), unrealized revaluation gains recognized under shareholders' equity. The increase in retained earnings occurring before the adoption date, due to the first-time adoption of IFRSs in accordance with Rule No. 1010012865 issued by the Financial Supervisory Commission on 6 April 2012, shall be reclassified as a special reserve during earnings distribution. The carrying amount of special reserve amounted to \$359,487 on June 30, 2021, December 31 and June 30, 2020.

In accordance with the guidelines of the above Rule, a portion of current-period earnings and undistributed prior-period earnings shall be reclassified as a special reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of other shareholders' equity resulting from the first-time adoption of IFRSs and the carrying amount of special reserve as stated above. Similarly, a portion of undistributed prior period shall be reclassified as a special reserve (which does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods due to the first-time adoption of IFRSs. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The amount of cash dividends of appropriations of earnings for 2020 had been approved in the Board of Directors' meeting held on May 12, 2021. Other earnings distribution has been electronically voted on June 23, 2021, which has reached the threshold of statutory resolutions. The shareholders' meeting will be held on August 31, 2021. The appropriations of earnings for 2019 had been approved in the shareholders' meeting on May 13, 2020. These earnings were appropriated as follows:

	<u>2020</u>	<u>2019</u>
Dividends distributed to ordinary shareholders		
Cash	\$ <u>315,975</u>	<u>157,988</u>

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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(ii) Other Equity (After tax)

	Exchange differences on translation of foreign financial Statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
January 1, 2021 (Restated)	\$ (1,154,720)	270,728	(883,992)
The Company and its subsidiaries	(76,313)	793,746	717,433
Associates	(13,144)	-	(13,144)
June 30, 2021	<u>\$ (1,244,177)</u>	<u>1,064,474</u>	<u>(179,703)</u>
January 1, 2020 (Restated)	\$ (541,143)	5,453	(535,690)
The Company and its subsidiaries	(112,831)	(4,114)	(116,945)
Associates	(17,748)	(5,800)	(23,548)
June 30, 2020 (Restated)	<u>\$ (671,722)</u>	<u>(4,461)</u>	<u>(676,183)</u>

(p) Earnings per share

(i) Basic earnings per share

The calculation of basic earnings per share at June 30, 2021 and 2020 were based on the profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding, calculated as follows:

1) Profit attributable to ordinary shareholders of the Company

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020 (Restated)	2021	2020 (Restated)
Profit attributable to ordinary shareholders of the Company	<u>\$ 805,652</u>	<u>132,392</u>	<u>1,026,337</u>	<u>135,085</u>

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Weighted-average number of ordinary shares (thousands)

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2021</u>	<u>2020 (Restated)</u>	<u>2021</u>	<u>2020 (Restated)</u>
Weighted-average number of ordinary shares (basic)	<u>197,485</u>	<u>197,485</u>	<u>197,485</u>	<u>197,485</u>

3) Basic earnings per share (NTD)

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2021</u>	<u>2020 (Restated)</u>	<u>2021</u>	<u>2020 (Restated)</u>
Basic earnings per share \$	<u>4.08</u>	<u>0.67</u>	<u>5.20</u>	<u>0.68</u>

(ii) Diluted earnings per share

The calculation of diluted earnings per share at June 30, 2021 and 2020 were based on profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

1) Profit attributable to ordinary shareholders of the Company (diluted)

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2021</u>	<u>2020 (Restated)</u>	<u>2021</u>	<u>2020 (Restated)</u>
Profit attributable to ordinary shareholder of the Company	<u>\$ 805,652</u>	<u>132,392</u>	<u>1,026,337</u>	<u>135,085</u>

2) Weighted-average number of ordinary shares (diluted) (thousands)

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2021</u>	<u>2020 (Restated)</u>	<u>2021</u>	<u>2020 (Restated)</u>
Number of ordinary shares (basic)	197,485	197,485	197,485	197,485
Effect on the employee stock bonuses	17	55	163	138
Weighted-average number of ordinary shares (diluted)	<u>197,502</u>	<u>197,540</u>	<u>197,648</u>	<u>197,623</u>

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

3) Diluted earnings per share (NTD)

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020 (Restated)	2021	2020 (Restated)
	Diluted earnings per share	\$ 4.08	0.67	5.19

(q) Revenue from contracts with customers

(i) Disaggregation of revenue

For the three months ended June 30, 2021				
	Inland trucking and terminal & logistics department	Shipping department	Others	Total
	Primary geographical markets			
Asia	\$ 432,441	-	760	433,201
America	-	42,791	19	42,810
Europe	-	218,727	85	218,812
Oceania	-	112,031	67	112,098
	\$ 432,441	373,549	931	806,921
For the three months ended June 30, 2020 (Restated)				
	Inland trucking and terminal & logistics department	Shipping department	Others	Total
	Primary geographical markets			
Asia	\$ 344,796	-	9,824	354,620
Europe	-	272,998	-	272,998
Oceania	-	112,617	-	112,617
	\$ 344,796	385,615	9,824	740,235

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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	<b>For the six months ended June 30, 2021</b>			
	<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Total</b>
Primary geographical markets				
Asia	\$ 839,851	-	7,826	847,677
America	-	85,743	188	85,931
Europe	-	439,916	900	440,816
Oceania	-	225,354	450	225,804
	<u>\$ 839,851</u>	<u>751,013</u>	<u>9,364</u>	<u>1,600,228</u>
	<b>For the six months ended June 30, 2020 (Restated)</b>			
	<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Total</b>
Primary geographical markets				
Asia	\$ 720,394	-	17,826	738,220
Europe	-	571,197	-	571,197
Oceania	-	243,230	-	243,230
	<u>\$ 720,394</u>	<u>814,427</u>	<u>17,826</u>	<u>1,552,647</u>

## (ii) Contract balances

	<b>June 30, 2021</b>	<b>December 31, 2020 (Restated)</b>	<b>June 30, 2020 (Restated)</b>
Notes and accounts receivable (including related parties)	\$ 338,103	297,969	277,746
Less: allowance for impairment	(500)	(174)	(209)
Total	<u>\$ 337,603</u>	<u>297,795</u>	<u>277,537</u>
Contract liabilities	<u>\$ 17,420</u>	<u>34,136</u>	<u>9,521</u>

For details on notes and accounts receivable and allowance for impairment, please refer to note (6)(d).

