

**CHINESE MARITIME TRANSPORT LTD.  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2023 and 2022**

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

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## Independent Auditors' Review Report

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

### Introduction

We have reviewed the accompanying consolidated balance sheets of Chinese Maritime Transport Ltd. and its subsidiaries as of March 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2023 and 2022, 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 the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. 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 Standards on Auditing of the Republic of China 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 \$1,854,653 thousand and \$1,740,055 thousand, constituting 8.43% and 8.74% of the consolidated total assets; and the total liabilities amounting to \$598,130 thousand and \$599,902 thousand, constituting 5.58% and 6.47% of the consolidated total liabilities as of March 31, 2023 and 2022, respectively; as well as the total comprehensive income amounting to \$17,444 thousand and \$18,448 thousand, constituting 23.32% and 2.47% of the absolute value of the consolidated total comprehensive income for the three months ended March 31, 2023 and 2022, 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 \$641,785 thousand and \$609,213 thousand as of March 31, 2023 and 2022, respectively, and its equity in net earnings on these investee companies of \$11,640 thousand and \$1,557 thousand for the three months ended March 31, 2023 and 2022, 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, 2023 and 2022, and of its consolidated financial performance and consolidated cash flows for the three months ended March 31, 2023 and 2022 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 Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)  
May 12, 2023

### **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 Standards on Auditing as of March 31, 2023 and 2022**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**March 31, 2023, December 31 and March 31, 2022**

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

	March 31, 2023		December 31, 2022		March 31, 2022			March 31, 2023		December 31, 2022		March 31, 2022		
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	
<b>Assets</b>								<b>Liabilities and Equity</b>						
<b>Current assets:</b>								<b>Current liabilities:</b>						
1100 Cash and cash equivalents (note 6(a))	\$ 4,213,010	19	3,989,154	20	3,554,713	18	2100 Short-term borrowings (note 6(j))	\$ 2,389,468	11	1,899,486	10	1,209,690	6	
1110 Current financial assets at fair value through profit or loss (notes 6(b) and 8)	384,556	2	314,678	2	478,094	2	2130 Current contract liabilities (note 6(q))	48,029	-	57,680	-	47,277	-	
1150 Notes and accounts receivable, net (note 6(d))	286,918	1	279,731	1	321,661	2	2150 Notes and accounts payable	163,597	1	172,157	1	200,387	1	
1180 Accounts receivable due from related parties, net (notes 6(d) and 7)	8,140	-	14,861	-	10,333	-	2200 Other payables	125,821	1	174,668	1	111,229	1	
1470 Other current assets	127,135	1	99,450	-	84,722	-	2216 Dividends payable	430,516	2	-	-	529,259	3	
1476 Other current financial assets (notes 6(i) and 8)	327,765	1	276,312	1	376,892	2	2230 Current tax liabilities	68,303	-	60,255	-	71,364	-	
	<u>5,347,524</u>	<u>24</u>	<u>4,974,186</u>	<u>24</u>	<u>4,826,415</u>	<u>24</u>	2280 Current lease liabilities (note 6(k))	52,644	-	45,849	-	49,161	-	
<b>Non-current assets:</b>								2300 Other current liabilities	5,245	-	3,727	-	97,151	-
1510 Non-current financial assets at fair value through profit or loss (note 6(b))	15,537	-	15,537	-	308,943	2	2320 Long-term liabilities, current portion (note 6(j))	961,122	4	876,584	4	1,228,253	7	
1517 Non-current financial assets at fair value through other comprehensive income (notes 6(c) and 8)	855,584	4	669,355	4	1,002,473	5		<u>4,244,745</u>	<u>19</u>	<u>3,290,406</u>	<u>16</u>	<u>3,543,771</u>	<u>18</u>	
1550 Investments accounted for using equity method, net (note 6(e))	641,785	3	635,606	3	609,213	3	<b>Non-Current liabilities:</b>							
1600 Property, plant and equipment (notes 6(f) and 8)	14,812,643	68	13,875,442	68	12,812,898	65	2530 Bonds payable (note 6(j))	2,500,000	11	2,500,000	12	2,500,000	13	
1755 Right-of-use assets (note 6(g))	193,207	1	165,403	1	202,837	1	2540 Long-term borrowings (note 6(j))	3,204,997	15	2,255,615	11	2,445,661	12	
1760 Investment property, net (note 6(h))	34,594	-	34,847	-	34,200	-	2570 Deferred tax liabilities	615,512	3	615,512	3	606,789	3	
1780 Intangible assets	4,552	-	5,303	-	7,481	-	2580 Non-current lease liabilities (note 6(k))	134,724	1	125,354	1	148,026	1	
1840 Deferred tax assets	11,923	-	11,923	-	13,646	-	2640 Net defined benefit liabilities, non-current	8,189	-	8,430	-	25,893	-	
1900 Other non-current assets	67,382	-	39,952	-	79,852	-	2670 Other non-current liabilities, others	4,203	-	4,001	-	3,487	-	
1980 Other non-current financial assets (notes 6(i) and 8)	23,591	-	23,414	-	22,480	-		<u>6,467,625</u>	<u>30</u>	<u>5,508,912</u>	<u>27</u>	<u>5,729,856</u>	<u>29</u>	
	<u>16,660,798</u>	<u>76</u>	<u>15,476,782</u>	<u>76</u>	<u>15,094,023</u>	<u>76</u>	<b>Total liabilities</b>	<u>10,712,370</u>	<u>49</u>	<u>8,799,318</u>	<u>43</u>	<u>9,273,627</u>	<u>47</u>	
<b>Total assets</b>	<b>\$ 22,008,322</b>	<b>100</b>	<b>20,450,968</b>	<b>100</b>	<b>19,920,438</b>	<b>100</b>	<b>Equity attributable to owners of parent (note 6(o)):</b>							
							3100 Common stock	1,974,846	9	1,974,846	10	1,974,846	10	
							3200 Capital surplus	53,411	-	53,411	-	53,411	-	
							<b>Retained earnings:</b>							
							3310 Legal reserve	1,882,499	8	1,882,499	9	1,779,756	9	
							3320 Special reserve	934,768	4	934,768	5	883,992	5	
							3350 Unappropriated earnings	6,492,794	30	6,749,885	33	6,310,304	31	
								<u>9,310,061</u>	<u>42</u>	<u>9,567,152</u>	<u>47</u>	<u>8,974,052</u>	<u>45</u>	
							3400 Other equity interest	(49,783)	-	46,868	-	(371,078)	(2)	
							<b>Total equity attributable to owners of parent</b>	<u>11,288,535</u>	<u>51</u>	<u>11,642,277</u>	<u>57</u>	<u>10,631,231</u>	<u>53</u>	
							3610 Non-controlling interests	7,417	-	9,373	-	15,580	-	
							<b>Total equity</b>	<u>11,295,952</u>	<u>51</u>	<u>11,651,650</u>	<u>57</u>	<u>10,646,811</u>	<u>53</u>	
							<b>Total liabilities and equity</b>	<b>\$ 22,008,322</b>	<b>100</b>	<b>20,450,968</b>	<b>100</b>	<b>19,920,438</b>	<b>100</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 Standards on Auditing**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the three months ended March 31, 2023 and 2022**

