

**Yang Ming Marine Transport Corporation
and Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report**

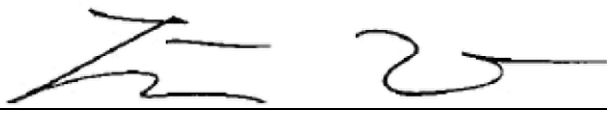
DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies as of and for the year ended December 31, 2025. Hence, we did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

YANG MING MARINE TRANSPORT CORPORATION

By:

A handwritten signature in black ink, consisting of stylized, fluid strokes, positioned above a horizontal line.

FENG-MING TSAI

March 12, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Yang Ming Marine Transport Corporation

Opinion

We have audited the accompanying consolidated financial statements of Yang Ming Marine Transport Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the consolidated financial statements of the Group for the year ended December 31, 2025 are as follows:

Audit of the Percentage-of-completion

Since the recognition of the cargo revenue is material and complex, we deemed the percentage-of-completion method of revenue recognition a key audit matter.

The recognition depends on the expected time frame for the completion of the voyage. The judgment of the percentage-of-completion estimation may lead to an incorrect calculation of revenue recognized or an inconsistency in revenue recognition.

The judgment of cargo revenue recognition included material accounting judgments and key sources of estimation uncertainty disclosed in Notes 5 and 26 to the accompanying consolidated financial statements.

We tested the accuracy of the timing of the revenue recognition. Through subsequent information on voyages, berthing reports, sailing schedules and reports of the estimation of the bill of lading revenue, we reviewed the basis of estimates and verified the validity of the voyage dates calculated by Group's management and of the revenue resulting from voyages.

Other Matter

We have audited the parent company only financial statements of Yang Ming Marine Transport Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2026

Notice to Readers

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

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

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS **DECEMBER 31, 2025 AND 2024** **(In Thousands of New Taiwan Dollars)**

	2025		2024	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4, 6 and 33)	\$ 106,533,812	23	\$ 165,501,879	34
Financial assets at fair value through profit or loss (FVTPL) - current (Notes 4 and 7)	18,683,932	4	2,733,862	1
Financial assets at amortized cost - current (Notes 4, 9, 32, 33 and 34)	49,547,037	11	58,263,602	12
Financial assets for hedging - current (Notes 4, 6, 32 and 33)	7,069,864	2	17,210,159	4
Contract assets, net (Notes 4, 26 and 33)	1,993,454	-	3,099,668	1
Notes receivable, net (Notes 4 and 10)	9,341	-	8,535	-
Trade receivables, net (Notes 4, 10 and 26)	13,087,511	3	10,717,986	2
Trade receivables from related parties (Notes 4, 10, 26 and 33)	136,612	-	158,543	-
Finance lease receivables, net (Notes 4 and 11)	21,305	-	21,024	-
Current tax assets (Notes 4 and 28)	2,611,199	1	929,323	-
Shipping fuel (Notes 4 and 12)	4,099,241	1	4,952,077	1
Prepayments (Note 33)	647,700	-	624,896	-
Non-current assets held for sale, net (Notes 4 and 13)	-	-	282,749	-
Prepayments to shipping agents	40,875	-	74,675	-
Other current assets (Note 33)	<u>2,680,063</u>	<u>1</u>	<u>1,978,721</u>	<u>-</u>
Total current assets	<u>207,161,946</u>	<u>46</u>	<u>266,557,699</u>	<u>55</u>
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (FVTPL) - non-current (Notes 4 and 7)	289,774	-	281,817	-
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Notes 4 and 8)	556,109	-	530,106	-
Financial assets at amortized cost - non-current (Notes 4, 9, 32, 33 and 34)	30,821,791	7	15,964,129	3
Investments accounted for using equity method (Notes 4 and 15)	8,930,236	2	9,196,352	2
Property, plant and equipment (Notes 4, 16, 33 and 35)	128,617,409	28	101,745,430	21
Right-of-use assets (Notes 4, 17 and 33)	61,490,334	13	71,758,518	15
Investment properties (Notes 4 and 18)	7,742,814	2	7,097,852	2
Other intangible assets (Note 4)	146,465	-	139,067	-
Deferred tax assets (Notes 4 and 28)	814,074	-	1,271,634	-
Prepayments for equipment (Notes 33 and 35)	7,150,170	2	9,070,210	2
Refundable deposits	402,374	-	379,317	-
Finance lease receivables - non-current (Notes 4 and 11)	43,467	-	64,771	-
Other financial assets - non-current (Note 4)	25,983	-	24,711	-
Other non-current assets	<u>35,424</u>	<u>-</u>	<u>51,296</u>	<u>-</u>
Total non-current assets	<u>247,066,424</u>	<u>54</u>	<u>217,575,210</u>	<u>45</u>
TOTAL	<u>\$ 454,228,370</u>	<u>100</u>	<u>\$ 484,132,909</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 19 and 33)	\$ 1,100,000	-	\$ 502,000	-
Short-term bills payable (Notes 19 and 33)	423,900	-	774,623	-
Financial liabilities for hedging - current (Notes 4, 17 and 32)	5,477,121	1	5,637,381	1
Contract liabilities - current (Notes 4 and 26)	151,640	-	447,821	-
Notes payable (Note 33)	13,018	-	14,779	-
Trade payables (Note 21)	16,453,841	4	16,048,077	3
Trade payables to related parties (Notes 21 and 33)	691,560	-	719,644	-
Other payables (Notes 22 and 33)	6,588,653	1	8,211,086	2
Current tax liabilities (Notes 4 and 28)	4,157,405	1	2,990,143	1
Provisions - current (Notes 4 and 23)	563,053	-	247,621	-
Lease liabilities - current (Notes 4, 17 and 33)	3,716,585	1	4,862,958	1
Other advance account	195,890	-	111,506	-
Current portion of long-term liabilities (Notes 4, 19, 20 and 33)	2,310,203	1	2,369,548	1
Other current liabilities	<u>2,226,148</u>	<u>1</u>	<u>1,673,688</u>	<u>-</u>
Total current liabilities	<u>44,069,017</u>	<u>10</u>	<u>44,610,875</u>	<u>9</u>
NON-CURRENT LIABILITIES				
Financial liabilities for hedging - non-current (Notes 4, 17 and 32)	46,738,431	10	54,474,959	11
Bonds payable (Notes 4, 20 and 33)	1,395,098	-	3,637,659	1
Long-term borrowings (Notes 4, 19 and 33)	185,556	-	102,222	-
Provisions - non-current (Notes 4 and 23)	14,155	-	13,448	-
Deferred tax liabilities (Notes 4 and 28)	22,167,507	5	23,103,422	5
Lease liabilities - non-current (Notes 4, 17 and 33)	10,546,087	3	14,072,039	3
Other advance account - non-current	52,974	-	78,324	-
Net defined benefit liabilities - non-current (Notes 4 and 24)	1,257,735	-	1,539,594	1
Other non-current liabilities	<u>1,199,857</u>	<u>-</u>	<u>1,186,967</u>	<u>-</u>
Total non-current liabilities	<u>83,557,400</u>	<u>18</u>	<u>98,208,634</u>	<u>21</u>
Total liabilities	<u>127,626,417</u>	<u>28</u>	<u>142,819,509</u>	<u>30</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital - ordinary shares	<u>34,921,043</u>	<u>8</u>	<u>34,921,043</u>	<u>7</u>
Capital surplus	<u>27,975,030</u>	<u>6</u>	<u>27,975,030</u>	<u>6</u>
Retained earnings				
Legal reserve	41,895,679	9	35,467,390	7
Special reserve	4,107,080	1	4,936,702	1
Unappropriated earnings	<u>217,158,945</u>	<u>48</u>	<u>231,884,319</u>	<u>48</u>
Total retained earnings	<u>263,161,704</u>	<u>58</u>	<u>272,288,411</u>	<u>56</u>
Other equity	<u>(207,107)</u>	<u>-</u>	<u>5,353,908</u>	<u>1</u>
Total equity attributable to owners of the Company	325,850,670	72	340,538,392	70
NON-CONTROLLING INTERESTS	<u>751,283</u>	<u>-</u>	<u>775,008</u>	<u>-</u>
Total equity	<u>326,601,953</u>	<u>72</u>	<u>341,313,400</u>	<u>70</u>
TOTAL	<u>\$ 454,228,370</u>	<u>100</u>	<u>\$ 484,132,909</u>	<u>100</u>

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

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 5, 17, 26 and 33)	\$ 163,558,095	100	\$ 222,705,949	100
OPERATING COSTS (Notes 4, 12, 17, 27 and 33)	<u>139,153,545</u>	<u>85</u>	<u>145,078,257</u>	<u>65</u>
GROSS PROFIT	<u>24,404,550</u>	<u>15</u>	<u>77,627,692</u>	<u>35</u>
OPERATING EXPENSES (Notes 4, 9, 10, 17, 26, 27, 32 and 33)				
Selling and marketing expenses	8,207,985	5	8,867,628	4
General and administrative expenses	1,452,735	1	1,679,711	1
Expected credit loss	<u>102,369</u>	<u>-</u>	<u>7,027</u>	<u>-</u>
Total operating expenses	<u>9,763,089</u>	<u>6</u>	<u>10,554,366</u>	<u>5</u>
OTHER OPERATING INCOME AND EXPENSES (Notes 4 and 27)	<u>170,617</u>	<u>-</u>	<u>502,009</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>14,812,078</u>	<u>9</u>	<u>67,575,335</u>	<u>30</u>
NON-OPERATING INCOME AND EXPENSES (Notes 4, 17, 27 and 33)				
Interest income	9,916,405	6	11,410,782	5
Other income	109,499	-	112,472	-
Other gains and losses	1,678,295	1	2,324,323	1
Net gain on derecognition of financial assets at amortized cost	353	-	312	-
Finance costs	(3,734,607)	(2)	(2,317,780)	(1)
Share of profit of associates and joint ventures	<u>522,743</u>	<u>-</u>	<u>714,076</u>	<u>1</u>
Total non-operating income and expenses	<u>8,492,688</u>	<u>5</u>	<u>12,244,185</u>	<u>6</u>
PROFIT BEFORE INCOME TAX	23,304,766	14	79,819,520	36
INCOME TAX EXPENSE (Notes 4 and 28)	<u>(5,926,966)</u>	<u>(4)</u>	<u>(15,350,159)</u>	<u>(7)</u>
NET PROFIT FOR THE YEAR	<u>17,377,800</u>	<u>10</u>	<u>64,469,361</u>	<u>29</u>

(Continued)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
(Notes 4, 6, 17, 25 and 28)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ (32,220)	-	\$ 126,503	-
Unrealized gain on investments in equity instruments at FVTOCI	26,003	-	38,205	-
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	(103,321)	-	144,674	-
Income tax related to items that will not be reclassified subsequently to profit or loss	<u>6,508</u>	<u>-</u>	<u>(24,432)</u>	<u>-</u>
	<u>(103,030)</u>	<u>-</u>	<u>284,950</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(8,345,936)	(5)	9,216,940	4
Gain (loss) on hedging instruments	1,944,866	1	(1,580,829)	(1)
Income tax related to items that may be reclassified subsequently to profit or loss	<u>1,321,506</u>	<u>1</u>	<u>(1,431,963)</u>	<u>-</u>
	<u>(5,079,564)</u>	<u>(3)</u>	<u>6,204,148</u>	<u>3</u>
Other comprehensive (loss) income for the year, net of income tax	<u>(5,182,594)</u>	<u>(3)</u>	<u>6,489,098</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 12,195,206</u>	<u>7</u>	<u>\$ 70,958,459</u>	<u>32</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 17,096,937	10	\$ 64,179,071	29
Non-controlling interests	<u>280,863</u>	<u>-</u>	<u>290,290</u>	<u>-</u>
	<u>\$ 17,377,800</u>	<u>10</u>	<u>\$ 64,469,361</u>	<u>29</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 11,931,571	7	\$ 70,649,660	32
Non-controlling interests	<u>263,635</u>	<u>-</u>	<u>308,799</u>	<u>-</u>
	<u>\$ 12,195,206</u>	<u>7</u>	<u>\$ 70,958,459</u>	<u>32</u>

(Continued)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 29)				
Basic	<u>\$ 4.90</u>		<u>\$ 18.38</u>	
Diluted	<u>\$ 4.89</u>		<u>\$ 18.32</u>	

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

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											Total Equity
							Other Equity			Non-controlling Interests (Note 25)		
							Exchange Differences on Translation of the Financial Statements of Foreign Operations (Notes 4 and 25)	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Notes 4 and 25)	Gain (Loss) on Hedging Instruments (Notes 4 and 25)			
											Total	
	Share Capital (Notes 4 and 25) Shares (In Thousands)	Amount	Capital Surplus (Notes 4 and 25)	Retained Earnings (Note 25) Legal Reserve Special Reserve Unappropriated Earnings								
BALANCE ON JANUARY 1, 2024	3,492,104	\$ 34,921,043	\$ 27,975,030	\$ 34,991,933	\$ 3,988,772	\$ 176,009,020	\$ (346,936)	\$ (748,123)	\$ 187,173	\$ 276,977,912	\$ 723,297	\$ 277,701,209
Appropriation of 2023 earnings												
Legal reserve	-	-	-	475,457	-	(475,457)	-	-	-	-	-	-
Special reserve	-	-	-	-	947,930	(947,930)	-	-	-	-	-	-
Cash dividends to shareholders (NT\$2 per share)	-	-	-	-	-	(6,984,208)	-	-	-	(6,984,208)	-	(6,984,208)
Net profit for the year ended December 31, 2024	-	-	-	-	-	64,179,071	-	-	-	64,179,071	290,290	64,469,361
Other comprehensive income (loss) for the year ended December 31, 2024, net of income tax	-	-	-	-	-	99,685	7,431,732	182,841	(1,243,669)	6,470,589	18,509	6,489,098
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	-	64,278,756	7,431,732	182,841	(1,243,669)	70,649,660	308,799	70,958,459
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (loss) by associates	-	-	-	-	-	4,138	-	(4,138)	-	-	-	-
Basis adjustment to loss on hedging instruments	-	-	-	-	-	-	-	-	(104,972)	(104,972)	-	(104,972)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(257,088)	(257,088)
BALANCE ON DECEMBER 31, 2024	3,492,104	34,921,043	27,975,030	35,467,390	4,936,702	231,884,319	7,084,796	(569,420)	(1,161,468)	340,538,392	775,008	341,313,400
Appropriation of 2024 earnings												
Legal reserve	-	-	-	6,428,289	-	(6,428,289)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(829,622)	829,622	-	-	-	-	-	-
Cash dividends to shareholders (NT\$7.5 per share)	-	-	-	-	-	(26,190,782)	-	-	-	(26,190,782)	-	(26,190,782)
Net profit for the year ended December 31, 2025	-	-	-	-	-	17,096,937	-	-	-	17,096,937	280,863	17,377,800
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	(29,967)	(6,700,517)	(76,477)	1,641,595	(5,165,366)	(17,228)	(5,182,594)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	-	17,066,970	(6,700,517)	(76,477)	1,641,595	11,931,571	263,635	12,195,206
Disposal of investments in equity instruments designated as at fair value through other comprehensive income (loss) by associates	-	-	-	-	-	(2,895)	-	2,895	-	-	-	-
Basis adjustment to loss on hedging instruments	-	-	-	-	-	-	-	-	(428,511)	(428,511)	-	(428,511)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(287,360)	(287,360)
BALANCE ON DECEMBER 31, 2025	3,492,104	\$ 34,921,043	\$ 27,975,030	\$ 41,895,679	\$ 4,107,080	\$ 217,158,945	\$ 384,279	\$ (643,002)	\$ 51,616	\$ 325,850,670	\$ 751,283	\$ 326,601,953

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

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 23,304,766	\$ 79,819,520
Adjustments for:		
Depreciation expenses	20,078,156	19,849,531
Amortization expenses	64,858	87,923
Expected credit loss recognized	102,369	7,027
Net gain on fair value change of financial assets/liabilities at FVTPL	(171,600)	(21,325)
Finance costs	3,734,607	2,317,780
Net gain on derecognition of financial assets at amortized cost	(353)	(312)
Interest income	(9,916,405)	(11,410,782)
Dividend income	(20,115)	(18,772)
Share of profit of associates and joint ventures	(522,743)	(714,076)
Gain on disposal of property, plant and equipment	(110,094)	(190,271)
Loss on disposal of intangible assets	-	273
Gain on disposal of associates	-	(321)
Impairment loss recognized on associates	4,668	9,610
Reversal of write-downs of shipping fuel	(15,712)	(219,652)
Reversal gain recognized on right-of-use assets	-	(5,280)
Net loss (gain) on foreign currency exchange	391,840	(1,347,840)
Gain on changes in fair value of investment properties	(429,517)	(71,545)
Loss on disposal of subsidiary	7,938	-
Gain on lease modification	(1,263)	(1,310)
Recognition of provisions	367,119	219,386
Others	401	-
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at FVTPL	(15,786,427)	(2,543,731)
Contract assets	1,088,512	(1,547,677)
Notes receivable	(806)	2,131
Trade receivables	(2,630,733)	(4,282,883)
Trade receivables from related parties	16,510	60,120
Shipping fuel	868,548	(203,749)
Prepayments	(19,410)	(121,696)
Prepayments to shipping agents	33,800	156,964
Other current assets	(275,759)	(478,712)
Contract liabilities	(296,181)	142,967
Notes payable	(1,761)	(19,042)
Trade payables	1,166,822	1,146,651
Trade payables to related parties	(12,841)	40,817
Other payables	(1,168,611)	2,255,325
Provisions	(972)	-
Other advance account	59,034	69,995
Other current liabilities	168,823	639,546
Net defined benefit liabilities	(307,348)	(92,962)
Cash generated from operations	19,770,120	83,533,628
Interest received	13,827,879	11,222,192

(Continued)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Dividends received	\$ 408,373	\$ 390,663
Interest paid	(3,743,956)	(2,340,308)
Income tax paid	<u>(5,594,955)</u>	<u>(7,460,393)</u>
Net cash generated from operating activities	<u>24,667,461</u>	<u>85,345,782</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(185,365,584)	(122,580,614)
Proceeds from sale of financial assets at amortized cost	172,812,062	175,411,746
Proceeds from sale of financial assets for hedging	9,327,137	1,217,301
Net cash inflow on disposal of associates	-	1,235
Proceeds from disposal of non-current assets held for sale	296,934	-
Payments for property, plant and equipment	(28,245,901)	(6,811,582)
Proceeds from disposal of property, plant and equipment	897,272	272,132
Increase in refundable deposits	(23,057)	(121,597)
Payments for intangible assets	(119,745)	(74,757)
Proceeds from disposal of intangible assets	-	1,152
Payments for investment properties	(215,445)	(2,154)
Decrease in financial lease receivables	21,023	20,747
(Increase) decrease in other financial assets	(1,272)	1,346
Decrease (increase) in other non-current assets	15,541	(32,042)
Increase in prepayments for equipment	<u>(7,359,467)</u>	<u>(176,317)</u>
Net cash (used in) generated from investing activities	<u>(37,960,502)</u>	<u>47,126,596</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	598,000	(1,453,000)
Repayments of short-term bills payable	(350,000)	(325,000)
Repayments of bonds payable	(2,250,000)	(2,500,000)
Proceeds from long-term borrowings	180,000	462,000
Repayments of long-term borrowings	(156,667)	(625,311)
Repayments of the principal portion of lease liabilities	(10,353,111)	(30,071,115)
Increase (decrease) in other non-current liabilities	12,890	(27,580)
Dividends paid to owners of the Company	(26,190,782)	(6,984,208)
Net change in non-controlling interests	<u>(287,360)</u>	<u>(257,088)</u>
Net cash used in financing activities	<u>(38,797,030)</u>	<u>(41,781,302)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(6,877,996)</u>	<u>4,889,238</u>
		(Continued)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ (58,968,067)	\$ 95,580,314
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>165,501,879</u>	<u>69,921,565</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 106,533,812</u>	<u>\$ 165,501,879</u>

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

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

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

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

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

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

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by YMTC’s board of directors on March 12, 2026.

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

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

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of above standards and interpretations will not have a material impact on the Group’s financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

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

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

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

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 "Statement of Cash Flows":

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

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

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

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

c. Classification of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

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

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

d. Basis of consolidation

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

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

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

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 14 and Tables F and G for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting consolidated financial statements, the financial statements of the Company's foreign operations (including subsidiaries, associates and joint ventures in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

f. Shipping fuel

Shipping fuel is stated at the lower of cost or net realizable value. Any write-down is made item by item. Shipping fuel is recorded at weighted-average cost.

g. Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture. A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group uses the equity method to account for its investments in associates and joint ventures.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates attributable to the Group.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate and a joint venture at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized.

When the Group's share of losses of an associate and a joint venture equals or exceeds its interest in that associate and joint venture (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate and joint venture), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate and joint venture.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate and a joint venture. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate and joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate and joint venture. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate and joint venture on the same basis as would be required had that associate directly disposed of the related assets or liabilities.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include land held for a currently undetermined future use.

Freehold investment properties are measured initially at cost, including transaction costs, and are subsequently measured using the fair value model. Changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of an item of property for subsequent accounting is its fair value at the commencement of development for owner-occupation.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. To meet the criteria for the sale being highly probable, the appropriate level of management must be committed to the sale, and the sale should be expected to qualify for recognition as a completed sale within 1 year from the date of classification.

When the Group is committed to a sale plan involving the disposal of an investment or a portion of an investment in an associate or a joint venture, only the investment or the portion of the investment that will be disposed of is classified as held for sale when the classification criteria are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. If the Group ceases to have significant influence or joint control over the investment after the disposal takes place, the Group accounts for any retained interest that has not been classified as held for sale in accordance with the accounting policies for financial instruments.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Such assets classified as held for sale are not depreciated.

m. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are included in the initially recognized amount of the financial assets or financial liabilities.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investment in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 32: Financial Instruments.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, notes receivable and trade receivables at amortized cost, time deposits with original maturities of more than 3 months, repurchase agreements, corporate bonds, restricted bank balance, other receivables and long-term receivables, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

A financial asset is credit impaired when one or more of the following events have occurred:

- i) Significant financial difficulty of the issuer or the borrower;
- ii) Breach of contract, such as a default;
- iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits, call deposits and repurchase agreements with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables), finance lease receivables, other receivables, as well as contract assets.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables, finance lease receivables, other receivables and contract assets. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group considers that when internal or external information shows that the debtor is unlikely to pay its creditors, it is indicated that a financial asset is in default (without taking into account any collateral held by the Group).