The amounts of revenue recognized for the three months ended and six months ended June 30, 2021 and 2020 that were included in the contract liability balance at the beginning of the period were \$34,136 and \$19,327, respectively.

The major change in the balance of contract assets and contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(r) Financial cost-Interest expense

The financial cost interest expenses were as follows:

	<u>For the three months ended</u> <u>June 30,</u>		<u>For the six months ended</u> <u>June 30,</u>	
	<u>2021</u>	<u>2020</u> <u>(Restated)</u>	<u>2021</u>	<u>2020</u> <u>(Restated)</u>
Bank loan	\$ 12,411	26,220	24,052	59,314
Bonds payable	10,014	11,792	28,118	25,238
Lease liabilities	428	492	800	1,022
	<u>\$ 22,853</u>	<u>38,504</u>	<u>52,970</u>	<u>85,574</u>

(s) Employee compensation and directors' and supervisors' remuneration

In accordance with the Company's articles of incorporation, earnings shall first be used to offset against any deficit, then a range from 0.5% to 2% will be distributed to its employee compensation, and a maximum of 2% will be allocated to its director's and supervisors' remuneration.

For the three months and six months ended June 30, 2021 and 2020, the Company recognized its employee compensation of \$8,221, \$1,352, \$10,472 and \$1,421, respectively, and its directors' and supervisors' remuneration of \$8,221, \$1,352, \$10,472 and \$1,421, respectively. The employee compensation and directors' and supervisors' remuneration were recorded as operation expenses and were estimated based on the net profit before tax, excluding the employee compensation, and director's and supervisors' remuneration of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. If there is difference between the aforementioned distribution approved in the board of directors and the estimation, it will be deal with changes in accounting estimation, and will be recognized in profit or loss next year.

For the years ended December 31, 2020 and 2019, the Company recognized its employee compensation of \$3,394 and \$3,653, respectively, and its directors' and supervisors' remuneration of \$3,394 and \$3,653, respectively. There was no difference between the aforementioned distribution approved in the board of directors and the estimation in the 2020 and 2019 consolidated financial statements. Relative information is available on the MOPS.

(t) Financial instruments

(i) Credit risk

1) Exposure to credit risk

The carrying amount of financial assets represents the maximum amount exposed to credit risk. As of June 30, 2021 and 2020, the maximum amount exposed to credit risk amounted to \$6,365,191 and \$4,516,697, respectively.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

The aggregation of sales to the Group's major customers exceeding 10% of the Group's total sales accounted for 46% and 54% of the total net sales for the six months ended June 30, 2021 and 2020, respectively. In order to reduce credit risk, the Group assesses the financial status of the customers and the possibility of collection of receivables in order to estimate an adequate allowance for doubtful accounts on a regular basis. The customers have had a good credit and profit record. The Group has never suffered any significant credit loss.

2) Credit risk of Receivables

For credit risk exposure of notes and accounts receivable, please refer to note (6)(d).

Other financial assets at amortized cost includes other receivables, guarantee deposits, pledged assets-time deposits, time deposits (over three months) and restricted deposit.

All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses, with the measurement proving to have no impairment loss.

(ii) Liquidity Risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1 ~ 2 years</u>	<u>Over 2 years</u>
<b>June 30, 2021</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 659,990	(660,000)	(660,000)	-	-
Secured bank loans	2,849,617	(2,849,617)	(544,622)	(964,846)	(1,340,149)
Notes and accounts payable	190,389	(190,389)	(190,389)	-	-
Lease liabilities	161,798	(165,087)	(46,006)	(43,657)	(75,424)
Dividends payable	315,975	(315,975)	(315,975)	-	-
Bonds payable	2,900,000	(2,900,000)	(400,000)	-	(2,500,000)
Accrued expenses and other payables (recorded as other payables)	134,447	(134,447)	(134,447)	-	-
	<u>\$ 7,212,216</u>	<u>(7,215,515)</u>	<u>(2,291,439)</u>	<u>(1,008,503)</u>	<u>(3,915,573)</u>
<b>December 31, 2020 (Restated)</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 194,940	(195,000)	(195,000)	-	-
Secured bank loans	3,180,433	(3,180,433)	(612,538)	(754,054)	(1,813,841)
Notes and accounts payable	166,113	(166,113)	(166,113)	-	-
Lease liabilities	167,019	(170,511)	(46,006)	(43,873)	(80,632)
Bonds payable	5,200,000	(5,200,000)	(2,300,000)	(400,000)	(2,500,000)
Accrued expenses and other payables (recorded as other payables)	140,110	(140,110)	(140,110)	-	-
	<u>\$ 9,048,615</u>	<u>(9,052,167)</u>	<u>(3,459,767)</u>	<u>(1,197,927)</u>	<u>(4,394,473)</u>

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1 ~ 2 years</u>	<u>Over 2 years</u>
<b>June 30, 2020 (Restated)</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 2,080,508	(2,081,000)	(2,081,000)	-	-
Secured bank loans	3,676,548	(3,676,548)	(645,890)	(579,223)	(2,451,435)
Notes and accounts payable	158,538	(158,538)	(158,538)	-	-
Lease liabilities	166,105	(170,079)	(42,816)	(42,999)	(84,264)
Dividends payable	157,988	(157,988)	(157,988)	-	-
Bonds payable	2,700,000	(2,700,000)	(2,300,000)	(400,000)	-
Accrued expenses and other payables (recorded as other payables)	100,155	(100,155)	(100,155)	-	-
	<u>\$ 9,039,842</u>	<u>(9,044,308)</u>	<u>(5,486,387)</u>	<u>(1,022,222)</u>	<u>(2,535,699)</u>

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

(iii) Exchange rate risk

The Group do not have significant exposure to foreign currency risk.

(iv) Interest Rate analysis

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments on the reporting date. Regarding the liabilities with variable interest rates, the analysis is on the basis of the assumption that the amount of assets and liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents management of the Group's assessment on the reasonably possible interval of interest rate change.