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

		For the three months ended March 31			
		2023		2022	
		Amount	%	Amount	%
4000	<b>Operating revenues (notes 6(q), 7 and 14)</b>				
4621	Freight revenue-vessel chartering	\$ 524,369	57	565,933	56
4622	Freight revenue-container hauling and logistics	392,085	42	424,100	42
4623	Freight revenue-airline agent and others	<u>12,914</u>	<u>1</u>	<u>16,642</u>	<u>2</u>
		<u>929,368</u>	<u>100</u>	<u>1,006,675</u>	<u>100</u>
5000	<b>Operating costs (notes 6(m), (s) and 12)</b>				
5621	Freight cost-vessel chartering	403,863	43	368,905	37
5622	Freight cost-container hauling and logistics	297,651	32	338,287	33
5623	Freight cost-airline agent and others	<u>9,118</u>	<u>1</u>	<u>16,615</u>	<u>2</u>
		<u>710,632</u>	<u>76</u>	<u>723,807</u>	<u>72</u>
5900	<b>Gross profit</b>	<u>218,736</u>	<u>24</u>	<u>282,868</u>	<u>28</u>
	<b>Operating expenses:</b>				
6000	Operating expenses (notes 6(m), (s), 7 and 12)	119,900	13	116,320	11
6450	Expected credit losses (note 6(d))	<u>202</u>	<u>-</u>	<u>9</u>	<u>-</u>
		<u>120,102</u>	<u>13</u>	<u>116,329</u>	<u>11</u>
6900	<b>Net operating income</b>	<u>98,634</u>	<u>11</u>	<u>166,539</u>	<u>17</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (notes 6(c) and 12)	36,669	4	53,933	6
7050	Finance costs (note 6(r))	(62,499)	(7)	(24,429)	(2)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (note 6(e))	11,640	1	1,557	-
7100	Interest income	30,395	3	1,338	-
7210	Gains (losses) on disposals of property, plant and equipment, net (note 6(f))	188	-	127	-
7230	Foreign exchange gains (losses), net	(1,991)	-	215	-
7235	Gains (losses) on financial assets at fair value through profit or loss (note 6(b))	69,878	7	21,002	1
7590	Miscellaneous disbursements	<u>-</u>	<u>-</u>	<u>(36)</u>	<u>-</u>
		<u>84,280</u>	<u>8</u>	<u>53,707</u>	<u>5</u>
7900	<b>Profit from continuing operation before tax</b>	182,914	19	220,246	22
7950	Less: Income tax expenses (note 6(n))	<u>11,445</u>	<u>1</u>	<u>35,963</u>	<u>4</u>
	<b>Profit</b>	<u>171,469</u>	<u>18</u>	<u>184,283</u>	<u>18</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))	<u>6,167</u>	<u>1</u>	<u>226,366</u>	<u>22</u>
	<b>Items that may not be reclassified to profit or loss</b>	<u>6,167</u>	<u>1</u>	<u>226,366</u>	<u>22</u>
8360	<b>Items that may be reclassified subsequently to profit or loss</b>				
8361	Exchange differences on translation of foreign financial statements	(97,358)	(11)	317,251	32
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>(5,460)</u>	<u>-</u>	<u>20,073</u>	<u>2</u>
	<b>Items that may be reclassified subsequently to profit or loss</b>	<u>(102,818)</u>	<u>(11)</u>	<u>337,324</u>	<u>34</u>
8300	<b>Other comprehensive income</b>	<u>(96,651)</u>	<u>(10)</u>	<u>563,690</u>	<u>56</u>
	<b>Total comprehensive income</b>	<u>\$ 74,818</u>	<u>8</u>	<u>747,973</u>	<u>74</u>
	<b>Profit, attributable to:</b>				
	Owners of parent	173,425	18	186,188	18
	Non-controlling interests	<u>(1,956)</u>	<u>-</u>	<u>(1,905)</u>	<u>-</u>
		<u>\$ 171,469</u>	<u>18</u>	<u>184,283</u>	<u>18</u>
	<b>Comprehensive income attributable to:</b>				
	Owners of parent	76,774	8	749,878	74
	Non-controlling interests	<u>(1,956)</u>	<u>-</u>	<u>(1,905)</u>	<u>-</u>
		<u>\$ 74,818</u>	<u>8</u>	<u>747,973</u>	<u>74</u>
	<b>Earnings per share (notes 6(p) and 12)</b>				
9750	<b>Basic net income per share (NT Dollars)</b>	<u>\$ 0.88</u>		<u>0.94</u>	
9850	<b>Diluted net income per share (NT Dollars)</b>	<u>\$ 0.88</u>		<u>0.94</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 Standards on Auditing**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**  
**For the three months ended March 31, 2023 and 2022**  
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest			Non-controlling interests	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 equity attributable to owners of parent			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total				Total	Total	
<b>Balance at January 1, 2022</b>	\$ 1,974,846	53,411	1,779,756	883,992	6,653,375	9,317,123	(1,308,389)	373,621	(934,768)	10,410,612	17,485	10,428,097
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	-	(529,259)	(529,259)	-	-	-	(529,259)	-	(529,259)
Net income for the three months ended March 31, 2022	-	-	-	-	186,188	186,188	-	-	-	186,188	(1,905)	184,283
Other comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	-	337,324	226,366	563,690	563,690	-	563,690
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	186,188	186,188	337,324	226,366	563,690	749,878	(1,905)	747,973
<b>Balance at March 31, 2022</b>	\$ <u>1,974,846</u>	<u>53,411</u>	<u>1,779,756</u>	<u>883,992</u>	<u>6,310,304</u>	<u>8,974,052</u>	<u>(971,065)</u>	<u>599,987</u>	<u>(371,078)</u>	<u>10,631,231</u>	<u>15,580</u>	<u>10,646,811</u>
<b>Balance at January 1, 2023</b>	\$ 1,974,846	53,411	1,882,499	934,768	6,749,885	9,567,152	(216,492)	263,360	46,868	11,642,277	9,373	11,651,650
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	-	(430,516)	(430,516)	-	-	-	(430,516)	-	(430,516)
Net income for the three months ended March 31, 2023	-	-	-	-	173,425	173,425	-	-	-	173,425	(1,956)	171,469
Other comprehensive income for the three months ended March 31, 2023	-	-	-	-	-	-	(102,818)	6,167	(96,651)	(96,651)	-	(96,651)
Total comprehensive income for the three months ended March 31, 2023	-	-	-	-	173,425	173,425	(102,818)	6,167	(96,651)	76,774	(1,956)	74,818
<b>Balance at March 31, 2023</b>	\$ <u>1,974,846</u>	<u>53,411</u>	<u>1,882,499</u>	<u>934,768</u>	<u>6,492,794</u>	<u>9,310,061</u>	<u>(319,310)</u>	<u>269,527</u>	<u>(49,783)</u>	<u>11,288,535</u>	<u>7,417</u>	<u>11,295,952</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 STANDARDS ON AUDITING**

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the three months ended March 31, 2023 and 2022**

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

	For the three months ended March 31	
	2023	2022
<b>Cash flows from (used in) operating activities:</b>		
Profit before tax	\$ 182,914	220,246
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation and amortization	253,119	223,693
Expected credit loss	202	9
Net gain on financial assets at fair value through profit or loss	(69,878)	(21,002)
Interest expense	62,499	24,429
Interest income	(30,395)	(1,338)
Dividend income	(30,868)	(48,507)
Share of profit of associates and joint ventures accounted for using equity method	(11,640)	(1,557)
Net gain on disposal of property, plant and equipment	(188)	(127)
<b>Total adjustments to reconcile profit (loss)</b>	<u>172,851</u>	<u>175,600</u>
<b>Changes in operating assets:</b>		
Decrease (increase) in notes and accounts receivable (including related parties)	(668)	14,063
Decrease (increase) in other current assets	(27,685)	75,766
Decrease (increase) in other current financial assets	19,160	(11,628)
	<u>(9,193)</u>	<u>78,201</u>
<b>Changes in operating liabilities:</b>		
Decrease in notes and accounts payable	(8,560)	(39,681)
Decrease in current contract liabilities	(9,651)	(7,940)
(Decrease) increase in other current liabilities	(56,875)	53,316
Decrease in net defined benefit liabilities	(241)	(4,821)
	<u>(75,327)</u>	<u>874</u>
<b>Total changes in operating assets and liabilities</b>	<u>(84,520)</u>	<u>79,075</u>
<b>Total adjustments</b>	<u>88,331</u>	<u>254,675</u>
Cash inflow generated from operations	271,245	474,921
Interest received	28,530	829
Interest paid	(52,155)	(23,230)
Income taxes paid	(3,415)	(183)
<b>Net cash flows from operating activities</b>	<u>244,205</u>	<u>452,337</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(180,062)	-
Proceeds from disposal of financial assets at fair value through profit or loss	-	400,949
Acquisition of property, plant and equipment	(1,237,009)	(489,797)
Proceeds from disposal of property, plant and equipment	910	517
Increase in other non-current assets	(64,186)	(15,097)
Decrease (increase) in other current financial assets	(37,955)	120,900
Increase in other non-current financial assets	(177)	(19)
<b>Net cash flows from (used in) investing activities</b>	<u>(1,518,479)</u>	<u>17,453</u>
<b>Cash flows from (used in) financing activities:</b>		
(Decrease) increase in short-term borrowings	489,982	(250,091)
Proceeds from long-term borrowings	1,244,354	420,315
Repayments of long-term borrowings	(185,588)	(196,473)
Payment of lease liabilities	(24,289)	(23,384)
Others	202	308
<b>Net cash flows from (used in) financing activities</b>	<u>1,524,661</u>	<u>(49,325)</u>
Effect of exchange rate changes on cash and cash equivalents	(26,531)	77,200
Net increase in cash and cash equivalents	223,856	497,665
Cash and cash equivalents at beginning of period	3,989,154	3,057,048
Cash and cash equivalents at end of period	<u>\$ 4,213,010</u>	<u>3,554,713</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 Standards on Auditing as of March 31, 2023 and 2022

**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**March 31, 2023 and 2022**

**(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, 2023 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, 2023.

**(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. 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, 2022:

- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”
- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

(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>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement for at least 12 months after the reporting date. The amendments has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance.  The amendments clarify how a company classifies a liability that can be settled in its own shares – e.g. convertible debt.	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	After reconsidering certain aspects of the 2020 amendments <sup>1</sup> , new IAS 1 amendments clarify that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current.  Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability’s classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.	January 1, 2024

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

(Continued)

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS16 “Requirements for Sale and Leaseback Transactions”

**(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, 2022. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2022.

**(b) Basis of consolidation**

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			March 31, 2023	December 31, 2022	March 31, 2022	
The Company	Chinese Maritime Transport (S) Pte. Ltd. (CMTS)	Investment holding of ship-owning companies	-	-	0.34	Note 5
"	Chinese Maritime Transport (Hong Kong), Limited (CMTHK)	Investment holding of ship-owning companies	100	100	100	
"	Chinese Maritime Transport International Pte. Ltd. (CMTI)	Investment holding of ship-owning companies	100	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. (TRV)	Travel	100	100	100	Note 3
"	Associated Group Motors Corp. (AGM)	Automobile and its part manufacturing	70	70	70	Note 3

