

**CSBC CORPORATION, TAIWAN AND
SUBSIDIARIES**
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR25000192

To the Board of Directors and Shareholders of CSBC CORPORATION, TAIWAN

Introduction

We have reviewed the accompanying consolidated balance sheets of CSBC CORPORATION, TAIWAN and subsidiaries (the “Group”) as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

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

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Wang, Chun-Kai

Wu, Chien-Chih

For and on behalf of PricewaterhouseCoopers, Taiwan

November 10, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	September 30, 2025		December 31, 2024		September 30, 2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets							
1100	Cash and cash equivalents	6(1)	\$ 2,781,705	7	\$ 3,624,339	11	\$ 3,887,535
1110	Financial assets at fair value through profit or loss - current	6(16)	-	-	-	-	6,669
1136	Current financial assets at amortised cost	6(2) and 8	960	-	309	-	10,794
1140	Current contract assets	6(22)(27) and 7	6,429,939	15	3,219,659	9	3,553,018
1170	Accounts receivable, net	6(3)(22)	2,594,332	6	565,795	2	713,389
1180	Accounts receivable due from related parties	6(3)(22) and 7	17,485	-	107,737	-	114,012
1200	Other receivables		24,169	-	10,527	-	111,872
130X	Inventories	6(4)(22)	4,710,149	11	4,851,269	14	4,630,920
1410	Prepayments	6(5) and 7	7,412,559	17	2,397,293	7	2,491,354
1479	Other current assets, others		25,771	-	16,793	-	18,402
11XX	Current Assets		<u>23,997,069</u>	<u>56</u>	<u>14,793,721</u>	<u>43</u>	<u>15,537,965</u>
Non-current assets							
1535	Non-current financial assets at amortised cost	6(2) and 8	-	-	957	-	1,265
1550	Investments accounted for under equity method	6(7)	2,030,275	5	1,021,939	3	1,047,275
1600	Property, plant and equipment	6(8)	13,073,866	30	13,244,795	39	13,329,950
1755	Right-of-use assets	6(9)	1,528,969	4	2,671,721	8	2,741,721
1760	Investment property - net	6(10)(11)	209,690	1	210,200	1	210,370
1780	Intangible assets	6(12)	67,877	-	55,549	-	47,770
1840	Deferred income tax assets		1,442,426	3	1,442,328	4	1,486,424
1920	Guarantee deposits paid		177,512	-	165,180	1	162,444
1975	Net defined benefit asset, non-current	6(13)	389,530	1	410,868	1	185,574
15XX	Non-current assets		<u>18,920,145</u>	<u>44</u>	<u>19,223,537</u>	<u>57</u>	<u>19,212,793</u>
1XXX	Total assets		<u>\$ 42,917,214</u>	<u>100</u>	<u>\$ 34,017,258</u>	<u>100</u>	<u>\$ 34,750,758</u>

(Continued)