If the interest rate had increased or decreased by 0.25%, the net profit before tax would have decrease or increased for the six months ended June 30, 2021 and 2020 as follows:

	<u>For the six months ended June 30,</u>	
	<u>2021</u>	<u>2020 (Restated)</u>
Increased 0.25%	\$ (2,332)	(6,361)
Decreased 0.25%	2,332	6,361

(v) Fair value information

1) The kinds of financial instruments and fair value

The Group's financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are based on repeatability measured by fair value. The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It shall not include fair value information of the financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value and lease liability.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	June 30, 2021				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative current financial assets mandatorily at fair value through profit or loss	\$ 564,944	564,944	-	-	564,944
Non-derivative non-current financial assets mandatorily at fair value through profit or loss	153,557	128,596	-	24,961	153,557
Domestic listed stocks under private placement	<u>681,670</u>	-	681,670	-	681,670
	<u>1,400,171</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed common stock	<u>1,466,960</u>	1,466,960	-	-	1,466,960
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	2,831,034	-	-	-	-
Restricted deposits	37,534	-	-	-	-
Time deposits (over three months)	25,295	-	-	-	-
Notes and accounts receivable (including related parties)	337,603	-	-	-	-
Dividends receivables	21,923	-	-	-	-
Other receivables	15,697	-	-	-	-
Guarantee deposits	6,767	-	-	-	-
Pledged assets-time deposits	<u>222,207</u>	-	-	-	-
	<u>3,498,060</u>				
Total	<u>\$ 6,365,191</u>				
<b>Financial liabilities at amortized cost</b>					
Short-term borrowings	\$ 659,990	-	-	-	-
Long-term borrowings	2,849,617	-	-	-	-
Notes and accounts payable	190,389	-	-	-	-
Lease liabilities	161,798	-	-	-	-
Bonds payable	2,900,000	-	2,900,000	-	2,900,000
Accrued expenses and other payables (recorded as other payables)	<u>134,447</u>	-	-	-	-
Total	<u>\$ 6,896,241</u>				

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	December 31, 2020 (Restated)				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through profit or loss</b>					
Non-derivative current financial assets mandatorily at fair value through profit or loss	\$ 634,690	634,690	-	-	634,690
Non-derivative non-current financial assets mandatorily at fair value through profit or loss	89,817	64,855	-	24,961	89,816
Domestic listed stocks under private placement	<u>119,098</u>	-	119,098	-	119,098
	<u>843,605</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed stocks	<u>1,188,476</u>	1,188,476	-	-	1,188,476
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	3,814,015	-	-	-	-
Restricted deposits	67,657	-	-	-	-
Time deposits (over three months)	25,402	-	-	-	-
Notes and accounts receivable (including related parties)	297,795	-	-	-	-
Other receivables	22,347	-	-	-	-
Guarantee deposits	8,224	-	-	-	-
Pledged assets-time deposits	<u>228,355</u>	-	-	-	-
	<u>4,463,795</u>				
<b>Total</b>	<b><u>\$ 6,495,876</u></b>				
<b>Financial liabilities measured at amortized cost</b>					
Short-term borrowings	\$ 194,940	-	-	-	-
Long-term borrowings	3,180,433	-	-	-	-
Notes and accounts payable	166,033	-	-	-	-
Lease liabilities	167,019	-	-	-	-
Bonds payable	5,200,000	-	5,200,000	-	5,200,000
Accrued expenses and other payables (recorded as other payables)	<u>140,110</u>	-	-	-	-
<b>Total</b>	<b><u>\$ 9,048,535</u></b>				

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<b>June 30, 2020 (Restated)</b>				
	<b>Book value</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Financial assets at fair value through profit or loss</b>					
Non derivative current financial assets mandatorily at fair value through profit or loss	\$ 274,973	274,973	-	-	274,973
Non derivative non-current financial assets held for trading	77,019	51,474	-	25,545	77,019
Domestic listed stocks under private placement	<u>27,400</u>	-	27,400	-	27,400
	<u>379,392</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed stocks	<u>352,977</u>	352,977	-	-	352,977
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	3,192,405	-	-	-	-
Restricted deposits	20,859	-	-	-	-
Time deposits (over three months)	8,310	-	-	-	-
Notes and accounts receivable (including related parties)	277,537	-	-	-	-
Dividends receivable	38,435	-	-	-	-
Other receivables	6,401	-	-	-	-
Guarantee deposits	6,568	-	-	-	-
Pledged assets-time deposits	<u>233,813</u>	-	-	-	-
	<u>3,784,328</u>				
<b>Total</b>	<b><u>\$ 4,516,697</u></b>				
<b>Financial liabilities measured at amortized cost</b>					
Short-term borrowings	\$ 2,080,508	-	-	-	-
Long-term borrowings	3,676,548	-	-	-	-
Notes and accounts payable	158,538	-	-	-	-
Lease liabilities	166,105	-	-	-	-
Dividends payable	157,988	-	-	-	-
Bonds payable	2,700,000	-	2,700,000	-	2,700,000
Accrued expenses and other payables (recorded as other current payables)	<u>100,155</u>	-	-	-	-
<b>Total</b>	<b><u>\$ 9,039,842</u></b>				

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

2) Valuation techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that can be extrapolated from either similar financial instruments or discounted cash flow method or other valuation techniques, including models, is calculated based on available market data at the reporting date.

B. Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models.

3) Transfers between Level 1 and Level 2

There was no transfer from Level 1 to Level 2 of fair value of the asset during the six months ended June 30, 2021 and 2020.

4) Statement of changes in level 3

	<b>Measured of fair value through profit or loss</b>
	<b>Non-derivative mandatorily measured at fair value through profit or loss</b>
Balance on January 1, 2021 (Restated) (equal to balance on June 30, 2021)	<b>\$ <u>24,961</u></b>
Balance on January 1, 2020 (Restated) (equal to balance on June 30, 2020)	<b>\$ <u>25,545</u></b>

The total gain or loss above are reported under valuation gains (losses) of financial assets at fair value through profit or loss.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(u) Financial risk management

The Group's objectives and policies for managing the financial risk are consistent with those disclosed in the note (6)(u) of the consolidated financial statements for the year ended December 31, 2020.