(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, 2023	December 31, 2022	March 31, 2022	
The Company	Huang Yuen Transport Ltd. (HYT)	Container trucking	71.43	71.43	71.43	
"	Mao Hwa Transport Ltd. (MHT)	Container trucking	72.41	72.41	-	Note 1
"	Prosperity Transport Ltd.(APT)	Container trucking	78.12	78.12		Note 2
"	Chinese Maritime Transport (UK) Limited (CMTUK)	Investment holding of ship-owning companies	100	100	-	Note 4
CMTS	China Fortune Shipping Pte. Ltd. (CFR)	Bulk-carrier transportation	-	-	100	Note 6
"	China Enterprise Shipping Pte. Ltd. (CEP)	Bulk-carrier transportation	-	-	100	Note 6
CMTHK	China Prosperity Shipping Ltd. (CPS)	Bulk-carrier transportation	100	100	100	
"	China Peace Shipping Ltd. (CPC)	Bulk-carrier transportation	-	-	100	Note 6
"	China Progress Shipping Ltd. (CPG)	Bulk-carrier transportation	-	-	100	Note 6
"	China Pioneer Shipping Ltd. (CPN)	Bulk-carrier transportation	-	-	100	Note 6
"	China Pride Shipping Ltd. (CPD)	Bulk-carrier transportation	-	-	100	Note 6
"	CMT Chartering Ltd. (CHT)	Bulk-chartering services	100	100	100	
"	China Triumph Shipping Ltd. (CTU)	Bulk-carrier transportation	-	-	100	Note 6
"	China Trade Shipping Ltd. (CTD)	Bulk-carrier transportation	-	-	100	Note 6
"	China Harmony Shipping Ltd. (CHM)	Bulk-carrier transportation	-	-	100	Note 6
"	China Honour Shipping Ltd. (CHN)	Bulk-carrier transportation	-	-	100	Note 6
"	CMT Investment Co., Limited (CHI)	Investment	100	100	100	
"	Chinese Maritime Transport Ship Management (Hong Kong) Limited (CIM)	Investment management	100	100	100	
CMTI	CMTS	Investment holding of ship-owning companies	100	100	99.66	Note 5
"	China Champion Shipping Pte. Ltd. (CCMP)	Bulk-carrier transportation	-	-	100	Note 6
"	China Venture Shipping Pte. Ltd. (CVTR)	Bulk-carrier transportation	-	-	100	Note 6
"	China Ace Shipping Pte. Ltd. (CACE)	Bulk-carrier transportation	-	-	100	Note 6
"	China Vista Shipping Pte. Ltd. (CVST)	Bulk-carrier transportation	-	-	100	Note 6

(Continued)

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

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			March 31, 2023	December 31, 2022	March 31, 2022	
CMTUK	China Peace Shipping Ltd. (CPC)	Bulk-carrier transportation	100	100	-	Note 6
"	China Progress Shipping Ltd. (CPG)	Bulk-carrier transportation	100	100	-	Note 6
"	China Pride Shipping Ltd. (CPD)	Bulk-carrier transportation	100	100	-	Note 6
"	China Pioneer Shipping Ltd. (CPN)	Bulk-carrier transportation	100	100	-	Note 6
CMTUK	China Trade Shipping Ltd. (CTD)	Bulk-carrier transportation	100	100	-	Note 6
"	China Triumph Shipping Ltd. (CTU)	Bulk-carrier transportation	100	100	-	Note 6
"	China Harmony Shipping Ltd. (CHM)	Bulk-carrier transportation	100	100	-	Note 6
"	China Honour Shipping Ltd. (CHN)	Bulk-carrier transportation	100	100	-	Note 6
"	China Fortune Shipping Pte. Ltd. (CFR)	Bulk-carrier transportation	100	100	-	Note 6
"	China Enterprise Shipping Pte. Ltd. (CEP)	Bulk-carrier transportation	100	100	-	Note 6
"	China Ace Shipping Pte. Ltd. (CACE)	Bulk-carrier transportation	100	100	-	Note 6
"	China Vista Shipping Pte. Ltd. (CVST)	Bulk-carrier transportation	100	100	-	Note 6
"	China Venture Shipping Pte. Ltd. (CVTR)	Bulk-carrier transportation	100	100	-	Note 6
"	China Champion Shipping Pte. Ltd. (CCMP)	Bulk-carrier transportation	100	100	-	Note 6
ATI	Chang Shun Transport Ltd. (CST)	Container trucking	100	100	100	
"	Huang Yuen Transport Ltd. (HYT)	Container trucking	28.57	28.57	28.57	
"	Mao Hwa Transport Ltd. (MHT)	Container trucking	27.59	27.59	100	Note 1
"	Prosperity Transport Ltd. (APT)	Container trucking	21.88	21.88	100	Note 2
"	Pioneer Transport Ltd. (PTL)	Container trucking	100	100	100	

Note 1: The Company and subsidiary ATI jointly hold 100% shareholding on MHT. In June 2022, the Company subscribed for all shares of MHT's cash capital increase, increasing its percentage of shareholding to 72.41%.

Note 2: The Company and subsidiary ATI jointly hold 100% shareholding on APT. In October 2022, the Company subscribed for all shares of APT's cash capital increase, increasing its percentage of shareholding to 78.12%.

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

(Continued)

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

Note 4: Subsidiary incorporated in May 2022. The Company had increased \$629,280 of capital in August 2022.

Note 5: The Company had recognized in April 2022 to transfer the shares of subsidiary CMTS from the Company to subsidiary CMTI.

Note 6: The Company had reorganized from October 2022 to December 2022 to transfer the shares of subsidiary from subsidiary CMTS, CMTHK and CMTI to subsidiary CMTUK.

(c) Employee benefits

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

(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 tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and 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, 2022.

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

**(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 2022 consolidated financial statements. Please refer to note 6 of the consolidated financial statements for the year ended December 31, 2022.

(a) Cash and cash equivalents

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Petty cash, checking accounts and demand deposits	\$ 964,052	1,009,949	1,477,939
Time deposits	2,814,746	2,709,326	1,711,117
Cash equivalents-commercial papers and reverse repurchase agreements	<u>434,212</u>	<u>269,879</u>	<u>365,657</u>
	<u>\$ 4,213,010</u>	<u>3,989,154</u>	<u>3,554,713</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.

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

(i) Information was as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<b>Current financial assets mandatorily measured as at fair value through profit or loss:</b>			
Non-derivative financial instrument			
Domestic listed stocks	\$ 384,556	314,678	478,094
<b>Non-current financial assets mandatorily measured as at fair value through profit or loss:</b>			
Non-derivative financial instrument			
Domestic listed stocks	-	-	288,591
Domestic unlisted stocks	<u>15,537</u>	<u>15,537</u>	<u>20,352</u>
	<u>\$ 400,093</u>	<u>330,215</u>	<u>787,037</u>
Current	\$ 384,556	314,678	478,094
Non-current	<u>15,537</u>	<u>15,537</u>	<u>308,943</u>
	<u>\$ 400,093</u>	<u>330,215</u>	<u>787,037</u>

The gain on financial assets at fair value through profit or loss for the three months ended March 31, 2023 and 2022 were \$69,878 and \$21,002, respectively.

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

As of March 31, 2023, December 31 and March 31, 2022, 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, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Equity investments at fair value through other comprehensive income			
Domestic listed stocks	\$ <u>855,584</u>	<u>669,355</u>	<u>1,002,473</u>

- (i) Equity investments at fair value through other comprehensive income

The Group newly purchased those investments for strategic purposes amounting to \$180,062 during the three months ended March 31, 2023 ; the Group made no new strategic investment during the three months ended March 31, 2022.

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, 2023 and 2022.

During the three months ended March 31, 2023 and 2022, the Group had recognized unrealized gain on financial assets at fair value through other comprehensive income amounting to \$6,167 and \$226,366, respectively.

During the three months ended March 31, 2023 and 2022, the dividends of \$30,868 and \$48,507, respectively, related to equity investment at fair value through other comprehensive income were recognized.

- (ii) Please refer to note 6(t) for market risk.
- (iii) As of March 31, 2023, December 31 and March 31, 2022, the financial assets measured at other comprehensive income of the Group had been pledged as collateral, please refer to note (8).

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

## (d) Notes and accounts receivable

	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Notes receivable	\$ 11,675	10,021	12,847
Accounts receivable	283,979	284,965	319,417
Less: Loss allowance	(596)	(394)	(270)
	<b><u>\$ 295,058</u></b>	<b><u>294,592</u></b>	<b><u>331,994</u></b>
Notes and accounts receivable, net	<b><u>\$ 286,918</u></b>	<b><u>279,731</u></b>	<b><u>321,661</u></b>
Notes and accounts receivable due from related parties, net	<b><u>\$ 8,140</u></b>	<b><u>14,861</u></b>	<b><u>10,333</u></b>

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, 2023</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 278,908	-	-
1 to 30 days past due	12,985	-	-
30 to 180 days past due	3,761	15.85%	596
More than 180 days past due	-	-	-
	<b><u>\$ 295,654</u></b>		<b><u>596</u></b>
	<b>December 31, 2022</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not overdue	\$ 274,945	-	-
1 to 30 days past due	13,559	-	-
30 to 180 days past due	6,482	6.08%	394
More than 180 days past due	-	-	-
	<b><u>\$ 294,986</u></b>		<b><u>394</u></b>

(Continued)

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

	<b>March 31, 2022</b>		
	<b>Gross carrying amount</b>	<b>Weighted- average loss rate</b>	<b>Loss allowance provision</b>
Not current	\$ 313,059	-	-
1 to 30 days past due	14,099	-	-
30 to 180 days past due	5,106	5.27%	270
More than 180 days past due	-	-	-
	<b>\$ 332,264</b>		<b>270</b>

The movements in the allowance for notes and accounts receivable were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Balance on January 1	\$ 394	261
Impairment losses recognized	202	9
Balance on March 31	<b>\$ 596</b>	<b>270</b>

The Group did not provide any aforementioned notes and accounts receivable as collaterals as of March 31, 2023, December 31 and March 31, 2022.

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, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Associates	<b>\$ 641,785</b>	<b>635,606</b>	<b>609,213</b>

- (ii) The Group's share of the profit (loss) of associates were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Associates	<b>\$ 11,640</b>	<b>1,557</b>

(Continued)

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

(iii) 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, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Carrying amount of individually insignificant associates' equity	<b>\$ 641,785</b>	<b>635,606</b>	<b>609,213</b>
		<b>For the three months ended March 31,</b>	
		<b>2023</b>	<b>2022</b>
Share of profit attributable to the Group:			
Profit from continuing operations		\$ 11,640	1,557
Other comprehensive income		(5,460)	20,073
Comprehensive income		<b>\$ 6,180</b>	<b>21,630</b>

(iv) Pledges

As of March 31, 2023, December 31 and March 31, 2022, the Group did not provide investment accounted for using equity method as collateral.