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	September 30, 2025		December 31, 2024		September 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities								
2100	Short-term borrowings	6(14)	\$ 8,166,543	19	\$ 3,717,791	11	\$ 4,404,168	13
2110	Short-term notes and bills payable	6(15)	4,824,668	11	1,454,434	4	1,564,104	5
2120	Current financial liabilities at fair value through profit or loss	6(16)	107,282	-	2,496	-	-	-
2130	Current contract liabilities	6(22)(27) and 7	4,033,551	9	3,284,491	10	2,664,535	8
2150	Notes payable	6(22)	11	-	-	-	95,600	-
2170	Accounts payable	6(22) and 7	2,100,637	5	2,318,576	7	2,237,868	6
2200	Other payables	6(17)	788,282	2	959,115	3	1,076,410	3
2230	Current income tax liabilities		16,480	-	3,328	-	9,202	-
2250	Provisions for liabilities - current	6(18)(22)	4,329,322	10	1,773,767	5	783,193	2
2280	Current lease liabilities	6(9)	186,230	1	313,802	1	325,032	1
2310	Advance receipts		42,016	-	33,612	-	96,087	-
2320	Long-term liabilities, current portion	6(19)(20)	83,811	-	1,769,984	5	1,765,820	5
21XX	Current Liabilities		<u>24,678,833</u>	<u>57</u>	<u>15,631,396</u>	<u>46</u>	<u>15,022,019</u>	<u>43</u>
Non-current liabilities								
2500	Non-current financial liabilities at fair value through profit or loss	6(16)	25,555	-	-	-	-	-
2527	Non-current contract liabilities	6(22)(27)	4,513,914	11	-	-	-	-
2540	Long-term borrowings	6(20)	2,983,045	7	4,317,384	13	4,317,270	13
2570	Deferred income tax liabilities		1,325,030	3	1,325,030	4	1,324,757	4
2580	Non-current lease liabilities	6(9)	1,428,327	3	2,484,991	7	2,512,648	7
2610	Long-term notes and accounts payable	6(21)	697,871	2	688,219	2	685,060	2
2630	Long-term deferred revenue	6(21)	77,921	-	105,729	-	114,938	-
2645	Guarantee deposits received		482,478	1	391,275	1	343,316	1
2670	Other non-current liabilities, others		2,249	-	3,735	-	3,321	-
25XX	Non-current liabilities		<u>11,536,390</u>	<u>27</u>	<u>9,316,363</u>	<u>27</u>	<u>9,301,310</u>	<u>27</u>
2XXX	Total Liabilities		<u>36,215,223</u>	<u>84</u>	<u>24,947,759</u>	<u>73</u>	<u>24,323,329</u>	<u>70</u>
Equity attributable to owners of parent								
Share capital								
3110	Share capital - common stock	6(23) and 7	12,745,394	30	12,745,394	38	12,745,394	37
Capital surplus								
3200	Capital surplus	6(19)(24)	-	-	2,757,040	8	2,757,040	8
Retained earnings								
3320	Special reserve		3,166,471	7	3,166,471	9	3,166,471	9
3350	Accumulated deficit		(9,168,711)	(21)	(9,458,991)	(28)	(8,121,318)	(24)
Other equity interest								
3400	Other equity interest	6(7)(26)	(338)	-	(109,888)	-	(95,023)	-
31XX	Equity attributable to owners of the parent		<u>6,742,816</u>	<u>16</u>	<u>9,100,026</u>	<u>27</u>	<u>10,452,564</u>	<u>30</u>
36XX	Non-controlling interests		<u>(40,825)</u>	<u>-</u>	<u>(30,527)</u>	<u>-</u>	<u>(25,135)</u>	<u>-</u>
3XXX	Total equity		<u>6,701,991</u>	<u>16</u>	<u>9,069,499</u>	<u>27</u>	<u>10,427,429</u>	<u>30</u>
Significant contingent liabilities and unrecognised contract commitments								
3X2X	Total liabilities and equity		<u>\$ 42,917,214</u>	<u>100</u>	<u>\$ 34,017,258</u>	<u>100</u>	<u>\$ 34,750,758</u>	<u>100</u>