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to oil price variation risks, mainly for oil swap option.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument; in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at FVTPL.

n. Hedge accounting

The Group designates certain hedging instruments, which include non-derivatives in respect of foreign currency risk, as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

Cash flow hedges

The effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustments in the line items relating to the hedged item in the same period in which the hedged item affects profit or loss. If a hedge of a forecasted transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that was previously recognized in other comprehensive income (from the period in which the hedge was effective) remains separately in equity until the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the gains or losses accumulated in equity are recognized immediately in profit or loss.

o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1) Decommissioning and restoration obligation

Provisions are recognized based on the present value of the best estimate of future outflows of economic benefits that will be required for fulfillment of the restoration obligation stated on the lease contract.

2) Carbon fee provision

In accordance with the related regulations of the EU-ETS, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year.

p. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

For contracts entered into with the same customer (or related parties of the customer) at or near the same time, those contracts are accounted for as a single contract if the services promised in the contracts are a single performance obligation.

1) Revenue from container shipping service

Revenue from contracts with customers comes from providing container shipping services. As the Group provides container shipping services, customers simultaneously receive and consume the benefits provided by the Group's performance. The Group recognizes the cargo revenue and contract asset on the basis of the percentage-of-completion. The contract assets are reclassified to trade receivables when the voyage is completed.

2) Other operating revenue

a) Terminal operating revenue

Terminal and stevedoring revenue is recognized when the service is provided; berthing revenue is recognized by reference to berthing hour and at berthing rate.

b) Forwarding agency revenue

Forwarder revenue is recognized upon the completion of packing for shipment. The revenue from cargo arrangement services is recognized upon the completion of service.

c) Other service revenue

Other service revenue is recognized on an accrual basis for service rendered or upon the completion of service.

q. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Group's net investment outstanding in respect of leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Group by the end of the lease terms or if the costs of right-of-use assets reflect that the Group will exercise a purchase option, the Group depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, or a change in the assessment of an option to purchase an underlying asset, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

r. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate.

Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

s. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost and past service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur or when the plan amendment or curtailment occurs. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

4) Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

t. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. If investment properties measured using the fair value model are non-depreciable assets, or are held under a business model whose objective is not to consume substantially all of the economic benefits embodied in the assets over time, the carrying amounts of such assets are presumed to be recovered entirely through sale.

The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of European Union environmental policies and regulations, the development of the Red Sea crisis, the military conflict between Russia and Ukraine, the economic environment implications of inflation and US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

Revenue recognition

Revenue from delivery service is recognized under the percentage-of-completion method. The Group evaluates the percentage-of-completion and estimates the revenue and related costs as of the financial reporting date.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2025	2024
Cash on hand	\$ 6,043	\$ 6,415
Checking accounts and demand deposits	25,738,456	28,782,975
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	80,609,428	133,032,795
Repurchase agreements	-	3,500,000
Call deposits	<u>179,885</u>	<u>179,694</u>
	<u>\$ 106,533,812</u>	<u>\$ 165,501,879</u>

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

	December 31	
	2025	2024
Time deposits	0.50%-39.25%	0.50%-48.00%
Repurchase agreements	-	1.84%-1.85%
Call deposits	1.75%	1.75%

Financial assets designated as hedging

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

	Maturity Period	Account	Carrying Amount
December 31, 2025	2026/01/07-2026/04/08	Financial assets for hedging	<u>\$ 7,069,864</u>
December 31, 2024	2025/01/03-2025/02/03	Financial assets for hedging	<u>\$ 17,210,159</u>

Impact on comprehensive income (loss):

	Recognized In Other Comprehensive Income (Loss)
For the year ended December 31, 2025	<u>\$ (813,158)</u>
For the year ended December 31, 2024	<u>\$ 1,157,691</u>

For the years ended December 31, 2025 and 2024, the amount of hedging instruments reclassified to prepayments for equipment or property in construction were \$(428,511) thousand and \$(104,972) thousand, respectively.

7. FINANCIAL INSTRUMENTS AT FVTPL

	December 31	
	2025	2024
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic listed shares	\$ 235,929	\$ 166,571
Mutual funds	<u>18,448,003</u>	<u>2,567,291</u>
	<u>\$ 18,683,932</u>	<u>\$ 2,733,862</u>
<u>Financial assets at FVTPL - non-current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic listed shares	\$ 264,800	\$ 256,000
Domestic limited partnership	<u>24,974</u>	<u>25,817</u>
	<u>\$ 289,774</u>	<u>\$ 281,817</u>

8. FINANCIAL ASSETS AT FVTOCI - NON-CURRENT

	December 31	
	2025	2024
<u>Domestic investments in equity instruments</u>		
Unlisted shares		
Ordinary shares - Taipei Port Container Terminal Co., Ltd.	\$ 536,664	\$ 509,136
Ordinary shares - United Stevedoring Corp.	4,916	4,923
Ordinary shares - United Raw Material Solutions Inc.	1,268	1,595
Ordinary shares - Pro-Ascentek Investment Corporation	<u>13,261</u>	<u>14,452</u>
	<u>\$ 556,109</u>	<u>\$ 530,106</u>

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

Dividends of \$2,556 thousand and \$1,899 thousand were recognized during 2025 and 2024, respectively.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2025	2024
Time deposits with original maturity of more than 3 months (a)	\$ 46,981,620	\$ 51,170,040
Restricted bank balance (Note 34)	139,288	146,353
Repurchase agreements (b)	2,000,000	6,550,000
Corporate bonds (c)	31,255,681	16,365,902
Less: Allowance for impairment loss	<u>(7,761)</u>	<u>(4,564)</u>
	<u>\$ 80,368,828</u>	<u>\$ 74,227,731</u>
Current	<u>\$ 49,547,037</u>	<u>\$ 58,263,602</u>
Non-current	<u>\$ 30,821,791</u>	<u>\$ 15,964,129</u>

- The ranges of interest rates for time deposits with original maturities of more than 3 months were approximately 0.03%-7.40% and 0.03%-7.10% per annum as of December 31, 2025 and 2024, respectively.
- The ranges of interest rates for repurchase agreements were approximately 1.78% and 1.80%-1.86% per annum as of December 31, 2025 and 2024, respectively.
- In 2025 and 2024, the Group bought 3-year to 7-year corporate bonds issued at a par value of US\$552,000 thousand and 4-year to 7-year corporate bonds issued at a par value of US\$383,000 thousand, respectively. The coupon rate and the effective interest rate of the corporate bonds were approximately 0.70%-6.09%, 3.96%-6.73%; and 0.45%-6.09%, 3.96%-6.73% per annum as of December 31, 2025 and 2024, respectively.
- Refer to Note 32 for information relating to the credit risk management and impairment of investments in financial assets at amortized cost.

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	December 31	
	2025	2024
<u>Notes receivable - operating</u>	<u>\$ 9,341</u>	<u>\$ 8,535</u>
<u>Trade receivables</u>		
At amortized cost		
Trade receivables - non-related parties	\$ 13,239,909	\$ 10,795,276
Trade receivables - related parties	136,612	158,543
Less: Allowance for impairment loss	<u>(152,398)</u>	<u>(77,290)</u>
	<u>\$ 13,224,123</u>	<u>\$ 10,876,529</u>

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

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

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

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

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

December 31, 2025

	No Signs of Default by Client					Signs of Default by Client	Total
	Less than 60 Days	61 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days		
Expected credit loss rate	0.00%-1.20%	0.50%-2.20%	0.50%-5.70%	0.50%-10.70%	0.50%-20.70%	100.00%	
Gross carrying amount	\$ 13,172,690	\$ 120,289	\$ 48,779	\$ 18,980	\$ 3,339	\$ 21,785	\$ 13,385,862
Loss allowance (Lifetime ECLs)	(124,947)	(2,006)	(2,426)	(988)	(246)	(21,785)	(152,398)
Amortized cost	<u>\$ 13,047,743</u>	<u>\$ 118,283</u>	<u>\$ 46,353</u>	<u>\$ 17,992</u>	<u>\$ 3,093</u>	<u>\$ -</u>	<u>\$ 13,233,464</u>

December 31, 2024

	No Signs of Default by Client					Signs of Default by Client	Total
	Less than 60 Days	61 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days		
Expected credit loss rate	0.00%-0.65%	0.50%-1.65%	0.50%-5.15%	0.50%-10.15%	0.50%-20.15%	100.00%	
Gross carrying amount	\$ 10,708,058	\$ 165,058	\$ 69,855	\$ 6,064	\$ 3,108	\$ 10,211	\$ 10,962,354
Loss allowance (Lifetime ECLs)	(61,193)	(2,436)	(2,888)	(393)	(169)	(10,211)	(77,290)
Amortized cost	<u>\$ 10,646,865</u>	<u>\$ 162,622</u>	<u>\$ 66,967</u>	<u>\$ 5,671</u>	<u>\$ 2,939</u>	<u>\$ -</u>	<u>\$ 10,885,064</u>

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 77,290	\$ 52,941
Add: Net remeasurement of loss allowance	80,769	(4,225)
Less: Amounts written off	(1,338)	(700)
Less: Reclassified to allowance of overdue receivables	(3,113)	-
Add: Reclassified from allowance of overdue receivables	-	28,430
Foreign exchange gains and losses	<u>(1,210)</u>	<u>844</u>
Balance on December 31	<u>\$ 152,398</u>	<u>\$ 77,290</u>

11. FINANCE LEASE RECEIVABLES

The composition of finance lease receivables was as follows:

	December 31	
	2025	2024
<u>Undiscounted lease payments</u>		
Year 1	\$ 22,011	\$ 22,011
Year 2	22,011	22,011
Year 3	22,010	22,010
Year 4	-	22,010
Year 5	<u>-</u>	<u>-</u>
	66,032	88,042
Less: Unearned finance income	<u>(1,260)</u>	<u>(2,247)</u>
Net investment in leases presented as finance lease receivables	<u>\$ 64,772</u>	<u>\$ 85,795</u>
Current	<u>\$ 21,305</u>	<u>\$ 21,024</u>
Non-current	<u>\$ 43,467</u>	<u>\$ 64,771</u>

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

The interest rates inherent in leases are fixed at the contract dates for the entire term of the lease. The interest rate inherent in the finance lease was approximately 1.33% as of December 31, 2025 and 2024.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. The respective leased equipment served as collateral for the finance lease receivables. As of December 31, 2025, no finance lease receivable was past due. The Group has not recognized a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collateral held over these finance lease receivables.

12. SHIPPING FUEL

	December 31	
	2025	2024
Shipping fuel	\$ 4,099,241	\$ 4,952,077

The cost of shipping fuel recognized as operating cost for the years ended December 31, 2025 and 2024 were \$22,784,581 thousand and \$24,682,274 thousand, respectively.

The cost of shipping fuel recognized as operating cost for the years ended December 31, 2025 and 2024 included reversal of shipping fuel write-downs of \$15,712 thousand and \$219,652 thousand, respectively. Previous write-downs were reversed as a result of increased profit from marine operations.

13. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	December 31	
	2025	2024
Investments in joint ventures	\$ -	\$ 282,749

The Group's board of directors resolved to dispose of 100% ownership interest of Chang Ming Logistics Company Limited in December 2024. The disposal procedures are expected to be completed within 12 months, therefore, the assets were reclassified as non-current assets held for sale based on carrying amounts as of the year ended December 31, 2024. In March 2025, the Group entered into a share transfer agreement to dispose its entire equity in Chang Ming Logistics Company Limited with CNY70,952 thousand, and the transfer of shares and the transaction payments were completed in May 2025 and June 2025, respectively.

14. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership Interests (%)		Note
			December 31		
			2025	2024	
Yang Ming Marine Transport Corporation	Yang Ming Line (B.V.I.) Holding Co., Ltd. (YML-BVI)	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	
"	Yang Ming Line B.V. (YML-BV)	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	Note e
"	Yang Ming Line (Singapore) Pte Ltd (YML-Singapore)	Investment, shipping service, sale and purchase of ships, chartering and forwarding agency	-	100.00	Note a
"	All Oceans Transportation Inc. (AOT)	Shipping agency, forwarding agency and shipping managers	100.00	100.00	
"	YES Logistics Corp. (Yes Logistics)	Sea and air freight forwarding agency and warehouse operation	96.36	96.36	
"	Kuang Ming Shipping Corp. (Kuang Ming)	Shipping service, shipping agency and forwarding agency	98.88	98.88	
"	Hong Ming Terminal & Stevedoring Corp.	Terminal operation and stevedoring	100.00	100.00	
"	Jing Ming Transportation Co., Ltd.	Container transportation	50.98	50.98	
"	Yang Ming Line Holding Co. (YML Holding)	Investment, shipping agency, forwarding agency and shipping managers	100.00	100.00	
"	Yang Ming (Singapore) Pte. Ltd. (YM-Singapore)	Shipping agency, forwarding agency, shipping managers and shipping lines	100.00	100.00	Note a

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership Interests (%)		Note
			December 31		
			2025	2024	
YML Holding	Yang Ming (America) Corp.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	
"	Transcont Intermodal Logistics, Inc.	Inland forwarding agency	100.00	100.00	
"	Yang Ming Shipping (Canada) Ltd.	Shipping agency, forwarding agency and shipping managers	100.00	100.00	
YML-BVI	Yang Ming (UK) Ltd (Yangming-UK)	Shipping agency, forwarding agency, shipping managers and shipping lines	100.00	100.00	Note b
YML-BV	Yangming-UK	Shipping agency, forwarding agency, shipping managers and shipping lines	-	-	Note b
"	Yang Ming Shipping Europe GmbH	Shipping agency, forwarding agency and shipping managers	100.00	100.00	
"	Yang Ming Italy S.P.A. (Yang Ming-Italy)	Shipping agency	50.00	50.00	
"	Yang Ming (Netherlands) B.V.	Shipping agency	100.00	100.00	
"	Yang Ming (Belgium) N.V.	Shipping agency	89.92	89.92	
"	Yang Ming (Russia) LLC	Shipping agency	-	60.00	Note c
"	Yang Ming (Spain), S.L.	Shipping agency	60.00	60.00	
"	Yang Ming (MEDITERRANEAN) Marine Services Single-Member Limited Liability Company	Shipping agency, forwarding agency and shipping managers	100.00	100.00	
Yang Ming (Netherlands) B.V.	Yang Ming (Belgium) N.V.	Shipping agency	10.08	10.08	
Yang Ming-Italy	Yang Ming (Naples) S.r.l.	Forwarding agency	60.00	60.00	
Yangming-UK	Corstor Ltd.	Warehouse management and container haulage services	100.00	100.00	
YM-Singapore	Young-Carrier Company Ltd.	Investment, shipping agency, forwarding agency and shipping managers	100.00	-	Note a
"	Yang Ming Shipping (B.V.I.) Inc. (YMS-BVI)	Forwarding agency and shipping agency	100.00	-	Note a
"	Yangming (Japan) Co., Ltd. (Yangming (Japan))	Shipping services, sale and purchase of ships, chartering and forwarding agency	100.00	-	Note a
"	Yang Ming Line (Hong Kong) Ltd. (YML-HK)	Forwarding agency and shipping agency	1.44	-	Note a
"	Yang Ming Line (M) Sdn. Bhd.	Shipping agency, forwarding agency and shipping managers	100.00	-	Note a
"	Yang Ming Line (India) Pvt. Ltd.	Shipping agency, forwarding agency and shipping managers	60.00	-	Note a
"	Yang Ming (Korea) Co., Ltd	Shipping agency, forwarding agency and shipping managers	60.00	-	Note a
"	Yang Ming Anatolia Shipping Agency S.A. (Yang Ming Anatolia)	Shipping agency, forwarding agency and shipping managers	50.00	-	Note a
"	Yang Ming Shipping (Vietnam) Co., Ltd	Forwarding agency and shipping managers	100.00	-	Note a
"	Yang Ming Shipping Philippines, Inc.	Forwarding agency and shipping managers	100.00	-	Note a
"	Yang Ming (Latin America) Corp.	Shipping agency, forwarding agency and shipping managers	100.00	-	Note a
"	Yang Ming Line (Thailand) Co., Ltd. (YML-Thailand)	Shipping agency, forwarding agency and shipping managers	49.00	-	Note a
"	Yang Ming Line shipping (Thailand) Co., Ltd.	Shipping agency	49.00	-	Note a
"	Yang Ming Insurance Co., Ltd.	Insurance	100.00	-	Note a
"	PT Yang Ming Shipping Indonesia (PT Yang Ming Indonesia)	Shipping agency, forwarding agency and shipping managers	49.00	-	Note a
"	Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Shipping agency, forwarding agency and shipping managers	100.00	-	Notes a and d
"	Yang Ming (France) S.A.S.	Shipping agency, forwarding agency and shipping managers	60.00	-	Note a

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership Interests (%)		Note
			December 31		
			2025	2024	
YML-Singapore	Young-Carrier Company Ltd.	Investment, shipping agency, forwarding agency and shipping managers	-	100.00	Note a
"	YMS-BVI	Forwarding agency and shipping agency	-	100.00	Note a
"	Yangming (Japan)	Shipping services, sale and purchase of ships, chartering and forwarding agency	-	100.00	Note a
"	YML-HK	Forwarding agency and shipping agency	-	1.44	Note a
"	Yang Ming Line (M) Sdn. Bhd.	Shipping agency, forwarding agency and shipping managers	-	100.00	Note a
"	Yang Ming Line (India) Pvt. Ltd.	Shipping agency, forwarding agency and shipping managers	-	60.00	Note a
"	Yang Ming (Korea) Co., Ltd	Shipping agency, forwarding agency and shipping managers	-	60.00	Note a
"	Yang Ming Anatolia	Shipping agency, forwarding agency and shipping managers	-	50.00	Note a
"	Yang Ming Shipping (Vietnam) Co., Ltd	Forwarding agency and shipping managers	-	100.00	Note a
"	Yang Ming Shipping Philippines, Inc.	Forwarding agency and shipping managers	-	100.00	Note a
"	Yang Ming (Latin America) Corp.	Shipping agency, forwarding agency and shipping managers	-	100.00	Note a
"	YML-Thailand	Shipping agency, forwarding agency and shipping managers	-	49.00	Note a
"	Yang Ming Line shipping (Thailand) Co., Ltd.	Shipping agency	-	49.00	Note a
"	Yang Ming Insurance Co., Ltd.	Insurance	-	100.00	Note a
"	PT Yang Ming Indonesia	Shipping agency, forwarding agency and shipping managers	-	49.00	Note a
"	Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Shipping agency, forwarding agency and shipping managers	-	100.00	Notes a and d
"	Yang Ming (France) S.A.S.	Shipping agency, forwarding agency and shipping managers	-	60.00	Note a
YML-Thailand	Yang Ming Line shipping (Thailand) Co., Ltd.	Shipping agency	50.00	50.00	
Yang Ming Line shipping (Thailand) Co., Ltd.	YML-Thailand	Shipping agency, forwarding agency and shipping managers	49.00	49.00	
Yangming (Japan)	Manwa & Company, Ltd.	Forwarding agency and shipping agency	100.00	100.00	Note f
YMS-BVI	Karlman Properties Limited	Property agency	100.00	100.00	
"	YML-HK	Forwarding agency and shipping agency	98.56	98.56	
Kuang Ming	Kuang Ming (Liberia) Corp.	Forwarding agency	100.00	100.00	
YES Logistics Corp	Yes Logistics Corporation USA (Yes-USA)	Sea and air freight forwarding agency	100.00	100.00	
"	Yes Yangming Logistics (Singapore) Pte. Ltd. (Yes-Singapore)	Investment and subsidiaries management	100.00	100.00	
"	Yes Logistics (Shanghai) Corp. (Yes-Shanghai)	Forwarding agency	69.80	69.80	
"	PT. YES Logistics Indonesia	Forwarding agency	51.00	51.00	
Yes-USA	Yes-Shanghai	Forwarding agency	30.20	30.20	
"	Golden Logistics USA Corporation	Container transportation	100.00	100.00	
"	Yes Logistics Europe GmbH (Yes-ERO)	Forwarding agency	100.00	100.00	
Yes-Singapore	Yes Logistics Company Ltd.	Forwarding agency	100.00	100.00	
"	Yes Logistics Benelux B.V.	Forwarding agency	70.00	70.00	
Yes-ERO	Yes MLC GmbH	Import and export, storage and delivery, and other warehousing related business	100.00	100.00	
Yes MLC GmbH	Merlin Logistics GmbH	Warehouse operation and logistics	100.00	100.00	
Merlin Logistics GmbH	YES Logistics Bulgaria Ltd.	Cargo consolidation service and forwarding agency	100.00	100.00	

(Concluded)

- Note a: The Group's board of directors resolved in April 2025 to proceed a short-form merger between YM-Singapore and YML-Singapore, with YM-Singapore as the surviving company and YML-Singapore as the dissolved company. The base date of the merger was July 31, 2025.
- Note b: The Group's board of directors resolved in March 2024 for its subsidiary Yangming-UK to return part of its capital to shareholders through capital reduction. The capital reduction was completed in May 2024. YML-BVI's share of Yangming-UK increased to 100% after the capital reduction.
- Note c: The Group's board of directors resolved in August 2023 to liquidate Yang Ming (Russia) LLC. The liquidation was completed in January 2025.
- Note d: The Group contributed 51% of capital in terms of cash input, but de facto holds 100% of the equity based on terms stipulated in the joint venture agreement. The Group's board of directors resolved in December 2025 to acquire the remaining capital of Huan Ming (Shanghai) International Shipping Agency Co., Ltd. Following the settlement of the consideration and completion of the equity transfer in February 2026, the Group's capital contribution reached 100%.
- Note e: The Group's board of directors resolved in November 2025 to process the cash capital increase of YML-BV with a limit amount of NT\$1,500,000 thousand. The capital injection was completed in March 2026.
- Note f: The Group's board of directors resolved in November 2025 to liquidate Manwa & Company, Ltd.