(f) Property, plant and equipment

The movements of cost, depreciation and impairment of the property, plant and equipment of the Group 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, 2023	\$ 1,699,643	258,555	19,620,215	597,240	2,114,455	24,290,108
Additions	-	166	1,230,724	1,446	4,673	1,237,009
Disposals	-	(2,664)	(1,885)	(10,928)	-	(15,477)
Transfer in (out)	-	-	602,108	4,120	(569,472)	36,756
Effect of movements in exchange rates	-	(298)	(156,095)	-	(18,794)	(175,187)
Balance on March 31, 2023	<b>\$ 1,699,643</b>	<b>255,759</b>	<b>21,295,067</b>	<b>591,878</b>	<b>1,530,862</b>	<b>25,373,209</b>
Balance on January 1, 2022	\$ 1,699,643	193,245	17,549,045	622,199	955,610	21,019,742
Additions	-	798	106,728	17,613	364,658	489,797
Disposals	-	(745)	(775)	(6,535)	-	(8,055)
Reclassifications	-	-	2,089	153	(74,727)	(72,485)
Effect of movements in exchange rates	-	1,083	572,741	-	37,560	611,384
Balance on March 31, 2022	<b>\$ 1,699,643</b>	<b>194,381</b>	<b>18,229,828</b>	<b>633,430</b>	<b>1,283,101</b>	<b>22,040,383</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, 2023	\$ -	98,126	10,009,861	306,679	-	10,414,666
Depreciation	-	4,562	223,333	11,695	-	239,590
Disposals	-	(2,664)	(1,760)	(10,331)	-	(14,755)
Effect of movements in exchange rates	-	(75)	(78,860)	-	-	(78,935)
Balance on March 31, 2023	<u>\$ -</u>	<u>99,949</u>	<u>10,152,574</u>	<u>308,043</u>	<u>-</u>	<u>10,560,566</u>
Balance on January 1, 2022	\$ -	104,006	8,318,553	336,120	-	8,758,679
Depreciation	-	3,843	196,149	10,204	-	210,196
Disposals	-	(745)	(775)	(6,145)	-	(7,665)
Effect of movements in exchange rates	-	256	266,019	-	-	266,275
Balance on March 31, 2022	<u>\$ -</u>	<u>107,360</u>	<u>8,779,946</u>	<u>340,179</u>	<u>-</u>	<u>9,227,485</u>
<b>Carrying amounts:</b>						
Balance on January 1, 2023	<u>\$ 1,699,643</u>	<u>160,429</u>	<u>9,610,354</u>	<u>290,561</u>	<u>2,114,455</u>	<u>13,875,442</u>
Balance on March 31, 2023	<u>\$ 1,699,643</u>	<u>155,810</u>	<u>11,142,493</u>	<u>283,835</u>	<u>1,530,862</u>	<u>14,812,643</u>
Balance on March 31, 2022	<u>\$ 1,699,643</u>	<u>87,021</u>	<u>9,449,882</u>	<u>293,251</u>	<u>1,283,101</u>	<u>12,812,898</u>

- (i) The pledge information is summarized in note (8).
- (ii) The Group entered into two bulk-carrier construction contracts with the third parties on May 20 and October 22, 2021, respectively, four bulk-carriers in total. One of the bulk-carrier was delivered in March, 2023, and transferred to transport equipment. As of financial report date, the cost of the remaining three incurred totaled USD49,750 thousand (\$1,514,889 in thousand New Taiwan Dollars).
- (iii) The Group disposed of part of the property, plant and equipment during the three months ended March 31, 2023 and 2022 for \$910 and \$517, respectively, and the related gain of disposal were \$188 and \$127, respectively. The registration procedures of the assets transfer have been completed and related receivables have been collected.
- (iv) 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 USD31,555 thousand (\$960,850, \$969,054 and 903,262 in thousand New Taiwan Dollars) as of March 31, 2023, December 31 and March 31, 2022, respectively.
- (v) 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 carrier leases, the rental income is fixed under the contract. For more information of operating leases, please refer to note 6(l).

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

## (g) Right-of-use assets

The movements of cost and depreciation of the Group as a lessee were as follows:

	<u>Land</u>	<u>Buildings and construction</u>	<u>Total</u>
<b>Cost:</b>			
Balance on January 1, 2023	\$ 243,217	78,813	322,030
Additions	-	40,454	40,454
Disposal	-	(24,207)	(24,207)
Balance on March 31, 2023	<u>\$ 243,217</u>	<u>95,060</u>	<u>338,277</u>
Balance on January 1, 2022 (equal to balance March 31, 2022)	<u>\$ 243,217</u>	<u>78,813</u>	<u>322,030</u>
<b>Accumulated depreciation:</b>			
Balance on January 1, 2023	\$ 96,016	60,611	156,627
Depreciation	8,690	3,960	12,650
Disposal	-	(24,207)	(24,207)
Balance on March 31, 2023	<u>\$ 104,706</u>	<u>40,364</u>	<u>145,070</u>
Balance on January 1, 2022	\$ 61,257	45,458	106,715
Depreciation	8,690	3,788	12,478
Balance on March 31, 2022	<u>\$ 69,947</u>	<u>49,246</u>	<u>119,193</u>
<b>Carrying Amount:</b>			
Balance on January 1, 2023	<u>\$ 147,201</u>	<u>18,202</u>	<u>165,403</u>
Balance on March 31, 2023	<u>\$ 138,511</u>	<u>54,696</u>	<u>193,207</u>
Balance on March 31, 2022	<u>\$ 173,270</u>	<u>29,567</u>	<u>202,837</u>

## (h) Investment 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, 2023	\$ 19,094	25,674	44,768
Effect of movements in exchange rates	-	(184)	(184)
Balance on March 31, 2023	<u>\$ 19,094</u>	<u>25,490</u>	<u>44,584</u>

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

	<u>Owned property</u>		<u>Total</u>
	<u>Land</u>	<u>Building</u>	
Balance on January 1, 2022	\$ 19,094	23,512	42,606
Effect of movements in exchange rates	-	673	673
Balance on March 31, 2022	<u>\$ 19,094</u>	<u>24,185</u>	<u>43,279</u>
<b>Depreciation and impairment losses:</b>			
Balance on January 1, 2023	\$ -	9,921	9,921
Depreciation	-	128	128
Effect of movements in exchange rates	-	(59)	(59)
Balance on March 31, 2023	<u>\$ -</u>	<u>9,990</u>	<u>9,990</u>
Balance on January 1, 2022	\$ -	8,757	8,757
Depreciation	-	119	119
Effect of movements for exchange rates	-	203	203
Balance on March 31, 2022	<u>\$ -</u>	<u>9,079</u>	<u>9,079</u>
<b>Carrying amount:</b>			
Balance on January 1, 2023	<u>\$ 19,094</u>	<u>15,753</u>	<u>34,847</u>
Balance on March 31, 2023	<u>\$ 19,094</u>	<u>15,500</u>	<u>34,594</u>
Balance on March 31, 2022	<u>\$ 19,094</u>	<u>15,106</u>	<u>34,200</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.

Investment property comprises a number of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancellable period. Subsequent renewals are negotiated with the lessee, and no contingent rents are changed. For more information (including rental income and operating expenses incurred directly), please refer to note 6(l).

There was no significant change in the fair value of investment property during the three months ended March 31, 2023 as disclosed in note 6(h) of the consolidated financial statements for the year ended December 31, 2022.

As of March 31, 2023, December 31 and March 31, 2022, the investment property of the Group was not pledged as collateral or restricted.

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

(i) Other financial assets

	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Restricted deposits	\$ 72,355	77,218	188,431
Time deposits (over three months)	25,222	25,072	24,667
Other receivables	42,812	29,314	90,932
Refundable deposits	8,591	8,514	7,606
Pledged assets-time deposits	<u>202,376</u>	<u>159,608</u>	<u>87,736</u>
	<b><u>\$ 351,356</u></b>	<b><u>299,726</u></b>	<b><u>399,372</u></b>
Other current financial assets	\$ 327,765	276,312	376,892
Other non-current financial assets	<u>23,591</u>	<u>23,414</u>	<u>22,480</u>
	<b><u>\$ 351,356</u></b>	<b><u>299,726</u></b>	<b><u>399,372</u></b>

The restricted time deposits are applicable to “The Management, Utilization, and Taxation of Repatriated Offshore Funds Act” for the Group in 2022 and 2021. The restricted time deposits accounts are used for the purpose of offshore funds only.

