

**CHINESE MARITIME TRANSPORT LTD.  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2021 and 2020**

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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.

## Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8~9
(4) Summary of significant accounting policies	10~12
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	12
(6) Explanation of significant accounts	12~37
(7) Related-party transactions	38~39
(8) Pledged assets	39~40
(9) Commitments and contingencies	40
(10) Losses Due to Major Disasters	40
(11) Subsequent Events	40
(12) Other	40
(13) Other disclosures	
(a) Information on significant transactions	41~44
(b) Information on investees	44~45
(c) Information on investment in mainland China	45
(d) Major shareholders	45
(14) Segment information	45~46



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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 March 31, 2021 and 2020, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2021 and 2020, 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 \$1,761,372 thousand and \$1,777,384 thousand, constituting 9.54% and 9.00% of the consolidated total assets; and the total liabilities amounting to \$647,508 thousand and \$689,740 thousand, constituting 7.69% and 7.03% of the consolidated total liabilities as of March 31, 2021 and 2020, respectively; as well as the total comprehensive income amounting to \$10,660 thousand and \$7,757 thousand, constituting 3.74% and 381.37% of the absolute value of the consolidated total comprehensive income for the three months ended March 31, 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 \$635,500 thousand and \$1,721,509 thousand as of March 31, 2021 and 2020, respectively, and its equity in net earnings on these investee companies of \$4,014 thousand and \$23,574 thousand for the three months ended March 31, 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 March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2021 and 2020 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)  
May 12, 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 March 31, 2021 and 2020**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**March 31, 2021, December 31 and March 31, 2020**

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

	<u>March 31, 2021</u>		<u>December 31, 2020</u>		<u>March 31, 2020</u>			<u>March 31, 2021</u>		<u>December 31, 2020</u>		<u>March 31, 2020</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<b>Assets</b>													
<b>Current assets:</b>							<b>Liabilities and Equity</b>						
1100 Cash and cash equivalents (note (6)(a))	\$ 3,068,293	17	3,741,974	19	3,307,869	17	2100 Short-term borrowings (note (6)(j))	\$ 1,389,752	8	194,940	1	1,680,297	9
1110 Current financial assets at fair value through profit or loss (notes (6)(b) and (8))	834,028	5	634,690	3	88,396	-	2130 Current contract liabilities (note (6)(q))	16,093	-	34,136	-	11,049	-
1150 Notes and accounts receivable, net (note (6)(d))	310,689	2	285,637	2	227,063	1	2150 Notes and accounts payable	171,296	1	166,033	1	191,180	1
1180 Accounts receivable due from related parties, net (notes (6)(d) and (7))	6,698	-	11,864	-	12,884	-	2200 Other payables	94,691	1	138,795	1	85,044	-
1470 Other current assets	70,614	-	70,779	-	95,619	1	2230 Current tax liabilities	15,583	-	10,752	-	31,578	-
1476 Other current financial assets (notes (6)(i) and (8))	<u>283,132</u>	<u>1</u>	<u>333,286</u>	<u>2</u>	<u>241,970</u>	<u>1</u>	2280 Current lease liabilities (note (6)(k))	42,067	-	44,533	-	52,591	-
	<u>4,573,454</u>	<u>25</u>	<u>5,078,230</u>	<u>26</u>	<u>3,973,801</u>	<u>20</u>	2300 Other current liabilities	2,622	-	2,894	-	5,734	-
							2320 Long-term liabilities, current portion (note (6)(j))	<u>622,021</u>	<u>3</u>	<u>2,912,538</u>	<u>15</u>	<u>3,358,860</u>	<u>18</u>
<b>Non-current assets:</b>								<u>2,354,125</u>	<u>13</u>	<u>3,504,621</u>	<u>18</u>	<u>5,416,333</u>	<u>28</u>
1510 Non-current financial assets at fair value through profit or loss (notes (6)(b) and (8))	253,822	1	208,915	1	99,674	1	<b>Non-Current liabilities:</b>						
1517 Non-current financial assets at fair value through other comprehensive income (notes (6)(c) and (8))	619,333	4	1,188,476	7	246,753	1	2530 Bonds payable (note (6)(j))	2,900,000	16	2,900,000	15	400,000	2
1550 Investments accounted for using equity method, net (notes (6)(e) and (8))	635,500	4	630,292	3	1,721,509	9	2540 Long-term borrowings (note (6)(j))	2,407,571	13	2,567,895	13	3,209,021	16
1600 Property, plant and equipment (notes (6)(f) and (8))	12,064,596	65	12,101,344	62	13,410,799	68	2570 Deferred tax liabilities	606,529	3	606,529	3	609,656	3
1755 Right-of-use assets (note (6)(g))	175,459	1	162,059	1	197,491	1	2580 Non-current lease liabilities (note (6)(k))	127,114	1	122,486	1	138,312	1
1760 Investment property, net (note (6)(h))	34,639	-	34,535	-	36,000	-	2640 Net defined benefit liability, non-current	27,983	-	31,702	-	40,579	-
1780 Intangible assets	10,444	-	9,798	-	10,817	-	2670 Other non-current liabilities, others	<u>1,017</u>	<u>-</u>	<u>670</u>	<u>-</u>	<u>963</u>	<u>-</u>
1840 Deferred tax assets	15,985	-	15,985	-	17,854	-		<u>6,070,214</u>	<u>33</u>	<u>6,229,282</u>	<u>32</u>	<u>4,398,531</u>	<u>22</u>
1900 Other non-current assets	57,400	-	35,579	-	9,168	-	<b>Total liabilities</b>	<u>8,424,339</u>	<u>46</u>	<u>9,733,903</u>	<u>50</u>	<u>9,814,864</u>	<u>50</u>
1980 Other non-current financial assets (notes (6)(i) and (8))	<u>18,635</u>	<u>-</u>	<u>18,624</u>	<u>-</u>	<u>27,395</u>	<u>-</u>	<b>Equity attributable to owners of parent: (note (6)(o))</b>						
	<u>13,885,813</u>	<u>75</u>	<u>14,405,607</u>	<u>74</u>	<u>15,777,460</u>	<u>80</u>	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>
<b>Total assets</b>	<b>\$ <u>18,459,267</u></b>	<b><u>100</u></b>	<b><u>19,483,837</u></b>	<b><u>100</u></b>	<b><u>19,751,261</u></b>	<b><u>100</u></b>	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	1,747,570	10	1,747,570	9	1,715,537	9
							3320 Special reserve	535,690	3	535,690	3	359,487	2
							3350 Unappropriated retained earnings	<u>6,533,570</u>	<u>35</u>	<u>6,322,409</u>	<u>33</u>	<u>6,369,464</u>	<u>32</u>
								<u>8,816,830</u>	<u>48</u>	<u>8,605,669</u>	<u>45</u>	<u>8,444,488</u>	<u>43</u>
							3400 Other equity interest	<u>(810,159)</u>	<u>(5)</u>	<u>(883,992)</u>	<u>(5)</u>	<u>(536,348)</u>	<u>(3)</u>
							<b>Total equity</b>	<u>10,034,928</u>	<u>54</u>	<u>9,749,934</u>	<u>50</u>	<u>9,936,397</u>	<u>50</u>
							<b>Total liabilities and equity</b>	<b>\$ <u>18,459,267</u></b>	<b><u>100</u></b>	<b><u>19,483,837</u></b>	<b><u>100</u></b>	<b><u>19,751,261</u></b>	<b><u>100</u></b>