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

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

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2025	2024
Investment in associates	\$ 8,825,143	\$ 9,089,513
Investments in joint ventures	<u>105,093</u>	<u>106,839</u>
	<u>\$ 8,930,236</u>	<u>\$ 9,196,352</u>

a. Investment in associates

	December 31	
	2025	2024
Associates that are not individually material		
Kao Ming Container Terminal Corp.	\$ 3,449,577	\$ 3,640,780
Taiwan Navigation Co., Ltd.	3,096,354	3,094,073
West Basin Container Terminal LLC	1,279,975	1,356,482
United Terminal Leasing LLC	509,236	502,244
Sino Trans PFS Cold Chain Logistics Co., Ltd.	23,363	28,472
Yunn Wang Investment Co., Ltd.	206,625	202,136
Taiwan Foundation International Pte. Ltd.	127,539	131,639
Shanghai United Cold Chain logistics Co., Ltd.	26,723	26,580
Yang Ming Shipping (Egypt) S.A.E	47,393	44,833
Yang Ming (U.A.E.) LLC	21,137	21,654
Yang Ming (Australia) Pty. Ltd.	27,896	32,115
PT. Formosa Sejati Logistics	<u>9,325</u>	<u>8,505</u>
	<u>\$ 8,825,143</u>	<u>\$ 9,089,513</u>

Refer to Table F and Table G for main business and locations of the associates.

All the associates are accounted for using the equity method.

Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Net profit for the year	\$ 517,742	\$ 718,062
Other comprehensive (loss) income	<u>(103,321)</u>	<u>144,674</u>
Total comprehensive income for the year	<u>\$ 414,421</u>	<u>\$ 862,736</u>

As of December 31, 2025, some of the equity investments that are not individually material and accounted for using the equity method showed signs of impairment. The management of the Group carried out the impairment tests individually for each equity investment by comparing its recoverable amounts with its carrying amounts. The recoverable amount of an investment in an associate is assessed individually for each associate. In determining the value in use of the investments, the Group estimated the present value of the estimated future cash flows expected to arise from the operations of the invested companies and from the ultimate disposal by using discount rates of 9.80%. Based on the assessments, the total recoverable amounts of the Group's equity investments of those associates of \$50,086 thousand (on the basis of their value-in-use) were less than their carrying amounts as of December 31, 2025.

As of December 31, 2024, some of the equity investments that are not individually material and accounted for using the equity method showed signs of impairment. The management of the Group carried out the impairment tests individually for each equity investment by comparing its recoverable amounts with its carrying amounts. The recoverable amount of an investment in an associate is assessed individually for each associate. In determining the value in use of the investments, the Group estimated the present value of the estimated future cash flows expected to arise from the operations of the invested companies and from the ultimate disposal by using discount rates of 10.40%. Based on the assessments, the total recoverable amounts of the Group's equity investments of those associates of \$55,052 thousand (on the basis of their value-in-use) were less than their carrying amounts as of December 31, 2024.

Hence, an impairment loss of \$4,668 thousand and \$9,610 thousand on those associates that are not individually material was recognized in profit or loss for the years ended December 31, 2025 and 2024, respectively.

b. Investments in joint ventures

	December 31	
	2025	2024
Joint ventures that are not individually material		
YES LIBERAL Logistics Corp.	\$ 79,519	\$ 76,566
LogiTrans Technology Private Limited	18,481	21,437
YES And HQL Logistics Company	<u>7,093</u>	<u>8,836</u>
	<u>\$ 105,093</u>	<u>\$ 106,839</u>

In March 2026, the Board of Directors approved the Group's plan to establish a joint venture with a partner, with a total investment amount not exceeding SGD48,000 thousand, to enhance its control over strategic investments in key terminals and to improve resource efficiency.

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

Aggregate information of joint ventures that are not individually material

	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Net profit (loss) for the year	\$ 5,001	\$ (3,986)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>\$ 5,001</u>	<u>\$ (3,986)</u>

16. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2025	2024
Assets used by the Group	\$ 122,376,409	\$ 93,301,437
Assets leased under operating leases	<u>6,241,000</u>	<u>8,443,993</u>
	<u>\$ 128,617,409</u>	<u>\$ 101,745,430</u>

a. Assets used by the Group

	Land	Buildings	Container and Chassis	Ships	Leasehold Improvements	Miscellaneous Equipment	Construction in Progress	Total
<u>Cost</u>								
Balance on January 1, 2025	\$ 899,388	\$ 1,656,836	\$ 38,704,014	\$ 131,953,867	\$ 397,038	\$ 3,557,454	\$ 3,338,720	\$ 180,507,317
Additions	6,669,980	4,201,891	5,374,201	2,075,605	8,333	92,575	9,347,985	27,770,570
Disposals	-	-	(1,789,107)	(958,079)	(435)	(139,368)	-	(2,886,989)
Transfers from assets leased under operating leases	-	-	-	2,804,458	-	-	-	2,804,458
Transfers to assets leased under operating leases	-	-	-	(1,259,982)	-	-	-	(1,259,982)
Reclassification	-	-	-	306,691	3,619	57,944	8,482,910	8,851,164
Effects of foreign currency exchange differences	<u>410</u>	<u>(17,038)</u>	<u>-</u>	<u>(483,427)</u>	<u>(1,846)</u>	<u>77</u>	<u>-</u>	<u>(501,824)</u>
Balance on December 31, 2025	<u>\$ 7,569,778</u>	<u>\$ 5,841,689</u>	<u>\$ 42,289,108</u>	<u>\$ 134,439,133</u>	<u>\$ 406,709</u>	<u>\$ 3,568,682</u>	<u>\$ 21,169,615</u>	<u>\$ 215,284,714</u>

(Continued)

	Land	Buildings	Container and Chassis	Ships	Leasehold Improvements	Miscellaneous Equipment	Construction in Progress	Total
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2025	\$ -	\$ 732,789	\$ 20,126,432	\$ 63,572,190	\$ 326,195	\$ 2,448,274	\$ -	\$ 87,205,880
Disposals	-	-	(1,429,705)	(958,079)	(408)	(138,831)	-	(2,527,023)
Transfers from assets leased under operating leases	-	-	-	126,470	-	-	-	126,470
Transfers to assets leased under operating leases	-	-	-	(169,056)	-	-	-	(169,056)
Depreciation expenses	-	45,094	1,869,093	6,159,273	28,379	218,302	-	8,320,141
Effects of foreign currency exchange differences	-	(10,510)	-	(36,411)	(880)	(306)	-	(48,107)
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 767,373</u>	<u>\$ 20,565,820</u>	<u>\$ 68,694,387</u>	<u>\$ 353,286</u>	<u>\$ 2,527,439</u>	<u>\$ -</u>	<u>\$ 92,908,305</u>
Balance on December 31, 2025, net value	<u>\$ 7,569,778</u>	<u>\$ 5,074,316</u>	<u>\$ 21,723,288</u>	<u>\$ 65,744,746</u>	<u>\$ 53,423</u>	<u>\$ 1,041,243</u>	<u>\$ 21,169,615</u>	<u>\$ 122,376,409</u>
<u>Cost</u>								
Balance on January 1, 2024	\$ 751,794	\$ 1,569,164	\$ 35,868,608	\$ 112,549,109	\$ 357,836	\$ 3,656,201	\$ -	\$ 154,752,712
Additions	-	775	3,475,759	1,884,228	33,883	134,808	1,217,301	6,746,754
Disposals	-	-	(640,404)	(1,052,198)	(371)	(247,371)	-	(1,940,344)
Transfers to assets leased under operating leases	-	-	-	(3,361,266)	-	-	-	(3,361,266)
Transfers from investment properties	147,639	48,340	-	-	-	-	-	195,979
Reclassification (Note 17-c)	-	-	-	21,203,408	-	(94)	2,121,419	23,324,733
Effects of foreign currency exchange differences	(45)	38,557	51	730,586	5,690	13,910	-	788,749
Balance on December 31, 2024	<u>\$ 899,388</u>	<u>\$ 1,656,836</u>	<u>\$ 38,704,014</u>	<u>\$ 131,953,867</u>	<u>\$ 397,038</u>	<u>\$ 3,557,454</u>	<u>\$ 3,338,720</u>	<u>\$ 180,507,317</u>
<u>Accumulated depreciation and impairment</u>								
Balance on January 1, 2024	\$ -	\$ 680,085	\$ 18,782,886	\$ 54,969,163	\$ 296,426	\$ 2,480,040	\$ -	\$ 77,208,600
Disposals	-	-	(558,975)	(1,052,198)	(371)	(246,939)	-	(1,858,483)
Transfers to assets leased under operating leases	-	-	-	(556,808)	-	-	-	(556,808)
Depreciation expenses	-	34,986	1,902,521	5,849,445	26,511	204,315	-	8,017,778
Reclassification (Note 17-c)	-	-	-	4,332,814	-	-	-	4,332,814
Effects of foreign currency exchange differences	-	17,718	-	29,774	3,629	10,858	-	61,979
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 732,789</u>	<u>\$ 20,126,432</u>	<u>\$ 63,572,190</u>	<u>\$ 326,195</u>	<u>\$ 2,448,274</u>	<u>\$ -</u>	<u>\$ 87,205,880</u>
Balance on December 31, 2024, net value	<u>\$ 899,388</u>	<u>\$ 924,047</u>	<u>\$ 18,577,582</u>	<u>\$ 68,381,677</u>	<u>\$ 70,843</u>	<u>\$ 1,109,180</u>	<u>\$ 3,338,720</u>	<u>\$ 93,301,437</u>

(Concluded)

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

Buildings	50-56 years
Container and chassis	6-10 years
Ships	20-25 years
Dry dock	2.5-5 years
Leasehold improvements	2-10 years
Miscellaneous equipment	3-18 years

The dry dock is a significant component of ships.

b. Assets leased under operating leases

	Ships
<u>Cost</u>	
Balance on January 1, 2025	\$ 14,012,911
Additions	49,537
Disposals	(55,794)
Transfers from assets used by the Group	1,259,982
Transfers to assets used by the Group	(2,804,458)
Effects of foreign currency exchange differences	(290,315)
Balance on December 31, 2025	<u>\$ 12,171,863</u>

(Continued)

Ships

Accumulated depreciation and impairment

Balance on January 1, 2025	\$ 5,568,918
Disposals	(55,794)
Transfers from assets used by the Group	169,056
Transfers to assets used by the Group	(126,470)
Depreciation expenses	540,341
Effects of foreign currency exchange differences	<u>(165,188)</u>
Balance on December 31, 2025	<u>\$ 5,930,863</u>
Balance on December 31, 2025, net value	<u>\$ 6,241,000</u>

Cost

Balance on January 1, 2024	\$ 10,199,828
Additions	21,826
Disposals	(19,799)
Transfers from assets used by the Group	3,361,266
Effects of foreign currency exchange differences	<u>449,790</u>
Balance on December 31, 2024	<u>\$ 14,012,911</u>

Accumulated depreciation and impairment

Balance on January 1, 2024	\$ 4,262,399
Disposals	(19,799)
Transfers from assets used by the Group	556,808
Depreciation expenses	530,471
Effects of foreign currency exchange differences	<u>239,039</u>
Balance on December 31, 2024	<u>\$ 5,568,918</u>
Balance on December 31, 2024, net value	<u>\$ 8,443,993</u>
	(Concluded)

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

	<u>December 31</u>	
	2025	2024
Year 1	\$ 1,196,309	\$ 1,212,573
Year 2	<u>-</u>	<u>6,639</u>
	<u>\$ 1,196,309</u>	<u>\$ 1,219,212</u>

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

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

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

Ships	20-25 years
Dry dock	2.5-5 years

The dry dock is a significant component of ships.

17. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amount</u>		
Land	\$ 29,077	\$ 17,134
Buildings	1,089,951	1,387,836
Container and chassis	2,724,355	3,591,737
Ships	57,581,797	66,700,186
Miscellaneous equipment	<u>65,154</u>	<u>61,625</u>
	<u>\$ 61,490,334</u>	<u>\$ 71,758,518</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ 1,111,361</u>	<u>\$ 43,582,816</u>
Depreciation charge for right-of-use assets		
Land	\$ 9,135	\$ 9,173
Buildings	502,289	516,540
Container and chassis	867,382	889,983
Ships	9,792,134	9,839,246
Miscellaneous equipment	<u>46,734</u>	<u>46,340</u>
	<u>\$ 11,217,674</u>	<u>\$ 11,301,282</u>
Income from the subleasing of right-of-use assets (presented in operating revenue and other income)	<u>\$ 242,398</u>	<u>\$ 247,973</u>

Foreseeing the recoverable in bulk shipping market price in 2024, the Group expected the future cash flows from right-of-use assets of bulk shipping department to increase. Therefore, the recoverable amount will be higher than the carrying amount after recognizing an impairment loss. The review led to the recognition of an impairment reversal gain of \$5,280 thousand which was recognized as a reduction of operating costs for the year ended December 31, 2024. The Group determined the recoverable amounts of the relevant right-of-assets on the basis of their value in use. The discount rate used in measuring the value in use was 7.38% per annum in 2024.

b. Lease liabilities

	December 31	
	2025	2024
Carrying amount		
Current	<u>\$ 3,716,585</u>	<u>\$ 4,862,958</u>
Non-current	<u>\$ 10,546,087</u>	<u>\$ 14,072,039</u>
Lease liabilities designated as hedging (presented in financial liabilities for hedging)		
Current	<u>\$ 5,477,121</u>	<u>\$ 5,637,381</u>
Non-current	<u>\$ 46,738,431</u>	<u>\$ 54,474,959</u>

Financial liabilities designated as hedging

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

	Maturity Period	Account	Carrying Amount
December 31, 2025	2028/05/30-2035/10/16	Financial liabilities for hedging	<u>\$ 52,215,552</u>
December 31, 2024	2028/05/30-2035/10/16	Financial liabilities for hedging	<u>\$ 60,112,340</u>

Impact on comprehensive income (loss):

	Recognized in Other Comprehensive Income (Loss)	Amount Reclassified to Profit or Loss
For the year ended December 31, 2025	<u>\$ 2,512,948</u>	<u>\$ 245,076</u>
For the year ended December 31, 2024	<u>\$ (3,047,087)</u>	<u>\$ 308,567</u>

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

	December 31	
	2025	2024
Land	1.23%-2.54%	1.12%-1.49%
Buildings	1.32%-57.98%	0.89%-10.00%
Container and chassis	0.88%-2.16%	0.66%-2.16%
Ships	1.51%-7.24%	1.51%-7.49%
Miscellaneous equipment	0.84%-57.98%	0.84%-8.64%

c. Material lease-in activities and terms

Many of the ship leases across the Group contain extension options, some of them also contain purchase options. These terms are used to maximize operational flexibility in terms of managing contracts. When the rents are lower than the market price of lease market, the Group will extend the lease term; when the purchase option prices are better than the market price, the Group will consider if the purchase options are exercised or not. These terms are not reflected in measuring lease liabilities in many cases because the options are not reasonably certain to be exercised. The table below summarizes potential future rental payments relating to periods following the exercise dates of extension and purchase options.

Containership Department	Lease Liabilities Recognized (Discounted)	Potential Future Lease Payments and Purchase Option Not Included in Lease Liabilities (Discounted)	Historical Rate of Exercise Extension and Purchase Options
<u>December 31, 2025</u>			
Ships	<u>\$ 13,173,988</u>	<u>\$ 8,635,691</u>	46.12%
<u>December 31, 2024</u>			
Ships	<u>\$ 16,035,135</u>	<u>\$ 8,801,956</u>	46.36%

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

The Group's board of directors resolved in May 2024 to buy back 3 chartered-in ships with extension options to replace current lease contracts. The ship purchase contracts had been signed in May 2024 with a total price of US\$287,000 thousand, which had been fully delivered and settled in May and June 2024, respectively, and the ships had been transferred to property, plant and equipment. The Group's board of directors resolved in August 2024 to buy back 2 chartered-in ships with extension options again to replace current lease contracts. The ship purchase contracts had been signed in September 2024 with a total price of US\$183,000 thousand, which had been fully delivered and settled in November 2024, and the ships had been transferred to property, plant and equipment.

The Group's board of directors resolved in October 2024 to declare the two-year extension option of 10 chartered-in ships. In addition, the Group negotiated with shipowners to renew the right-of-use of 15 ships charter for a period of six years. The renewal chartered contracts had been signed in April 2025.

For the purpose of managing the storage, reforming, processing, transfer and distribution of goods, YMTC collaborated with the Port of Kaohsiung, Taiwan International Ports Corporation, Ltd. on the construction and operation of the First and Second Logistics Centers of the Kaohsiung Third Container Center. YMTC is entitled to the use of the First and Second Logistics Centers for 30 years and 28 years and 9 months, respectively, based on the initial investment made by YMTC. The Centers are amortized over the period in use. Furthermore, in accordance with the requirements, YMTC should pay land-use fees and administration fees for every month of the lease term (based on the actual volume of cargo stevedored). Administration fees depend on the lowest guaranteed volumes for each respective logistics center, which are 1 million and 0.88 million tons. If YMTC is unable to reach the lowest guaranteed

volumes, it should calculate the payment for the administration fees based on the volumes of 1 million and 0.88 million tons, respectively, and the administration fees will be adjusted under the annual Wholesale Price Index in Taiwan.

d. Subleases

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

Sublease of right-of-use assets

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

The Group's chartered-out vessels are paid with amount linking to the variation of Baltic Dry Index, depending on payment terms stipulated in each lease agreement.

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

	December 31	
	2025	2024
Year 1	\$ 433	\$ 139,539
Year 2	<u>-</u>	<u>302</u>
	<u>\$ 433</u>	<u>\$ 139,841</u>

e. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 807,263</u>	<u>\$ 485,647</u>
Expenses relating to low-value asset leases	<u>\$ 2,591,573</u>	<u>\$ 2,758,230</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 405,772</u>	<u>\$ 438,086</u>
Expenses relating to service cost payments not included in the measurement of lease liabilities	<u>\$ 3,128,692</u>	<u>\$ 3,672,382</u>
Total cash outflow for leases	<u>\$ (21,012,719)</u>	<u>\$ (39,336,400)</u>

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

The amounts of lease commitments for short-term leases and low-value asset lease for which the recognition exemption is applied were \$5,126,424 thousand and \$6,394,099 thousand as of December 31, 2025 and 2024, respectively.

The amounts of lease commitments for future service cost which was recognized as non-lease components of contracts were \$18,704,852 thousand and \$22,533,201 thousand as of December 31, 2025 and 2024, respectively.

18. INVESTMENT PROPERTIES

	Completed Investment Property
Balance on January 1, 2024	\$ 7,220,132
Additions	2,154
Transfers to property, plant and equipment	(195,979)
Gain on change in fair value of investment properties	<u>71,545</u>
Balance on December 31, 2024	7,097,852
Additions	215,445
Gain on change in fair value of investment properties	<u>429,517</u>
Balance on December 31, 2025	<u>\$ 7,742,814</u>

The investment properties are leased out for 1 to 10 years. All lease contracts contain market review clauses in the event that the lessees exercise their option to extend. The lessees do not have a bargain purchase option to acquire the investment property at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating lease of investment properties at December 31, 2025 and 2024 was as follows:

	December 31	
	2025	2024
Year 1	\$ 71,918	\$ 69,950
Year 2	34,504	49,315
Year 3	16,843	14,928
Year 4	9,223	7,343
Year 5	5,118	3,648
Year 6 onwards	<u>-</u>	<u>457</u>
	<u>\$ 137,606</u>	<u>\$ 145,641</u>

To reduce the residual asset risk related to investment properties at the end of the relevant lease, the lease contract includes lessee's use limitation, guarantee deposit, punishment of breaching contracts, and responsibilities of maintenance, and the Group follows its general risk management strategy.

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

	December 31	
	2025	2024
Independent valuation	<u>\$ 7,742,814</u>	<u>\$ 7,097,852</u>

As of December 31, 2025, the fair value was based on the valuations carried out on March 3, 2026, by independent qualified professional valuers, Mr. Zhi-Hau Wu, and Mr. Xin-Jie Chang, certified real estate appraisers in the ROC and real estate appraisal firm from CCIS Real Estate Joint Appraisers Firm.

As of December 31, 2024, the fair value was based on the valuations carried out on March 3, 2025, by independent qualified professional valuers, Mr. Hong-Kai Zhang, Mr. Yi-Zhi Zhang, Mr. Shi-Yu Yeh and Mr. Cheng-Yeh Wu, certified real estate appraisers in the ROC and the real estate appraisal firm from Savills (Taiwan) Limited.

The movements in the fair value of investment properties within Level 3 of the hierarchy were as follows:

	Keelung	Taipei	Kaohsiung	Total
Balance on January 1, 2024	\$ 280,639	\$ 6,208,899	\$ 730,594	\$ 7,220,132
Recognized in profit or loss (gain (loss) from the change in fair value of investment properties)	(4,652)	45,422	30,775	71,545
Transfers to property, plant and equipment	-	(195,979)	-	(195,979)
Additions	-	2,154	-	2,154
Balance on December 31, 2024	275,987	6,060,496	761,369	7,097,852
Recognized in profit or loss (gain from the change in fair value of investment properties)	13,465	343,820	72,232	429,517
Additions	10,130	205,315	-	215,445
Balance on December 31, 2025	<u>\$ 299,582</u>	<u>\$ 6,609,631</u>	<u>\$ 833,601</u>	<u>\$ 7,742,814</u>

The fair value of investment properties, except for undeveloped land, is measured using the income approach. The significant assumptions used were stated below. An increase in estimated future net cash inflows or a decrease in discount rates would result in an increase in the fair value.

	December 31	
	2025	2024
Expected future cash inflows	\$ 7,737,018	\$ 7,239,401
Expected future cash outflows	<u>(411,672)</u>	<u>(378,921)</u>
Expected future cash inflows, net	<u>\$ 7,325,346</u>	<u>\$ 6,860,480</u>
Discount rates	2.470%-4.895%	3.220%-3.845%

The market rentals in the area where the investment property is located were between \$0.4-\$3.7 thousand and \$0.5-\$3.0 thousand per ping (35.59 square feet) in 2025 and 2024, respectively. The market rentals for comparable properties were between \$0.5-\$4.4 thousand and \$0.4-\$3.0 thousand per ping (35.59 square feet) in 2025 and 2024, respectively.

The expected future cash inflows generated by investment property included rental income, interest income on rental deposits and disposal value. The rental income was extrapolated using the Group's current rental rate, taking into account the annual rental growth rate; the income analysis covers a 2-year to 10-year period, the interest income on rental deposits was extrapolated using the average deposit interest rate of the top five banks announced by the Central Bank of the Republic of China for a year; the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows incurred by investment property included expenditure such as land value taxes, house taxes, insurance premium, and maintenance costs. The expenditure was extrapolated on the basis of the current level of expenditure, taking into account the future adjustment to the government-announced land value, the tax rate promulgated under the House Tax Act.