(v) Capital management

The Group's objectives, policies and processes of capital management are the same as those disclosed in the consolidated financial statements for the year ended December 31, 2020. There were no significant changes of quantitative data of capital management compared with the consolidated financial statements for the year ended December 31, 2020. Please refer to note (6)(v) of the consolidated financial statements for the year ended December 31, 2020.

(w) Investing and financing activities not affecting current cash flow

The Group's investing activities which did not affect the current cash flow in the six months ended June 30, 2021 and 2020.

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2021 (Restated)	Cash flows	Others	Non-cash changes Foreign exchange movement	June 30, 2021
Short-term borrowings	\$ 194,940	465,050	-	-	659,990
Long-term borrowings	3,180,433	(306,967)	-	(23,849)	2,849,617
Bonds payable	5,200,000	(2,300,000)	-	-	2,900,000
Lease liabilities	167,019	(29,585)	24,364	-	161,798
Guarantee deposits (recorded as other non-current liabilities-others)	668	756	-	-	1,424
Total liabilities from financial activities	<u>\$ 8,743,060</u>	<u>(2,170,746)</u>	<u>24,364</u>	<u>(23,849)</u>	<u>6,572,829</u>
	January 1, 2020 (Restated)	Cash flows	Others	Non-cash changes Foreign exchange movement	June 30, 2020 (Restated)
Short-term borrowings	\$ 1,529,883	550,625	-	-	2,080,508
Long-term borrowings	4,046,736	(326,978)	-	(43,210)	3,676,548
Bonds payable	3,100,000	(400,000)	-	-	2,700,000
Lease liabilities	222,202	(32,739)	(23,358)	-	166,105
Guarantee deposits (recorded as other non-current liabilities-others)	961	(3)	-	-	958
Total liabilities from financial activities	<u>\$ 8,899,782</u>	<u>(209,095)</u>	<u>(23,358)</u>	<u>(43,210)</u>	<u>8,624,119</u>

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(7) Related-party transactions**

(a) Names and relationship with related parties

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

<u>Name of related party</u>	<u>Relationship with the Group</u>
AGCMT GROUP LTD.	The parent company
Associated International INC. (AII)	The entity with significant influence over the Group
Associated Development INC. (ADI)	A subsidiary of AII
CMT Development INC. (CMD)	A subsidiary of AII
ASSOCIATED INTERNATIONAL (HONG KONG) LIMITED	Substantial related party

(b) Significant related party transactions

(i) Freight revenue

The Group has no significant transaction amount with related parties.

(ii) Logistic and agent revenue

The amounts of significant sales transactions and accounts receivable between the Group and its related parties were as follows:

	<u>Revenue</u>				<u>Accounts Receivable-related-parties</u>		
	<u>Three months ended June 30, 2021</u>	<u>Three months ended June 30, 2020 (Restated)</u>	<u>Six months ended June 30, 2021</u>	<u>Six months ended June 30, 2020 (Restated)</u>	<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
The entities with significant influence over the Group	\$ <u>16,670</u>	<u>15,640</u>	<u>32,929</u>	<u>30,267</u>	<u>10,323</u>	<u>11,864</u>	<u>14,577</u>

The Group's selling price for related parties is cost, plus, fixed percentage when the related parties receive cash from customers; the related parties pay the Group immediately. Accounts receivable from related parties were uncollateralized, and no expected credit loss were required after the assessment by the management.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(iii) Operating expense

	<b>Operating expense</b>			
	<b>Three months ended June 30, 2021</b>	<b>Three months ended June 30, 2020 (Restated)</b>	<b>Six months ended June 30, 2021</b>	<b>Six months ended June 30, 2020 (Restated)</b>
The entities with significant influence over the Group	\$ 956	2,320	1,467	3,867
Others	<u>1,944</u>	<u>2,231</u>	<u>3,919</u>	<u>4,545</u>
	<b><u>\$ 2,900</u></b>	<b><u>4,551</u></b>	<b><u>5,386</u></b>	<b><u>8,412</u></b>

The Group entered into service agreements with its related parties from March 2019 to February 2024. The prices are similar to those of the market prices, and they are being paid monthly.

- (iv) In order to focus on its core technologies and strengthen the competitiveness of the Company, on March 29, 2021, the Board of Directors approved to acquire 40% equity which totaling 4,000 thousand shares of AGM from the Group's parent Company at New Taiwan dollars \$8.22 per share, totaling \$32,880. The transaction price was based on the latest financial statements audited by CPA. The transaction was completed on April 1, 2021, and the amount has been fully paid. The transaction was reorganized as a business reorganization under common control.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	<b>For the three months ended June 30,</b>		<b>For the six months ended June 30,</b>	
	<b>2021</b>	<b>2020 (Restated)</b>	<b>2021</b>	<b>2020 (Restated)</b>
Short-term employee benefits	\$ 20,415	15,052	35,075	28,401
Post-employment benefits	<u>237</u>	<u>257</u>	<u>475</u>	<u>515</u>
	<b><u>\$ 20,652</u></b>	<b><u>15,309</u></b>	<b><u>35,550</u></b>	<b><u>28,916</u></b>

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(8) Pledged assets**

The carrying values of pledged assets were as follows:

<u>Assets</u>	<u>Subject</u>	<u>June 30, 2021</u>	<u>December 31, 2020 (Restated)</u>	<u>June 30, 2020 (Restated)</u>
Investments accounted for using equity method – stock	Commercial paper payable – and short-term loans and credit lines	\$ -	-	290,656
Financial assets at fair value through other comprehensive income – stock	Commercial paper payable – and short-term loans and credit lines	768,460	352,660	128,340
Financial assets at fair value through profit or loss – stock	Short-term borrowings and credit lines of loans	113,900	56,355	-
Property, plant and equipment – Land	Short-term borrowings and credit lines	899,336	899,336	899,336
Transportation and other equipment (including equipment prepayment)	Long-term borrowings and credit lines	7,728,724	8,004,473	8,715,344
Other current financial assets (pledged assets-time deposit)	Long-term borrowings	210,333	217,955	216,220
Other non-current financial assets (refundable deposits and pledged assets-time deposits)	Guarantee for construction payment, warehouse deposits, short-term borrowings and import duty	18,641	18,624	24,162
		<u>\$ 9,739,394</u>	<u>9,549,403</u>	<u>10,274,058</u>