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

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings (loss) per share amounts)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2025		2024		2025		2024	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(27) and 7	\$ 4,103,465	100	\$ 3,546,762	100	\$ 17,941,290	100	\$ 11,242,969	100
5000 Operating costs	6(4)(12)(31)(32) and 7	(4,186,230)	(102)	(4,447,587)	(125)	(20,612,935)	(115)	(12,963,348)	(115)
5900 Net operating margin		(82,765)	(2)	(900,825)	(25)	(2,671,645)	(15)	(1,720,379)	(15)
Operating expenses	6(12)(31)(32)								
6100 Selling expenses		(17,020)	-	(16,215)	(1)	(48,427)	-	(49,187)	(1)
6200 General and administrative expenses		(70,298)	(2)	(78,925)	(2)	(225,260)	(1)	(226,190)	(2)
6300 Research and development expenses		(109,657)	(3)	(53,770)	(2)	(269,737)	(2)	(159,886)	(1)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(465)	-	(7,345)	-	(21,800)	-	(8,251)	-
6000 Total operating expenses		(197,440)	(5)	(156,255)	(5)	(565,224)	(3)	(443,514)	(4)
6900 Operating loss		(280,205)	(7)	(1,057,080)	(30)	(3,236,869)	(18)	(2,163,893)	(19)
Non-operating income and expenses									
7100 Interest income		15,851	-	15,523	-	61,726	-	62,386	-
7010 Other income	6(10)(21)(28)	28,331	1	37,473	1	199,321	1	128,583	1
7020 Other gains and losses	6(29)	77,868	2	3,109	-	250,086	(1)	61,885	1
7050 Finance costs	6(9)(21)(30)	(41,382)	(1)	(47,414)	(1)	(134,045)	(1)	(156,203)	(1)
7060 Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(7)	255,853	6	360,338	10	899,327	5	808,424	7
7000 Total non-operating revenue and expenses		336,521	8	362,811	10	776,243	4	905,075	8
7900 Profit before income tax		56,316	1	(694,269)	(20)	(2,460,626)	(14)	(1,258,818)	(11)
7950 Income tax expense	6(33)	(3,229)	-	(3,439)	-	(16,432)	-	(11,067)	-
8200 Profit (loss) for the period		\$ 53,087	1	(\$ 697,708)	(20)	(\$ 2,477,058)	(14)	(\$ 1,269,885)	(11)
Other comprehensive income									
Components of other comprehensive income that will be reclassified to profit or loss									
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(7)(26)	\$ 79,938	2	(\$ 39,637)	(1)	\$ 109,550	1	\$ 27,598	-
8300 Total other comprehensive income (loss) for the period		\$ 79,938	2	(\$ 39,637)	(1)	\$ 109,550	1	\$ 27,598	-
8500 Total comprehensive income (loss) for the period		\$ 133,025	3	(\$ 737,345)	(21)	(\$ 2,367,508)	(13)	(\$ 1,242,287)	(11)
Profit (loss), attributable to:									
8610 Owners of parent		\$ 63,191	1	(\$ 695,589)	(20)	(\$ 2,466,760)	(14)	(\$ 1,261,388)	(11)
8620 Non-controlling interest		(10,104)	-	(2,119)	-	(10,298)	-	(8,497)	-
8500 Total comprehensive income (loss) for the period		\$ 53,087	1	(\$ 697,708)	(20)	(\$ 2,477,058)	(14)	(\$ 1,269,885)	(11)
Comprehensive income (loss) attributable to:									
8710 Owners of the parent		\$ 143,129	3	(\$ 735,226)	(21)	(\$ 2,357,210)	(13)	(\$ 1,233,790)	(11)
8720 Non-controlling interest		(10,104)	-	(2,119)	-	(10,298)	-	(8,497)	-
8500 Total comprehensive income (loss) for the period		\$ 133,025	3	(\$ 737,345)	(21)	(\$ 2,367,508)	(13)	(\$ 1,242,287)	(11)
Basic earnings (loss) per share	6(34)	\$ 0.05	(\$ 0.55)	(\$ 1.94)	(\$ 1.00)				
9750 Basic earnings (loss) per share									

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

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent							Non-controlling interests	Total equity		
	Share capital		Capital surplus, additional paid-in capital			Retained earnings					
	Common stock	Advance receipts for share capital	Special reserve	Accumulated deficit	Other equity interest	Total					
Nine months September 30, 2024											
Balance at January 1, 2024	\$ 9,335,146	\$ 892,011	\$ 277,474	\$ 3,166,471	(\$ 6,859,930)	(\$ 122,621)	\$ 6,688,551	(\$ 16,638)	\$ 6,671,913		
Loss for the period	-	-	-	-	(1,261,388)	-	(1,261,388)	(8,497)	(1,269,885)		
Other comprehensive income	6(7)(26)	-	-	-	-	27,598	27,598	-	27,598		
Total comprehensive income (loss)	-	-	-	-	(1,261,388)	27,598	(1,233,790)	(8,497)	(1,242,287)		
Cash capital increase	6(23)(24) and 7	3,410,248	(892,011)	2,479,566	-	-	4,997,803	-	4,997,803		
Balance at September 30, 2024	\$ 12,745,394	\$ -	\$ 2,757,040	\$ 3,166,471	(\$ 8,121,318)	(\$ 95,023)	\$ 10,452,564	(\$ 25,135)	\$ 10,427,429		
Nine months September 30, 2025											
Balance at January 1, 2025	\$ 12,745,394	\$ -	\$ 2,757,040	\$ 3,166,471	(\$ 9,458,991)	(\$ 109,888)	\$ 9,100,026	(\$ 30,527)	\$ 9,069,499		
Loss for the period	-	-	-	-	(2,466,760)	-	(2,466,760)	(10,298)	(2,477,058)		
Other comprehensive income	-	-	-	-	-	109,550	109,550	-	109,550		
Total comprehensive income (loss)	-	-	-	-	(2,466,760)	109,550	(2,357,210)	(10,298)	(2,367,508)		
Capital surplus used to offset accumulated deficits	6(24)(25)	-	-	(2,757,040)	-	2,757,040	-	-	-		
Balance at September 30, 2025	\$ 12,745,394	\$ -	\$ -	\$ 3,166,471	(\$ 9,168,711)	(\$ 338)	\$ 6,742,816	(\$ 40,825)	\$ 6,701,991		