The discount rate was determined using the interest rate for 2-year time deposits as posted by Chunghwa Post Co., Ltd., and any asset-specific risk premiums of 0.10%-2.43% and 0.75%-1.50% in 2025 and 2024, respectively.

The fair value of undeveloped land located in area Keelung, Taipei, and Kaohsiung was measured by land development analysis. The increase in estimated total sale price, the increase in rate of return, or the decrease in overall capital interest rate would result in increase in the fair value. The significant assumptions used were as follows:

	December 31	
	2025	2024
Estimated total sales price	<u>\$ 6,491,941</u>	<u>\$ 5,798,568</u>
Rate of return	13%-24%	13%-20%
Overall capital interest rate	1.75%-5.11%	1.99%-8.42%

The rate of returns was determined by reference to the annual profit rate and construction period of the similar product constructed by competitors. Overall capitalization rate referred to current average benchmark interest rate and deposit interest rate of the top five banks, and to the proportion of equity funds and borrowed funds. The cost of the equity funds and borrowed funds is determined by the deposit and benchmark interest rate, respectively.

The total sale price is estimated on the basis of the most effective use of land or property available for sale after development is completed, taking into account the related regulations, domestic macroeconomic prospects, local land use, and market rates.

All of the Group's investment property was held under freehold interests.

19. BORROWINGS

a. Short-term borrowings

	December 31	
	2025	2024
<u>Unsecured borrowings</u>		
Line of credit borrowings	\$ 900,000	\$ 502,000
Loans from related parties (Note 33)	<u>200,000</u>	<u>-</u>
	<u>\$ 1,100,000</u>	<u>\$ 502,000</u>

- 1) The range of weighted average effective interest rate on credit borrowings was 2.00%-2.05% and 2.05%-2.08% per annum as of December 31, 2025 and 2024, respectively.
- 2) Loans from related parties of the Group were the amounts repayable to government-related entities. Interest rates was 2.00% per annum as of December 31, 2025.

b. Short-term bills payable

	December 31	
	2025	2024
Commercial paper	\$ 205,000	\$ 275,000
Less: Unamortized discount on bills payable	<u>340</u>	<u>128</u>
	<u>204,660</u>	<u>274,872</u>
Loans from related parties (Note 33)	220,000	500,000
Less: Unamortized discount on bills payable	<u>760</u>	<u>249</u>
	<u>219,240</u>	<u>499,751</u>
	<u>\$ 423,900</u>	<u>\$ 774,623</u>

Interest rates of the outstanding short-term bills payable were 2.02% per annum as of December 31, 2025 and 2024.

Interest rates of the outstanding related parties' short-term bills payable were 2.07% and 2.02% per annum as of December 31, 2025 and 2024, respectively.

c. Long-term borrowings

	December 31	
	2025	2024
<u>Unsecured borrowings</u>		
Line of credit borrowings	\$ 180,000	\$ -
Loans from related parties (Note 33)	<u>72,222</u>	<u>228,889</u>
	252,222	228,889
Less: Current portion	<u>66,666</u>	<u>126,667</u>
Long-term borrowings	<u>\$ 185,556</u>	<u>\$ 102,222</u>

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

	December 31	
	2025	2024
<u>NT\$</u>		
Amount	\$ 252,222	\$ 228,889
Interest rate	2.00%-2.10%	2.10%-2.16%
Contract term	2024/01/23- 2027/05/13	2023/06/07- 2027/01/23

Unsecured borrowings

1) Line of credit borrowings

The Group's unsecured bank loans will be repaid in New Taiwan dollars in one-lump sum payment at maturity as the borrowing terms. The loans will mature and be repaid on May 13, 2027. Interest rate was 2.00% on December 31, 2025.

2) Loans from related parties

The Group's unsecured loans from related parties are borrowings repaid in New Taiwan dollars from government-related entities, and will be repaid in installments as the borrowing terms. The loans are expected to be fully repaid before January 23, 2027. Interest rates were 2.10% and 2.10%-2.16% on December 31, 2025 and 2024, respectively.

20. BONDS PAYABLE

	December 31	
	2025	2024
Secured domestic bonds	\$ 3,638,635	\$ 5,880,540
Less: Current portion	<u>2,243,537</u>	<u>2,242,881</u>
	<u>\$ 1,395,098</u>	<u>\$ 3,637,659</u>

Secured domestic bonds

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

The bond features and terms are as follows:

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

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

21. TRADE PAYABLES

	December 31	
	2025	2024
<u>Trade payables - operating</u>		
Trade payables - non-related parties	\$ 16,453,841	\$ 16,048,077
Trade payables - related parties	<u>691,560</u>	<u>719,644</u>
	<u>\$ 17,145,401</u>	<u>\$ 16,767,721</u>
Payable for cost of voyage in sailing	\$ 9,593,636	\$ 10,154,778
Payable for fuel	2,068,813	2,798,347
Payable for space hire	5,089,895	3,454,919
Payable for freight expenses	390,824	286,580
Payable for stevedoring expenses	<u>2,233</u>	<u>73,097</u>
	<u>\$ 17,145,401</u>	<u>\$ 16,767,721</u>

22. OTHER PAYABLES

	December 31	
	2025	2024
Payable for container lease	\$ 589,193	\$ 682,848
Payable for salary and bonus	2,928,487	4,452,586
Payable for interest expenses	12,877	18,816
Payable for equipment M&R expenses	226,920	214,847
Payable for annual leave	157,155	136,708
Payable for vessel charter hire	167,494	144,234
Payable for equipment	334,829	760,623
Others	<u>2,171,698</u>	<u>1,800,424</u>
	<u>\$ 6,588,653</u>	<u>\$ 8,211,086</u>

23. PROVISIONS

	December 31	
	2025	2024
Restoration cost for leased assets (a)	\$ 14,155	\$ 13,448
Carbon fee (b)	133,165	47,172
Others (c)	<u>429,888</u>	<u>200,449</u>
	<u>\$ 577,208</u>	<u>\$ 261,069</u>
Current	\$ 563,053	\$ 247,621
Non-current	<u>14,155</u>	<u>13,448</u>
	<u>\$ 577,208</u>	<u>\$ 261,069</u>

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

24. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

YMTC and domestic subsidiaries' pension plans under the Labor Pension Act (LPA) for onshore employees and shipping crews are defined contribution schemes. Starting on July 1, 2005, the Group makes monthly contributions to the employees' individual pension accounts in the Bureau of Labor Insurance at 6% of employees' salaries every month.

For domestic crews providing service in foreign ships, pension plan is based on hiring contracts, the Group makes monthly contributions to the employees' account together with salaries.

Some consolidated subsidiaries, which are mainly for investment holding purpose, have either very few or no staff. These subsidiaries have no pension plans and thus do not contribute to pension funds and do not recognize pension costs.

Except for these companies, the consolidated subsidiaries all contribute to pension funds and recognize pension costs based on local government regulations.

b. Defined benefit plans

1) Pension plan of the Group

YMTC has adopted three pension plans since it was privatized on February 15, 1996. Before YMTC's privatization, qualified employees received pension payments for service years before the start of the privatization. The service years of the employees who received pre-privatization pension payments and continued to work in YMTC after privatization will be excluded from the calculation of pension payments after privatization. These plans are as follows:

The pension plan under the Labor Standards Law for onshore employees is a defined benefit plan. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributed amounts equal to 3% of salaries every month. The pension fund is administered by the pension fund monitoring committee and deposited in the committee's name in the Bank of Taiwan. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is insufficient to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the Bureau); the Group has no right to influence the investment policy and strategy.

Pension plan under the Maritime Labor Law for shipping crews is a defined benefit plan. Before the adoption of the ROC Maritime Labor Law, benefits were based on the amounts stated in the crew's hiring contracts. Under the Law, benefits are based on service years and average basic salary of the six months before retirement.

Pension plan for retired employees of China Merchants Steamship Navigation Company (CMSNC) provides benefits based on service years and level of monthly basic salary at the time of retirement.

Because of spin-off, the service years of the employees transferred to other subsidiaries are continued from the service years in YMTC. Benefits are based on the proportion of service years between YMTC and other subsidiaries, and are paid by individual pension accounts.

2) Pension plan of subsidiaries

Domestic subsidiaries' pension plan under the Labor Standards Act is a defined benefit scheme. Benefits are based on service years and average basic salary of the six months before retirement. The Subsidiaries contribute certain percentage of total salaries and wages every month, to each pension fund, which is administered by each pension plan committee and deposited in each committee's name in the Bank of Taiwan.

The Yangming (Japan) Co., Ltd.'s pension plan is a defined benefit plan. Pension benefits are calculated on the basis of the length of service and the basic salary of the month before retirement. Employees can accumulate 2 base points for every service year within the first 12 years and 1 base point for every service year thereafter. Employees can accumulate up to 40 base points.

The PT Yang Ming Shipping Indonesia and the PT. YES Logistics Indonesia's pension plan is a defined benefit plan. Pension benefits are calculated on the basis of the length of service and the monthly salary at the time of approved retirement. Pension benefits are divided into two parts: One part is severance benefit. Employees can accumulate 1 base point for every service year, and employees can accumulate up to 9 base points and the base number must be multiplied by 1.75. Another part is service payment. Employees can accumulate 2 base points within the first 3 years and 1 base point for every service 3 years thereafter, and employees can accumulate up to 10 base points.

All Oceans Transportation Inc., Yang Ming (UK) Ltd and Yang Ming (Singapore) Pte. Ltd.'s pension plan under the Maritime Labor Law for shipping crews are defined benefit plans. Before the adoption of the ROC Maritime Labor Law, benefits were based on the amounts stated in the crews hiring contracts. Under the Law, benefits are based on service years and average monthly salary of the six months before retirement.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 2,992,588	\$ 3,024,343
Fair value of plan assets	<u>(1,734,853)</u>	<u>(1,484,749)</u>
Net defined benefit liabilities	<u>\$ 1,257,735</u>	<u>\$ 1,539,594</u>

Movements in net defined benefit liabilities (assets) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities
Balance on January 1, 2024	<u>\$ 3,157,854</u>	<u>\$ (1,395,401)</u>	<u>\$ 1,762,453</u>
Service cost			
Current service cost	64,931	-	64,931
Net interest expense (income)	<u>44,200</u>	<u>(19,204)</u>	<u>24,996</u>
Recognized in profit or loss	<u>109,131</u>	<u>(19,204)</u>	<u>89,927</u>
Remeasurement			
Return on plan assets	-	(126,579)	(126,579)
Actuarial gain - changes in financial assumptions	(77,596)	-	(77,596)
Actuarial loss - experience adjustments	<u>77,672</u>	<u>-</u>	<u>77,672</u>
Recognized in other comprehensive loss (income)	<u>76</u>	<u>(126,579)</u>	<u>(126,503)</u>
Contributions from the employer	-	(77,787)	(77,787)
Benefits paid	(239,324)	134,222	(105,102)
Exchange differences on foreign plans	<u>(3,394)</u>	<u>-</u>	<u>(3,394)</u>
Balance on December 31, 2024	<u>3,024,343</u>	<u>(1,484,749)</u>	<u>1,539,594</u>
Service cost			
Current service cost	57,051	-	57,051
Net interest expense (income)	<u>50,166</u>	<u>(25,287)</u>	<u>24,879</u>
Recognized in profit or loss	<u>107,217</u>	<u>(25,287)</u>	<u>81,930</u>
Remeasurement			
Return on plan assets	-	(105,476)	(105,476)
Actuarial loss - changes in demographic assumptions	2,362	-	2,362
Actuarial loss - changes in financial assumptions	68,160	-	68,160
Actuarial loss - experience adjustments	<u>67,174</u>	<u>-</u>	<u>67,174</u>
Recognized in other comprehensive loss (income)	<u>137,696</u>	<u>(105,476)</u>	<u>32,220</u>
Contributions from the employer	-	(249,889)	(249,889)
Benefits paid	(269,937)	130,548	(139,389)
Exchange differences on foreign plans	<u>(6,731)</u>	<u>-</u>	<u>(6,731)</u>
Balance on December 31, 2025	<u>\$ 2,992,588</u>	<u>\$ (1,734,853)</u>	<u>\$ 1,257,735</u>

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2025	2024
Current service cost	\$ 57,051	\$ 64,931
Net interest expense	<u>24,879</u>	<u>24,996</u>
	<u>\$ 81,930</u>	<u>\$ 89,927</u>

(Continued)

	For the Year Ended December 31	
	2025	2024
An analysis by function		
Operating costs	\$ 38,940	\$ 39,871
Selling and marketing expenses	34,651	39,681
General and administrative expenses	<u>8,339</u>	<u>10,375</u>
	<u>\$ 81,930</u>	<u>\$ 89,927</u>
		(Concluded)

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.
- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2025	2024
Discount rates	1.25%-6.80%	1.50%-7.10%
Expected rates of salary increase	2.00%-6.00%	2.00%-6.00%

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2025	2024
Discount rates		
0.25%-1.00% increase	<u>\$ (126,580)</u>	<u>\$ (125,587)</u>
0.25%-1.00% decrease	<u>\$ 135,290</u>	<u>\$ 135,494</u>
Expected rates of salary increase		
0.25%-1.00% increase	<u>\$ 134,949</u>	<u>\$ 133,653</u>
0.25%-1.00% decrease	<u>\$ (126,553)</u>	<u>\$ (125,147)</u>

The above sensitivity analysis may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that changes in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2025	2024
Expected contributions to the plans for the next year	\$ <u>25,060</u>	\$ <u>248,160</u>
Average duration of the defined benefit obligation	4.3-19.21 years	4.6-18.41 years
c. In accordance with the relevant employee separation policies, the Group recognized severance payments and termination benefits of \$41,445 thousand and \$47,753 thousand for the years ended December 31, 2025 and 2024, respectively.		

25. EQUITY

a. Share capital

	December 31	
	2025	2024
Numbers of shares authorized (in thousands)	<u>4,500,000</u>	<u>4,500,000</u>
Shares authorized	\$ <u>45,000,000</u>	\$ <u>45,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>3,492,104</u>	<u>3,492,104</u>
Shares issued	\$ <u>34,921,043</u>	\$ <u>34,921,043</u>

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

b. Capital surplus

	December 31	
	2025	2024
May be used to offset a deficit, distributed as <u>cash dividends, or transferred to share capital</u>		
Issuance of ordinary shares	\$ <u>27,975,030</u>	\$ <u>27,975,030</u>

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

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation (the "Articles"), when the Company makes a profit in a fiscal year, at least 25% of the remaining profit should be distributed as dividends after the profit has been utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the expansion of transportation equipment and improvement of financial structure, and distributing dividends for preference shares. The Company's board of directors should consider long-term financial plans, the change in the environment of the industry, capital expenditures, the working capital for operation and the shareholders' interests as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting. At least 20% of the amount declared as dividends for ordinary shares should be in the form of cash as opposed to stock. For the policies on the distribution of compensation of employees and remuneration of directors, refer to compensation of employees and remuneration of directors in Note 27-h.

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

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

The appropriation of earnings for 2024 and 2023 approved in the shareholders' meeting on May 29, 2025 and May 24, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	2023
Legal reserve	\$ 6,428,289	\$ 475,457
(Reversal of) special reserve	\$ (829,622)	\$ 947,930
Cash dividends	\$ 26,190,782	\$ 6,984,208
Cash dividends per share (NT\$)	\$ 7.5	\$ 2.0

The appropriations of earnings for 2025, which were proposed by the Company's board of directors on March 12, 2026, were as follows:

	For the Year Ended December 31, 2025
Legal reserve	\$ 1,706,408
Special reserve	\$ 708,806
Cash dividends	\$ 6,984,209
Cash dividends per share (NT\$)	\$ 2

The appropriation of earnings for 2025 will be resolved by the shareholders in their meeting to be held on May 29, 2026.

d. Special reserve

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

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

e. Others equity items

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 7,084,796	\$ (346,936)
Recognized for the year		
Exchange differences on translation of the financial statements of foreign operations	(8,347,053)	9,200,551
Related income tax	1,624,543	(1,768,819)
Reclassification adjustment		
Share from the disposal of exchange differences on translation of foreign operations	21,993	-
Other comprehensive (loss) income recognized for the year	<u>(6,700,517)</u>	<u>7,431,732</u>
Balance on December 31	<u>\$ 384,279</u>	<u>\$ 7,084,796</u>

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ (569,420)	\$ (748,123)
Recognized for the year		
Unrealized gain		
Equity instruments	26,015	38,205
Share from associates and joint ventures accounted for using the equity method	<u>(102,492)</u>	<u>144,636</u>
Other comprehensive (loss) income recognized for the year	<u>(76,477)</u>	<u>182,841</u>
Cumulative unrealized loss (gain) of equity instruments transferred to retained earnings due to disposal by associates	<u>2,895</u>	<u>(4,138)</u>
Balance on December 31	<u>\$ (643,002)</u>	<u>\$ (569,420)</u>

3) Gain (loss) on hedging instruments

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ (1,161,468)	\$ 187,173
Recognized for the year		
Gain (loss) on changes in the fair value of hedging instruments		
Foreign currency risk - lease liabilities	2,512,948	(3,047,087)
Foreign currency risk - demand and time deposits	(813,158)	1,157,691
Related income tax	(303,271)	337,160
Reclassification adjustments		
Hedged items affects profit or loss		
Foreign currency risk - operating revenue	245,076	308,567
Other comprehensive income (loss) recognized for the year	1,641,595	(1,243,669)
Transferred to initial carrying amount of hedged items		
Foreign currency risk - prepayments for equipment or property in construction	(428,511)	(104,972)
Balance on December 31	\$ 51,616	\$ (1,161,468)

f. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 775,008	\$ 723,297
Share of profit for the year	280,863	290,290
Other comprehensive income (loss) during the year		
Exchange difference on translating the financial statements of foreign entities	(20,876)	16,389
Unrealized loss on financial assets at FVTOCI	(12)	-
Remeasurement of the defined benefit plans	4,174	2,908
Related income tax	(514)	(788)
Cash dividends distributed by subsidiaries	(287,360)	(257,088)
Balance on December 31	\$ 751,283	\$ 775,008

26. REVENUE

	For the Year Ended December 31	
	2025	2024
Revenue from contracts with customers		
Cargo revenue	\$ 144,046,342	\$ 205,353,216
Slottage revenue	5,642,520	3,747,509
Rental income		
Rental revenue on vessel	2,060,931	2,283,922
Other operating revenue	11,808,302	11,321,302
	\$ 163,558,095	\$ 222,705,949

a. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Trade receivables (Note 10)	<u>\$ 13,224,123</u>	<u>\$ 10,876,529</u>	<u>\$ 6,364,945</u>
Contract assets			
Cargo revenue	\$ 2,030,032	\$ 3,118,544	\$ 1,570,867
Less: Allowance for impairment loss	<u>(36,578)</u>	<u>(18,876)</u>	<u>(10,151)</u>
Contract assets	<u>\$ 1,993,454</u>	<u>\$ 3,099,668</u>	<u>\$ 1,560,716</u>
Contract liabilities - current			
Advance on contract	<u>\$ 151,640</u>	<u>\$ 447,821</u>	<u>\$ 304,854</u>

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

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

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 18,876	\$ 10,151
Add: Net remeasurement of loss allowance	18,278	7,965
Foreign exchange gains and losses	<u>(576)</u>	<u>760</u>
Balance on December 31	<u>\$ 36,578</u>	<u>\$ 18,876</u>

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

b. Disaggregation of revenue

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

27. NET PROFIT

a. Other operating income and expenses

	For the Year Ended December 31	
	2025	2024
Gain on disposal and retirement of property, plant and equipment	\$ 110,094	\$ 190,271
Reimbursement income	273,260	504,606
Reimbursement loss	<u>(212,737)</u>	<u>(192,868)</u>
	<u>\$ 170,617</u>	<u>\$ 502,009</u>

b. Interest income

	For the Year Ended December 31	
	2025	2024
Bank deposits (including USD-denominated demand and time deposits as hedging instruments)	\$ 8,469,813	\$ 10,770,785
Net investments in leases	987	1,264
Short-term bills	119,561	98,054
Corporate bonds	1,324,450	539,005
Others	<u>1,594</u>	<u>1,674</u>
	<u>\$ 9,916,405</u>	<u>\$ 11,410,782</u>

c. Other income

	For the Year Ended December 31	
	2025	2024
Rental income - operating leases	\$ 89,384	\$ 93,700
Dividends	<u>20,115</u>	<u>18,772</u>
	<u>\$ 109,499</u>	<u>\$ 112,472</u>

d. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Net foreign exchange gains	\$ 1,127,525	\$ 2,322,171
Fair value changes of financial assets and financial liabilities		
Financial assets mandatorily classified as at FVTPL	171,600	21,325
Gain on disposal of associates	-	321
Loss on disposal of subsidiaries	(7,938)	-
Gain arising from lease modifications	1,263	1,310
Loss on disposal of intangible assets	-	(273)
Gain arising from the change in fair value of investment properties	429,517	71,545
Impairment loss recognized on associates (Note 15)	(4,668)	(9,610)
Others	<u>(39,004)</u>	<u>(82,466)</u>
	<u>\$ 1,678,295</u>	<u>\$ 2,324,323</u>

e. Finance costs

	For the Year Ended December 31	
	2025	2024
Interest on bank loans	\$ 29,414	\$ 55,698
Interest on lease liabilities (including USD-denominated lease contracts designated as hedging instruments)	3,645,543	2,143,110
Other interest expenses	<u>59,650</u>	<u>118,972</u>
	<u>\$ 3,734,607</u>	<u>\$ 2,317,780</u>

f. Depreciation and amortization

	For the Year Ended December 31	
	2025	2024
Right-of-use assets	\$ 11,217,674	\$ 11,301,282
Property, plant and equipment	8,860,482	8,548,249
Intangible assets	<u>64,858</u>	<u>87,923</u>
	<u>\$ 20,143,014</u>	<u>\$ 19,937,454</u>
An analysis of depreciation by function		
Operating costs	\$ 19,602,474	\$ 19,390,489
Operating expenses	<u>475,682</u>	<u>459,042</u>
	<u>\$ 20,078,156</u>	<u>\$ 19,849,531</u>
An analysis of amortization by function		
Operating costs	\$ 7,667	\$ 7,643
Operating expenses	<u>57,191</u>	<u>80,280</u>
	<u>\$ 64,858</u>	<u>\$ 87,923</u>

g. Employee benefits expense

	For the Year Ended December 31	
	2025	2024
Post-employment benefits		
Defined contribution plans	\$ 465,099	\$ 351,665
Defined benefit plans (Note 24)	81,930	89,927
Termination benefits	41,445	47,753
Other employee benefits	<u>10,337,121</u>	<u>12,721,947</u>
Total employee benefits expense	<u>\$ 10,925,595</u>	<u>\$ 13,211,292</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 3,529,854	\$ 4,688,110
Operating expenses	<u>7,395,741</u>	<u>8,523,182</u>
	<u>\$ 10,925,595</u>	<u>\$ 13,211,292</u>

h. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of 1%-5% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. However, if there were accumulated deficit, the Company should reserve offset amount in advance. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate that no less than 40% of the compensation of employees should be allocated to non-managerial employees, and the specific allocation percentage each year shall be resolved by the board of directors.