**(9) Commitments and contingencies**

- (a) The Group had issued guarantee promissory notes amounting to \$5,647,160, 5,647,160 and 3,130,960 as of June 30, 2021, December 31 and June 30, 2020, respectively, as guarantee for bonds payable.
- (b) As of June 30, 2021, the Group still had several long-term leases of its ships with customers in effect. The ending periods of the contracts are from August 2021 to August 2022.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (c) The Group signed a cape-type bulk carrier' construction contract with a shipbuilding company in order to expand its business scale. The related information was as follows:

<u>Buyer</u>	<u>Signed Day</u>	<u>Total Price</u>	<u>Delivery Date</u>	<u>Price Paid</u>
CCMP	May 20, 2021	\$1,629,810 (USD58,500 thousand)	September, 2023 (note 1)	-
CVTR	May 20, 2021	\$1,629,810 (USD58,500 thousand)	June, 2023 (note 1)	-

Note 1: Estimated delivery date for shipbuilding contract.

**(10) Losses Due to Major Disasters: None**

**(11) Subsequent Events: None**

**(12) Other**

- (a) A summary of current-period employee benefits, depreciation and amortization, by function, is as follows:

By function	For the three months ended June 30, 2021			For the three months ended June 30, 2020 (Restated)		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
<b>By item</b>						
Employee benefits						
Salary	106,851	72,131	178,982	67,326	56,402	123,728
Labor and health insurance	2,876	3,840	6,716	2,580	4,252	6,832
Pension	1,311	2,429	3,740	1,401	2,269	3,670
Others	2,509	2,540	5,049	6,279	2,234	8,513
Depreciation	216,539	4,090	220,629	231,693	3,131	234,824
Amortization	-	906	906	-	735	735

By function	For the six months ended June 30, 2021			For the six months ended June 30, 2020 (Restated)		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
<b>By item</b>						
Employee benefits						
Salary	209,680	128,896	338,576	165,034	109,772	274,806
Labor and health insurance	6,005	8,017	14,022	5,388	8,866	14,254
Pension	2,771	4,704	7,475	2,811	4,574	7,385
Others	4,284	4,913	9,197	12,602	4,563	17,165
Depreciation (Note)	432,909	7,915	440,824	465,785	6,204	471,989
Amortization	-	1,749	1,749	-	1,577	1,577

Note: excluding the deduction of rental income of \$71 for the six months ended June 30, 2020.

- (b) Seasonality of operation

The Group's operations were not affected by seasonality or cyclicity factors.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (c) The Group had 30% ownership of AGM for long-term equity investments. For coordinating the Group's business structure. The Group had acquired 40% ownership of AG MOTORS CORP(AGM) from its parent company, AGCMT GROUP LTD. with the cash considerations of \$32,800 on April 1, 2021. The percentage of ownership of AGM held by the Group had increased to 70%, thereby the Group had obtained the control of AGM. The transaction was accounted for as a business reorganization under common control in compliance with the Accounting Research and Development Foundation's IFRS Question and Answers. When presenting comparative consolidated financial statements, the Group presented them as if AGM had always been combined and the consolidated financial statements were restated retrospectively. In addition, the previous comparative consolidated financial statements should be restated. After restating the consolidated balance sheets of December 31, 2020 and June 30, 2020, and the consolidated statements of comprehensive income for the three months and six months ended June 30, 2020, the effects were as follows:

Consolidated Balance Sheets

<u>Accounts</u>	<b>December 31, 2020</b>		
	<u>Before restatement</u>	<u>Adjustment</u>	<u>After restatement</u>
<u>Assets</u>			
Current assets	\$ 5,078,230	73,533	5,151,763
Non-current assets	<u>14,405,607</u>	<u>(14,533)</u>	<u>14,391,074</u>
Total assets	<u>\$ 19,483,837</u>	<u>59,000</u>	<u>19,542,837</u>
<u>Total liabilities and equity</u>			
Current liabilities	\$ 3,504,621	1,438	3,506,059
Non-Current liabilities	<u>6,229,282</u>	<u>-</u>	<u>6,229,282</u>
Total liabilities	<u>9,733,903</u>	<u>1,438</u>	<u>9,735,341</u>
<u>Equity</u>			
Common stock	1,974,846	-	1,974,846
Capital surplus	53,411	-	53,411
Retained earnings	8,605,669	-	8,605,669
Other equity interest	<u>(883,992)</u>	<u>-</u>	<u>(883,992)</u>
Equity attributable to owners of parent	9,749,934	-	9,749,934
Equity attributable to predecessors' interests under common control	-	32,893	32,893
Non-controlling interests	<u>-</u>	<u>24,669</u>	<u>24,669</u>
Total equity	<u>9,749,934</u>	<u>57,562</u>	<u>9,807,496</u>
Total liabilities and equity	<u>\$ 19,483,837</u>	<u>59,000</u>	<u>19,542,837</u>

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

<u>Accounts</u>	<b>June 30, 2020</b>		
	<u>Before restatement</u>	<u>Adjustment</u>	<u>After restatement</u>
<u>Assets</u>			
Current assets	\$ 4,026,710	81,173	4,107,883
Non-current assets	<u>15,456,618</u>	<u>(18,101)</u>	<u>15,438,517</u>
Total assets	<u>\$ 19,483,328</u>	<u>63,072</u>	<u>19,546,400</u>
<u>Total liabilities and equity</u>			
Current liabilities	\$ 5,507,616	699	5,508,315
Non-Current liabilities	<u>4,204,745</u>	<u>-</u>	<u>4,204,745</u>
Total liabilities	<u>9,712,361</u>	<u>699</u>	<u>9,713,060</u>
<u>Equity</u>			
Common stock	1,974,846	-	1,974,846
Capital surplus	53,411	-	53,411
Retained earnings	8,418,893	-	8,418,893
Other equity interest	<u>(676,183)</u>	<u>-</u>	<u>(676,183)</u>
Equity attributable to owners of parent	9,770,967	-	9,770,967
Equity attributable to predecessors' interests under common control	-	35,642	35,642
Non-controlling interests	<u>-</u>	<u>26,731</u>	<u>26,731</u>
Total equity	<u>9,770,967</u>	<u>62,373</u>	<u>9,833,340</u>
Total liabilities and equity	<u>\$ 19,483,328</u>	<u>63,072</u>	<u>19,546,400</u>