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 ended March 31, 2021 and 2020**

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

		For the three months ended March 31			
		2021		2020	
		Amount	%	Amount	%
4000	<b>Operating Revenues (notes (6)(q), (7) and (14))</b>				
4621	Freight revenue-vessel chartering	\$ 377,464	48	428,812	53
4622	Freight revenue-container hauling and logistics	407,410	51	375,598	46
4623	Freight revenue-airline agent and others	<u>7,947</u>	<u>1</u>	<u>8,001</u>	<u>1</u>
		<u>792,821</u>	<u>100</u>	<u>812,411</u>	<u>100</u>
5000	<b>Operating costs (notes (6) (m), (s) and (12))</b>				
5621	Freight cost-vessel chartering	312,282	39	347,145	43
5622	Freight cost-container hauling and logistics	339,850	43	312,878	38
5623	Freight cost-airline agent and others	<u>4,657</u>	<u>1</u>	<u>6,074</u>	<u>1</u>
		<u>656,789</u>	<u>83</u>	<u>666,097</u>	<u>82</u>
5900	<b>Gross profit</b>	<u>136,032</u>	<u>17</u>	<u>146,314</u>	<u>18</u>
	<b>Operating expenses:</b>				
6000	Operating expenses (notes (6)(m), (s), (7) and (12))	98,312	12	92,711	11
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 (note (6)(d))	<u>(78)</u>	<u>-</u>	<u>(111)</u>	<u>-</u>
		<u>98,234</u>	<u>12</u>	<u>92,600</u>	<u>11</u>
6900	<b>Net operating income</b>	<u>37,798</u>	<u>5</u>	<u>53,714</u>	<u>7</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (notes (6)(c) and (l))	9,165	1	3,713	-
7050	Finance costs (note (6)(r))	(30,117)	(4)	(47,070)	(6)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (note (6)(e))	4,014	-	23,574	3
7100	Interest income	4,271	1	12,284	2
7210	Gains on disposals of property, plant and equipment, net (note (6)(f))	91	-	3,025	-
7230	Foreign exchange gains or losses, net	(6,731)	(1)	87	-
7235	Gains (losses) on financial assets at fair value through profit or loss (note (6)(b))	207,075	26	(38,611)	(5)
7590	Miscellaneous disbursements	<u>(97)</u>	<u>-</u>	<u>(8)</u>	<u>-</u>
		<u>187,671</u>	<u>23</u>	<u>(43,006)</u>	<u>(6)</u>
7900	<b>Profit from continuing operations before tax</b>	225,469	28	10,708	1
7950	Less: Income tax expenses (note (6)(n))	<u>4,784</u>	<u>-</u>	<u>8,016</u>	<u>1</u>
	<b>Profit (attributable to owners of parent)</b>	<u>220,685</u>	<u>28</u>	<u>2,692</u>	<u>-</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))	(74,188)	(9)	(80,676)	(10)
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	<u>-</u>	<u>-</u>	<u>(13,296)</u>	<u>(2)</u>
		<u>(74,188)</u>	<u>(9)</u>	<u>(93,972)</u>	<u>(12)</u>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
8361	Exchange differences on translation	137,302	17	80,884	10
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	<u>1,195</u>	<u>-</u>	<u>12,430</u>	<u>2</u>
	Total other comprehensive income that may be reclassified to profit or loss	<u>138,497</u>	<u>17</u>	<u>93,314</u>	<u>12</u>
8300	<b>Other comprehensive income</b>	<u>64,309</u>	<u>8</u>	<u>(658)</u>	<u>-</u>
	<b>Comprehensive income (attributable to owners of parent)</b>	<u>\$ 284,994</u>	<u>36</u>	<u>2,034</u>	<u>-</u>
	<b>Earnings per share (note (6)(p))</b>				
9750	Basic net income per share (NT dollars)	<u>\$ 1.12</u>		<u>0.01</u>	
9850	Diluted net income per share (NT dollars)	<u>\$ 1.12</u>		<u>0.01</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 three months ended March 31, 2021 and 2020**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent						Total other equity interest			Total equity
	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	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total retained earnings				
<b>Balance at January 1, 2020</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
Net income for the three months ended March 31, 2020	-	-	-	-	2,692	2,692	-	-	-	2,692
Other comprehensive income for the three months ended March 31, 2020	-	-	-	-	-	-	93,314	(93,972)	(658)	(658)
Total comprehensive income for the three months ended March 31, 2020	-	-	-	-	2,692	2,692	93,314	(93,972)	(658)	2,034
<b>Balance at March 31, 2020</b>	<b>\$ 1,974,846</b>	<b>53,411</b>	<b>1,715,537</b>	<b>359,487</b>	<b>6,369,464</b>	<b>8,444,488</b>	<b>(447,829)</b>	<b>(88,519)</b>	<b>(536,348)</b>	<b>9,936,397</b>
<b>Balance at January 1, 2021</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
Net income for the three months ended March 31, 2021	-	-	-	-	220,685	220,685	-	-	-	220,685
Other comprehensive income for the three months ended March 31, 2021	-	-	-	-	(9,524)	(9,524)	138,497	(64,664)	73,833	64,309
Total comprehensive income for the three months ended March 31, 2021	-	-	-	-	211,161	211,161	138,497	(64,664)	73,833	284,994
<b>Balance at March 31, 2021</b>	<b>\$ 1,974,846</b>	<b>53,411</b>	<b>1,747,570</b>	<b>535,690</b>	<b>6,533,570</b>	<b>8,816,830</b>	<b>(1,016,223)</b>	<b>206,064</b>	<b>(810,159)</b>	<b>10,034,928</b>

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 three months ended March 31, 2021 and 2020**

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

	For the three months ended March 31	
	2021	2020
<b>Cash flows from (used in) operating activities:</b>		
Profit before tax	\$ 225,469	10,708
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation and amortization expense	221,038	237,996
Expected credit loss	(78)	(111)
Net (gain) loss on financial assets at fair value through profit or loss	(207,075)	38,611
Interest expense	30,117	47,070
Interest income	(4,271)	(12,284)
Dividend income	(5,880)	-
Share of profit of associates and joint ventures accounted for using equity method	(4,014)	(23,574)
Net (gain) loss on disposal of property, plant and equipment	(91)	(3,025)
Others	(261)	-
<b>Total adjustments to reconcile profit (loss)</b>	<u>29,485</u>	<u>284,683</u>
<b>Changes in operating assets:</b>		
Decrease (increase) in notes and accounts receivable (including related parties)	(19,808)	50,570
Decrease (increase) in other current assets	165	(33,176)
Decrease (increase) in other current financial assets	(16,657)	5,779
	<u>(36,300)</u>	<u>23,173</u>
<b>Changes in operating liabilities:</b>		
Increase (decrease) in notes and accounts payable	5,263	(47,946)
Decrease in current contract liabilities	(18,043)	(8,278)
Decrease in other current liabilities	(31,840)	(80,210)
Decrease in net defined benefit liabilities	(3,719)	(200)
	<u>(48,339)</u>	<u>(136,634)</u>
<b>Total changes in operating assets and liabilities</b>	<u>(84,639)</u>	<u>(113,461)</u>
<b>Total adjustments</b>	<u>(55,154)</u>	<u>171,222</u>
Cash inflow generated from operations	170,315	181,930
Interest received	4,531	12,745
Interest paid	(42,734)	(63,919)
Income taxes refund (paid)	33	(2,306)
<b>Net cash flows from operating activities</b>	<u>132,145</u>	<u>128,450</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	-	(12,295)
Proceeds from disposal of financial assets at fair value through profit or loss	494,955	-
Acquisition of financial assets at fair value through profit or loss	(37,170)	(93,077)
Acquisition of property, plant and equipment	(20,641)	(1,457)
Proceeds from disposal of property, plant and equipment	161	10,517
Increase in other non-current assets	(23,310)	(542)
Decrease in other non-current financial assets	72,439	55,839
Increase in other non-current assets	(11)	(5,605)
<b>Net cash flows used in investing activities</b>	<u>486,423</u>	<u>(46,620)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term borrowings	1,194,812	150,414
Repayments of bonds	(2,300,000)	-
Repayments of long-term borrowings	(198,915)	(211,141)
Payment of lease liabilities	(22,202)	(23,347)
Others	347	2
<b>Net cash flows used in financing activities</b>	<u>(1,325,958)</u>	<u>(84,072)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>33,709</u>	<u>22,065</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(673,681)</u>	<u>19,823</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>3,741,974</u>	<u>3,288,046</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 3,068,293</u>	<u>3,307,869</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**