The compensation of employees (including non-executive employees) and the remuneration of directors for the years ended December 31, 2025 and 2024, which were approved by the Company's board of directors on March 12, 2026 and March 12, 2025 are as follows:

Accrual rate

	For the Year Ended December 31	
	2025	2024
Compensation of employees	1%	1%
Remuneration of directors	0.0823%	0.0378%

Amount

	For the Year Ended December 31	
	2025	2024
	Cash	Cash
Compensation of employees	<u>\$ 212,654</u>	<u>\$ 794,450</u>
Remuneration of directors	<u>\$ 17,500</u>	<u>\$ 30,000</u>

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

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the annual financial statements for the years ended December 31, 2024 and 2023.

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

28. INCOME TAXES

a. Income tax expense recognized in profit or loss

Major components of income tax expense are as follow:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 5,517,114	\$ 4,757,631
Income tax on unappropriated earnings	1,637,146	5,633
Adjustments for prior years	<u>(2,077,296)</u>	<u>(3,446,903)</u>
	<u>5,076,964</u>	<u>1,316,361</u>
Deferred tax		
In respect of the current year	530,790	11,797,888
Adjustments for prior years	<u>319,212</u>	<u>2,235,910</u>
	<u>850,002</u>	<u>14,033,798</u>
Income tax expense recognized in profit or loss	<u>\$ 5,926,966</u>	<u>\$ 15,350,159</u>

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2025	2024
Profit before tax	<u>\$ 23,304,766</u>	<u>\$ 79,819,520</u>
Income tax expense calculated at the statutory rate	\$ 5,727,903	\$ 16,202,881
Nondeductible expenses in determining taxable income	21,073	24,920
Tax-exempt income	(179,732)	(190,660)
Unrecognized loss carryforwards and deductible temporary differences	(100,207)	(47,574)
Offshore income tax	545,206	559,323
Income tax on unappropriated earnings	1,637,146	5,633
Adjustments for prior years' tax	(1,758,084)	(1,210,993)
Others	<u>33,661</u>	<u>6,629</u>
Income tax expense recognized in profit or loss	<u>\$ 5,926,966</u>	<u>\$ 15,350,159</u>

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

Some subsidiaries of the Group are registered in tax jurisdictions where the Pillar Two income tax legislation has taken effect, including subsidiaries in Korea, Japan, Vietnam, the Netherlands, the United Kingdom, France, Canada, Belgium, Germany, Spain, Greece, Italy, Austria, Bulgaria, Turkey, Singapore, Malaysia, Thailand, Hong Kong, and Indonesia, among others. According to the legislation, the Group is required to pay supplementary taxes on the difference between the effective tax rate calculated according to the Global Anti-Base Erosion (GloBE) and the minimum tax rate of 15%. The Group has assessed that Pillar Two income tax legislation has no significant impact on the current income tax of the Group as of December 31, 2025, and will continue to review its impact on the Group's future financial performance.

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

	For the Year Ended December 31	
	2025	2024
<u>Deferred tax</u>		
In respect of the current year		
Translation of foreign operations	\$ (1,624,777)	\$ 1,769,123
Remeasurement of defined benefit plans	(6,508)	24,432
Cash flow hedges	<u>303,271</u>	<u>(337,160)</u>
	<u>\$ (1,328,014)</u>	<u>\$ 1,456,395</u>

c. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivable	\$ 2,532,608	\$ 890,780
Prepaid income tax	<u>78,591</u>	<u>38,543</u>
	<u>\$ 2,611,199</u>	<u>\$ 929,323</u>
Current tax liabilities		
Income tax payable	<u>\$ 4,157,405</u>	<u>\$ 2,990,143</u>

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2025

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income (Loss)	Exchange Differences	Closing Balance
Temporary differences					
Unrealized shipping fuel valuation losses	\$ 9,879	\$ (3,181)	\$ -	\$ -	\$ 6,698
Loss on investments accounted for using the equity method	48,864	(4,509)	-	-	44,355
Defined benefit plans	359,948	(57,844)	8,099	(287)	309,916
Unrealized loss on voyage in sailing	3,512	23,310	-	-	26,822
Payables for annual leave	23,259	2,264	-	(33)	25,490
Loss on hedge instruments	617,879	-	(551,605)	-	66,274
Exchange differences on translating the financial statements of foreign operations	-	-	110,377	-	110,377
Others	<u>208,293</u>	<u>21,129</u>	<u>-</u>	<u>(5,280)</u>	<u>224,142</u>
	<u>\$ 1,271,634</u>	<u>\$ (18,831)</u>	<u>\$ (433,129)</u>	<u>\$ (5,600)</u>	<u>\$ 814,074</u>
Deferred Tax Liabilities	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income (Loss)	Exchange Differences	Closing Balance
Temporary differences					
Gain on investments accounted for using the equity method	\$ 18,829,348	\$ 365,950	\$ -	\$ (5,289)	\$ 19,190,009
Defined benefit plans	14,445	(1,580)	1,591	(382)	14,074
Unrealized gain on financial instruments	10,234	16,566	-	-	26,800
Reserve for land value increment tax	691,888	(14,346)	-	-	677,542
Investment properties	214,883	52,531	-	-	267,414
Property, plant and equipment	13,481	2,530	-	18	16,029
Gain on hedge instruments	327,513	-	(248,334)	-	79,179
Exchange differences on translating the financial statements of foreign operations	1,519,293	-	(1,514,400)	-	4,893
Unrealized gain on foreign currency exchange	1,432,235	416,323	-	(15)	1,848,543
Others	<u>50,102</u>	<u>(6,803)</u>	<u>-</u>	<u>(275)</u>	<u>43,024</u>
	<u>\$ 23,103,422</u>	<u>\$ 831,171</u>	<u>\$ (1,761,143)</u>	<u>\$ (5,943)</u>	<u>\$ 22,167,507</u>

For the year ended December 31, 2024

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income (Loss)	Exchange Differences	Closing Balance
Temporary differences					
Unrealized shipping fuel valuation losses	\$ 24,292	\$ (14,413)	\$ -	\$ -	\$ 9,879
Loss on investments accounted for using the equity method	46,015	2,715	-	134	48,864
Defined benefit plans	390,299	(6,394)	(23,977)	20	359,948
Unrealized loss on voyage in sailing	28,854	(25,342)	-	-	3,512
Payables for annual leave	20,884	2,438	-	(63)	23,259
Loss on hedge instruments	70,175	-	547,704	-	617,879
Exchange differences on translating the financial statements of foreign operations	252,788	-	(252,788)	-	-
Others	<u>66,218</u>	<u>138,673</u>	<u>-</u>	<u>3,402</u>	<u>208,293</u>
	<u>\$ 899,525</u>	<u>\$ 97,677</u>	<u>\$ 270,939</u>	<u>\$ 3,493</u>	<u>\$ 1,271,634</u>

Deferred Tax Liabilities	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income (Loss)	Exchange Differences	Closing Balance
Temporary differences					
Gain on investments accounted for using the equity method	\$ 4,965,252	\$ 13,856,555	\$ -	\$ 7,541	\$ 18,829,348
Defined benefit plans	10,474	3,780	455	(264)	14,445
Unrealized gain on financial instruments	5,493	4,741	-	-	10,234
Reserve for land value increment tax	694,037	(2,149)	-	-	691,888
Investment properties	209,459	5,424	-	-	214,883
Property, plant and equipment	24,336	(11,000)	-	145	13,481
Gain on hedge instruments	116,969	-	210,544	-	327,513
Exchange differences on translating the financial statements of foreign operations	2,958	-	1,516,335	-	1,519,293
Unrealized gain on foreign currency exchange	1,181,112	251,121	-	2	1,432,235
Others	<u>25,864</u>	<u>23,003</u>	<u>-</u>	<u>1,235</u>	<u>50,102</u>
	<u>\$ 7,235,954</u>	<u>\$ 14,131,475</u>	<u>\$ 1,727,334</u>	<u>\$ 8,659</u>	<u>\$ 23,103,422</u>

- e. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31	
	2025	2024
Loss carryforwards		
Expire in 2025	\$ -	\$ 528,293
Expire in 2026	513,155	513,155
Expire in 2027	273,119	273,119
Expire in 2028	253,383	253,383
Expire in 2029	451,340	451,340
Expire in 2030	517,737	517,737
Expire in 2031	<u>7,932</u>	<u>7,932</u>
	<u>\$ 2,016,666</u>	<u>\$ 2,544,959</u>
Deductible temporary differences	<u>\$ 1,197,296</u>	<u>\$ 1,170,040</u>

f. Information about unused loss carryforward

As of December 31, 2025, unused loss carryforwards comprised:

Unused Amount	Expiry Year
\$ 513,155	2026
273,119	2027
253,383	2028
451,340	2029
517,737	2030
<u>7,932</u>	2031
<u>\$ 2,016,666</u>	

g. Income tax assessments

Company	Year
Yang Ming Marine Transport Corporation	2023
Kuang Ming Shipping Corp.	2023
Honming Terminal & Stevedoring Corp.	2023
Jing Ming Transportation Co., Ltd.	2023
YES Logistics Corp.	2023

29. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Year Ended December 31	
	2025	2024
Basic earnings per share	<u>\$ 4.90</u>	<u>\$ 18.38</u>
Diluted earnings per share	<u>\$ 4.89</u>	<u>\$ 18.32</u>

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

Net Profit for the Year

	For the Year Ended December 31	
	2025	2024
Earnings used in the computation of earnings per share	<u>\$ 17,096,937</u>	<u>\$ 64,179,071</u>

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

	For the Year Ended December 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	3,492,104	3,492,104
Effect of potentially dilutive ordinary shares:		
Compensation of employees	<u>5,885</u>	<u>10,883</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>3,497,989</u>	<u>3,502,987</u>

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

30. CASH FLOW INFORMATION

Changes in Liabilities Arising from Financing Activities

For the year ended December 31, 2025

	January 1, 2025	Cash Flows	Non-cash Changes		December 31, 2025
			New Leases	Others (Note)	
Short-term borrowings	\$ 502,000	\$ 598,000	\$ -	\$ -	\$ 1,100,000
Short-term bills payable	774,623	(350,000)	-	(723)	423,900
Long-term borrowings	228,889	23,333	-	-	252,222
Bonds payable	5,880,540	(2,250,000)	-	8,095	3,638,635
Lease liabilities	79,047,337	(10,353,111)	1,111,361	(3,327,363)	66,478,224
Other non-current liabilities	<u>1,186,967</u>	<u>12,890</u>	<u>-</u>	<u>-</u>	<u>1,199,857</u>
	<u>\$ 87,620,356</u>	<u>\$ (12,318,888)</u>	<u>\$ 1,111,361</u>	<u>\$ (3,319,991)</u>	<u>\$ 73,092,838</u>

For the year ended December 31, 2024

	January 1, 2024	Cash Flows	Non-cash Changes		December 31, 2024
			New Leases	Others (Note)	
Short-term borrowings	\$ 1,955,000	\$ (1,453,000)	\$ -	\$ -	\$ 502,000
Short-term bills payable	1,098,357	(325,000)	-	1,266	774,623
Long-term borrowings	392,200	(163,311)	-	-	228,889
Bonds payable	8,354,379	(2,500,000)	-	26,161	5,880,540
Lease liabilities	60,892,828	(30,071,115)	43,582,816	4,642,808	79,047,337
Other non-current liabilities	<u>1,214,547</u>	<u>(27,580)</u>	<u>-</u>	<u>-</u>	<u>1,186,967</u>
	<u>\$ 73,907,311</u>	<u>\$ (34,540,006)</u>	<u>\$ 43,582,816</u>	<u>\$ 4,670,235</u>	<u>\$ 87,620,356</u>

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

31. CAPITAL MANAGEMENT

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

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

32. FINANCIAL INSTRUMENTS

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

December 31, 2025

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Finance lease receivables	\$ 64,772	\$ -	\$ 63,838	\$ -	\$ 63,838
Financial assets measured at amortized cost					
Foreign corporate bonds	<u>31,247,920</u>	<u>-</u>	<u>32,104,282</u>	<u>-</u>	<u>32,104,282</u>
	<u>\$ 31,312,692</u>	<u>\$ -</u>	<u>\$ 32,168,120</u>	<u>\$ -</u>	<u>\$ 32,168,120</u>
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Secured domestic bonds	\$ 3,638,635	\$ -	\$ 3,638,626	\$ -	\$ 3,638,626

December 31, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Finance lease receivables	\$ 85,795	\$ -	\$ 84,144	\$ -	\$ 84,144
Financial assets measured at amortized cost					
Foreign corporate bonds	<u>16,361,338</u>	<u>-</u>	<u>16,316,994</u>	<u>-</u>	<u>16,316,994</u>
	<u>\$ 16,447,133</u>	<u>\$ -</u>	<u>\$ 16,401,138</u>	<u>\$ -</u>	<u>\$ 16,401,138</u>
<u>Financial liabilities</u>					
Financial liabilities measured at amortized cost					
Secured domestic bonds	\$ 5,880,540	\$ -	\$ 5,870,493	\$ -	\$ 5,870,493

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

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

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	\$ 500,729	\$ -	\$ -	\$ 500,729
Mutual funds	18,448,003	-	-	18,448,003
Domestic limited partnership	-	-	24,974	24,974
	<u>\$ 18,948,732</u>	<u>\$ -</u>	<u>\$ 24,974</u>	<u>\$ 18,973,706</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 556,109</u>	<u>\$ 556,109</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares	\$ 422,571	\$ -	\$ -	\$ 422,571
Mutual funds	2,567,291	-	-	2,567,291
Domestic limited partnership	-	-	25,817	25,817
	<u>\$ 2,989,862</u>	<u>\$ -</u>	<u>\$ 25,817</u>	<u>\$ 3,015,679</u>
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530,106</u>	<u>\$ 530,106</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

For the year ended December 31, 2025

Financial assets at FVTPL

	Other Instruments Domestic Limited Partnership
Balance on January 1, 2025	\$ 25,817
Recognized in profit or loss (included in other gains and losses)	862
Purchases	-
Sales/settlements	(1,705)
Transfers out of Level 3	<u>-</u>
Balance on December 31, 2025	<u>\$ 24,974</u>
Unrealized gain for the current year included in profit or loss relating to assets held at the end of the year	<u>\$ 862</u>

Financial assets at FVTOCI

	Equity Instruments
Balance on January 1, 2025	\$ 530,106
Recognized in other comprehensive income (included in unrealized valuation gain on financial assets at FVTOCI)	<u>26,003</u>
Balance on December 31, 2025	<u>\$ 556,109</u>

For the year ended December 31, 2024

Financial assets at FVTPL

	Other Instruments Domestic Limited Partnership
Balance on January 1, 2024	\$ 29,111
Recognized in profit or loss (included in other gains and losses)	(3,294)
Purchases	-
Transfers out of Level 3	<u>-</u>
Balance on December 31, 2024	<u>\$ 25,817</u>
Unrealized loss for the current year included in profit or loss relating to assets held at the end of the year	<u>\$ (3,294)</u>

Financial assets at FVTOCI

	Equity Instruments
Balance on January 1, 2024	\$ 491,901
Recognized in other comprehensive income (included in unrealized valuation gain on financial assets at FVTOCI)	<u>38,205</u>
Balance on December 31, 2024	<u>\$ 530,106</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of domestic unlisted ordinary shares and domestic limited partnership are determined using the comparable company analysis approach and asset-based approach. The comparable company analysis approach is a way to determine the value of a target company by reference to companies engaged in the similar industry, stock price in the active market and value multiplier implied by such prices, based on liquidity reduction. The asset-based approach is a way to determine the value of a target company by assessing the total value of individual assets and liabilities, based on liquidity reduction.

c. Categories of financial instruments

	December 31	
	2025	2024
<u>Financial assets</u>		
FVTPL		
Mandatorily classified as at FVTPL	\$ 18,973,706	\$ 3,015,679
Financial assets at amortized cost (1)	201,280,845	251,465,426
Financial assets for hedging	7,069,864	17,210,159
Financial assets at FVTOCI		
Equity instruments	556,109	530,106
<u>Financial liabilities</u>		
Financial liabilities for hedging	52,215,552	60,112,340
Amortized cost (2)	26,074,310	27,788,467

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

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

d. Financial risk management objectives and policies

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

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

1) Market risk

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

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

a) Foreign currency risk

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

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

Sensitivity analysis

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

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollars (the functional currency) against the U.S. dollars, GBP, CNY, EUR, HKD, JPY and AUD. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit (loss) associated with New Taiwan dollars weakening 1% against U.S. dollars, GBP, CNY, EUR, HKD, JPY and AUD. For a 1% strengthening of New Taiwan dollars against the U.S. dollars, GBP, CNY, EUR, HKD, JPY and AUD, there would be an equal and opposite impact on pre-tax profit (loss).

Profit (Loss)/Equity of 1% Variation	For the Year Ended December 31	
	2025	2024
Profit (loss) (i)		
U.S. dollars	\$ (86,627)	\$ 65,959
GBP	42,685	43,126
CNY	7,085	3,875
EUR	100,006	73,222
		(Continued)

Profit (Loss)/Equity of 1% Variation	For the Year Ended December 31	
	2025	2024
HKD	\$ (844)	\$ 789
JPY	25,520	17,394
AUD	17,274	19,292
Equity (ii)		
U.S. dollars	(451,457)	(429,022)
		(Concluded)

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

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

Hedge accounting

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

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

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

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

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

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

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

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

Refer to Notes 6 and 17-b for information relating to foreign exchange rates hedging instruments.

b) Interest rate risk

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

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

	December 31	
	2025	2024
Fair value interest rate risk		
Financial assets	\$ 168,348,049	\$ 228,007,021
Financial liabilities	71,640,759	86,204,500
Cash flow interest rate risk		
Financial assets	24,583,597	28,033,603
Financial liabilities	252,222	228,889

Sensitivity analysis

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

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit (loss) for the year ended December 31, 2025 would have increased/decreased by \$24,331 thousand, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings and variable-rate financial assets.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit (loss) for the year ended December 31, 2024 would have increased/decreased by \$27,805 thousand, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings and variable-rate financial assets.

The Group's sensitivity to interest rate decreased during the current year mainly due to the decrease in variable-rate financial assets.

c) Other price risk

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

Sensitivity analysis

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

If equity prices had been 5% higher/lower, pre-tax profit (loss) for the year ended December 31, 2025 would have increased/decreased by \$25,036 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income (loss) for the year ended December 31, 2025 would have increased/decreased by \$27,805 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If equity prices had been 5% higher/lower, pre-tax profit (loss) for the year ended December 31, 2024 would have increased/decreased by \$21,129 thousand, as a result of the changes in fair value of financial assets at FVTPL, and the other comprehensive income (loss) for the year ended December 31, 2024 would have increased/decreased by \$26,505 thousand, as a result of the changes in fair value of financial assets at FVTOCI.

If limited partnership and mutual funds had been 5% higher/lower, pre-tax profit (loss) for the year ended December 31, 2025 would have increased/decreased by \$923,649 thousand, as a result of the changes in fair value of financial assets at FVTPL.

If limited partnership and mutual funds had been 5% higher/lower, pre-tax profit (loss) for the year ended December 31, 2024 would have increased/decreased by \$129,655 thousand, as a result of the changes in fair value of financial assets at FVTPL.

The Group's sensitivity to investments in equity securities has not changed significantly from the prior year. The Group's sensitivity to limited partnership and mutual fund prices increased during the current year, mainly due to the increase in investment positions of financial assets at FVTPL.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from:

- a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and
- b) The maximum amount of the Group would have to pay if the financial guarantee is called upon.

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

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

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

Financial credit risk

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

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

Category	Description	Basis for Recognizing Expected Credit Loss	Expected Credit Loss Ratio
Performing	Credit rating is investment grade on valuation date	12 months expected credit loss	0%-0.0318%
Doubtful	Credit rating is non-investment grade on valuation date	Lifetime expected credit loss - not credit impaired	-
In default	Credit rating is CC or below on valuation date	Lifetime expected credit loss - credit impaired	-
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	-

For the years ended December 31, 2025 and 2024, the expected credit loss increased \$3,197 thousand and \$3,388 thousand, respectively. The changes were mainly due to increased investment amount and adjusted investment portfolio.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2025 and 2024, the Group had available unutilized bank loans facilities of \$12,762,818 thousand and \$11,891,587 thousand, respectively.

a) Liquidity and interest risk rate tables

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

December 31, 2025

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years
Non-interest bearing	\$ 23,747,072	\$ 1,116,878	\$ -	\$ -
Lease liabilities	12,434,828	41,866,004	27,041,191	2,491
Variable interest rate liabilities	71,015	186,877	-	-
Fixed interest rate liabilities	3,789,815	1,405,638	-	-
Short-term and low value lease commitment	1,523,070	3,252,110	351,244	-
Lease commitment for future service costs	<u>2,935,382</u>	<u>9,740,245</u>	<u>6,029,225</u>	<u>-</u>
	<u>\$ 44,501,182</u>	<u>\$ 57,567,752</u>	<u>\$ 33,421,660</u>	<u>\$ 2,491</u>

December 31, 2024

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years
Non-interest bearing	\$ 24,993,586	\$ 933,289	\$ -	\$ -
Lease liabilities	14,358,570	46,035,296	35,938,573	1,941,763
Variable interest rate liabilities	130,334	103,304	-	-
Fixed interest rate liabilities	3,550,776	3,665,744	-	-
Short-term and low value lease commitment	2,239,584	3,428,442	726,073	-
Lease commitment for future service costs	<u>3,316,454</u>	<u>10,614,855</u>	<u>8,173,271</u>	<u>428,621</u>
	<u>\$ 48,589,304</u>	<u>\$ 64,780,930</u>	<u>\$ 44,837,917</u>	<u>\$ 2,370,384</u>

b) Derivative instruments

The Group did not have outstanding derivative instruments contracts for the years ended December 31, 2025 and 2024.