As of March 31, 2023, December 31 and March 31, 2022, 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 papers payable, net

	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Bank loans	\$ 1,860,000	1,500,000	430,000
Commercial papers payable	530,000	400,000	780,000
Less: discount on commercial papers payable	<u>(532)</u>	<u>(514)</u>	<u>(310)</u>
	<b><u>\$ 2,389,468</u></b>	<b><u>1,899,486</u></b>	<b><u>1,209,690</u></b>
Unused credit lines	<b><u>\$ 2,290,000</u></b>	<b><u>2,760,000</u></b>	<b><u>3,560,000</u></b>
Range of interest rate	<b><u>0.85%~2.01%</u></b>	<b><u>0.85%~1.97%</u></b>	<b><u>0.80%~1.00%</u></b>

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

## (ii) Long-term borrowings

<u>Bank</u>	<u>Currency</u>	<u>Due Year</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Bank Sinopec	USD	2022	\$ -	-	384,612
Bank Sinopec	"	2023	406,051	409,518	475,466
BNP PARIBAS	"	2026	364,227	393,236	390,680
Mega International Commercial Bank	"	2026	365,400	368,520	429,375
Bank Sinopec	"	2026	318,215	366,779	-
CTBC Bank	"	2027	543,273	584,094	578,165
Mega International Commercial Bank	"	2027	365,400	414,585	586,241
Mega International Commercial Bank	"	2027	557,235	595,467	429,375
Mega International Commercial Bank	USD	2033	<u>1,246,318</u>	<u>-</u>	<u>-</u>
			4,166,119	3,132,199	3,273,914
Current portion			<u>(961,122)</u>	<u>(876,584)</u>	<u>(828,253)</u>
Total			<u>\$ 3,204,997</u>	<u>2,255,615</u>	<u>2,445,661</u>
Range of interest rates			<u>5.500%~6.528%</u>	<u>0.905%~6.336%</u>	<u>0.905%~2.108%</u>

## (iii) Bonds Payable

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

	<u>Guarantee bank</u>	<u>Interest rate</u>	<u>Due</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
2017						
The first secured bonds payable	Shanghai Commercial Bank	1.13 %	April 2022	Note	Note	400,000
2020						
The first secured bonds payable	Shanghai Commercial Bank	0.64 %	August 2025	\$ 500,000	500,000	500,000
"	"	0.66 %	August 2025	500,000	500,000	500,000
"	Mega Bank	0.64 %	August 2025	1,000,000	1,000,000	1,000,000
"	"	0.66 %	August 2025	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
				2,500,000	2,500,000	2,900,000
Current portion				<u>-</u>	<u>-</u>	<u>(400,000)</u>
				<u>\$ 2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>

Note: The Company issued secured bonds payable in 2017, which were fully redeemed in April 2022.

(iv) 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 borrowings, please refer to note (8).

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

(k) Lease liabilities

	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Current	<u>\$ 52,644</u>	<u>45,849</u>	<u>49,161</u>
Non-current	<u>\$ 134,724</u>	<u>125,354</u>	<u>148,026</u>

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

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Interest expenses on lease liabilities	<u>\$ 496</u>	<u>511</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>2023</b>	<b>2022</b>
Total cash outflow for leases	<u>\$ 24,785</u>	<u>23,895</u>

Land and building leases

As of March 31, 2023, the Group leases land and building for its parking space and warehouses. The leases of land typically run for period of 3 to 9 years, and of warehouses for 3 to 12 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, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Less than one year	\$ 1,299,128	1,061,229	1,476,757
Between one and five years	518,443	56,909	61,105
More than five years	5,400	-	-
Total undiscounted lease payments	<u>\$ 1,822,971</u>	<u>1,118,138</u>	<u>1,537,862</u>

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

(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, 2022 and 2021.

The Group's pension costs were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
Cost of sales and operating expense	\$ <u>441</u>	<u>1,667</u>

(ii) Defined contribution plans

The Group's pension costs under the defined contribution plans were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
Cost of sales and operating expense	\$ <u>3,493</u>	<u>2,697</u>

(n) Income taxes

(i) Tax expenses

The components of income tax for the three months ended March 31, 2023 and 2022 were as follows:

	<b>For the three months ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
Current tax expense	\$ <u>11,445</u>	<u>35,963</u>

(ii) Assessment of tax

The income tax returns of the Company and its subsidiaries in the ROC for the years through 2021 had been examined and cleared by the tax authorities.

(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, 2023 and 2022. For the related information, please refer to note 6(o) of the consolidated financial statements for the year ended December 31, 2022.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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(i) Retained Earning

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

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

1) Legal reserve

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

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, shall be reclassified as a special reserve during earnings distribution. The carrying amount of special reserve amounted to \$359,487 on March 31, 2023, December 31 and March 31, 2022.

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.

3) Earnings distribution

Based on the Board of Directors meeting held on March 20, 2023, and the resolutions of the annual stockholders' meeting held on May 12, 2022, the earnings distributions to ordinary shareholders for the fiscal years 2022 and 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Dividends distributed to ordinary shareholders		
Cash	<u>\$ 430,516</u>	<u>529,259</u>

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

	Exchange differences on translation of foreign financial Statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance on January 1, 2023	\$ (216,492)	263,360	46,868
The Group	(97,358)	6,167	(91,191)
Associates	(5,460)	-	(5,460)
Balance on March 31, 2023	<u>\$ (319,310)</u>	<u>269,527</u>	<u>(49,783)</u>
Balance on January 1, 2022	\$ (1,308,389)	373,621	(934,768)
The Group	317,251	226,366	543,617
Associates	20,073	-	20,073
Balance on March 31, 2022	<u>\$ (971,065)</u>	<u>599,987</u>	<u>(371,078)</u>

(p) Earnings per share

(i) Basic earnings per share

The calculation of basic earnings per share for the three months ended March 31, 2023 and 2022 were based on the profit attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding, calculated as follows:

1) Profit attributable to ordinary shareholders of the Company

	For the three months ended March 31,	
	2023	2022
Profit attributable to ordinary shareholders of the Company	<u>\$ 173,425</u>	<u>186,188</u>

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

	For the three months ended March 31,	
	2023	2022
Weighted-average number of ordinary shares (basic)	<u>197,485</u>	<u>197,485</u>

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

3) Basic earnings per share (NTD)

	<b>For the three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Basic earnings per share	<b>\$ 0.88</b>	<b>0.94</b>

(ii) Diluted earnings per share

The calculation of diluted earnings per share for the three months ended March 31, 2023 and 2022 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>	
	<b>2023</b>	<b>2022</b>
Profit attributable to ordinary shareholders of the Company	<b>\$ 173,425</b>	<b>186,188</b>

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

	<b>For the three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Number of ordinary shares (basic)	197,485	197,485
Effect on the employee stock bonuses	213	196
Weighted-average number of ordinary shares (diluted)	<b>197,698</b>	<b>197,681</b>

3) Diluted earnings per share (NTD)

	<b>For the three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Diluted earnings per share	<b>\$ 0.88</b>	<b>0.94</b>

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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## (q) Revenue from contracts with customers

## (i) Disaggregation of revenue

	<b>For the three months ended March 31, 2023</b>			
	<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Total</b>
Primary geographical markets				
Asia	\$ 392,085	-	12,914	404,999
America	-	51,201	-	51,201
Europe	-	316,335	-	316,335
Oceania	-	156,833	-	156,833
	<u>\$ 392,085</u>	<u>524,369</u>	<u>12,914</u>	<u>929,368</u>

	<b>For the three months ended March 31, 2022</b>			
	<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Total</b>
Primary geographical markets				
Asia	\$ 424,100	-	16,642	440,742
America	-	78,821	-	78,821
Europe	-	278,192	-	278,192
Oceania	-	208,920	-	208,920
	<u>\$ 424,100</u>	<u>565,933</u>	<u>16,642</u>	<u>1,006,675</u>

## (ii) Contract balances

	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>March 31, 2022</b>
Notes and accounts receivable (including related parties)	\$ 295,654	294,986	332,264
Less: allowance for impairment	(596)	(394)	(270)
Total	<u>\$ 295,058</u>	<u>294,592</u>	<u>331,994</u>
Contract liabilities	<u>\$ 48,029</u>	<u>57,680</u>	<u>47,277</u>

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

For the three months ended March 31, 2023 and 2022, revenue recognized that included in the contract liability balance at the beginning of the periods amounted to \$57,680 and \$55,217, respectively.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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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</b>	
	<b>March 31,</b>	
	<u><b>2023</b></u>	<u><b>2022</b></u>
Bank loans	\$ 53,826	13,904
Bonds payable	8,177	10,014
Lease liabilities	<u>496</u>	<u>511</u>
	<u><b>\$ 62,499</b></u>	<u><b>24,429</b></u>

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

After the re-election of the directors in the annual shareholders' meeting held on May 12, 2022, the Company established an audit committee, which consists of the Company's independent directors, to replace the duties of the supervisors. In addition, the Company amended the relevant provisions of its Articles of Incorporation.

In accordance with the Company's articles of incorporation that amended before May 12, 2022, earnings shall first be used to offset against any deficit, then a range from 0.5% to 2% will be distributed as employee remuneration, and a maximum of 2% will be allocated as directors' and supervisors' remuneration.

In accordance with the Company's articles of incorporation that amended after May 12, 2022, earnings shall first be used to offset against any deficit, then a range from 0.5% to 2% will be distributed as employee remuneration, and a maximum of 2% will be allocated as directors' remuneration.

For the three months ended March 31, 2023 and 2022, the Company recognized its employee remuneration of \$1,770 and \$1,643, respectively, and its directors' remuneration of \$1,770 and \$1,643, respectively. The employee and directors' remuneration were recorded as operation expenses and were estimated based on the net profit before tax, excluding the employee and directors' remuneration of each period, multiplied by the percentage of remuneration to employees and directors 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. If the Board of Directors resolves to pay remuneration to employees in shares, the number of shares of stock is calculated based on the closing price of the common stock on the day before the Board of Directors' resolution.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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For the years ended December 31, 2021 and 2020, the Company recognized its employee compensation of \$8,077 and \$10,933, respectively, and its directors' and supervisors' remuneration of \$8,077 and \$10,933, respectively. There was no difference between the aforementioned distribution approved in the Board of Directors and the estimation in the 2021 and 2020 consolidated financial statements. Relative information is available on the TSE Market Observation Post System website.

(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, 2023 and 2022, the maximum amount exposed to credit risk amounted to \$6,115,101 and \$6,075,589, respectively.

The aggregation of sales to the Group's major customers exceeding 10% of the Group's total sales accounted for 55% and 45% of the total net sales for the three months ended March 31, 2023 and 2022, 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.