**March 31, 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 three months ended March 31, 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.

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

These consolidated financial statements were authorized for issue by the board of directors on May 12, 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 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>New or Amended Standards</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

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.

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 16 “Property, Plant and Equipment – Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts – Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018-2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”
- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”

(Continued)

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

**(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
			March 31, 2021	December 31, 2020	March 31, 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	
"	CMT Logistics Co., Ltd. (CMTL)	Warehouse management	100	100	100	Note 3
"	AGM Investment Ltd. (AGMI)	Investment	100	100	100	
"	Hope Investment Ltd. (HIL)	Investment	100	100	100	
"	Mo Hsin Investment Ltd. (MHI)	Investment	100	100	100	
"	Associated Transport Inc. (ATI)	Container trucking	100	100	100	
"	CMT Travel Service Ltd. (CMTTSL)	Travel	100	100	100	Note 3
"	United Nan Hai Petroleum INC (UNH)	Gasoline international trade	100	100	100	Note 1
"	United Nan Hai Development Inc. (NHD)	Investment	-	100	100	Note 2
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	
"	China Peace Shipping Ltd. (CPC)	Bulk-carrier transportation	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
			March 31, 2021	December 31, 2020	March 31, 2020	
CMTHK	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	
"	Chinese Maritime Transport (S) Ptd. Ltd. (CMTS)	Investment holding of ship-owning companies	99.66	99.66	99.66	
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 was liquidated on October 30, 2020, wherein the liquidation procedures has yet to be completed.

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.

(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.

(Continued)

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

(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.

**(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

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Petty cash, checking accounts and demand deposits	\$ 810,915	861,723	706,958
Time deposits	1,762,458	2,455,458	2,381,291
Cash equivalents-commercial paper and reverse repurchase agreement	<u>494,920</u>	<u>424,793</u>	<u>219,620</u>
	<u>\$ 3,068,293</u>	<u>3,741,974</u>	<u>3,307,869</u>

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>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>March 31,</u> <u>2020</u>
<b>Current financial assets mandatorily measured as at fair value through profit or loss:</b>			
Non-derivative financial instrument	\$		
Domestic listed stocks	834,028	634,690	88,396
<b>Non-current financial assets mandatorily measured as at fair value through profit or loss:</b>			
Non-derivative financial instrument			
Domestic listed stocks	70,752	64,856	52,248
Domestic listed stocks under private placement	158,109	119,098	21,881
Domestic unlisted stocks	<u>24,961</u>	<u>24,961</u>	<u>25,545</u>
	<u>\$ 1,087,850</u>	<u>843,605</u>	<u>188,070</u>
Current	\$ 834,028	634,690	88,396
Non-current	<u>253,822</u>	<u>208,915</u>	<u>99,674</u>
	<u>\$ 1,087,850</u>	<u>843,605</u>	<u>188,070</u>

The gain or loss on financial assets at fair value through profit or loss for the three months ended March 31, 2021 and 2020 were a gain of \$207,075 and a loss of \$38,611, respectively.

The Group did not provide any aforementioned financial assets as collateral as of March 31, 2020.

As of March 31, 2021, 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.

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

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>March 31,</u> <u>2020</u>
Equity investments at fair value through other comprehensive income			
Domestic listed stocks	<u>\$ 619,333</u>	<u>1,188,476</u>	<u>246,753</u>

(Continued)

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

(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 \$12,295 for the three months ended March 31, 2021 and 2020, respectively.

The Group disposed part of its investment in TNCL with the disposal cost amounting to \$494,955 for the three months ended March 31, 2021, resulting in a disposal loss of \$9,524, 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 three months ended March 31, 2020.

During the three months ended March 31, 2021 and 2020, the Group had recognized unrealized loss on financial assets at fair value through other comprehensive income of \$74,188 and \$80,676, respectively.

During the three months ended March 31, 2021 and 2020, the dividends of \$5,880 and \$0, 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 March 31, 2021, December 31 and March 31, 2020, the financial assets measured at other comprehensive income of the Group had been pledged as collateral, please refer to note (8).

(d) Notes and accounts receivable

	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Notes receivable	\$ 12,229	11,115	7,222
Accounts receivable	305,254	286,560	232,772
Less: Loss allowance	(96)	(174)	(47)
	<b><u>\$ 317,387</u></b>	<b><u>297,501</u></b>	<b><u>239,947</u></b>
Notes and accounts receivable, net	<b><u>\$ 310,689</u></b>	<b><u>285,637</u></b>	<b><u>227,063</u></b>
Notes and accounts receivable due from related parties, net	<b><u>\$ 6,698</u></b>	<b><u>11,864</u></b>	<b><u>12,884</u></b>

(Continued)

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

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>March 31, 2021</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 304,235	-	-
1 to 30 days past due	11,398	-	-
30 to 180 days past due	1,850	5.20%	96
More than 180 days past due	-	100%	-
	<b>\$ 317,483</b>		<b>96</b>
	<b>December 31, 2020</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 282,635	-	-
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	-	-	-
	<b>\$ 297,675</b>		<b>174</b>
	<b>March 31, 2020</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not current	\$ 228,459	-	-
1 to 30 days past due	10,897	-	-
30 to 180 days past due	637	7.22%	46
More than 180 days past due	1	100%	1
	<b>\$ 239,994</b>		<b>47</b>

(Continued)



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

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

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Balance on January 1	\$ 174	158
Impairment losses reversed	(78)	(111)
Balance on March 31	<b>\$ 96</b>	<b>47</b>

The Group did not provide any aforementioned notes and accounts receivable as collaterals as of March 31, 2021, December 31 and March 31, 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>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Associates	<b>\$ 635,500</b>	<b>630,292</b>	<b>1,721,509</b>

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

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Associates	<b>\$ 4,014</b>	<b>23,574</b>

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

<b>Name</b>	<b>Nature of the relationship</b>	<b>Principal place of business/ Country of incorporation</b>	<b>Effective ownership interest and voting right</b>		
			<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
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.