33. TRANSACTIONS WITH RELATED PARTIES

The Ministry of Transportation and Communications R.O.C. (MOTC), National Development Fund, and Taiwan International Ports Corporation, Ltd. held 31.16% of the ordinary shares of YMTC as of December 31, 2025 and 2024. Over 50% of the members of YMTC's board of directors were appointed by the MOTC, National Development Fund, and Taiwan International Ports Corporation, Ltd. Therefore, the Group is a government-related entity, which is controlled by the central government. Transactions with other government-related entities were mainly bank deposits, borrowings and guarantees with government-related banks (see Notes 19 and 20) and concession rights of the Port of Kaohsiung, Taiwan International Ports Corporation Kaohsiung logistics center (see Note 17).

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

a. Related party name and categories

Related Party Name	Related Party Category
Yang Ming (U.A.E.) LLC	Associate
Yang Ming (Australia) Pty. Ltd.	Associate
Yang Ming Shipping (Egypt) S.A.E	Associate
Kao Ming Container Terminal Corp.	Associate
Taiwan Navigation Co., Ltd.	Associate
Yunn Wang Investment Co., Ltd.	Associate
Taiwan Foundation International Pte. Ltd.	Associate
West Basin Container Terminal LLC	Associate
LogiTrans Technology Private Limited	Joint venture
YES LIBERAL Logistics Corp.	Joint venture
YES and HQL Logistics Company	Joint venture
Yes Easyway Logistics (Thailand) Co., Ltd	Joint venture
Chunghwa Telecom Co., Ltd.	Government - related party
Taiwan International Ports Corporation, Ltd.	Government - related party
Taiwan International Ports Logistics Corporation	Government - related party
Chunghwa Post Co., Ltd.	Government - related party
Agricultural Bank of Taiwan	Government - related party
Taipei Exchange	Government - related party
First Commercial Bank	Government - related party
Mega International Commercial Bank Co., Ltd.	Government - related party
Chung Kuo Insurance Company, Limited	Government - related party
Mega Securities	Government - related party
Bank of Taiwan	Government - related party
Land Bank of Taiwan	Government - related party
Taiwan Cooperative Bank Co., Ltd.	Government - related party
Taiwan Cooperative Bills Finance Co., Ltd.	Government - related party
Taiwan Business Bank Co., Ltd.	Government - related party
Chang Hwa Commercial Bank Ltd.	Government - related party
Taiwan Power Company	Government - related party
Taiwan Water Corporation	Government - related party
China Steel Corporation	Government - related party
CPC Corporation, Taiwan	Government - related party
CSBC Corporation, Taiwan	Government - related party
Hua Nan Commercial Bank, Ltd.	Government - related party
Taiwan Stock Exchange Corporation	Government - related party
South China Insurance Co., Ltd.	Government - related party
National Property Administration, MOF	Government - related party
National Taiwan Ocean University	Government - related party
Keelung Hospital, Ministry of Health and Welfare	Government - related party
Ministry of the Interior	Government - related party
National Kaohsiung University of Science and Technology	Government - related party
National Museum of Marine Science and Technology	Government - related party
National Taiwan University	Government - related party
National Chengchi University	Government - related party

(Continued)

Related Party Name	Related Party Category
China Airlines Ltd.	Government - related party
Ministry of the Environment	Government - related party
Maritime and Port Bureau, MOTC	Government - related party
Taiwan Centers for Disease Control	Government - related party
Customs Administration, MOF	Government - related party
C.S. Aluminium Corporation	Government - related party
Bureau of Standards, Metrology and Inspection, MOEA	Government - related party
China Steel Express Corporation	Government - related party
Mega Bills Finance Co., Ltd.	Government - related party
Mega Financial Holding Co., Ltd.	Government - related party
Kaohsiung Municipal Siaogang Hospital	Government - related party
Leader Container Transportation Co., Ltd.	Investor that has significant influence over the subsidiaries
Marine Container Services India Private Limited	Investor that has significant influence over the subsidiaries
Unicorn Enterprises	Investor that has significant influence over the subsidiaries
Bay Container Terminal Private Limited	Investor that has significant influence over the subsidiaries
Omega Intermodal Container Services Private Limited	Investor that has significant influence over the subsidiaries
Sebang Co Ltd.	Investor that has significant influence over the subsidiaries
Arkas Lojistik A.S	Investor that has significant influence over the subsidiaries
Limar Liman ve Gemi İşletmeleri A.S	Investor that has significant influence over the subsidiaries
Arkas Denizcilik ve Nakliyat A.S.	Investor that has significant influence over the subsidiaries
Marport Liman İşletmeleri.	Investor that has significant influence over the subsidiaries
Arkas Turizm Seyahat Acentası A.S.	Investor that has significant influence over the subsidiaries
Hapag-Lloyd Denizaşırı Nakliyat A.S.	Investor that has significant influence over the subsidiaries
Schenker Arkas Nakliyat ve Tic. A.S.	Investor that has significant influence over the subsidiaries
Naxco Group.	Investor that has significant influence over the subsidiaries
Finsea S.p.A.	Investor that has significant influence over the subsidiaries
Marinter Shipping Agency Srl.	Investor that has significant influence over the subsidiaries
Catalana del Mar, S.A.	Investor that has significant influence over the subsidiaries

(Continued)

Related Party Name	Related Party Category
Arkas Holding A.S.	Investor that has significant influence over the subsidiaries
Arkas Otomotiv Servis ve Ticaret A.S.	Investor that has significant influence over the subsidiaries
Arkpet Petrol Ticaret ve Nakliyat A.S.	Investor that has significant influence over the subsidiaries
SHIPEEDY LOJISTIK A.S.	Investor that has significant influence over the subsidiaries
Bimar Bilgi İşlem Hizmetleri A.S.	Investor that has significant influence over the subsidiaries
PT. Spil Investama Satu.	Investor that has significant influence over the subsidiaries
PT. Kece Nusantara.	Investor that has significant influence over the subsidiaries
M/s Premium Container Terminal LLP	Investor that has significant influence over the subsidiaries
Yang Ming Cultural Foundation	Other related party
	(Concluded)

b. Operating transaction

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Operating revenue	Associates	\$ 157,456	\$ 219,567
	Joint ventures	3,645	1,871
	Government - related parties	<u>878,774</u>	<u>1,513,225</u>
		<u>\$ 1,039,875</u>	<u>\$ 1,734,663</u>
Operating costs	Associates	\$ 3,051,191	\$ 3,181,322
	Joint ventures	137,052	106,050
	Government - related parties	276,742	293,619
	Investors that have significant influence over the subsidiaries	<u>250,918</u>	<u>276,218</u>
		<u>\$ 3,715,903</u>	<u>\$ 3,857,209</u>
Operating expenses	Associates	\$ 649	\$ -
	Joint ventures	69,901	68,177
	Government - related parties	55,178	59,259
	Investors that have significant influence over the subsidiaries	63,942	61,368
	Other related parties	<u>32,278</u>	<u>26,012</u>
		<u>\$ 221,948</u>	<u>\$ 214,816</u>

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

c. Bank deposits

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

Related Party Category/Name	December 31	
	2025	2024
Government - related parties		
Taiwan Cooperative Bank Co., Ltd.	\$ 36,116,257	\$ 54,228,682
Others	<u>30,618,152</u>	<u>53,700,028</u>
	<u>\$ 66,734,409</u>	<u>\$ 107,928,710</u>

d. Contract assets

Line Item	Related Party Category/Name	December 31	
		2025	2024
Contract assets	Associates	<u>\$ 70,816</u>	<u>\$ 119,729</u>

For the years ended December 31, 2025 and 2024, no impairment loss was recognized for contract assets from related parties.

e. Receivables and payables from related parties

Line Item	Related Party Category/Name	December 31	
		2025	2024
Trade receivables	Associates	\$ 119,538	\$ 152,299
	Joint ventures	1,622	518
	Government - related parties	15,052	611
	Investors that have significant influence over the subsidiaries	<u>400</u>	<u>5,115</u>
		<u>\$ 136,612</u>	<u>\$ 158,543</u>
Other receivables (included in other current assets)	Associates	\$ 137,713	\$ 105
	Joint ventures	6,091	3,010
	Government - related parties		
	Taiwan Cooperative Bank Co., Ltd.	234,952	117,755
	Others	<u>58,455</u>	<u>70,304</u>
		<u>293,407</u>	<u>188,059</u>
	Investors that have significant influence over the subsidiaries	664	-
	Other related parties	<u>3,651</u>	<u>4,915</u>
		<u>\$ 441,526</u>	<u>\$ 196,089</u>

(Continued)

Line Item	Related Party Category/Name	December 31	
		2025	2024
Notes payable	Associates	\$ <u>568</u>	\$ <u>563</u>
Trade payables	Associates	\$ 557,320	\$ 596,505
	Joint ventures	26,750	12,200
	Government - related parties	16,449	17,819
	Investors that have significant influence over the subsidiaries	<u>91,041</u>	<u>93,120</u>
		<u>\$ 691,560</u>	<u>\$ 719,644</u>
Other payables	Associates	\$ -	\$ 966
	Government - related parties	18,158	20,491
	Investors that have significant influence over the subsidiaries	<u>1,087</u>	<u>2,070</u>
		<u>\$ 19,245</u>	<u>\$ 23,527</u>
			(Concluded)

For the years ended December 31, 2025 and 2024, no impairment loss was recognized for trade receivables and other receivables from related parties.

f. Prepayments

Line Item	Related Party Category/Name	December 31	
		2025	2024
Prepayments	Government - related parties	\$ <u>1,183</u>	\$ <u>152</u>
Prepayments for equipment	Government - related parties	\$ <u>-</u>	\$ <u>160</u>

g. Disposals of property, plant and equipment

Line Item	Related Party Category/Name	Proceeds	
		For the Year Ended December 31 2025	2024
Disposals of property, plant and equipment	Associates	\$ <u>23</u>	\$ <u>-</u>

Line Item	Related Party Category/Name	Gain (Loss) on Disposal	
		For the Year Ended December 31 2025	2024
Disposals of property, plant and equipment	Associates	\$ <u>23</u>	\$ <u>-</u>

h. Lease arrangements

Related Party Category/Name	For the Year Ended December 31	
	2025	2024
<u>Acquisition of right-of-use assets</u>		
Associates	\$ 5,710	\$ -
Government - related parties	19,374	1,230
Investors that have significant influence over the subsidiaries	<u>15,260</u>	<u>14,530</u>
	<u>\$ 40,344</u>	<u>\$ 15,760</u>

Line Item	Related Party Category/Name	December 31	
		2025	2024
Lease liabilities	Associates	\$ 4,625	\$ -
	Government - related parties	264,809	452,224
	Investors that have significant influence over the subsidiaries	<u>19,319</u>	<u>20,532</u>
		<u>\$ 288,753</u>	<u>\$ 472,756</u>

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Interest expense	Associates	\$ 114	\$ -
	Government - related parties	6,251	8,711
	Investors that have significant influence over the subsidiaries	<u>1,777</u>	<u>1,349</u>
		<u>\$ 8,142</u>	<u>\$ 10,060</u>

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

i. Bonds payable

Related Party Category/Name	December 31	
	2025	2024
Government - related parties		
Hua Nan Commercial Bank Ltd.	\$ 350,000	\$ 700,000
Others	<u>400,000</u>	<u>800,000</u>
	<u>\$ 750,000</u>	<u>\$ 1,500,000</u>

Note: Original investment amount of domestic bonds.

j. Loans from related parties

Line Item	Related Party Category/Name	December 31	
		2025	2024
Short-term borrowings	Government - related parties Mega International Commercial Bank Co., Ltd.	\$ 200,000	\$ -
Short-term bills payable	Government - related parties Mega Bills Finance Co., Ltd.	\$ 219,240	\$ 499,751
Long-term borrowings			
Unsecured borrowings	Government - related parties Hua Nan Commercial Bank, Ltd. Chang Hwa Commercial Bank, Ltd.	\$ - 72,222	\$ 90,000 138,889
		\$ 72,222	\$ 228,889

k. Others

Line Item	Related Party Category/Name	For the Year Ended December 31	
		2025	2024
Rental income	Associates Government - related parties Ministry of the Interior Other related parties	\$ 137 11,531 2,857	\$ 137 11,531 2,857
		\$ 14,525	\$ 14,525
Interest income	Joint ventures Government - related parties Bank of Taiwan Taiwan Cooperative Bank Co., Ltd. Others	\$ 337 1,248,764 2,008,434 783,200 4,040,398	\$ 102 905,342 2,107,398 861,085 3,873,825
		\$ 4,040,735	\$ 3,873,927
Finance cost	Government - related parties	\$ 55,173	\$ 116,179
Other gains and losses	Associates Joint ventures Government - related parties Investors that have significant influence over the subsidiaries	\$ 70,496 3,925 7,310 1,213	\$ 52,127 3,997 (553) 394
		\$ 82,944	\$ 55,965

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

1. Remuneration of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 91,337	\$ 126,700
Post-employment benefits	<u>3,309</u>	<u>9,707</u>
	<u>\$ 94,646</u>	<u>\$ 136,407</u>

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

34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank guarantees:

	December 31	
	2025	2024
Restricted bank balance (included in financial assets at amortized cost)	<u>\$ 139,288</u>	<u>\$ 146,353</u>

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in Table B and Note 17, commitments and contingent liabilities on reporting periods were as follows:

- a. The Group's shipping and port businesses were secured by the letter of guarantee issued by the bank for \$221,133 thousand and \$516,194 thousand as of December 31, 2025 and 2024, respectively.
- b. The Group signed container building contracts with other companies. As of December 31, 2025, prepayments for equipment for these contracts amounted to \$76,400 thousand. In addition, unpaid amounts for these contracts were US\$33,585 thousand and US\$14,159 thousand as of December 31, 2025 and 2024, respectively.
- c. The Group signed shipbuilding contracts with other companies. As of December 31, 2025 and 2024, prepayments for equipment for these contracts amounted to US\$225,815 thousand and US\$299,920 thousand, respectively. Unpaid amounts for these contracts were US\$2,090,625 thousand and US\$524,860 thousand, respectively.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

December 31, 2025

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 767,663	31.4300 (USD:NTD)	\$ 24,127,635
GBP	1,971	1.3447 (GBP:USD)	83,298
CNY	245,014	4.4971 (CNY:NTD)	1,101,861
USD	11,959	42.9614 (USD:TRY)	375,864
EUR	127,829	36.8658 (EUR:NTD)	4,712,530
EUR	155,868	1.1730 (EUR:USD)	5,746,205
GBP	99,640	42.2655 (GBP:NTD)	4,211,318
HKD	2,083	4.0380 (HKD:NTD)	8,409
JPY	13,076,701	0.2007 (JPY:NTD)	2,624,945
USD	20,973	6.9889 (USD:CNY)	659,170
CAD	2,847	22.9274 (CAD:NTD)	65,281
AUD	82,556	21.0047 (AUD:NTD)	1,734,069
Non-monetary items			
Investments accounted for using the equity method			
USD	60,985	31.4300 (USD:NTD)	1,916,750
AUD	1,328	21.0047 (AUD:NTD)	27,896
AED	2,470	8.5573 (AED:NTD)	21,137
INR	52,848	0.3497 (INR:NTD)	18,481
CNY	11,137	4.4971 (CNY:NTD)	50,086
IDR	4,907,895	0.0019 (IDR:NTD)	9,325
VND	5,910,833	0.0012 (VND:NTD)	7,093
EGP	71,818	0.6599 (EGP:NTD)	47,393
<u>Financial liabilities</u>			
Monetary items			
USD	2,494,001	31.4300 (USD:NTD)	78,386,444
GBP	337	1.3447 (GBP:USD)	14,262
CNY	87,477	4.4971 (CNY:NTD)	393,394
EUR	8,462	36.8658 (EUR:NTD)	311,965
EUR	3,964	1.1730 (EUR:USD)	146,129
USD	1,162	42.9614 (USD:TRY)	36,507
JPY	363,341	0.2007 (JPY:NTD)	72,935
GBP	281	42.2655 (GBP:NTD)	11,874
USD	17,437	6.9889 (USD:CNY)	548,059
HKD	22,977	4.0380 (HKD:NTD)	92,781
CAD	288	22.9274 (CAD:NTD)	6,598
AUD	318	21.0047 (AUD:NTD)	6,677

December 31, 2024

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 1,472,558	32.7900 (USD:NTD)	\$ 48,285,170
GBP	2,195	1.2548 (GBP:USD)	90,329
CNY	183,731	4.4923 (CNY:NTD)	825,382
USD	16,676	35.3601 (USD:TRY)	546,807
EUR	232,774	34.1262 (EUR:NTD)	7,943,690
EUR	1,524	1.0407 (EUR:USD)	52,002
GBP	103,666	41.1465 (GBP:NTD)	4,265,493
HKD	54,592	4.2229 (HKD:NTD)	230,536
JPY	8,728,618	0.2100 (JPY:NTD)	1,833,043
USD	28,066	7.2991 (USD:CNY)	920,277
CAD	1,016	22.8033 (CAD:NTD)	23,170
AUD	95,331	20.3806 (AUD:NTD)	1,942,896
Non-monetary items			
Investments accounted for using the equity method			
USD	60,700	32.7900 (USD:NTD)	1,990,365
AUD	1,576	20.3806 (AUD:NTD)	32,115
AED	2,425	8.9279 (AED:NTD)	21,654
INR	55,971	0.3830 (INR:NTD)	21,437
CNY	12,255	4.4923 (CNY:NTD)	55,052
IDR	4,252,500	0.0020 (IDR:NTD)	8,505
VND	6,796,923	0.0013 (VND:NTD)	8,836
EGP	69,509	0.6450 (EGP:NTD)	44,833
<u>Financial liabilities</u>			
Monetary items			
USD	2,599,372	32.7900 (USD:NTD)	85,233,397
GBP	735	1.2548 (GBP:USD)	30,248
CNY	97,479	4.4923 (CNY:NTD)	437,908
EUR	8,665	34.1262 (EUR:NTD)	295,687
EUR	11,070	1.0407 (EUR:USD)	337,778
USD	4,606	35.3601 (USD:TRY)	151,024
JPY	445,730	0.2100 (JPY:NTD)	93,605
GBP	316	41.1465 (GBP:NTD)	13,013
USD	20,559	7.2991 (USD:CNY)	674,141
HKD	35,900	4.2229 (HKD:NTD)	151,601
CAD	296	22.8033 (CAD:NTD)	6,755
AUD	670	20.3806 (AUD:NTD)	13,649

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gains were \$1,127,525 thousand and \$2,322,171 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

37. SEPARATELY DISCLOSED ITEMS

- a. Information on significant transactions:
 - 1) Financing provided to others: See Table A attached;
 - 2) Endorsement/guarantee provided: See Table B attached;
 - 3) Significant marketable securities held: See Table C attached;
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None;
 - 5) Receivable from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: See Table D attached;
 - 6) Intercompany relationships and significant intercompany transactions: See Table E attached;
- b. Information on investees: See Table F attached;
- c. Information on investments in mainland China
 - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: See Table G attached;
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: See Table E attached;
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

38. SEGMENT INFORMATION

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

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

a. Segment revenue and results

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

	For the Year Ended December 31, 2025				
	Containership Segment	Bulk Shipping Segment	Other Segments	Adjustment and Eliminations	Combined
Operating revenue					
Sales to customers	\$ 153,358,391	\$ 2,451,687	\$ 7,748,017	\$ -	\$ 163,558,095
Intercompany sales	<u>3,383,945</u>	<u>-</u>	<u>1,576,992</u>	<u>(4,960,937)</u>	<u>-</u>
Total revenue	<u>\$ 156,742,336</u>	<u>\$ 2,451,687</u>	<u>\$ 9,325,009</u>	<u>\$ (4,960,937)</u>	<u>\$ 163,558,095</u>
Segment operating income	<u>\$ 14,991,236</u>	<u>\$ 152,891</u>	<u>\$ 213,789</u>	<u>\$ 63,005</u>	\$ 15,420,921
Administration cost					(779,460)
Other operating income and expenses					170,617
Interest income					9,916,405
Other income					109,499
Other gains and losses					1,678,295
Net gain on derecognition of financial assets at amortized cost					353
Financial costs					(3,734,607)
Share of profit of associates and joint ventures					<u>522,743</u>
Profit before income tax					<u>\$ 23,304,766</u>

	For the Year Ended December 31, 2024				
	Containership Segment	Bulk Shipping Segment	Other Segments	Adjustment and Eliminations	Combined
Operating revenue					
Sales to customers	\$ 209,725,208	\$ 3,375,406	\$ 9,605,335	\$ -	\$ 222,705,949
Intercompany sales	<u>5,018,993</u>	<u>-</u>	<u>1,528,667</u>	<u>(6,547,660)</u>	<u>-</u>
Total revenue	<u>\$ 214,744,201</u>	<u>\$ 3,375,406</u>	<u>\$ 11,134,002</u>	<u>\$ (6,547,660)</u>	<u>\$ 222,705,949</u>
Segment operating income (loss)	<u>\$ 67,725,369</u>	<u>\$ 320,556</u>	<u>\$ 96,287</u>	<u>\$ (77,706)</u>	\$ 68,064,506
Administration cost					(991,180)
Other operating income and expenses					502,009
Interest income					11,410,782
Other income					112,472
Other gains and losses					2,324,323
Net gain on derecognition of financial assets at amortized cost					312
Financial costs					(2,317,780)
Share of profit of associates and joint ventures					<u>714,076</u>
Profit before income tax					<u>\$ 79,819,520</u>

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

b. Segment assets and liabilities

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

c. Geographical information

The Group operates in four principal geographical areas - Domestic, America, Europe and Asia.

The Group's revenue from continuing operation and information about its non-current assets by geographical location are detailed below. Containers, ships and construction in progress cannot be allocated by location because they are used for worldwide operation.