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

(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, 2023</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 2,389,468	(2,421,144)	(2,421,144)	-	-
Long-term bank loans	4,166,119	(5,009,511)	(1,170,243)	(729,796)	(3,109,472)
Notes and accounts payable	163,597	(163,597)	(163,597)	-	-
Lease liabilities	187,368	(194,214)	(52,644)	(41,889)	(99,681)
Dividends payable	430,516	(430,516)	(430,516)	-	-
Bonds payable	2,500,000	(2,539,019)	(16,200)	(16,200)	(2,506,619)
Other payables	125,821	(125,821)	(125,821)	-	-
Guarantee deposits (recorded as other non-current liabilities, others)	4,203	(4,203)	(902)	(305)	(2,996)
	<u>\$ 9,967,092</u>	<u>(10,888,025)</u>	<u>(4,381,067)</u>	<u>(788,190)</u>	<u>(5,718,768)</u>
<b>December 31, 2022</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 1,899,486	(2,017,988)	(2,017,988)	-	-
Secured bank loans	3,132,199	(3,327,403)	(941,680)	(516,819)	(1,868,904)
Notes and accounts payable	172,157	(172,157)	(172,157)	-	-
Lease liabilities	171,203	(176,520)	(45,849)	(45,879)	(84,792)
Bonds payable	2,500,000	(2,546,319)	(19,450)	(16,200)	(2,510,669)
Other payables	174,668	(174,668)	(174,668)	-	-
Guarantee deposits (recorded as other non-current liabilities, others)	4,001	(4,001)	(905)	(300)	(2,796)
	<u>\$ 8,053,714</u>	<u>(8,419,056)</u>	<u>(3,372,697)</u>	<u>(579,198)</u>	<u>(4,467,161)</u>
<b>March 31, 2022</b>					
Non-derivative financial liabilities:					
Short-term borrowings	\$ 1,209,690	(1,213,856)	(1,213,856)	-	-
Secured bank loans	3,273,914	(3,395,994)	(867,246)	(760,150)	(1,768,598)
Notes and accounts payable	200,387	(200,387)	(200,387)	-	-
Lease liabilities	197,187	(203,912)	(50,497)	(45,864)	(107,551)
Dividends payable	529,259	(529,259)	(529,259)	-	-
Bonds payable	2,900,000	(2,955,345)	(416,326)	(16,200)	(2,522,819)
Other payables	111,229	(111,229)	(111,229)	-	-
Guarantee deposits (recorded as other non-current liabilities, others)	3,487	(3,487)	(807)	-	(2,680)
	<u>\$ 8,425,153</u>	<u>(8,613,469)</u>	<u>(3,389,607)</u>	<u>(822,214)</u>	<u>(4,401,648)</u>

(Continued)

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

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

(iii) Market risk

1) Exposure to foreign currency risk

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

	March 31, 2023			December 31, 2022			March 31, 2022			
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	
Financial assets										
Monetary items										
USD	\$	3,331	USD/NTD =30.45	101,429	3,153	USD/NTD =30.71	96,817	211	USD/NTD =28.63	6,040

(iv) Interest rate analysis

The details of financial assets and liabilities exposed to interest rate risk were as follows:

	Carrying amount	
	March 31, 2023	March 31, 2022
Variable rate instruments:		
Financial assets	\$ 686,837	1,108,490
Financial liabilities	(6,026,119)	(3,703,914)
	<b>\$ (5,339,282)</b>	<b>(2,595,424)</b>

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 profit before tax would have decreased or increased for the three months ended March 31, 2023 and 2022 as follows:

	For the three months ended March 31,	
	2023	2022
Increased 0.25%	\$ (3,337)	(1,622)
Decreased 0.25%	3,337	1,622

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

(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.

	March 31, 2023				
	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	\$ 384,556	384,556	-	-	384,556
Non-derivative non-current financial assets mandatorily at fair value through profit or loss	<u>15,537</u>	-	-	15,537	15,537
	<u>400,093</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed common stocks	<u>855,584</u>	855,584	-	-	855,584
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	4,213,010	-	-	-	-
Restricted deposits	72,355	-	-	-	-
Time deposits (over three months)	25,222	-	-	-	-
Notes and accounts receivable (including related parties)	295,058	-	-	-	-
Other receivables	42,812	-	-	-	-
Guarantee deposits	8,591	-	-	-	-
Pledged assets-time deposits	<u>202,376</u>	-	-	-	-
	<u>4,859,424</u>				
<b>Total</b>	<b>\$ <u>6,115,101</u></b>				

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

	March 31, 2023				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial liabilities at amortized cost</b>					
Short-term borrowings	\$ 2,389,468	-	-	-	-
Long-term borrowings	4,166,119	-	-	-	-
Notes and accounts payable	163,597	-	-	-	-
Lease liabilities	187,368	-	-	-	-
Dividends payable	430,516	-	-	-	-
Bonds payable	2,500,000	-	2,500,000	-	2,500,000
Accrued expenses and other payables (recorded as other payables)	125,821	-	-	-	-
Guarantee deposits (recorded as other non-current liabilities, others)	4,203	-	-	-	-
<b>Total</b>	<b>\$ 9,967,092</b>				
	December 31, 2022				
	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	\$ 314,678	314,678	-	-	314,678
Non-derivative non-current financial assets mandatorily at fair value through profit or loss	15,537	-	-	15,537	15,537
	<u>330,215</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed stocks	669,355	669,355	-	-	669,355
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	3,989,154	-	-	-	-
Restricted deposits	77,218	-	-	-	-
Time deposits (over three months)	25,072	-	-	-	-
Notes and accounts receivable (including related parties)	294,592	-	-	-	-
Other receivables	29,314	-	-	-	-
Guarantee deposits	8,514	-	-	-	-
Pledged assets-time deposits	159,608	-	-	-	-
	<u>4,583,472</u>				
<b>Total</b>	<b>\$ 5,583,042</b>				

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

	December 31, 2022				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial liabilities measured at amortized cost</b>					
Short-term borrowings	\$ 1,899,486	-	-	-	-
Long-term borrowings	3,132,199	-	-	-	-
Notes and accounts payable	172,157	-	-	-	-
Lease liabilities	171,203	-	-	-	-
Bonds payable	2,500,000	-	2,500,000	-	2,500,000
Accrued expenses and other payables (recorded as other payables)	174,668	-	-	-	-
Guarantee deposits (recorded as other non-current liabilities, others)	4,001	-	-	-	-
<b>Total</b>	<b>\$ 8,053,714</b>				
<b>March 31, 2022</b>					
	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	\$ 478,094	478,094	-	-	478,094
Non derivative non-current financial assets held for trading	308,943	288,591	-	20,352	308,943
	<u>787,037</u>				
<b>Financial assets at fair value through other comprehensive income</b>					
Domestic listed stocks	<u>1,002,473</u>	1,002,473	-	-	1,002,473
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalents	3,554,713	-	-	-	-
Restricted deposits	188,431	-	-	-	-
Time deposits (over three months)	24,667	-	-	-	-
Notes and accounts receivable (including related parties)	331,994	-	-	-	-
Other receivables	90,932	-	-	-	-
Guarantee deposits	7,606	-	-	-	-
Pledged assets-time deposits	87,736	-	-	-	-
	<u>4,286,079</u>				
<b>Total</b>	<b>\$ 6,075,589</b>				

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

	March 31, 2022				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial liabilities measured at amortized cost</b>					
Short-term borrowings	\$ 1,209,690	-	-	-	-
Long-term borrowings	3,273,914	-	-	-	-
Notes and accounts payable	200,387	-	-	-	-
Lease liabilities	197,187	-	-	-	-
Dividends payable	529,259	-	-	-	-
Bonds payable	2,900,000	-	2,900,000	-	2,900,000
Accrued expenses and other payables (recorded as other current payables)	111,229	-	-	-	-
Guarantee deposits (recorded as other non-current liabilities, others)	3,487	-	-	-	-
<b>Total</b>	<b><u>\$ 8,425,153</u></b>				

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.

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

3) Transfers between Level and Level

There was no transfer of fair value hierarchy during the three months ended March 31, 2023; during the three months ended March 31, 2022 the Group's shares were transferred from Level 2 to Level 1 of the fair value hierarchy in the amount of \$559,741, due to the release of transfer restrictions on private placement of listed stocks.

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 31,2023 (equal to balance on March 31, 2023)	\$ <u><u>15,537</u></u>
Balance on January 31,2023 (equal to balance on March 31, 2022)	\$ <u><u>20,352</u></u>

(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, 2022.

(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, 2022. There were no significant changes of quantitative data of capital management compared with the consolidated financial statements for the year ended December 31, 2022. Please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2022.

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

(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, 2023 and 2022.

Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2023	Cash flows	Non-cash changes		March 31, 2023
			Others	Foreign exchange movement	
Short-term borrowings	\$ 1,899,486	489,982	-	-	2,389,468
Long-term borrowings	3,132,199	1,058,766	-	(24,846)	4,166,119
Bonds payable	2,500,000	-	-	-	2,500,000
Lease liabilities	171,203	(24,289)	40,454	-	187,368
Guarantee deposits (recorded as other non-current liabilities-others)	4,001	202	-	-	4,203
Total liabilities from financial activities	<u>\$ 7,706,889</u>	<u>1,524,661</u>	<u>40,454</u>	<u>(24,846)</u>	<u>9,247,158</u>

  

	January 1, 2022	Cash flows	Non-cash changes		March 31, 2022
			Others	Foreign exchange movement	
Short-term borrowings	\$ 1,459,781	(250,091)	-	-	1,209,690
Long-term borrowings	2,944,714	223,842	-	105,358	3,273,914
Bonds payable	2,900,000	-	-	-	2,900,000
Lease liabilities	220,571	(23,384)	-	-	197,187
Guarantee deposits (recorded as other non-current liabilities-others)	3,179	308	-	-	3,487
Total liabilities from financial activities	<u>\$ 7,528,245</u>	<u>(49,325)</u>	<u>-</u>	<u>105,358</u>	<u>7,584,278</u>

**(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:

Name of related party	Relationship with the Group
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) Ltd.	Substantial related party

(Continued)



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

(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:

	Revenue		Accounts receivable- related-parties		
	Three months ended March 31, 2023	Three months ended March 31, 2022	March 31, 2023	December 31, 2022	March 31, 2022
	The entities with significant influence over the Group	\$ 17,381	16,537	8,140	14,861

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

(iii) Operating expense

	Operating expense	
	Three months ended March 31, 2023	Three months ended March 31, 2022
The entity with significant influence over the Group	\$ 721	634
Others	2,095	1,938
	\$ 2,816	2,572

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:

	For the three months ended March 31,	
	2023	2022
Short-term employee benefits	\$ 16,851	14,421
Post-employment benefits	211	185
	\$ 17,062	14,606

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

**(8) Pledged assets**

The carrying values of pledged assets were as follows:

<u>Assets</u>	<u>Subject</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Investments accounted for using equity method – stocks	Commercial papers payable – and short-term borrowings and credit lines	\$ 222,500	305,775	306,900
Financial assets at fair value through other comprehensive income – stocks	Commercial papers payable, short-term borrowings and credit lines	92,572	-	-
Financial assets at fair value through profit or loss – stocks	Short-term borrowings and credit lines	899,336	899,336	899,336
Property, plant and equipment – Land	Short-term borrowings and credit lines	9,401,513	7,826,779	7,644,293
Transportation and other equipment (including equipment prepayment)	Long-term borrowings, short-term borrowings and credit lines	187,376	144,708	72,862
Other current financial assets (pledged time deposits)	Long-term borrowings	23,591	23,414	22,480
		<u>\$10,826,888</u>	<u>9,200,012</u>	<u>8,945,871</u>

**(9) Commitments and contingencies**

- (a) The Group had issued guarantee promissory notes amounting to \$2,516,200, \$2,516,200 and \$5,647,160 as of March 31, 2023, December 31 and March 31, 2022, respectively, as guarantee for bonds payable.
- (b) As of March 31, 2023, the Group still had several long-term leases of its ships with customers in effect. The ending periods of the contracts are from May 2023 to October 2026.
- (c) The Group signed cape-type bulk carrier' construction contracts with a shipbuilding company in order to expand its business scale. The related information was as follows:

<u>Buyer</u>	<u>Signed Day</u>	<u>Total Price</u>	<u>Delivery Date</u>	<u>Price Paid</u>
CCMP	May 20, 2021	\$1,781,325 (USD58,500 thousand)	June 2023 (Note 1)	555,713 (USD18,250 thousand)
CACE	October 22, 2021	\$1,918,350 (USD63,000 thousand)	December 2023 (Note 1)	479,588 (USD15,750 thousand)
CVST	October 22, 2021	\$1,918,350 (USD63,000 thousand)	March 2024 (Note 1)	479,588 (USD15,750 thousand)

Note 1: The estimated delivery date for shipbuilding contracts.

Note 2: The total price and price paid were translated into New Taiwan Dollars at the exchange rates as of the end of the financial reporting period.

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

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other

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

By function By item	For the three months ended March 31, 2023			For the three months ended March 31, 2022		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits						
Salary	132,591	72,884	205,475	118,047	66,568	184,615
Labor and health insurance	3,512	5,912	9,424	3,183	4,920	8,103
Pension	1,486	2,448	3,934	1,354	3,010	4,364
Others	6,398	1,517	7,915	1,620	2,723	4,343
Depreciation	245,018	7,350	252,368	217,670	5,123	222,793
Amortization	4	747	751	-	900	900

(b) Seasonality of operation

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

(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, 2023 (The amount was translated into NTD at the exchange rates as of the end of the financial reporting period):

(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	CMTHK	CPN	Other receivables due from related parties	Y	232,029	232,029	232,029	-	2	-	Operating	-		-	9,839,699	9,839,699	Transactions in the left column had been eliminated during the preparation of consolidated financial statements
1	"	CTU	"	Y	339,518	339,518	339,518	-	2	-	"	-		-	9,839,699	9,839,699	"
1	"	CTD	"	Y	345,608	345,608	345,608	-	2	-	"	-		-	9,839,699	9,839,699	"

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

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	CMTHK	CPC	"	Y	213,150	213,150	213,150	-	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CHM	"	Y	339,822	339,822	339,822	-	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CHN	"	Y	152,250	152,250	152,250	-	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CPG	"	Y	304,500	304,500	304,500	-	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CFR	"	Y	76,125	76,125	76,125	5.14%-5.423%	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CVTR	"	Y	365,400	213,150	213,150	5.14%-5.423%	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CPS	"	Y	60,900	60,900	60,900	-	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CMTUK	"	Y	6,424,950	6,424,950	6,424,950	-	2	-	"	-	-	-	9,839,699	9,839,699	"
1	"	CCMP	"	Y	365,400	365,400	190,313	-	2	-	"	-	-	-	9,839,699	9,839,699	"
2	ATI	HYT	"	Y	20,000	20,000	-	1.20%	1	117,542	"	-	-	-	117,542	264,382	"
2	"	THE COMPANY	"	Y	85,000	85,000	85,000	1.20%	1	258,288	"	-	-	-	258,288	264,382	"
2	"	AGM	"	Y	50,000	50,000	20,000	1.20%	2	-	"	-	-	-	264,382	264,382	"
3	CPD	CMTHK	"	Y	243,600	243,600	243,600	-	2	-	"	-	-	-	1,300,690	1,300,690	"
4	CIM	CMTHK	"	Y	30,450	30,450	30,450	-	2	-	"	-	-	-	30,919	30,919	"
5	HIL	THE COMPANY	"	Y	30,000	-	-	1.20%	1	-	"	-	-	-	317,057	317,057	"
5	"	AGMI	"	Y	110,000	-	-	1.2%-1.85%	2	-	"	-	-	-	317,057	317,057	"
6	MHI	THE COMPANY	"	Y	30,000	-	-	1.20%	2	-	"	-	-	-	178,262	178,262	"
6	"	AGMI	"	Y	30,000	-	-	1.20%	2	-	"	-	-	-	178,262	178,262	"
7	CMTS	CMTI	"	Y	730,800	730,800	730,800	5.14%-5.423%	2	-	"	-	-	-	1,470,978	1,470,978	"
7	"	CVTS	"	Y	191,835	191,835	191,835	5.14%-5.423%	2	-	"	-	-	-	1,470,978	1,470,978	"
7	"	CACE	"	Y	191,835	191,835	191,835	5.14%-5.423%	2	-	"	-	-	-	1,470,978	1,470,978	"

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, Note 3)	Highest balance for guarantees and endorsements during the period (Note 4)	Balance of guarantees and endorsements as of reporting date (Note 4)	Actual usage amount during the period (Note 4)	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	CFR	Sub-subsidiary	16,932,802	406,051	406,051	406,051	-	3.60 %	16,932,802	Y	N	N
0	"	CPN	Sub-subsidiary	16,932,802	363,674	318,215	318,215	-	2.43 %	16,932,802	Y	N	N
0	"	CCMP	Sub-subsidiary	16,932,802	1,781,325	1,781,325	1,781,325	-	15.78 %	16,932,802	Y	N	N
0	"	CVTR	Sub-subsidiary	16,932,802	1,781,325	-	-	-	- %	16,932,802	Y	N	N

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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, Note 3)	Highest balance for guarantees and endorsements during the period (Note 4)	Balance of guarantees and endorsements as of reporting date (Note 4)	Actual usage amount during the period (Note 4)	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	CACE	Sub-subsidiary	16,932,802	1,918,350	1,918,350	1,918,350	-	16.99 %	16,932,802	Y	N	N
0	"	CVST	Sub-subsidiary	16,932,802	1,918,350	1,918,350	1,918,350	-	16.99 %	16,932,802	Y	N	N
1	CMTHK	CEP	Subsidiary	14,759,549	579,149	543,273	543,273	-	4.81 %	14,759,549	Y	N	N
1	"	CHM	Subsidiary	14,759,549	389,907	-	-	-	- %	14,759,549	N	N	N
1	"	CHN	Subsidiary	14,759,549	590,426	557,235	557,235	-	4.94 %	14,759,549	N	N	N
1	"	CTU	Subsidiary	14,759,549	365,400	365,400	365,400	-	3.24 %	14,759,549	N	N	N
1	"	CTD	Subsidiary	14,759,549	365,400	365,400	365,400	-	3.24 %	14,759,549	N	N	N
1	"	THE COMPANY	Parent company	14,759,549	3,959	3,959	3,959	-	0.04 %	14,759,549	N	Y	N
1	"	CCMP	Sub-subsidiary	14,759,549	1,246,928	1,246,928	-	-	11.05 %	14,759,549	N	N	N
1	"	CVTR	Sub-subsidiary	14,759,549	1,246,928	1,246,319	1,246,319	-	11.04 %	14,759,549	N	N	N
2	CMTUK	CHM	Subsidiary	16,932,802	364,227	364,227	364,227	-	3.23 %	16,932,802	N	N	N

Note 1 : 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.

Note 2 : CMTHK'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.