(Continued)

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

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

	<b>March 31, 2020</b>
TNCL	\$ 586,198

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>March 31, 2020</b>
Current assets	\$ 1,819,434
Non-current assets	13,421,357
Current liabilities	(1,087,605)
Non-current liabilities	(3,803,260)
Net assets (Attributable to the investee)	<b>\$ 10,349,926</b>
<b>For the three months ended March 31, 2020</b>	
Revenue	\$ 629,948
Profit from continuing operations	163,637
Other comprehensive income	(54,940)
Total comprehensive income (Attributable to the investee)	<b>\$ 108,697</b>
<b>For the three months ended March 31, 2020</b>	
Group's share of net assets attributable	\$ 1,065,702
Total comprehensive income attributable	11,311
Ending balance of net assets attributable	<b>\$ 1,077,013</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>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Carrying amount of individually insignificant associates' equity	<b>\$ 635,500</b>	<b>630,292</b>	<b>644,496</b>

(Continued)

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

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Share of resells attributable to the Group:		
Profit from continuing operations	\$ 4,014	6,546
Other comprehensive (loss) income	1,195	4,851
Comprehensive income	<b>\$ 5,209</b>	<b>11,397</b>

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

(vi) Pledges

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

As of March 31, 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 three months ended March 31, 2021 and 2020 were as follows:

	<b>Land</b>	<b>Buildings and construction</b>	<b>Transportation Equipment</b>	<b>Other equipment</b>	<b>Under construction</b>	<b>Total</b>
<b>Cost or deemed cost:</b>						
Balance on January 1, 2021	\$ 1,717,868	145,157	17,668,370	625,685	26,451	20,183,531
Additions	-	1,380	5,660	2,054	11,547	20,641
Disposals	-	(479)	(741)	(802)	-	(2,022)
Reclassifications	(19,908)	19,908	-	-	-	-
Effect of movements in exchange rates	-	498	261,049	-	477	262,024
Balance on March 31, 2021	<b>\$ 1,697,960</b>	<b>166,464</b>	<b>17,934,338</b>	<b>626,937</b>	<b>38,475</b>	<b>20,464,174</b>
Balance on January 1, 2020	\$ 1,717,868	146,964	18,762,193	611,233	28,220	21,266,478
Additions	-	-	456	1,001	-	1,457
Disposals	-	(31)	(21,204)	(5,190)	-	(26,425)
Reclassifications	-	89	(1,164)	1,113	-	38
Effect of movements in exchange rates	-	281	146,555	-	231	147,067
Balance on March 31, 2020	<b>\$ 1,717,868</b>	<b>147,303</b>	<b>18,886,836</b>	<b>608,157</b>	<b>28,451</b>	<b>21,388,615</b>

(Continued)

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

	<u>Land</u>	<u>Buildings and construction</u>	<u>Transportation Equipment</u>	<u>Other equipment</u>	<u>Under construction</u>	<u>Total</u>
<b>Depreciation and impairments loss:</b>						
Balance on January 1, 2021	\$ -	91,879	7,658,543	331,765	-	8,082,187
Depreciation	-	2,659	196,244	9,949	-	208,852
Disposals	-	(409)	(741)	(802)	-	(1,952)
Effect of movements in exchange rates	-	108	110,383	-	-	110,491
Balance on March 31, 2021	<u>\$ -</u>	<u>94,237</u>	<u>7,964,429</u>	<u>340,912</u>	<u>-</u>	<u>8,399,578</u>
Balance on January 1, 2020	\$ -	83,760	7,303,655	329,652	-	7,717,067
Depreciation	-	2,321	211,436	9,933	-	223,690
Disposals	-	(23)	(14,126)	(4,784)	-	(18,933)
Effect of movements in exchange rates	-	55	55,937	-	-	55,992
Balance on March 31, 2020	<u>\$ -</u>	<u>86,113</u>	<u>7,556,902</u>	<u>334,801</u>	<u>-</u>	<u>7,977,816</u>
<b>Carrying amounts:</b>						
Balance on January 1, 2021	<u>\$ 1,717,868</u>	<u>53,278</u>	<u>10,009,827</u>	<u>293,920</u>	<u>26,451</u>	<u>12,101,344</u>
Balance on March 31, 2021	<u>\$ 1,697,960</u>	<u>72,227</u>	<u>9,969,909</u>	<u>286,025</u>	<u>38,475</u>	<u>12,064,596</u>
Balance on March 31, 2020	<u>\$ 1,717,868</u>	<u>61,190</u>	<u>11,329,934</u>	<u>273,356</u>	<u>28,451</u>	<u>13,410,799</u>

- (i) The pledge information is summarized in note (8).
- (ii) The Group disposed of the property, plant and equipment during the three months ended March 31, 2021 and 2020 for \$161 and \$10,517, respectively, and the related gains of disposal amounted to \$91 and \$3,025, 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 (\$900,424, \$886,696 and \$953,750 in thousand New Taiwan dollars) as of March 31, 2021, December 31 and March 31, 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).

(Continued)

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

(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	\$ 167,841	78,813	246,654
Additions	49,070	-	49,070
Disposal	(48,891)	-	(48,891)
Balance on March 31, 2021	<u>\$ 168,020</u>	<u>78,813</u>	<u>246,833</u>
Balance on January 1, 2020	\$ 194,468	78,813	273,281
Disposal	(7,952)	-	(7,952)
Balance on March 31, 2020	<u>\$ 186,516</u>	<u>78,813</u>	<u>265,329</u>
Accumulated depreciation and impairment losses:			
Balance on January 1, 2021	\$ 54,289	30,306	84,595
Depreciation	7,436	3,788	11,224
Disposal	(24,445)	-	(24,445)
Balance on March 31, 2021	<u>\$ 37,280</u>	<u>34,094</u>	<u>71,374</u>
Balance on January 1, 2020	\$ 39,345	15,153	54,498
Depreciation	9,553	3,787	13,340
Balance on March 31, 2020	<u>\$ 48,898</u>	<u>18,940</u>	<u>67,838</u>
Carrying Amount:			
Balance on January 1, 2021	<u>\$ 113,552</u>	<u>48,507</u>	<u>162,059</u>
Balance on March 31, 2021	<u>\$ 130,740</u>	<u>44,719</u>	<u>175,459</u>
Balance on March 31, 2020	<u>\$ 137,618</u>	<u>59,873</u>	<u>197,491</u>

(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	\$ 19,094	23,811	42,905
Effect of movements in exchange rates	-	310	310
Balance on March 31, 2021	<u>\$ 19,094</u>	<u>24,121</u>	<u>43,215</u>

(Continued)

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

	<b>Owned Property</b>		<b>Total</b>
	<b>Land</b>	<b>Building</b>	
Balance on January 1, 2020	\$ 19,094	25,152	44,246
Effect of movements in exchange rates	-	175	175
Balance on March 31, 2020	<u>\$ 19,094</u>	<u>25,327</u>	<u>44,421</u>
<b>Depreciation and impairment losses:</b>			
Balance on January 1, 2021	\$ -	8,370	8,370
Depreciation	-	119	119
Effect of movements in exchange rates	-	87	87
Balance on March 31, 2021	<u>\$ -</u>	<u>8,576</u>	<u>8,576</u>
Balance on January 1, 2020	\$ -	8,251	8,251
Depreciation	-	124	124
Effect of movements for exchange rates	-	46	46
Balance on March 31, 2020	<u>\$ -</u>	<u>8,421</u>	<u>8,421</u>
<b>Carrying amount:</b>			
Balance on January 1, 2021	<u>\$ 19,094</u>	<u>15,441</u>	<u>34,535</u>
Balance on March 31, 2021	<u>\$ 19,094</u>	<u>15,545</u>	<u>34,639</u>
Balance on March 31, 2020	<u>\$ 19,094</u>	<u>16,906</u>	<u>36,000</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 three months ended March 31, 2021 as disclosed in note 6(h) of the consolidated financial statements for the year ended December 31, 2020.