Consolidated statements of Comprehensive Income

<u>Accounts</u>	<b>For the six months ended June 30, 2020</b>		
	<u>Before restatement</u>	<u>Adjustment</u>	<u>After restatement</u>
Operating Revenues	\$ 1,552,550	97	1,552,647
Operating costs	1,275,400	308	1,275,708
Operating expenses	184,812	5,511	190,323
Non-operating income and expenses	55,904	1,882	57,786
Income tax expenses	13,157	-	13,157
Profit	135,085	(3,840)	131,245
Comprehensive income	(5,408)	(3,840)	(9,248)

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Accounts	For the three months ended June 30, 2020		
	Before restatement	Adjustment	After restatement
Operating Revenues	\$ 740,139	96	740,235
Operating costs	609,303	238	609,541
Operating expenses	92,212	3,358	95,570
Non-operating income and expenses	98,910	1,105	100,015
Income tax expenses	5,141	-	5,141
Profit	132,393	(2,395)	129,998
Comprehensive income	(7,442)	(2,395)	(9,837)

**(13) Other disclosures**

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the six months ended June 30, 2021:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

No	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits (note 2)	Maximum limit of fund financing (note 3)	Note
													Item	Value			
1	CMT HK	CPN	Other receivable due from related parties	Y	95,281	95,281	95,281	-	2	-	Operating	-	-	-	8,817,392	8,817,392	Transactions in the left column had been eliminated during the preparation of consolidated financial statements
1	CMT HK	CHN	"	Y	139,300	139,300	139,300	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CMT HK	CPC	"	Y	222,800	222,800	222,800	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CMT HK	CPG	"	Y	362,180	306,460	306,460	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CMT HK	CHM	"	Y	310,918	310,918	310,918	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CMT HK	CMTI	"	Y	654,710	654,710	334,320	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CMT HK	CTU	"	Y	656,103	656,103	656,103	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CMT HK	CTD	"	Y	697,893	697,893	697,893	-	2	-	"	-	-	-	8,817,392	8,817,392	"
1	CCMP	CMT HK	"	Y	174,125	-	-	-	2	-	"	-	-	-	176,629	176,629	"
1	CVTR	CMT HK	"	Y	174,125	-	-	-	2	-	"	-	-	-	176,629	176,629	"
2	ATI	APT	"	Y	38,000	31,000	31,000	1.20%	1	118,050	"	-	-	-	118,050	241,809	"
2	ATI	PTL	"	Y	14,000	13,000	13,000	1.20%	1	54,853	"	-	-	-	54,853	249,748	"

Note 1: 1.Represents entities with business dealings. 2. Represents where an inter-company or inter-firm short-term financing facility is necessary.

Note 2 : For entities who have business with the Company, the amount of endorsements permitted for a single company shall not exceed the transaction amount in the last fiscal year and 40% of the lender's net worth. For entities who have short-term financing needs, amount shall not exceed 40% of the lender's net worth. The amount lendable to directly or indirectly wholly owned foreign subsidiaries is not limited by the restriction of 40% of the lender's net worth, only the total amount lending limit shall still be no more than the net worth of each subsidiary.

Note 3: The total amount available for financing purposes shall not exceed 40% of lender's net worth. Investee whose voting shares, directly or indirectly, owned by the Company is unrestricted by the limitation mentioned above; however, the amount available for financing shall not exceed 100% of net worth of the investee.

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (note 1, note 2)	Highest balance for guarantees and endorsements during the period (note 3)	Balance of guarantees and endorsements as of reporting date (note 3)	Actual usage amount during the period (note 3)	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements / guarantees to third parties on behalf of parent company	Endorsements / guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The COMPANY	CTU	Sub-subsiary	16,731,093	250,740	250,740	62,685	-	2.25 %	16,731,093	Y	-	-
0	"	CTD	Sub-subsiary	16,731,093	250,740	250,740	125,370	-	2.25 %	16,731,093	Y	-	-
0	"	CFR	Sub-subsiary	16,731,093	1,238,377	1,238,377	508,386	-	11.10 %	16,731,093	Y	-	-
0	"	CPN	Sub-subsiary	16,731,093	1,253,700	1,253,700	466,275	-	11.24 %	16,731,093	Y	-	-
0	"	CCMP	Sub-subsiary	16,731,093	1,629,810	1,629,810	1,629,810	-	14.61 %	16,731,093	Y	-	-
0	"	CVTR	Sub-subsiary	16,731,093	1,629,810	1,629,810	1,629,810	-	14.61 %	16,731,093	Y	-	-
1	CMT HK	CEP	Subsidiary	13,266,088	890,963	890,963	628,363	-	7.99 %	13,226,088	-	-	-
1	"	CHM	Subsidiary	13,266,088	908,793	908,793	427,230	-	8.15 %	13,226,088	-	-	-
1	"	CHN	Subsidiary	13,266,088	692,042	692,042	631,308	-	6.20 %	13,226,088	-	-	-
1	THE COMPANY		Parent company	13,266,088	3,622	3,622	3,622	-	0.04 %	13,226,088	-	Y	-

Note1: The total amount of external endorsements and/or guarantees shall worth no more than 150% of the Company's net worth. Among which the amount of endorsements/ guarantees for any single (1) whose voting shares are 100% owned by the Company shall not exceed 150% of the Company's net worth. (2) company whose more than 80% voting shares are owned by the Company shall not exceed 30% of the Company's net worth.

Note2: CMT HK's total amount of external endorsements/ guarantees shall not exceed 150% of its net worth. Among which, the amount of endorsements/ guarantees for any single (1) investee who has, directly or indirectly, 100% voting shares of the Company and whose voting shares are 100% owned by the Company shall not exceed 150% of the Company's net worth. (2) an entity who has more than 80% voting shares and is owned directly by the Company shall not exceed 30% of the Company's net worth. (3) an entity who has less than 80% voting shares and is owned directly by the Company shall not exceed 10% of the Company's net worth.