	Revenue From External Customers	
	For the Year Ended December 31, 2025	Non-current Assets December 31, 2025
Domestic	\$ 4,755,897	\$ 21,625,061
America	50,723,883	81,524
Europe	54,425,717	380,637
Asia	53,652,598	760,698
Others	-	1,318
	<u>\$ 163,558,095</u>	22,849,238
Containers		24,446,050
Ships and construction in progress		<u>157,887,328</u>
		<u>\$ 205,182,616</u>

	Revenue From External Customers	Non-current Assets
	For the Year Ended December 31, 2024	December 31, 2024
Domestic	\$ 4,260,710	\$ 10,356,761
America	75,787,488	126,235
Europe	81,930,737	448,526
Asia	60,727,014	803,890
Others	<u>-</u>	<u>24,587</u>
	<u>\$ 222,705,949</u>	11,759,999
Containers		22,167,588
Ships and construction in progress		<u>155,934,786</u>
		<u>\$ 189,862,373</u>

Non-current assets excluded those classified as non-current assets held for sale, financial assets, financial instruments, investments accounted for using equity method, deferred tax assets, refundable deposits, post-employment benefit assets, prepayments for investments and assets arising from insurance contracts.

d. Information about major customers

No single customer accounted for at least 10% of the Group's total operating revenue for the years ended December 31, 2025 and 2024.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Relate Parties	Highest Balance for the Period (Note C)	Ending Balance (Note C)	Actual Borrowing Amounts (Note C)	Interest Rate	Nature of Financing (Note A)	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note B)	Aggregate Financing Limits (Note B)
													Item	Value		
0	Yang Ming Marine Transport Corporation	Kuang Ming Shipping Corp.	Other receivables	Y	\$ 3,000,000	\$ 1,500,000	\$ 1,500,000	2.0000%	2	\$ -	Obtain working capital	\$ -	-	\$ -	\$ 16,292,534	\$ 32,585,067
1	Yang Ming (Singapore) Pte. Ltd. (Note D)	Yang Ming Line (Thailand) Co., Ltd.	Other receivables	Y	2,989 (THB 3,000 thousand)	-	-	-	2	-	Obtain working capital	-	-	-	14,905,637	44,716,911
		Yang Ming Line (Hong Kong) Ltd.	Other receivables	Y	53,431 (US\$ 1,700 thousand)	50,288 (US\$ 1,600 thousand)	50,288 (US\$ 1,600 thousand)	4.7300%	2	-	Obtain working capital	-	-	-	74,528,185	74,528,185
2	Yes Logistics Corp.	Yes Logistics Europe GmbH	Other receivables	Y	36,215 (EUR 982 thousand)	36,215 (EUR 982 thousand)	36,215 (EUR 982 thousand)	2.5400%	1	32,772	-	-	-	-	83,805	945,990
		Yes Logistics Europe GmbH	Other receivables	Y	71,888 (EUR 1,950 thousand)	60,644 (EUR 1,645 thousand)	60,644 (EUR 1,645 thousand)	2.5400%	2	-	Obtain working capital	-	-	-	94,599	189,198
		Yes Logistics (Shanghai) Corp.	Other receivables	Y	113,203 (US\$ 2,500 thousand and CNY 7,700 thousand)	99,712 (US\$ 2,500 thousand and CNY 4,700 thousand)	99,712 (US\$ 2,500 thousand and CNY 4,700 thousand)	3.3900%-3.9400%	1	117,907	-	-	-	-	283,797	945,990
		YES MLC GmbH	Other receivables	Y	86,082 (EUR 2,335 thousand)	86,082 (EUR 2,335 thousand)	86,082 (EUR 2,335 thousand)	2.5400%	2	-	Obtain working capital	-	-	-	94,599	189,198
		Yes And HQL Logistics Company	Other receivables	Y	6,412 (US\$ 204 thousand)	6,412 (US\$ 204 thousand)	3,206 (US\$ 102 thousand)	3.9300%	2	-	Obtain working capital	-	-	-	94,599	189,198
		Yes Easyway Logistics (Thailand) Co., Ltd.	Other receivables	Y	2,885 (US\$ 92 thousand)	2,885 (US\$ 92 thousand)	2,885 (US\$ 92 thousand)	3.8800%	2	-	Obtain working capital	-	-	-	94,599	189,198
		PT. YES Logistics Indonesia	Other receivables	Y	1,924 (US\$ 61 thousand)	1,924 (US\$ 61 thousand)	1,924 (US\$ 61 thousand)	3.9000%	2	-	Obtain working capital	-	-	-	94,599	189,198
3	Yes Logistics Corporation (USA)	Yes Easyway Logistics (Thailand) Co., Ltd.	Other receivables	Y	2,885 (US\$ 92 thousand)	-	-	-	2	-	Obtain working capital	-	-	-	35,135	70,269
		PT. YES Logistics Indonesia	Other receivables	Y	1,924 (US\$ 61 thousand)	-	-	-	2	-	Obtain working capital	-	-	-	35,135	70,269
		Yes Logistics Europe GmbH	Other receivables	Y	5,972 (US\$ 190 thousand)	-	-	-	2	-	Obtain working capital	-	-	-	35,135	70,269

Notes:

A. Nature of financing:

- 1. The Company has transactions with the borrower.
- 2. The borrower needs short-term financing.

(Continued)

- B.

1.

Yang Ming Marine Transport Corporation: The maximum financing amount is 60% of the net assets of the Company. For borrowers with transactions with the Company, maximum financing is 50% of the net assets of the Company. For the borrower with transactions with the Company, maximum financing is the lower of 15% of the net assets of the Company or the total amount of transactions between the Company and the borrower in the last two years. For a borrower that is a subsidiary of the Company, maximum financing is the lower of 40% of the latest net assets audited or reviewed by CPA of the Company or the total amount of transactions between the Company and the subsidiary in the last five years. For borrowers with short-term financing needs, the maximum is 10% of the net assets of the Company. For the borrower needing short-term financing, maximum financing is 5% of the net assets of the Company.

2.

Yang Ming (Singapore) Pte. Ltd.: The maximum financing amount is 80% of the net assets of the lender. For borrowers with transactions with the lender, maximum financing is 50% of the net assets of the lender. For the borrower with transactions with the lender, maximum financing is the lower of 25% of the net assets of the lender or the total amount of transactions between the lender and the borrower in the last two years. For borrowers with short-term financing needs, the maximum is 30% of the net assets of the lender. For the borrower needing short-term financing, maximum financing is 10% of the net assets of the lender. For the borrower needing short-term financing with direct or indirect holding of 100% voting rights on a corporation not established in the ROC, maximum financing is 50% of the net total assets.

3.

Yes Logistics Corp.: The maximum financing amount is 60% of the net assets of the lender. For borrowers with transactions with the lender, maximum financing is 50% of the net assets of the lender. For the borrower with transactions with the lender, maximum financing is the lower of 15% of the net assets of the lender or the total amount of transactions between the lender and the borrower in the last two years. For borrowers with short-term financing needs, the maximum is 10% of the net assets of the lender. For the borrower needing short-term financing, maximum financing is 5% of the net assets of the lender.

4.

Yes Logistics Corporation (USA): The maximum financing amount is 60% of the net assets of the lender. For borrowers with transactions with the lender, maximum financing is 20% of the net assets of the lender. For the borrower with transactions with the lender, maximum financing is the lower of 10% of the net assets of the lender or the total amount of transactions between the lender and the borrower in the last two years. For borrowers with short-term financing needs, the maximum is 40% of the net assets of the lender. For the borrower needing short-term financing, maximum financing is 20% of the net assets of the lender.
- C.

United States dollars, Thai Baht, Euros and Chinese Yuan translated into New Taiwan dollars at the exchange rates of US\$1=NT\$31.4300, THB1=NT\$0.9962, EUR1=NT\$36.8658 and CNY1=NT\$4.4971 as of December 31, 2025.
- D.

A short-form merger of YM-Singapore and YML-Singapore was completed on July 31, 2025, and the financing provided to others was fully absorbed by YM-Singapore.

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorser/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note A)	Maximum Amount Endorsed/ Guaranteed During the Period (Note B)	Outstanding Endorsement/ Guarantee at the End of the Period (Note B)	Actual Borrowing Amount (Note B)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note A)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Yang Ming Marine Transport Corporation	Yang Ming (America) Corp.	Subsidiary	\$ 521,361,072	\$ 94,290 (US\$ 3,000 thousand)	\$ -	\$ -	\$ -	-	\$ 977,552,010	Y	N	N

- Notes:
- A.

1.

Represents 300% of the latest net assets audited or reviewed by CPA of Yang Ming Marine Transport Corporation (the “Corporation”). Represents 160% of the amount as aforementioned.

2.

Represents 400% of the latest net assets audited or reviewed by CPA of the Company and subsidiaries. Represents 180% of the amount as aforementioned.
- B.

United States dollars translated into New Taiwan dollars at the exchange rates of US\$1=\$31.4300 as of December 31, 2025.

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
Yang Ming Marine Transport Corporation	<u>Domestic unlisted shares</u> Taipei Port Container Terminal Co., Ltd.	-	Financial assets at FVTOCI - non-current	51,000,000	\$ 536,664	9.81	\$ 536,664	
	<u>Mutual funds</u> Taishin 1699 Money Market Fund	-	Financial assets at FVTPL - current	166,477,909	2,392,188	-	2,392,188	
	Taishin Ta Chong Money Market Fund	-	Financial assets at FVTPL - current	39,893,087	600,219	-	600,219	
	Franklin Templeton Sinoam Money Market Fund	-	Financial assets at FVTPL - current	55,297,798	605,455	-	605,455	
	FSITC Taiwan Money Market Fund	-	Financial assets at FVTPL - current	37,037,723	600,337	-	600,337	
	UPAMC James Bond Money Market Fund	-	Financial assets at FVTPL - current	709,716,374	12,535,011	-	12,535,011	
	Fubon Money Market Fund	-	Financial assets at FVTPL - current	82,943,956	1,302,942	-	1,302,942	
	Shin Kong Chi-Shin Money Market Fund	-	Financial assets at FVTPL - current	24,455,558	400,225	-	400,225	
	<u>Corporate bonds</u> Citigroup Global Markets Holdings	-	Financial assets at amortized cost - non-current	-	471,300	-	470,408	
	<u>Corporate bonds</u> Amazon.com, Inc.	-	Financial assets at amortized cost - non-current	-	953,437	-	979,094	
Yang Ming (Singapore) Pte. Ltd.	Apple Inc.	-	Financial assets at amortized cost - non-current	-	1,332,621	-	1,374,438	
	Australia and New Zealand Banking Group Limited	-	Financial assets at amortized cost - non-current	-	314,261	-	323,396	
	Bank of America Corp.	-	Financial assets at amortized cost - non-current	-	2,402,806	-	2,470,402	
	Berkshire Hathaway Finance Corp.	-	Financial assets at amortized cost - non-current	-	526,150	-	540,758	
	BMW US Capital LLC	-	Financial assets at amortized cost - non-current	-	519,440	-	531,500	
	Costco Wholesale	-	Financial assets at amortized cost - non-current	-	414,495	-	427,426	
	Foxconn (Far East) Ltd.	-	Financial assets at amortized cost - non-current	-	309,125	-	319,608	
	Intercontinental Exchange Inc.	-	Financial assets at amortized cost - non-current	-	1,394,104	-	1,436,678	
	Johnson & Johnson	-	Financial assets at amortized cost - non-current	-	663,401	-	689,986	
	JPMorgan Chase & Co.	-	Financial assets at amortized cost - non-current	-	2,686,449	-	2,767,067	
	Kimberly-Clark Corp.	-	Financial assets at amortized cost - non-current	-	410,515	-	424,065	
	Mastercard Inc.	-	Financial assets at amortized cost - non-current	-	371,710	-	380,189	
	Mercedes-Benz Finance North America LLC	-	Financial assets at amortized cost - non-current	-	451,005	-	459,980	
	Mitsubishi UFJ Financial Group, Inc.	-	Financial assets at amortized cost - non-current	-	376,770	-	389,839	
	Mizuho Financial Group	-	Financial assets at amortized cost - non-current	-	2,389,833	-	2,463,708	
	Nestle Capital Corp.	-	Financial assets at amortized cost - non-current	-	719,303	-	740,942	
	Nestle Holdings, Inc.	-	Financial assets at amortized cost - non-current	-	330,752	-	341,342	
	NVIDIA Corporation	-	Financial assets at amortized cost - non-current	-	302,642	-	313,323	
	PepsiCo, Inc.	-	Financial assets at amortized cost - non-current	-	521,718	-	535,584	
	Royal Bank of Canada (London Branch)	-	Financial assets at amortized cost - non-current	-	1,131,338	-	1,174,808	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
	S&P Global Inc.	-	Financial assets at amortized cost - non-current	-	\$ 990,452	-	\$ 1,013,553	
	Saudi Arabian Oil Company	-	Financial assets at amortized cost - non-current	-	2,256,950	-	2,291,800	
	Sumitomo Mitsui Banking Corporation	-	Financial assets at amortized cost - non-current	-	2,257,804	-	2,328,729	
	The Walt Disney Company	-	Financial assets at amortized cost - non-current	-	1,012,866	-	1,038,773	
	TSMC Arizona Corporation	-	Financial assets at amortized cost - non-current	-	1,645,488	-	1,693,952	
	TSMC Global Ltd.	-	Financial assets at amortized cost - non-current	-	860,872	-	886,677	
	Walmart, Inc.	-	Financial assets at amortized cost - non-current	-	421,906	-	435,476	

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20 OF THE PAID-IN CAPITAL
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Yang Ming Marine Transport Corporation	Yang Ming (Singapore) Pte. Ltd. Kuang Ming Shipping Corp.	Subsidiary	\$ 3,498,493	-	\$ -	-	\$ 3,498,493	\$ -
		Subsidiary	1,502,839 (Note A)	-	-	-	-	-
	YES Logistics Corp.	Subsidiary	421,972 (Note B)	-	-	-	12,600	-
Yang Ming (Singapore) Pte. Ltd.	Yang Ming Marine Transport Corporation Huan Ming (Shanghai) International Shipping Agency Co., Ltd. Yang Ming Shipping (Vietnam) Co., Ltd. Yang Ming (Italy) S.P.A.	Parent company	1,872,186	-	-	-	1,872,186	-
		Subsidiary	874,821	-	-	-	874,821	-
		Subsidiary	112,685	-	-	-	112,685	-
		The same parent company	115,358	-	-	-	115,358	-
Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Yang Ming Marine Transport Corporation Yang Ming (Singapore) Pte. Ltd. Yes Logistics (Shanghai) Corp.	Ultimate parent company	378,067	-	-	-	378,067	-
		Parent company	164,892	-	-	-	164,892	-
		The same parent company	196,571	-	-	-	196,571	-
Yang Ming Line Holding Co.	West Basin Container Terminal LLC	Associates	125,720 (Note D)	-	-	-	125,720	-
Yang Ming (America) Corp.	Yang Ming Marine Transport Corporation Yang Ming (Singapore) Pte. Ltd.	Ultimate parent company	215,678	-	-	-	215,678	-
		The same parent company	208,649	-	-	-	208,649	-
YES Logistics Corp.	Yes Logistics (Shanghai) Corp.	Subsidiary	158,780 (Note C)	-	-	-	5,443	-
	Yes Logistics Europe GmbH	Subsidiary	103,522 (Note C)	-	-	-	6,055	-
Yang Ming Anatolia Shipping Agency S.A.	Yang Ming Marine Transport Corporation	Ultimate parent company	101,494	-	-	-	101,494	-

Notes:

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

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Number (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Accounts	Amount (Note C)	Payment Terms	% to Total Sales or Assets
0	Yang Ming Marine Transport Corporation	Hong Ming Terminal & Stevedoring Corp.	1	Operating cost	\$ 364,439	Conducted as agreed terms	-
		Jing Ming Transportation Co., Ltd.	1	Operating cost	165,469	Conducted as agreed terms	-
		Yang Ming (Singapore) Pte. Ltd.	1	Operating cost	1,708,998	Conducted as agreed terms	0.01
				Other receivables	3,486,320	Conducted as agreed terms	0.01
				Trade payables	378,782	Conducted as agreed terms	-
				Other payable	1,483,241	Conducted as agreed terms	-
				Operating revenue	45,963,572	Conducted as agreed terms	0.28
		Yangming (Japan) Co., Ltd.	1	Operating cost	107,474	Conducted as agreed terms	-
		Yang Ming Anatolia Shipping Agency S.A.	1	Payables to shipping agents	101,494	Conducted as agreed terms	-
		Yang Ming Insurance Co., Ltd.	1	Operating cost	196,862	Conducted as agreed terms	-
		Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	1	Payables to shipping agents	375,505	Conducted as agreed terms	-
		Yang Ming (America) Corp.	1	Payables to shipping agents	215,678	Conducted as agreed terms	-
				Operating cost	399,752	Conducted as agreed terms	-
		Kuang Ming Shipping Corp.	1	Other receivables	1,502,814	Conducted as agreed terms	-
		YES Logistics Corp.	1	Finance lease receivables - non-current	337,629	Conducted as agreed terms	-
				Operating revenue	404,884	Conducted as agreed terms	-
		Yes Logistics Corporation (USA)	1	Operating revenue	148,755	Conducted as agreed terms	-
		Yes Logistics (Shanghai) Corp.	1	Operating revenue	2,808,431	Conducted as agreed terms	0.02
		Yang Ming Shipping Europe GmbH	1	Operating cost	134,546	Conducted as agreed terms	-
		Yang Ming (UK) Ltd	1	Operating cost	973,489	Conducted as agreed terms	0.01
1	Yang Ming (Singapore) Pte. Ltd.	Hong Ming Terminal & Stevedoring Corp.	2	Operating cost	185,594	Conducted as agreed terms	-
		Jing Ming Transportation Co., Ltd.	2	Operating cost	417,680	Conducted as agreed terms	-
		Yang Ming (Korea) Co., Ltd	2	Operating cost	224,165	Conducted as agreed terms	-
		Yangming (Japan) Co., Ltd.	2	Operating cost	119,120	Conducted as agreed terms	-
		Yang Ming Shipping (Vietnam) Co., Ltd.	2	Trade receivables	112,685	Conducted as agreed terms	-
		Yang Ming Anatolia Shipping Agency S.A.	2	Operating cost	144,762	Conducted as agreed terms	-
		Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	2	Contract assets	1,192,063	Conducted as agreed terms	-
				Trade receivables	874,821	Conducted as agreed terms	-
				Payables to shipping agents	142,696	Conducted as agreed terms	-
				Operating cost	923,288	Conducted as agreed terms	0.01
		Yang Ming (America) Corp.	2	Contract assets	138,990	Conducted as agreed terms	-
				Payables to shipping agents	208,649	Conducted as agreed terms	-
				Operating cost	1,194,703	Conducted as agreed terms	0.01
		Yang Ming Shipping Europe GmbH	2	Operating cost	259,152	Conducted as agreed terms	-
		Yang Ming (Italy) S.P.A.	2	Trade receivables	115,358	Conducted as agreed terms	-
		Yang Ming (UK) Ltd	2	Operating cost	1,827,851	Conducted as agreed terms	0.01

(Continued)

Number (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Accounts	Amount (Note C)	Payment Terms	% to Total Sales or Assets
2	Huan Ming (Shanghai) International Shipping Agency Co., Ltd.	Yes Logistics (Shanghai) Corp.	2	Trade receivables	\$ 196,571	Conducted as agreed terms	-
3	YES Logistics Corp.	Yes Logistics Corporation (USA)	2	Operating cost	371,741	Conducted as agreed terms	-
		Yes Logistics (Shanghai) Corp.	2	Operating cost	117,907	Conducted as agreed terms	-
4	Yes Logistics Corporation (USA)	Yes Logistics (Shanghai) Corp.	2	Operating revenue	184,581	Conducted as agreed terms	-