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

(i) Other financial assets

	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Restricted deposits	\$ 54,785	67,657	-
Time deposits (over three months)	25,730	25,402	54,769
Other receivables	44,558	22,272	11,640
Refundable deposits	6,783	8,224	6,302
Pledged assets-time deposits	<u>169,911</u>	<u>228,355</u>	<u>196,654</u>
	<u>\$ 301,767</u>	<u>351,910</u>	<u>269,365</u>
Other current financial assets	\$ 283,132	333,286	241,970
Other non-current financial assets	<u>18,635</u>	<u>18,624</u>	<u>27,395</u>
	<u>\$ 301,767</u>	<u>351,910</u>	<u>269,365</u>

(Continued)

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

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 March 31, 2021, December 31 and March 31, 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>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Bank loans	\$ 790,000	120,000	1,196,000
Commercial paper payable	600,000	75,000	485,000
Less: discount on commercial paper payable	(248)	(60)	(703)
	<b><u>\$ 1,389,752</u></b>	<b><u>194,940</u></b>	<b><u>1,680,297</u></b>
Unused credit lines	<b><u>\$ 2,720,000</u></b>	<b><u>3,815,000</u></b>	<b><u>2,239,000</u></b>
Range of interest rate	<b><u>0.85%~1.12%</u></b>	<b><u>0.88%~1.208%</u></b>	<b><u>0.97%~1.168%</u></b>

(ii) Long-term loans

<b>Bank</b>	<b>Currency</b>	<b>Due Year</b>	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Mega International Commercial Bank	USD	2021	\$ 128,408	126,450	272,025
Bank Sinopec	"	2022	477,572	516,659	605,602
Mega International Commercial Bank	"	2022	128,408	189,675	272,026
Bank Sinopec	"	2023	567,433	558,783	700,035
BNP PARIBAS	"	2026	437,581	454,608	514,476
CTBC Bank	"	2027	643,587	666,883	752,927
Mega International Commercial Bank	"	2027	646,603	667,375	750,790
			3,029,592	3,180,433	3,867,881
Current portion			(622,021)	(612,538)	(658,860)
Total			<b><u>\$ 2,407,571</u></b>	<b><u>2,567,895</u></b>	<b><u>3,209,021</u></b>
Range of interest rates			<b><u>0.95%~1.83%</u></b>	<b><u>0.955%~3.52%</u></b>	<b><u>2.03%~3.52%</u></b>

(Continued)

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

(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:

	<b>Guarantee bank</b>	<b>Interest rate</b>	<b>Due</b>	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
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 2020	-	-	400,000
"	"	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	500,000	500,000	-
				<u>2,900,000</u>	<u>5,200,000</u>	<u>3,100,000</u>
Current portion				<u>-</u>	<u>(2,300,000)</u>	<u>(2,700,000)</u>
				<u><b>\$ 2,900,000</b></u>	<u><b>2,900,000</b></u>	<u><b>400,000</b></u>

(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>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Current	<u>\$ 42,067</u>	<u>44,533</u>	<u>52,591</u>
Non-current	<u>\$ 127,114</u>	<u>122,486</u>	<u>138,312</u>

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

(Continued)



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

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Interest on lease liabilities	\$ <u>372</u>	<u>530</u>

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

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Total cash outflow for leases	\$ <u>22,574</u>	<u>23,877</u>

Land and building leases

As of March 31, 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.

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:

	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Less than one year	\$ 656,510	1,021,720	754,894
Between one and five years	<u>22,540</u>	<u>15,336</u>	<u>3,433</u>
Total undiscounted lease payments	<u>\$ 679,050</u>	<u>1,037,056</u>	<u>758,327</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.

(Continued)

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

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

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Cost of sales and operating expense	\$ <b>587</b>	<b>719</b>
(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:

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Cost of sales and operating expense	\$ <b>3,148</b>	<b>2,996</b>
(n) Income taxes		
(i) Tax expenses		

The components of income tax for the three months ended March 31, 2021 and 2020 were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Current tax expense	\$ 4,784	6,266
Deferred tax expense		
Recognition and reversal of temporary differences	-	1,750
Tax expense	\$ <b>4,784</b>	<b>8,016</b>
(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 three months ended March 31, 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.

(Continued)

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

(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 stockholders' 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 stockholders. The distribution rate is based on the proposal of the Company's board of directors and should be approved in the stockholders' 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.

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 March 31, 2021, December 31 and March 31, 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.

(Continued)

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

3) Earnings distribution

The amount of cash dividends of appropriations of earnings for 2020 had been approved in the board meeting held on May 12, 2020. The appropriations of earnings for 2019 had been approved in the shareholder's meeting on May 13, 2020. These earnings were appropriated as follows:

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

(ii) Other Equity (After tax)

	<b>Exchange differences on translation of foreign financial Statements</b>	<b>Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income</b>	<b>Total</b>
January 1, 2021	\$ (1,154,720)	270,728	(883,992)
The Company and its subsidiaries	137,302	(64,664)	72,638
Associates	<u>1,195</u>	<u>-</u>	<u>1,195</u>
March 31, 2021	<b><u>\$ (1,016,223)</u></b>	<b><u>206,064</u></b>	<b><u>(810,159)</u></b>
January 1, 2020	\$ (541,143)	5,453	(535,690)
The Company and its subsidiaries	80,884	(80,676)	208
Associates	<u>12,430</u>	<u>(13,296)</u>	<u>(866)</u>
March 31, 2020	<b><u>\$ (447,829)</u></b>	<b><u>(88,519)</u></b>	<b><u>(536,348)</u></b>

(p) Earnings per share

(i) Basic earnings per share

The calculation of basic earnings per share at March 31, 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

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Profit attributable to ordinary shareholders of the Company	<b><u>\$ 220,685</u></b>	<b><u>2,692</u></b>

(Continued)

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

2) Weighted-average number of ordinary shares (thousands)	<b>For the three months ended March 31,</b>	
	<u>2021</u>	<u>2020</u>
Weighted-average number of ordinary shares (basic)	<u>197,485</u>	<u>197,485</u>

3) Basic earnings per share (NTD)	<b>For the three months ended March 31,</b>	
	<u>2021</u>	<u>2020</u>
Basic earnings per share	<u>\$ 1.12</u>	<u>0.01</u>

(ii) Diluted earnings per share

The calculation of diluted earnings per share at March 31, 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)	<b>For the three months ended March 31,</b>	
	<u>2021</u>	<u>2020</u>
Profit attributable to ordinary shareholder of the Company	<u>\$ 220,685</u>	<u>2,692</u>

2) Weighted-average number of ordinary shares (diluted) (thousands)	<b>For the three months ended March 31,</b>	
	<u>2021</u>	<u>2020</u>
Number of ordinary shares (basic)	197,485	197,485
Effect on the employee stock bonuses	146	169
Weighted-average number of ordinary shares (diluted)	<u>197,631</u>	<u>197,654</u>