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

Note 4 : The amount was translated into 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	Asia Pacific Emerging Industry Venture Capital Co., Ltd.	-	Non-current financial assets at fair value through profit or loss	1,462	15,537	2.78 %	15,537	
HIL	China Container Terminal Corp.	-	Non-current financial assets at fair value through other comprehensive income	23,788	529,283	16.03 %	529,283	
"	Dimerco Express	-	Non-current financial assets at fair value through profit or loss	1,633	139,322	1.20 %	139,322	
MHI	Dimerco Express	-	Non-current financial assets at fair value through profit or loss	2,875	245,234	2.11 %	245,234	
"	China Container Terminal Corp.	-	Non-current financial assets at fair value through other comprehensive income	5,610	124,822	3.78 %	124,822	
AGMI	Dimerco Express	-	Non-current financial assets at fair value through other comprehensive income	2,362	201,479	1.74 %	201,479	

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock: None

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

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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- (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	116,871	96 %	Depending on the demand for funding of subsidiaries	-		(102,490)	(99)%	Note 1
ATI	THE COMPANY	Subsidiary	Freight revenue	(116,871)	(44) %	"	-		102,490	47%	"

Note 1: 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			
CMTHK	CTD	Subsidiary	345,608	Note 1	-		-	-	Note 2
"	CTU	Subsidiary	339,518	"	-		-	-	"
"	CHM	Subsidiary	339,822	"	-		-	-	"
"	CPC	Subsidiary	213,150	"	-		-	-	"
"	CHN	Subsidiary	152,250	"	-		-	-	"
"	CPG	Subsidiary	304,500	"	-		-	-	"
"	CPN	Subsidiary	232,029	"	-		-	-	"
"	CVTR	Subsidiary	213,150	"	-		-	-	"
"	CCMP	Subsidiary	190,313	"	-		-	-	"
"	CMTUK	Fellow subsidiary	6,424,950	"	-		-	-	"
CMTS	CMTI	Parent company	730,800	"	-		-	-	"
"	CVST	Fellow subsidiary	191,835	"	-		-	-	"
"	CACE	Fellow subsidiary	191,835	"	-		-	-	"
ATI	THE COMPANY	Parent company	102,490	1.08	-		-	-	"
CPD	CMTHK	Parent company	243,600	Note 1	-		-	-	"

Note 1: Accounts receivable from related parties are not applied for turnover rate.

Note 2: Transactions in the left column had been eliminated during the preparation of the consolidated financial statements.

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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(ix) Trading in derivative instruments: None

(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	116,871	Price depends on the market, and the receivables depend on funding demand in the credit period	12.58%
1	ATI	THE COMPANY	2	Accounts receivable	102,490	-	0.47%
2	CMTHK	CTD	3	Other receivable	345,608	-	1.57%
2	"	CTU	3	"	339,518	-	1.54%
2	"	CHM	3	"	339,822	-	1.54%
2	"	CPC	3	"	213,150	-	0.97%
2	"	CHN	3	"	152,250	-	0.69%
2	"	CPG	3	"	304,500	-	1.38%
2	"	CPN	3	"	232,029	-	1.05%
2	"	CVTR	3	"	213,150	-	0.97%
2	"	CCMP	3	"	190,313	-	0.86%
2	"	CMTUK	3	"	6,424,950	-	29.19%
3	CMTS	CMTI	3	"	730,800	-	3.32%
3	"	CVST	3	"	191,835	-	0.87%
3	"	CACE	3	"	191,835	-	0.87%
4	CPD	CMTHK	3	"	243,600	-	1.11%

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 three months ended March 31, 2023:

(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, 2023			Net Income		Note
				March 31, 2023	December 31, 2022	Shares (thousands)	Percentage of Ownership	Carrying Value	(Losses) of the Investee	Share of profits/losses of investee	
THE COMPANY	CMTHK	Hong Kong	Investment holding of ship- owning companies	34,356	34,356	12,000	100.00 %	9,839,699	7,230	7,230	Note 1, Note 4.
"	CMTI	Singapore	"	585,272	585,272	21,000	100 %	871,755	5,782	5,782	"
"	CMTUK	United Kingdom	"	629,280	629,280	21	100 %	771,667	50,310	50,310	"
"	CMTL	Taiwan	Warehouse management	743,058	743,058	24,550	100 %	1,187,986	16,253	16,253	"
"	AGMI	"	Investment	300,000	41,000	30,000	100 %	319,105	(178)	(178)	"
"	HIL	"	"	400,000	400,000	40,000	100 %	792,643	50,384	50,384	"
"	MHI	"	"	271,300	271,300	37,130	100 %	445,657	50,478	50,478	"
"	ATI	"	Container trucking	500,000	500,000	50,000	100 %	660,957	15,238	15,238	"
"	TRV	"	Travel	20,000	20,000	2,000	100 %	2,751	(25)	(25)	"
"	TGEM	"	Bulk-carrier transportation	601,200	601,200	61,623	12 %	641,785	96,998	11,640	Note 2

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Name of investor	Name of investee	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2023			Net Income		Note
				March 31, 2023	December 31, 2022	Shares (thousands)	Percentage of Ownership	Carrying Value	(Losses) of the Investee	Share of profits/losses of investee	
THE COMPANY	AGM	"	Automobile and its parts manufacturing	62,880	62,880	70,000	70 %	17,307	1,216	(4,563)	Note 1, Note 4
"	HYT	"	Container trucking	75,000	75,000	7,500	71 %	97,582	1,562	1,116	"
"	MHT	"	"	78,750	78,750	7,875	72.41 %	107,903	2,220	1,608	"
"	APT	"	"	107,100	107,100	10,710	78.12 %	121,670	1,229	960	Note 1, Note 4
CMTHK	CPS	Singapore	Bulk-carrier transportation "	60,900	60,900	2,000	100.00 %	62,372	764	Part has been recognized as investment incomes (losses) by CMTHK	"
CMTS	CHT	"	Bulk-chartering services	305	305	10	100 %	5,560	(4)	"	Note 1, Note 3, Note 4
"	CHI	"	Investment management	305	305	-	100 %	(846)	(34)	"	"
"	CIM	"	"	30,450	30,450	10	100 %	30,919	(42)	"	"
CMTI	CMTS	Singapore	Investment holding of ship-owning companies	1,493,420	1,493,420	63,135	100 %	1,470,978	14,741	Has been recognized as investment incomes (losses) by CMTI "	"
CMTHK	CPG	Hong Kong	"	182,700	182,700	6,000	100 %	187,387	(6,233)	Part has been recognized as investment incomes (losses) by CMTHK	"
"	CPC	"	"	167,475	167,475	5,500	100 %	177,581	4,075	"	"
"	CPN	"	"	730,800	730,800	240	100 %	668,271	(20,587)	"	"
"	CPD	"	"	1,278,900	1,278,900	420	100 %	1,300,690	23,579	"	"
"	CPD	"	"	395,850	395,850	13,000	100 %	411,080	20,549	"	"
"	CTU	"	"	395,850	395,850	13,000	100 %	380,649	(1,043)	"	"
"	CHM	"	"	456,750	456,750	150.0	100 %	459,678	10,428	"	"
"	CHN	"	"	456,750	456,750	150	100 %	505,297	42,651	"	"
"	CFR	Singapore	"	700,350	700,350	29,900	100 %	677,908	(8,343)	"	"
"	CEP	"	"	703,395	703,395	23,100	100 %	695,889	2,080	"	"
"	CCMP	"	"	386,715	386,715	12,700	100 %	376,432	(3,912)	"	"
"	CVTR	"	"	383,670	383,670	12,600	100 %	365,650	(9,288)	"	"
"	CACE	"	"	304,500	304,500	10,000	100 %	298,149	(3,842)	"	"
"	CVST	"	"	304,500	304,500	10,000	100 %	298,151	(3,842)	"	"
ATI	CST	Taiwan	Container trucking	86,642	86,642	8,200	100 %	97,643	(332)	Has been recognized as investment incomes (losses) by ATI	Note 1, Note 4
"	HYT	"	"	28,932	28,932	3,000	29 %	39,030	1,562	446	"
"	MHT	"	"	30,568	30,568	3,000	28 %	41,114	2,220	612	"
"	APT	"	"	30,719	30,719	3,000	22 %	34,078	1,229	269	"
"	PTL	"	"	30,000	30,000	3,000	100 %	27,584	(829)	Has been recognized as investment incomes (losses) by ATI	"

Note 1: Subsidiaries controlled by the parent company.

Note 2: Investees affected by the comprehensive shareholdings of the Group.

Note 3: The amount was translated into NTD at the exchange rates at the reporting date.

Note 4: 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
Associated International Inc. (AII)	79,685,475	40.35 %
AGCMT Group Ltd.	46,455,297	23.52 %

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**CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES**  
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**(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.

(b) Reportable segment information

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

The Group's segment information was as below:

	<b>Three months ended March 31, 2023</b>				
	<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Revenue from external customers	\$ 392,085	524,369	12,914	-	929,368
Intersegment revenue	-	-	-	-	-
	<u>\$ 392,085</u>	<u>524,369</u>	<u>12,914</u>	<u>-</u>	<u>929,368</u>
Segment operating income	<u>\$ 55,819</u>	<u>89,321</u>	<u>(11,615)</u>	<u>(34,891)</u>	<u>98,634</u>
Reportable segment assets					<u>\$ 22,008,322</u>
	<b>Three months ended March 31, 2022</b>				
	<b>Inland trucking and terminal &amp; logistics department</b>	<b>Shipping department</b>	<b>Others</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Revenue from external customers	\$ 424,100	565,933	16,642	-	1,006,675
Intersegment revenue	-	-	-	-	-
	<u>\$ 424,100</u>	<u>565,933</u>	<u>16,642</u>	<u>-</u>	<u>1,006,675</u>
Segment operating income	<u>\$ 46,905</u>	<u>164,926</u>	<u>(11,631)</u>	<u>(33,661)</u>	<u>166,539</u>
Reportable segment assets					<u>\$ 19,920,438</u>