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

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

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

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

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

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note A)		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Amount			
Yang Ming Marine Transport Corporation	Kao Ming Container Terminal Corp.	Taiwan	Terminal operation and stevedoring	\$ 3,181,313	\$ 3,181,313	323,000,000	47.50	\$ 3,449,577	\$ 60,242	\$ 28,615	Investments in associates
	Yang Ming Line (B.V.I.) Holding Co., Ltd.	British Virgin Islands	Investment, shipping agency, forwarding agency and shipping managers	555,266	555,266	1,757	100.00	16,435,443	710,713	647,382	Subsidiary
	Yang Ming Line B.V.	Netherlands	Investment, shipping agency, forwarding agency and shipping managers	-	-	2,500	100.00	2,937,649	47,268	47,268	Subsidiary
	Kuang Ming Shipping Corp.	Taiwan	Shipping service, shipping agency and forwarding agency	8,927,857 (Note O)	8,927,857 (Note O)	98,882,111 (Note O)	98.88	3,146,665	110,862	106,269	Subsidiary
	Yang Ming Line (Singapore) Pte Ltd	Singapore	Investment, shipping service, sale and purchase of ships, chartering and forwarding agency	- (Note S)	59,505,796	- (Note S)	- (Note S)	-	1,891,953	1,908,486	Subsidiary
	Yang Ming Line Holding Co.	U.S.A.	Investment, shipping agency, forwarding agency and shipping managers	143,860	143,860	13,500	100.00	4,898,857	226,276	226,276	Subsidiary
	All Oceans Transportation Inc.	Republic of Liberia	Shipping agency, forwarding agency and shipping managers	1,500,181	1,500,181	1,000	100.00	1,356,655	(77,409)	(48,941)	Subsidiary
	YES Logistics Corp.	Taiwan	Sea and air freight forwarding agency and warehouse operation	1,141,691	1,141,691	115,630,977	96.36	1,644,632	116,952	107,771	Subsidiary
	Hong Ming Terminal & Stevedoring Corp.	Taiwan	Terminal operation and stevedoring	104,261	104,261	10,000,000	100.00	251,297	23,629	23,261	Subsidiary
	Jing Ming Transportation Co., Ltd.	Taiwan	Container transportation	35,844	35,844	8,615,923	50.98	146,825	12,456	6,353	Subsidiary
	Yunn Wang Investment Co., Ltd.	Taiwan	Investment	179,810	179,810	5,211,474	49.75	206,625	14,874	7,399	Investments in associates
	Taiwan Foundation International Pte. Ltd.	Singapore	Investment and subsidiaries management	103,802	103,802	3,400,000	34.00	127,539	12,396	4,029	Investments in associates
	Taiwan Navigation Co., Ltd.	Taiwan	Shipping agency, forwarding agency, shipping managers and shipping lines	4,367,004	4,367,004	70,793,243	16.96	3,096,354	1,325,648	297,012	Investments in associates
Yang Ming Line Holding Co.	Yang Ming (Singapore) Pte. Ltd.	Singapore	Shipping agency, forwarding agency, shipping managers and shipping lines	59,950,726 (Note S)	444,930	799,342,500	100.00	149,057,554	3,073,822	3,054,938	Subsidiary
	Yang Ming (America) Corp.	U.S.A.	Shipping agency, forwarding agency and shipping managers	17,305	17,305	5,000	100.00	466,198	57,705	-	Subsidiary
	Transcont Intermodal Logistics, Inc.	U.S.A.	Inland forwarding agency	326	326	200	100.00	199	(12)	-	Subsidiary
	Yang Ming Shipping (Canada) Ltd.	Canada	Shipping agency, forwarding agency and shipping managers	2,981	2,981	1,000	100.00	29,848	2,459	-	Subsidiary
	West Basin Container Terminal LLC	U.S.A.	Terminal operation and stevedoring	132,050	132,050	(Note C)	40.00	1,279,975	261,673	-	Investments in associates
Yang Ming Line (B.V.I.) Holding Co., Ltd.	United Terminal Leasing LLC	U.S.A.	Terminal operation and machine lease	34,750	34,750	(Note D)	40.00	509,236	69,026	-	Investments in associates
	Yang Ming (UK) Ltd	U.K.	Shipping agency, forwarding agency, shipping managers and shipping lines	174,041 (Note R)	174,041	4,500,000 (Note R)	100.00 (Note R)	751,391	26,559	-	Subsidiary
	Yang Ming Line B.V.	Belgium	Shipping agency	8,614	8,614	553	89.92	57,097	2,195	-	Subsidiary
Yang Ming Line B.V.	Yang Ming (Netherlands) B.V.	Netherlands	Shipping agency	15,285	15,285	400,000	100.00	134,043	83,100	-	Subsidiary
	Yang Ming (Italy) S.P.A.	Italy	Shipping agency	4,319	4,319	125,000	50.00	25,450	12,973	-	Subsidiary
	Yang Ming Shipping Europe GmbH	Germany	Shipping agency, forwarding agency and shipping managers	29,697	29,697	(Note E)	100.00	248,303	8,823	-	Subsidiary
	Yang Ming (Russia) LLC	Russia	Shipping agency	-	3,017	(Note F)	-	-	-	-	Subsidiary
	Yang Ming (Spain), S.L.	Spain	Shipping agency	2,213	2,213	60,000	60.00	287,639	180,916	-	Subsidiary
	Yang Ming (Mediterranean) Marine Services	Greece	Shipping agency, forwarding agency and shipping managers	39,379	39,379	11,000	100.00	52,273	2,753	-	Subsidiary
	Single-Member Limited Liability Company										
Yang Ming (Netherlands) B.V.	Yang Ming Shipping (Egypt) S.A.E	Egypt	Shipping agency, forwarding agency and shipping managers	15,757	15,757	24,500	49.00	47,393	81,865	-	Investments in associates
	Yang Ming (Belgium) N.V.	Belgium	Shipping agency	1,900	1,900	62	10.08	6,401	2,195	-	Subsidiary
Yang Ming (UK) Ltd	Corstor Ltd.	U.K.	Warehouse management and container haulage services	7,411	7,411	1,000	100.00	25,683	4,334	-	Subsidiary
Yang Ming (Italy) S.P.A.	Yang Ming (Naples) S.r.l.	Italy	Forwarding agency	1,695 (Note Q)	1,695 (Note Q)	(Note G)	60.00	4,331	300	-	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note A)		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Amount			
Yang Ming (Singapore) Pte. Ltd.	Yang Ming Shipping (B.V.I.) Inc.	British Virgin Islands	Forwarding agency and shipping agency	\$ 247,772 (Note S)	\$ -	1,000 (Note S)	100.00 (Note S)	\$ 170,977	\$ 3,656	\$ -	Subsidiary
	Yang Ming Line (Hong Kong) Ltd.	Hong Kong	Forwarding agency and shipping agency	2,138 (Note S)	-	1,000,000 (Note S)	1.44 (Note S)	534	2,674	-	Subsidiary
	Yang Ming Line (India) Pvt. Ltd.	India	Shipping agency, forwarding agency and shipping managers	2,228 (Note S)	-	300,000 (Note S)	60.00 (Note S)	28,013	24,567	-	Subsidiary
	Yang Ming (Korea) Co., Ltd	Korea	Shipping agency, forwarding agency and shipping managers	10,107 (Note S)	-	60,000 (Note S)	60.00 (Note S)	80,192	74,728	-	Subsidiary
	Young-Carrier Company Ltd.	Hong Kong	Investment, shipping agency, forwarding agency and shipping managers	14,926 (Note S)	-	1,000,000 (Note S)	100.00 (Note S)	3,636	(426)	-	Subsidiary
	Yangming (Japan) Co., Ltd.	Japan	Shipping services; sale and purchase of ships; chartering and forwarding agency	36,235 (Note S)	-	3,000 (Note S)	100.00 (Note S)	84,916	4,235	-	Subsidiary
	Yang Ming Line (M) Sdn. Bhd.	Malaysia	Shipping agency, forwarding agency and shipping managers	10,727 (Note S)	-	1,000,000 (Note S)	100.00 (Note S)	77,091	2,292	-	Subsidiary
	Yang Ming Shipping (Vietnam) Co., Ltd	Vietnam	Forwarding agency and shipping managers	9,881 (Note S)	-	(Note J) (Note S)	100.00 (Note S)	26,409	353	-	Subsidiary
	Formosa International Development Corporation	Vietnam	Invest industry district and real estate	246,818 (Note S)	-	(Note H) (Note S)	30.00 (Note S)	-	-	-	Investments in associates
	Yang Ming Anatolia Shipping Agency S.A.	Turkiye	Shipping agency, forwarding agency and shipping managers	1,077 (Note S)	-	50,000 (Note S)	50.00 (Note S)	121,039	298,715	-	Subsidiary
	Yang Ming (U.A.E.) LLC.	U.A.E.	Shipping agency, forwarding agency and shipping managers	2,140 (Note S)	-	(Note I) (Note S)	49.00 (Note S)	21,137	773	-	Investments in associates
	Yang Ming (Australia) Pty. Ltd.	Australia	Shipping agency, forwarding agency and shipping managers	4,597 (Note S)	-	150,000 (Note S)	50.00 (Note S)	27,896	20,200	-	Investments in associates
	LogiTrans Technology Private Limited	India	Information system service	10,211 (Note S)	-	2,040,000 (Note S)	51.00 (Note S)	18,481	4,968	-	Investments in joint ventures
	Yang Ming Shipping Philippines, Inc.	Philippines	Forwarding agency and shipping managers	6,435 (Note S)	-	99,995 (Note S)	100.00 (Note S)	16,602	12,705	-	Subsidiary
	Yang Ming (Latin America) Corp.	Panama	Shipping agency, forwarding agency and shipping managers	6,020 (Note S)	-	200 (Note S)	100.00 (Note S)	9,759	378	-	Subsidiary
	Yang Ming Line (Thailand) Co., Ltd.	Thailand	Shipping agency, forwarding agency and shipping managers	3,589 (Note S)	-	3,920 (Note S)	49.00 (Note S)	30,829	10,501	-	Subsidiary
	Yang Ming Line shipping (Thailand) Co., Ltd.	Thailand	Shipping agency	2,282 (Note S)	-	2,450 (Note S)	49.00 (Note S)	19,085	6,226	-	Subsidiary
	PT. Formosa Sejati Logistics	Indonesia	Storage and stevedoring	5,701 (Note S)	-	1,875 (Note S)	15.00 (Note S)	9,325	14,413	-	Investments in associates
	Yang Ming Insurance Co., Ltd.	Bermuda	Insurance	7,740 (Note S)	-	250,000 (Note S)	100.00 (Note S)	189,779	25,912	-	Subsidiary
	PT Yang Ming Shipping Indonesia	Indonesia	Shipping agency, forwarding agency and shipping managers	40,946 (Note S)	-	18,865 (Note S)	49.00 (Note S)	50,460	(11,227)	-	Subsidiary
	Yang Ming (France) SAS	France	Shipping agency, forwarding agency and shipping managers	3,025 (Note S)	-	90,000 (Note S)	60.00 (Note S)	40,819	34,669	-	Subsidiary
Yang Ming Line (Singapore) Pte Ltd	Yang Ming Shipping (B.V.I.) Inc.	British Virgin Islands	Forwarding agency and shipping agency	- (Note S)	247,772	- (Note S)	- (Note S)	-	3,656	-	Subsidiary
	Yang Ming Line (Hong Kong) Ltd.	Hong Kong	Forwarding agency and shipping agency	- (Note S)	2,138	- (Note S)	- (Note S)	-	2,674	-	Subsidiary
	Yang Ming Line (India) Pvt. Ltd.	India	Shipping agency, forwarding agency and shipping managers	- (Note S)	2,228	- (Note S)	- (Note S)	-	24,567	-	Subsidiary
	Yang Ming (Korea) Co., Ltd	Korea	Shipping agency, forwarding agency and shipping managers	- (Note S)	10,107	- (Note S)	- (Note S)	-	74,728	-	Subsidiary
	Young-Carrier Company Ltd.	Hong Kong	Investment, shipping agency, forwarding agency and shipping managers	- (Note S)	14,926	- (Note S)	- (Note S)	-	(426)	-	Subsidiary
	Yangming (Japan) Co., Ltd.	Japan	Shipping services; sale and purchase of ships; chartering and forwarding agency	- (Note S)	36,235	- (Note S)	- (Note S)	-	4,235	-	Subsidiary
	Yang Ming Line (M) Sdn. Bhd.	Malaysia	Shipping agency, forwarding agency and shipping managers	- (Note S)	10,727	- (Note S)	- (Note S)	-	2,292	-	Subsidiary
	Yang Ming Anatolia Shipping Agency S.A.	Turkiye	Shipping agency, forwarding agency and shipping managers	- (Note S)	1,077	- (Note S)	- (Note S)	-	298,715	-	Subsidiary
	Formosa International Development Corporation	Vietnam	Invest industry district and real estate	- (Note S)	246,818	(Note H) (Note S)	- (Note S)	-	-	-	Investments in associates
	Yang Ming (U.A.E.) LLC.	U.A.E.	Shipping agency, forwarding agency and shipping managers	- (Note S)	2,140	(Note I) (Note S)	- (Note S)	-	773	-	Investments in associates
	Yang Ming Shipping (Vietnam) Co., Ltd	Vietnam	Forwarding agency and shipping managers	- (Note S)	9,881	(Note J) (Note S)	- (Note S)	-	353	-	Subsidiary
	Yang Ming (Australia) Pty. Ltd.	Australia	Shipping agency, forwarding agency and shipping managers	- (Note S)	4,597	- (Note S)	- (Note S)	-	20,200	-	Investments in associates

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note A)		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profits (Loss)	Note
				December 31, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Amount			
	LogiTrans Technology Private Limited	India	Information system service	\$ -	\$ 10,211	-	-	\$ -	\$ 4,968	\$ -	Investments in joint ventures
	Yang Ming Shipping Philippines, Inc.	Philippines	Forwarding agency and shipping managers	(Note S)	6,435	(Note S)	(Note S)	-	12,705	-	Subsidiary
	Yang Ming (Latin America) Corp.	Panama	Shipping agency, forwarding agency and shipping managers	-	6,020	-	-	-	378	-	Subsidiary
	Yang Ming Line (Thailand) Co., Ltd.	Thailand	Shipping agency, forwarding agency and shipping managers	(Note S)	3,589	(Note S)	(Note S)	-	10,501	-	Subsidiary
	Yang Ming Line shipping (Thailand) Co., Ltd.	Thailand	Shipping agency	(Note S)	2,282	(Note S)	(Note S)	-	6,226	-	Subsidiary
	Yang Ming Insurance Co., Ltd.	Bermuda	Insurance	(Note S)	7,740	(Note S)	(Note S)	-	25,912	-	Subsidiary
	PT Yang Ming Shipping Indonesia	Indonesia	Shipping agency, forwarding agency and shipping managers	(Note S)	40,946	(Note S)	(Note S)	-	(11,227)	-	Subsidiary
	PT. Formosa Sejati Logistics	Indonesia	Storage and stevedoring	(Note S)	5,701	(Note S)	(Note S)	-	14,413	-	Investments in associates
	Yang Ming (France) SAS	France	Shipping agency, forwarding agency and shipping managers	(Note S)	3,025	(Note S)	(Note S)	-	34,669	-	Subsidiary
	Yang Ming Line (Thailand) Co., Ltd.	Yang Ming Line shipping (Thailand) Co., Ltd.	Shipping agency	2,328	2,328	2,500	50.00	19,474	6,226	-	Subsidiary
	Yang Ming Line shipping (Thailand) Co., Ltd.	Yang Ming Line (Thailand) Co., Ltd.	Shipping agency, forwarding agency and shipping managers	3,678	3,678	3,920	49.00	30,829	10,501	-	Subsidiary
	Yangming (Japan) Co., Ltd.	Manwa Co., Ltd.	Forwarding agency and shipping agency	2,666	2,666	200	100.00	2,501	268	-	Subsidiary
	Yang Ming Shipping (B.V.I.) Inc.	Yang Ming Line (Hong Kong) Ltd. Karlman Properties Limited	Forwarding agency and shipping agency Property agency	249,953 4	249,953 4	68,556,347 24,000,000	98.56 100.00	36,642 93,420	2,674 1,095	- -	Subsidiary Subsidiary
	Kuang Ming Shipping Corp.	Kuang Ming (Liberia) Corp.	Forwarding agency	6,032,544 (Note P)	6,032,544 (Note P)	5	100.00	3,551,493	877	-	Subsidiary
	YES Logistics Corp.	Yes Logistics Corporation (USA) Yes Yangming Logistics (Singapore) Pte. Ltd. PT. YES Logistics Indonesia YES LIBERAL Logistics Corp.	Sea and air freight forwarding agency Investment and subsidiaries management Forwarding agency Warehouse operation	179,763 44,544 15,315 75,000	179,763 40,305 15,315 75,000	2,173,411 1,924,934 510,000 7,500,000	100.00 100.00 51.00 50.00	175,673 41,081 4,700 79,519	(53,376) (8,147) (8,335) 7,166	- - - -	Subsidiary Subsidiary Subsidiary Investments in joint ventures
	Yes Yangming Logistics (Singapore) Pte. Ltd.	Yes Logistics Benelux B.V. Yes Logistics Company Ltd. YES and HQL Logistics Company	Forwarding agency Forwarding agency Forwarding agency	10,179 32,351 3,128	10,179 32,351 3,128	12,600 7,882,278 (Note N)	70.00 100.00 51.00	11,520 15,394 7,093	(10,409) (100) (2,185)	- - -	Subsidiary Subsidiary Investments in joint ventures
		Yes Easyway Logistics Company Limited	Forwarding agency	2,530	2,530	29,400	49.00	-	(482)	-	Investments in joint ventures
	Yes Logistics Corporation (USA)	Golden Logistics USA Corporation YES Logistics Europe GmbH	Container transportation Forwarding agency	328 40,090	328 40,090	100 (Note K)	100.00 100.00	8,369 (132,748) (Note B)	1,443 (46,543)	- -	Subsidiary Subsidiary
	YES Logistics Europe GmbH	YES MLC GmbH	Import and export, storage and delivery, and other warehousing related business	10,826	10,826	(Note L)	100.00	(50,638) (Note B)	(23,632)	-	Subsidiary
	YES MLC GmbH	Merlin Logistics GmbH	Warehouse operation and logistics	1,380	1,380	(Note M)	100.00	(211) (Note B)	(195)	-	Subsidiary
	Merlin Logistics GmbH	YES Logistics Bulgaria Ltd.	Cargo consolidation service and forwarding agency	740	740	500	100.00	(346) (Note B)	(37)	-	Subsidiary

(Continued)

Notes:

- A. This is translated into New Taiwan dollars at the exchange rate prevailing at the time of investment acquisition.
- B. Investees had negative net assets. Thus, the negative carrying values of the investments were presented as liability.
- C. This is equivalent to US\$3,800 thousand, and no shares were issued.
- D. This is equivalent to US\$1,000 thousand, and no shares were issued.
- E. This is equivalent to EUR818 thousand and no shares were issued.
- F. This is equivalent to US\$92 thousand and no shares were issued. The Group’s board of directors resolved in August 2023 to liquidate Yang Ming (Russia) LLC, the liquidation was completed in January 2025.
- G. This is equivalent to EUR6 thousand, and no shares were issued.
- H. This is equivalent to US\$7,700 thousand, and no shares were issued.
- I. This is equivalent to AED245 thousand, and no shares were issued.
- J. This is equivalent to US\$300 thousand and no shares were issued.
- K. This is equivalent to EUR1,025 thousand, and no shares were issued.
- L. This is equivalent to EUR290 thousand, and no shares were issued.
- M. This is equivalent to EUR35 thousand, and no shares were issued.
- N. This is equivalent to US\$102 thousand and no shares were issued.
- O. The original investment amount did not deduct the amount of offsetting the deficit of \$3,000,000 thousand and \$4,701,339 thousand in May 2021 and May 2017, respectively.
- P. The original investment amount did not deduct the amount of offsetting the deficit of \$2,139,659 thousand in June 2017.
- Q. The original investment amount did not deduct the amount of offsetting the deficit of \$1,457 thousand in May 2020.
- R. Yang Ming Line (UK) Ltd applied for capital reduction of GBP65,098 thousand in May 2024, and Yang Ming Line (B.V.I.) Holding Co., Ltd. 's share of Yang Ming (UK) Ltd increased to 100% after the capital reduction.
- S. The Group's board of directors resolved in April 2025 to proceed a short-form merger of YM-Singapore and YML-Singapore with the base date on July 31, 2025. The original investment amount of YM-Singapore includes the investment amount of NT\$59,505,796 thousand arising from the merger with YML-Singapore. YML-Singapore's investment were fully absorbed by YM-Singapore.
- T. The information on investments in mainland China is provided in Table G.

(Concluded)

YANG MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 (Note J)	Investment Flows (Note J)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025 (Note J)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note E)	Carrying Amount as of December 31, 2025 (Note E)	Accumulated Repatriation of Investment Income as of December 31, 2025
						Outflow	Inflow						
Yang Ming Marine Transport Corporation	Huan Ming (Shanghai) International Shipping Agency Co., Ltd. (Note G)	Shipping agency, forwarding agency and shipping managers	US\$ 1,000 thousand (Note H)	Indirect investment through Singapore-based subsidiary's direct investment in mainland China	\$ -	\$ -	\$ -	\$ -	\$ 222,513	100.00 (Note I)	\$ 222,513	\$ 179,929	\$ -
	Sino Trans PFS Cold Chain Logistic Co., Ltd. (Note D)	Storage facilities construction and operation as well as providing supporting services related	US\$ 46,242 thousand	The Company direct investment in mainland China	23,425 (CNY 5,209 thousand)	-	-	23,425 (CNY 5,209 thousand)	(2,071)	6.67	(138)	7,745	-
Yes Logistics Corp.	Yes Logistics (Shanghai) Corp. (Note A)	Forwarding agency	US\$ 4,300 thousand	Investee's direct & indirect investment through US based subsidiary's direct investment in Mainland China	251,440 (US\$ 8,000 thousand)	-	-	251,440 (US\$ 8,000 thousand)	13,137	96.36	12,659	507,706	-
	Chang Ming Logistics Company Limited (Note B)	Terminal operation and stevedoring, storage, and shipping agency	CNY 144,800 thousand	Investee's direct investment in Mainland China.	292,330 (US\$ 9,301 thousand)	-	292,330 (US\$ 9,301 thousand)	-	-	-	-	-	-
	Sino Trans PFS Cold Chain Logistic Co., Ltd.	Storage facilities construction and operation as well as providing supporting services related	US\$ 46,242 thousand	Investee's direct investment in mainland China	193,735 (US\$ 6,164 thousand)	-	-	193,735 (US\$ 6,164 thousand)	(2,071)	12.85	(266)	15,618	-
	Shanghai United Cold Chain Logistics Co., Ltd. (Note F)	Storage facilities construction and operation as well as providing supporting services related	CNY 50,000 thousand	Investee's direct investment in mainland China	44,971 (CNY 10,000 thousand)	-	-	44,971 (CNY 10,000 thousand)	555	19.27	107	26,723	-

Company Name	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2025 (Note J)	Investment Amounts Authorized by Investment Commission, MOEA (Note J)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Yang Ming Marine Transport Corporation (Note D)	\$ 23,425 (CNY 5,209 thousand)	\$ 244,598 (US\$ 7,037 thousand) (CNY 5,209 thousand)	\$ 195,961,172
Yes Logistics Corp. (Note C)	476,295 (US\$ 8,000 thousand) (CNY 50,000 thousand)	476,295 (US\$ 8,000 thousand) (CNY 50,000 thousand)	1,140,859

Notes:

- A. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on June 3, 2004, July 4, 2006, December 26, 2006 and August 31, 2016.
- B. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on April 11, 2005, August 22, 2006, November 29, 2006 and December 2, 2008. The Company's board of directors resolved to dispose of 100% ownership interest of Chang Ming Logistics Company Limited in December 2024. The disposal procedures are expected to be completed within 12 months, therefore, the assets were reclassified as non-current assets held for sale based on carrying amounts as of the year ended December 31, 2024. The share transfer agreement had been signed in March 2025, and the transfer of shares and the transaction payments were completed in May 2025 and June 2025, respectively.
- C. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on December 16, 2013.
- D. The Company was authorized to invest in mainland China by Investment Commission, Ministry of Economic Affairs on August 25, 2021.
- E. Calculated by the % ownership of direct or indirect investment.
- F. Yes Logistics Corp. (the subsidiary of the Company) was authorized to invest in mainland China by the Investment Commission, Ministry of Economic Affairs on May 12, 2017.
- G. The Company was authorized to invest in mainland China by Investment Commission, Ministry of Economic Affairs on December 25, 2019.
- H. The investment was originally made using the unappropriated earnings of YML-Singapore. A short-form merger of YM-Singapore and YML-Singapore was completed on July 31, 2025, and the investee company's paid-in capital was fully absorbed by YM-Singapore.
- I. The Group contributed 51% of capital in terms of cash input, but de facto holds 100% of the equity based on terms stipulated in the joint venture agreement. The Group's board of directors resolved in December 2025 to acquire the remaining capital of Huan Ming (Shanghai) International Shipping Agency Co., Ltd. Following the settlement of the consideration and completion of the equity transfer in February 2026, the Group's capital contribution reached 100%.
- J. United States dollars and Chinese Yuan translated into New Taiwan dollars at the exchange rates of US\$1=NT\$31.4300 and CNY1=NT\$4.4971 as of December 31, 2025.