3) Diluted earnings per share (NTD)	<b>For the three months ended March 31,</b>	
	<u>2021</u>	<u>2020</u>
Diluted earnings per share	<u>\$ 1.12</u>	<u>0.01</u>

(Continued)

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

## (q) Revenue from contracts with customers

## (i) Disaggregation of revenue

		<b>For the three months ended March 31, 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	\$	407,410	-	6,580	413,990
America		-	42,952	169	43,121
Europe		-	221,189	815	222,004
Oceania		-	113,323	383	113,706
		<u>\$ 407,410</u>	<u>377,464</u>	<u>7,947</u>	<u>792,821</u>
		<b>For the three months ended March 31, 2020</b>			
		<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Total</b>
Primary geographical markets					
Asia	\$	375,598	-	8,001	383,599
Europe		-	298,199	-	298,199
Oceania		-	130,613	-	130,613
		<u>\$ 375,598</u>	<u>428,812</u>	<u>8,001</u>	<u>812,411</u>

## (ii) Contract balances

	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Notes and accounts receivable (including related parties)	\$ 317,483	297,675	293,994
Less: allowance for impairment	(96)	(174)	(47)
Total	<u>\$ 317,387</u>	<u>297,501</u>	<u>293,947</u>
Contract liabilities	<u>\$ 16,093</u>	<u>34,136</u>	<u>11,049</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 March 31, 2021 and 2020 that were included in the contract liability balance at the beginning of the period were \$34,136 and \$19,327, respectively.

(Continued)

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

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.

(r) Financial cost-Interest expense

The financial cost interest expenses were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Bank loan	\$ 11,641	33,094
Bonds payable	18,104	13,446
Lease liabilities	372	530
	<b>\$ 30,117</b>	<b>47,070</b>

(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 ended March 31, 2021 and 2020, the Company recognized its employee compensation of \$2,251 and \$69, respectively, and its directors' and supervisors' remuneration of \$2,251 and \$69, 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 March 31, 2021 and 2020, the maximum amount exposed to credit risk amounted to \$5,394,630 and \$4,252,004, respectively.

(Continued)

**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 47% and 54% of the total net sales for the three months ended March 31, 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>March 31, 2021</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 1,389,752	(1,390,000)	(1,390,000)	-	-
Secured bank loans	3,029,592	(3,029,592)	(1,276,460)	(558,091)	(1,195,041)
Notes and accounts payable	171,296	(171,296)	(171,296)	-	-
Lease liabilities	169,181	(172,898)	(42,067)	(46,777)	(84,054)
Bonds payable	2,900,000	(2,900,000)	-	(400,000)	(2,500,000)
Accrued expenses and other payables (recorded as other payables)	94,691	(94,691)	(94,691)	-	-
	<u>\$ 7,754,512</u>	<u>(7,758,477)</u>	<u>(2,974,514)</u>	<u>(1,004,868)</u>	<u>(3,779,095)</u>
<b>December 31, 2020</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	166,033	(166,033)	(166,033)	-	-
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)	138,795	(138,795)	(138,795)	-	-
	<u>\$ 9,047,220</u>	<u>(9,050,772)</u>	<u>(3,458,372)</u>	<u>(1,197,927)</u>	<u>(4,394,473)</u>

(Continued)



**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>March 31, 2020</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 1,680,297	(1,681,000)	(1,681,000)	-	-
Secured bank loans	3,867,881	(3,867,881)	(658,860)	(658,861)	(2,550,160)
Notes and accounts payable	191,180	(191,180)	(191,180)	-	-
Lease liabilities	190,903	(195,481)	(54,391)	(49,805)	(91,285)
Bonds payable	3,100,000	(3,100,000)	(2,700,000)	(400,000)	-
Accrued expenses and other payables (recorded as other payables)	85,044	(85,044)	(85,044)	-	-
	<u>\$ 9,115,305</u>	<u>(9,120,586)</u>	<u>(5,370,475)</u>	<u>(1,108,666)</u>	<u>(2,641,445)</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 three months ended March 31, 2021 and 2020 as follows:

	<b>For the three months ended March 31,</b>	
	<u>2021</u>	<u>2020</u>
Increased 0.25%	\$ (9,021)	(18,853)
Decreased 0.25%	9,021	18,853

(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.

(Continued)

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

	March 31, 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	\$ 834,028	834,028	-	-	834,028
Non-derivative non-current financial assets mandatorily at fair value through profit or loss	95,713	70,752	-	24,961	95,713
Domestic listed stocks under private placement	<u>158,109</u>	-	158,109	-	158,109
	<u>1,087,850</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed common stock	<u>619,333</u>	619,333	-	-	619,333
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	3,068,293	-	-	-	-
Restricted deposit	54,785	-	-	-	-
Time deposits (over three months)	25,730	-	-	-	-
Notes and accounts receivable (including related parties)	317,387	-	-	-	-
Other receivables	44,558	-	-	-	-
Guarantee deposits	6,783	-	-	-	-
Pledged assets-time deposits	<u>169,911</u>	-	-	-	-
	<u>3,687,447</u>				
Total	<u>\$ 5,394,630</u>				
<b>Financial liabilities at amortized cost</b>					
Short-term borrowings	\$ 1,389,752	-	-	-	-
Long-term borrowings	3,029,592	-	-	-	-
Notes and accounts payable	171,296	-	-	-	-
Lease liabilities	169,181	-	-	-	-
Bonds payable	2,900,000	-	2,900,000	-	2,900,000
Accrued expenses and other payables (recorded as other payables)	<u>94,691</u>	-	-	-	-
Total	<u>\$ 7,754,512</u>				

(Continued)

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

	December 31, 2020				
	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	3,741,974	-	-	-	-
Restricted deposit	67,657	-	-	-	-
Time deposits (over three months)	25,402	-	-	-	-
Notes and accounts receivable (including related parties)	297,501	-	-	-	-
Other receivables	22,272	-	-	-	-
Guarantee deposits	6,874	-	-	-	-
Pledged assets-time deposits	<u>229,705</u>	-	-	-	-
	<u>4,391,385</u>				
Total	<u>\$ 6,423,466</u>				
<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>138,795</u>	-	-	-	-
Total	<u>\$ 9,047,220</u>				

(Continued)

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

	March 31, 2020				
	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	\$ 88,396	88,396	-	-	88,396
Non derivative non-current financial assets held for trading	77,793	52,248	-	25,545	77,793
Domestic listed stocks under private placement	<u>21,881</u>	-	21,881	-	21,881
	<u>188,070</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed stocks	<u>246,753</u>	246,753	-	-	246,753
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	3,307,869	-	-	-	-
Time deposits (over three months)	54,769	-	-	-	-
Notes and accounts receivable (including related parties)	239,947	-	-	-	-
Other receivables	11,640	-	-	-	-
Guarantee deposits	6,302	-	-	-	-
Pledged assets-time deposits	<u>196,654</u>	-	-	-	-
	<u>3,817,181</u>				
<b>Total</b>	<b><u>\$ 4,252,004</u></b>				
<b>Financial liabilities measured at amortized cost</b>					
Short-term borrowings	\$ 1,680,297	-	-	-	-
Long-term borrowings	3,867,881	-	-	-	-
Notes and accounts payable	191,180	-	-	-	-
Lease liabilities	190,903	-	-	-	-
Bonds payable	3,100,000	-	3,100,000	-	3,100,000
Accrued expenses and other payables (recorded as other current payables)	<u>85,044</u>	-	-	-	-
<b>Total</b>	<b><u>\$ 9,115,305</u></b>				