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

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(\$ 2,460,626)	(\$ 1,258,818)
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss (gain)	12(2)	21,800	8,251
Depreciation of property, plant and equipment	6(8)(31)	562,230	525,080
Depreciation charges on right-of-use assets	6(9)(31)	176,485	193,057
Depreciation of investment properties	6(11)	510	510
Amortization expense	6(12)(31)	22,754	18,235
Share of loss of investments accounted for using	6(7)	(899,327)	(808,424)
Interest income		(61,726)	(62,386)
Government grant revenue	6(28)(30)(35)	(9,652)	(9,475)
Net loss on financial assets or liabilities at fair value			
through profit or loss		132,791	(7,553)
Proceeds from disposal of property, plant and	6(29)	2,830	365
Interest expense	6(30)	134,045	156,203
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(3,232,026)	(925,248)
Accounts receivable		(2,028,591)	(639,539)
Accounts receivable - related parties		90,252	(16,840)
Other receivables		(12,716)	(3,186)
Inventories		141,120	1,197,771
Prepayments		(5,015,266)	(683,661)
Other current assets, others		(13,327)	(3,669)
Net defined benefit asset		21,338	(15,915)
Changes in operating liabilities			
Financial assets at fair value through profit or loss		(2,450)	-
Contract liabilities		5,262,974	(3,519,586)
Notes payable		11	95,585
Accounts payable		(217,939)	(70,025)
Other payables		(179,422)	(44,743)
Provisions		2,555,555	(162,445)
Advance receipts		(9,752)	4,326
Cash outflow generated from operations		(5,018,125)	(3,385,730)
Interest received		60,800	56,206
Interest receive		541	632
Interest paid		(115,343)	(141,771)
Income taxes refunded (paid)		972	(18,512)
Net cash flows used in operating activities		(5,071,155)	(3,489,175)

(Continued)

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30	
		2025	2024
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from repayments of financial assets at amortised cost		\$ 307	\$ 1,073
Acquisition of property, plant and equipment	6(35)	(394,105)	(405,092)
Proceeds from disposal of property, plant and equipment		233	116
Acquisition of intangible assets	6(12)	(35,082)	(21,811)
Increase in refundable deposits		(37,320)	(150,346)
Decrease in refundable deposits		24,988	168,488
Net cash flows used in investing activities		(440,979)	(407,572)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(36)	4,448,752	817,898
Increase (decrease) in short-term notes and bills payable	6(36)	3,373,000	(2,575,000)
Repayments of bonds	6(36)	(1,768,300)	-
Proceeds from long-term borrowings	6(36)	147,000	79,200
Repayments of long-term borrowings	6(36)	(1,402,700)	(2,700,900)
Payments of lease liabilities	6(36)	(217,969)	(201,369)
Increase in guarantee deposits received	6(36)	233,743	150,062
Decrease in guarantee deposits received	6(36)	(142,540)	(98,629)
Decrease in other non-current liabilities	6(36)	(1,486)	(1,533)
Proceeds from issuing shares	6(23)	-	4,997,803
Net cash flows from financing activities		4,669,500	467,532
Net decrease in cash and cash equivalents		(842,634)	(3,429,215)
Cash and cash equivalents at beginning of period	6(1)	3,624,339	7,316,750
Cash and cash equivalents at end of period	6(1)	\$ 2,781,705	\$ 3,887,535

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

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

- (1) On May 1, 1946, Taiwan Machinery and Shipbuilding Company was established by the government, and then was divided into two companies 'Taiwan Machinery Corporation' and 'Taiwan Shipbuilding Corporation (TSBC)' to split the machinery and shipbuilding business for the purpose of management. In the late 1960s, the government built large shipyards in Xiaogang Kaohsiung which is the current place of business for CSBC CORPORATION, TAIWAN (the "Company").
- (2) In July 1973, China Shipbuilding Corporation was established by the government. In the early days, most of its labour and techniques were supported by TSBC and they were both reverted to become state - owned companies under the Ministry of Economic Affairs. In January 1978, China Shipbuilding Corporation merged with TSBC and China Shipbuilding Corporation became the surviving company. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the business of building, manufacturing and repairing of various ships and onshore equipment, ship coating, anti-corrosion coating on large steel structure, surface treatment and professional coating.
- (3) On March 1, 2007, China Shipbuilding Corporation changed its name to CSBC Corporation, Taiwan.
- (4) The Company became a listed company since December 22, 2008.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on November 10, 2025.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of 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
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026
Except for the related impacts of the following standards and interpretations that are yet to be assessed, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment:	
<u>Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'</u>	
Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.	

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Note : The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.	