Note3: The amount was translated to the NTD at the exchange rates at the reporting date.

(iii) Securities held at the reporting date (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	percentage of ownership (%)	Fair value / net value	
THE COMPANY	Yang Ming Marine Transport Corporation	-	Non-current financial assets at fair value through profit or loss	4,798	681,670	0.14 %	681,670	
"	Asia Pacific Emerging Industry Venture Capital Co., Ltd.	-	Non-current financial assets at fair value through profit or loss	1,950	24,961	2.78 %	24,961	
HIL	CHINA CONTAINER TERMINAL CORP.	-	Non-current financial assets at fair value through other comprehensive income	23,788	1,187,021	16.03 %	1,187,021	
"	SEA & LAND INTERATED CORP.	-	Non-current financial assets at fair value through profit or loss	3,187	128,596	4.07 %	128,596	
"	DIMERCO EXPRESS	-	Current financial assets at fair value through profit or loss	1,554	208,236	1.23 %	208,236	
MHI	DIMERCO EXPRESS	-	Current financial assets at fair value through profit or loss	2,662	356,708	2.11 %	356,708	
"	CHINA CONTAINER TERMINAL CORP.	-	Non-current financial assets at fair value through other comprehensive income	5,610	279,939	3.78 %	279,939	

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales			Ending Balance		
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount
THE COMPANY	Taiwan Navigation Co., Ltd.	Non-current financial assets at fair value through other comprehensive income	-	-	24,420	515,262	-	-	24,420	20.77	515,262	(8,123)	-	-

- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
THE COMPANY	ATI	Subsidiary	Freight cost	226,343	97 %	Depending on the demand for funding of subsidiaries	-		(83,297)	(100)%	Note 1
ATI	THE COMPANY	Subsidiary	Freight revenue	(226,343)	(37) %	"	-		83,297	33%	"

Note1: Transactions in the left column had been written off during the preparation of the consolidated financial statements.

- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts	Note
					Amount	Action taken			
CMT HK	CTD	Subsidiary	697,893	Note1	-		-	-	Note 2
"	CTU	Subsidiary	656,103	"	-		-	-	"
"	CHM	Subsidiary	310,918	"	-		-	-	"
"	CPC	Subsidiary	222,880	"	-		-	-	"
"	CHN	Subsidiary	139,300	"	-		-	-	"
"	CPG	Subsidiary	306,460	"	-		-	-	"
"	CMTI	Fellow subsidiary	334,320	"	-		-	-	"

Note1: Accounts receivable from related parties are not applies for turnover rate.

Note2: Transactions in the left column had been eliminated during the preparation of the consolidated financial statements.

- (ix) Trading in derivative instruments: None

(Continued)

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(x) Business relationships and significant intercompany transactions:

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	ATI	THE COMPANY	2	Operating revenues	226,343	Price depends on the market, and the receivables depend on funding demand in the credit period	14.15%
6	CMT HK	CTD	3	Other receivables	697,893	-	3.66%
6	CMT HK	CTU	3	"	656,103	-	3.44%
6	CMT HK	CHM	3	"	310,918	-	1.63%
6	CMT HK	CPC	3	"	222,880	-	1.17%
6	CMT HK	CHN	3	"	139,300	-	0.73%
6	CMT HK	CPG	3	"	306,460	-	1.61%

Note 1: The companies are coded as follows:

1. 0 represents the parent company.
2. The subsidiaries are coded sequentially beginning from 1 in the order of companies' names.

Note 2: The relationships with transactions are as follows:

1. Transactions from the parent company to its subsidiaries.
2. Transactions from the subsidiaries to the parent company.
3. Transaction between subsidiaries.

(b) Information on investees:

The following is the information on investees for the year ended June 30, 2021:

(In Thousands of Shares)  
(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2021			Net Income		Note
				June 30, 2021	December 31, 2020	Shares (thousands)	Percentage of Ownership	Carrying Value	(Losses) of the Investee	Share of profits/losses of investee	
The Company	CMTS	Singapore	Investment holding of ship-owning companies	4,282	4,282	217	0.34 %	4,796	(17,730)	(60)	Note1 - Note4
"	CMT HK	Hong Kong	Investment holding of ship-owning companies	34,356	34,356	12,000	100 %	8,817,392	31,854	31,854	"
"	CMTI	Singapore	Investment holding of ship-owning companies	28,023	-	1,000	100 %	26,767	(1,105)	(1,105)	"
"	CMTL	Taiwan	Warehouse management	743,058	734,058	24,550	100 %	1,094,540	25,236	25,236	"
"	AGMI	"	Investment	41,000	1,000	4,100	100 %	49,623	8,654	8,654	"
"	HIL	"	"	400,000	685,000	40,000	100 %	1,579,769	206,952	206,952	"
"	MHI	"	"	271,300	271,300	27,130	100 %	741,406	244,146	244,146	"
"	ATI	"	Container trucking	500,000	500,000	50,000	100 %	604,521	17,426	17,426	"
"	CMTTSL	"	Travel	20,000	20,000	2,000	100 %	3,842	(405)	(405)	"
"	TGEM	"	Bulk-carrier transportation	601,200	601,200	61,623	12 %	604,257	98,168	11,781	Note2
"	AGM	"	Automobile and its parts manufacturing	62,880	30,000	7,000	70 %	50,135	(10,612)	(5,016)	Note1 - Note4
CMTS	CFR	Singapore	Bulk-carrier transportation	640,780	640,780	29,900	100 %	681,789	(16,363)	Has been recognized as investment incomes(losses) by CMTS	Note1 - Note3 - Note4
"	CEP	"	"	643,566	643,566	23,100	100 %	646,936	2,964	"	"