(Continued)

**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 three months ended March 31, 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 (equal to balance on March 31, 2021)	\$ <u><u>24,961</u></u>
Balance on January 1 2020 (equal to balance on March 31, 2020)	\$ <u><u>25,543</u></u>

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

(Continued)

**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 three months ended March 31, 2021 and 2020.

Reconciliation of liabilities arising from financing activities was as follows:

	<b>January 1, 2021</b>	<b>Cash flows</b>	<b>Others</b>	<b>Non-cash changes Foreign exchange movement</b>	<b>March 31, 2021</b>
Short-term borrowings	\$ 194,940	1,194,812	-	-	1,389,752
Long-term borrowings	3,180,433	(198,915)	-	48,074	3,029,592
Bonds payable	5,200,000	(2,300,000)	-	-	2,900,000
Lease liabilities	167,019	(22,202)	24,364	-	169,181
Guarantee deposits (recorded as other non-current liabilities-others)	668	347	2	-	1,017
Total liabilities from financial activities	<b>\$ 8,743,060</b>	<b>(1,325,958)</b>	<b>24,366</b>	<b>48,074</b>	<b>7,489,542</b>
				<b>Non-cash changes Foreign exchange movement</b>	
	<b>January 1, 2020</b>	<b>Cash flows</b>	<b>Others</b>	<b>Non-cash changes Foreign exchange movement</b>	<b>March 31, 2020</b>
Short-term borrowings	\$ 1,529,883	150,414	-	-	1,680,297
Long-term borrowings	4,046,736	(211,141)	-	32,286	3,867,881
Bonds payable	3,100,000	-	-	-	3,100,000
Lease liabilities	222,202	(23,347)	(7,952)	-	190,903
Guarantee deposits (recorded as other non-current liabilities-others)	961	2	-	-	963
Total liabilities from financial activities	<b>\$ 8,899,782</b>	<b>(84,072)</b>	<b>(7,952)</b>	<b>32,286</b>	<b>8,840,044</b>

(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>		
	Three months ended	Three months ended			
	March 31, 2021	March 31, 2020	March 31, 2021	December 31, 2020	March 31, 2020
The entities with significant influence over the Group	\$ <u>16,259</u>	<u>14,627</u>	<u>6,698</u>	<u>11,864</u>	<u>12,884</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. Amounts receivable from related parties were uncollateralized, and no expected credit loss were required after the assessment by the management.

(iii) Operating expense

	<u>Operating expense</u>	
	Three months ended March 31, 2021	Three months ended March 31, 2020
The entities with significant influence over the Group	\$ 511	1,547
Others	<u>1,975</u>	<u>2,093</u>
	<u>\$ 2,486</u>	<u>3,640</u>

(Continued)

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

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.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	<b>For the three months ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Short-term employee benefits	\$ 14,660	13,349
Post-employment benefits	238	258
	<b>\$ 14,898</b>	<b>13,607</b>

**(8) Pledged assets**

The carrying values of pledged assets were as follows:

<b>Assets</b>	<b>Subject</b>	<b>March 31, 2021</b>	<b>December 31, 2020</b>	<b>March 31, 2020</b>
Investments accounted for using equity method – stock	Commercial paper payable – and short-term loans and credit lines	\$ -	-	300,125
Financial assets at fair value through other comprehensive income – stock	Commercial paper payable – and short-term loans and credit lines	318,010	352,660	98,440
Financial assets at fair value through profit or loss – stock	Short-term borrowings and credit lines of loans	69,955	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	7,999,389	8,004,473	9,030,644
Other current financial assets (pledged assets-time deposit)	Long-term borrowings	158,059	217,955	175,561

(Continued)



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

<u>Assets</u>	<u>Subject</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Other non-current financial assets (refundable deposits and pledged assets-time deposits)	Guarantee for construction payment, warehouse deposits, short-term borrowings and import duty	18,635	18,624	27,395
		<u>\$ 9,463,384</u>	<u>9,549,403</u>	<u>10,531,501</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 March 31, 2021, December 31 and March 31, 2020, respectively, as guarantee for bonds payable.
- (b) As of March 31, 2021, the Group still had several long-term leases of its ships with customers in effect. The ending periods of the contracts are from May 2021 to April 2022.

**(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 item	By function	For the three months ended March 31, 2021			For the three months ended March 31, 2020		
		Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits							
Salary		102,829	56,765	159,594	97,708	51,771	149,479
Labor and health insurance		3,129	4,177	7,306	2,808	4,556	7,364
Pension		1,460	2,275	3,735	1,410	2,305	3,715
Others		1,775	2,373	4,148	6,323	2,298	8,621
Depreciation (Note)		216,370	3,825	220,195	234,046	3,073	237,119
Amortization		-	843	843	-	842	842

Note: excluding the deduction of rental income of \$35 for the three months ended March 31, 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**

**(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 three months ended March 31, 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	97,590	97,590	97,590	-	2	-	Operating	-	-	-	9,022,225	9,022,225	Transactions in the left column had been eliminated during the preparation of consolidated financial statements
1	CMT HK	CHN	"	Y	142,675	142,675	142,675	-	2	-	"	-	-	-	9,022,225	9,022,225	"
1	CMT HK	CPC	"	Y	256,815	228,280	228,280	-	2	-	"	-	-	-	9,022,225	9,022,225	"
1	CMT HK	CHM	"	Y	318,451	318,451	318,451	-	2	-	"	-	-	-	9,022,225	9,022,225	"
1	CMT HK	CPG	"	Y	370,955	313,885	313,885	-	2	-	"	-	-	-	9,022,225	9,022,225	"
1	CMT HK	CTD	"	Y	714,802	714,802	714,802	-	2	-	"	-	-	-	9,022,225	9,022,225	"
1	CMT HK	CTU	"	Y	671,999	671,999	671,999	-	2	-	"	-	-	-	9,022,225	9,022,225	"
2	ATI	APT	"	Y	38,000	31,000	31,000	1.20%	1	122,524	"	-	-	-	122,524	249,748	"
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.

(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-subsidiary	15,052,392	256,815	256,815	128,408	-	2.56 %	15,052,392	Y	-	-
0	"	CTD	Sub-subsidiary	15,052,392	256,815	256,815	128,408	-	2.56 %	15,052,392	Y	-	-
0	"	CFR	Sub-subsidiary	15,052,392	1,268,381	1,268,381	567,433	-	12.64 %	15,052,392	Y	-	-
0	"	CPN	Sub-subsidiary	15,052,392	1,284,075	1,284,075	477,572	-	12.80 %	15,052,392	Y	-	-
1	CMT HK	CHN	Subsidiary	13,533,338	708,809	708,809	646,603	-	7.06 %	13,533,338	-	-	-
1	"	CEP	Subsidiary	13,533,338	912,549	912,549	643,587	-	9.09 %	13,533,338	-	-	-
1	"	CHM	Subsidiary	13,533,338	930,812	930,812	437,581	-	9.28 %	13,533,338	-	-	-

(Continued)

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

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (note1, note2)	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										
1	CMT HK	THE COMPANY	Parent company	13,533,338	3,710	3,710	3,710	-	0.04 %	13,533,338	-	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	158,109	0.15 %	158,109	
"	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	
"	Taiwan Navigation Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	511	12,264	0.12 %	12,264	
HIL	CHINA CONTAINER TERMINAL CORP.	-	Non-current financial assets at fair value through other comprehensive income	23,788	491,222	16.03 %	491,222	
"	SEA & LAND INTERATED CORP.	-	Non-current financial assets at fair value through profit or loss	3,187	70,752	4.07 %	70,752	
"	DIMERCO EXPRESS	-	Current financial assets at fair value through profit or loss	3,342	275,047	2.61 %	275,047	
MHI	DIMERCO EXPRESS	-	Ccurrent financial assets at fair value through profit or loss	6,288	517,502	4.99 %	517,502	
"	CHINA CONTAINER TERMINAL CORP.	-	Non-current financial assets at fair value through other comprehensive income	5,610	115,847	3.78 %	115,847	
AGMI	DIMERCO EXPRESS	-	Ccurrent financial assets at fair value through profit or loss	504	41,479	0.4 %	41,479	

(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	-	-	23,909	20.69	504,480	9,524	511	12,264

(v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None

(Continued)

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

- (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	109,477	96 %	Depending on the demand for funding of subsidiaries	-		(46,185)	(95)%	Note 1
ATI	THE COMPANY	Subsidiary	Freight revenue	(109,477)	(37) %	"	-		46,185	23%	"

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	714,802	Note1	-		-	-	Note 2
"	CTU	Subsidiary	671,999	"	-		-	-	"
"	CHM	Subsidiary	318,451	"	-		-	-	"
"	CPC	Subsidiary	228,280	"	-		-	-	"
"	CHN	Subsidiary	142,675	"	-		-	-	"
"	CPG	Subsidiary	313,885	"	-		-	-	"

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	109,477	Price depends on the market, and the receivables depend on funding demand in the credit period	13.81%
6	CMT HK	CTD	3	Other receivables	714,802	-	3.87%
6	CMT HK	CTU	3	"	671,999	-	3.64%
6	CMT HK	CHM	3	"	318,457	-	1.73%
6	CMT HK	CPC	3	"	228,280	-	1.24%
6	CMT HK	CHN	3	"	142,675	-	0.77%
6	CMT HK	CPG	3	"	313,885	-	1.70%

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 March 31, 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 March 31, 2021			Net Income		Note
				March 31, 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 %	4,965	(2,526)	(9)	Note1 - Note4
"	CMT HK	Hong Kong	Investment holding of ship-owning companies	34,356	34,356	12,000	100 %	9,022,225	23,341	23,341	"
"	CMTL	Taiwan	Warehouse management	734,058	734,058	23,650	100 %	1,109,854	10,897	10,897	"
"	AGMI	"	Investment	41,000	1,000	4,100	100 %	48,892	7,923	7,923	"
"	HIL	"	"	685,000	685,000	68,500	100 %	1,053,911	64,130	64,130	"
"	MHI	"	"	271,300	271,300	27,130	100 %	636,952	101,680	101,680	"
"	ATI	"	Container trucking	500,000	500,000	50,000	100 %	624,369	7,230	7,230	"
"	CMTTSL	"	Travel	20,000	20,000	2,000	100 %	4,010	(237)	(237)	"
"	TGEM	"	Bulk-carrier transportation	601,200	601,200	61,623	12 %	612,640	48,531	5,824	Note2
"	AGM	"	Automobile and its parts manufacturing	30,000	30,000	3,000	30 %	22,860	(6,031)	(1,810)	Note2
"	CMTS	CFR	Bulk-carrier transportation	656,305	656,305	29,900	100 %	712,781	(2,093)	Has been recognized as investment incomes(losses) by CMTS	Note1 - Note3 - Note4
"	CEP	"	"	659,159	659,159	23,100	100 %	661,595	1,977	"	"
"	CMT HK	CPS	Bulk-carrier transportation	57,070	57,070	2,000	100 %	57,209	(80)	Has been recognized as investment incomes(losses) by CMT HK	"
"	CPG	"	"	171,210	171,210	6,000	100 %	198,387	8,218	"	"
"	CPC	"	"	156,943	156,943	5,500	100 %	185,897	4,286	"	"
"	CHT	"	Bulk-chartering services	285	285	10	100 %	5,339	(64)	"	"
"	CPN	"	Bulk-carrier transportation	684,840	684,840	240	100 %	765,178	(191)	"	"
"	CPD	"	"	1,198,470	1,198,470	420	100 %	1,169,093	(2,965)	"	"
"	CTD	"	"	370,955	370,955	13,000	100 %	360,259	(1,441)	"	"

(Continued)

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

Name of investor	Name of investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2021			Net income		
				March 31, 2021	December 31, 2020	Shares (thousands)	Percentage of Ownership	Carrying Value	(Losses) of the Investee	Share of profits/losses of investee	Note
CMT HK	CTU	Hong Kong	Bulk-carrier transportation	370,955	370,955	13,000	100 %	431,606	7,705	Has been recognized as investment incomes(losses) by CMT HK	Note1 · Note3 · Note4
"	CHM	"	"	428,025	428,025	150	100 %	440,268	11,092	"	"
"	CHN	"	"	428,025	428,025	150.0	100 %	438,616	13,249	"	"
"	CHI	"	Investment management	285	285	0.1	100 %	(561)	(43)	"	"
"	CIM	"	"	28,535	28,535	10	100.00 %	29,191	(5)	"	"
"	CMTs	Singapore	Investment holding of ship-owning companies	1,352,559	1,352,559	62,918	100 %	1,455,329	(2,526)	"	"
ATI	CST	"	Container trucking	86,642	86,642	8,200	100 %	95,654	786	Has been recognized as investment incomes (losses) by ATI	Note1 · Note4
"	HYT	"	"	28,932	28,932	3,000	100 %	32,774	936	-	"
"	MHT	"	"	30,568	30,568	3,000	100 %	57,635	2,785	-	"
"	APT	"	"	30,719	30,719	3,000	100 %	42,351	3,905	-	"
"	PTL	"	"	30,000	30,000	3,000	100 %	25,770	(355)	-	"

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.

(Continued)

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

(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.

	Three months ended March 31, 2021				
	Inland trucking and terminal & logistics department	Shipping department	Others	Adjustments and eliminations	Total
Revenue from external customers	\$ 407,410	377,464	7,947	-	792,821
Intersegment revenue	-	-	-	-	-
Total revenues	<u>\$ 407,410</u>	<u>377,464</u>	<u>7,947</u>	<u>-</u>	<u>792,821</u>
Segment income before tax	<u>\$ 28,152</u>	<u>38,108</u>	<u>1,755</u>	<u>(30,217)</u>	<u>37,798</u>
Reportable segment assets					<u>\$ 18,459,267</u>
	Three months ended March 31, 2020				
	Inland trucking and terminal & logistics department	Shipping department	Others	Adjustments and eliminations	Total
Revenue from external customers	\$ 375,598	428,812	8,001	-	812,411
Intersegment revenue	-	-	-	-	-
Total revenues	<u>\$ 375,598</u>	<u>428,812</u>	<u>8,001</u>	<u>-</u>	<u>812,411</u>
Segment income before tax	<u>\$ 846</u>	<u>51,819</u>	<u>1,049</u>	<u>-</u>	<u>53,714</u>
Reportable segment assets					<u>\$ 19,751,261</u>