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Name of investor	Name of investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2021			Net Income		
				June 30, 2021	December 31, 2020	Shares (thousands)	Percentage of Ownership	Carrying Value	(Losses) of the Investee	Share of profits/losses of investee	Note
CMT HK	CPS	Hong Kong	Bulk-carrier transportation	55,720	55,720	2,000	100 %	55,823	(112)	Has been recognized as investment incomes(losses) by CMT HK	Note1 · Note3 · Note4
"	CPG	"	"	167,160	167,160	6,000	100 %	168,537	923	"	"
"	CPC	"	"	153,230	153,230	5,500	100 %	188,536	11,368	"	"
"	CHT	"	Bulk-chartering services	279	279	10	100 %	5,200	(76)	"	"
"	CPN	"	Bulk-carrier transportation	668,640	668,640	240	100 %	743,400	(3,907)	"	"
"	CPD	"	"	1,170,120	1,170,120	420	100 %	1,142,238	(2,135)	"	"
"	CTD	"	"	362,180	362,180	13,000	100 %	347,950	(5,258)	"	"
"	CTU	Hong Kong	Bulk-carrier transportation	362,180	362,180	13,000	100 %	429,165	15,443	Has been recognized as investment incomes(losses) by CMT HK	Note1 · Note3 · Note4
"	CHM	"	"	417,900	417,900	150	100 %	438,953	20,210	"	"
"	CHN	"	"	417,900	417,900	150	100 %	441,946	27,008	"	"
"	CHI	"	Investment management	279	279	0.1	100 %	(559)	(54)	"	"
"	CIM	"	"	27,860	27,860	10	100 %	28,510	5	"	"
"	CMTs	Singapore	Investment holding of ship-owning companies	1,320,564	1,320,564	62,918	99.66 %	1,405,792	(17,730)	"	"
CMTI	CCMP	Singapore	Bulk-carrier transportation	176,911	-	6,350	100 %	176,629	(285)	Has been recognized as investment incomes (losses) by CMTI	"
"	CVTR	"	"	176,911	-	6,350	100 %	176,629	(285)	"	"
ATI	CST	Taiwan	Container trucking	86,642	86,642	8,200	100 %	93,612	50	Has been recognized as investment incomes (losses) by ATI	Note1 · Note4
"	HYT	"	"	28,932	28,932	3,000	100 %	32,666	827	-	"
"	MHT	"	"	30,568	30,568	3,000	100 %	49,480	5,135	-	"
"	APT	"	"	30,719	30,719	3,000	100 %	42,726	4,280	-	"
"	PTL	"	"	30,000	30,000	3,000	100 %	26,240	115	-	"

Note1: Subsidiaries controlled by the parent company.  
Note2: Investees affected by the comprehensive shareholdings of the Group.  
Note3: The amount was translated to the NTD at the exchange rates at the reporting date.  
Note4: The account had been written off during the preparation of the consolidated financial statements.

- (c) Information on investment in mainland China: None
- (d) Major shareholders:

Shareholder's Name	Shares	Percentage
AGCMT GROUP LTD.	79,685,475	40.35 %
Associated International INC. (AII)	42,924,297	21.73 %

**(14) Segment information**

- (a) General information

The Group's reportable segments consist of the Land Transportation, and the Logistics Segment and the Sea Transportation Segment. The land transportation and the logistics segment engage in the container transportation business, warehousing business, and freight agent business. And the sea transportation segment engages in the bulk carrier business. The Group's reportable segments are the strategic business units that provide different kinds of transportation services. Each strategic business unit requires different services and marketing strategies, thus, should be managed separately.

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(b) Reportable segment information

The amounts of the Group's reportable segments are the same as those in the report used by the chief operating decision maker. The accounting policies for the operating segments are the same as those in Note 4, which describe significant accounting policies. The Group's operating segments' income before tax was the foundation for the chief operating decision maker to evaluate performance. There was no transfer of revenue between segments.

The Group's segment information was as below:

	Three months ended June 30, 2021				
	Inland trucking and terminal & logistics department	Shipping department	Others	Adjustments and eliminations	Total
Revenue from external customers	\$ 432,441	373,549	931	-	806,921
Intersegment revenue	-	-	-	-	-
Total revenues	<u>\$ 432,441</u>	<u>373,549</u>	<u>931</u>	<u>-</u>	<u>806,921</u>
Segment income before tax	<u>\$ 38,220</u>	<u>8,590</u>	<u>(4,067)</u>	<u>(39,561)</u>	<u>3,182</u>
Reportable segment assets					<u>\$ 19,064,698</u>
	Three months ended June 30, 2020 (Restated)				
	Inland trucking and terminal & logistics department	Shipping department	Others	Adjustments and eliminations	Total
Revenue from external customers	\$ 344,796	385,615	9,824	-	740,235
Intersegment revenue	-	-	-	-	-
Total revenues	<u>\$ 344,796</u>	<u>385,615</u>	<u>9,824</u>	<u>-</u>	<u>740,235</u>
Segment income before tax	<u>\$ 4,833</u>	<u>33,033</u>	<u>(2,742)</u>	<u>-</u>	<u>35,124</u>
Reportable segment assets					<u>\$ 19,546,400</u>
	Six months ended June 30, 2021				
	Inland trucking and terminal & logistics department	Shipping department	Others	Adjustments and eliminations	Total
Revenue from external customers	\$ 839,851	751,013	9,364	-	1,600,228
Intersegment revenue	-	-	-	-	-
Total revenues	<u>\$ 839,851</u>	<u>751,013</u>	<u>9,364</u>	<u>-</u>	<u>1,600,228</u>
Segment income before tax	<u>\$ 66,372</u>	<u>46,698</u>	<u>(8,482)</u>	<u>(69,778)</u>	<u>34,810</u>
Reportable segment assets					<u>\$ 19,064,698</u>

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	Six months ended June 30, 2020 (Restated)				
	Inland trucking and terminal & logistics department	Shipping department	Others	Adjustments and eliminations	Total
Revenue from external customers	\$ 720,394	814,427	17,826	-	1,552,647
Intersegment revenue	-	-	-	-	-
Total revenues	<u>\$ 720,394</u>	<u>814,427</u>	<u>17,826</u>	<u>-</u>	<u>1,552,647</u>
Segment income before tax	<u>\$ 5,679</u>	<u>84,852</u>	<u>(3,915)</u>	<u>-</u>	<u>86,616</u>
Reportable segment assets					<u>\$ 19,546,400</u>