Except for the related impacts of the following standards and interpretations that are yet to be assessed, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment:

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

- A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit assets recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:

Basis for preparation of these consolidated financial statements is the same as that for the preparation of the consolidated financial statements as of and for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	% of shares held as of			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
CSBC CORPORATION , TAIWAN	CSBC Coating Solutions Co., Ltd.	Marine coating, steel structure painting works, surface treatment, and high-tech anti-corrosion	100.00	100.00	100.00	
	CSBC Power Technology Co., Ltd.	Manufacturing of ships and its components etc.	86.67	86.67	86.67	
CSBC Coating Solutions Co. , Ltd.	BLUE ACE CORPORATION	Marine coating, steel structure painting works, surface treatment, and high-tech anti-corrosion	100.00	100.00	100.00	
	CSBC Construction Co., Ltd.	Construction project	100.00	100.00	100.00	
	Blue Ocean Wind Power Engineering (Hong Kong) Limited	Marine works services	-	-	100.00	Note

Note: In December 2023, the entity discontinued operations and cancelled its registration as approved by the shareholders at their meeting. The entity's cancellation of registration and dissolution registration were completed on March 28, 2025.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

A. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

None.

(2) Critical accounting estimates and assumptions

Construction contracts

The Group recognises construction contract revenue and costs using the percentage-of-completion method, wherein the revenue to be recognised is equal to the percentage of completed work out of the total estimated work.

Assumptions for estimated construction cost include cost for equipment, material, labor and etc. Data used for assumptions involves subjective judgement and accounting estimates and are highly uncertain. As a result, assumptions used are material to the total construction cost and further affects the calculation of construction profit.

If the estimated total contract costs had increased/ decreased by 1% with all other variables held constant, construction profit for the nine months ended September 30, 2025 would have decreased by \$954,302 or increased by \$944,606 (the construction profit for the nine months ended September 30, 2024 would have decreased by \$626,116 or increased by \$606,245).

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Cash on hand and revolving funds	\$ 790	\$ 855	\$ 825
Checking accounts and demand deposits	1,956,071	2,372,603	2,693,317
Time deposits	792,666	917,433	1,176,492
Bonds sold under repurchase agreement	32,178	333,448	16,901
	<u>\$ 2,781,705</u>	<u>\$ 3,624,339</u>	<u>\$ 3,887,535</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. On September 30, 2025, December 31, 2024 and September 30, 2024, due to issuance of credit letters and letters of guarantee, pledges and collateral, the Group had restricted cash and cash equivalents, which were classified as financial assets at amortised cost. Refer to Note 6(2) for further information.

(2) Financial assets at amortised cost

<u>Items</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Current items:			
Pledged time deposits	\$ 960	\$ 309	\$ -
Restricted bank deposits	-	-	10,794
Total	960	309	10,794
Non-current items:			
Pledged time deposits	-	957	1,265
	<u>\$ 960</u>	<u>\$ 1,266</u>	<u>\$ 12,059</u>

A. As at September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was \$960, \$1,266 and \$12,059, respectively.

B. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

The counterparties of the Group's investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(3) Accounts receivable, net

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Construction receivables	\$ 2,314,119	\$ 402,871	\$ 455,298
Repair receivables	201,992	126,765	201,946
Lease payments receivable	80,402	45,481	66,339
	2,596,513	575,117	723,583
Less: Allowance for doubtful accounts	(2,181)	(9,322)	(10,194)
	2,594,332	565,795	713,389
Accounts receivable - related parties	17,485	107,737	114,012
Less: Allowance for doubtful accounts	-	-	-
	17,485	107,737	114,012
	<u>\$ 2,611,817</u>	<u>\$ 673,532</u>	<u>\$ 827,401</u>

Please refer to Note 7 for related party transactions.

A. As of September 30, 2025, December 31, 2024 and September 30, 2024, receivables (including related parties) were mainly from contracts with customers. And as of January 1, 2024, the balance of receivables from contracts with customers (including related parties) amounted to \$1,459,195.

B. As at September 30, 2025, December 31, 2024 and September 30, 2024, with taking into account collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company' receivables (including related parties) were \$2,611,817, \$673,532 and \$827,401, respectively.

C. The Group had no past due accounts receivable.

D. Information relating to credit risk is provided in Note 12(2).

(4) Inventories

	September 30, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 3,968,238	(\$ 35,791)	\$ 3,932,447
Work in process and repair of goods	390,672	-	390,672
Construction in progress	387,030	-	387,030
	<u>\$ 4,745,940</u>	<u>(\$ 35,791)</u>	<u>\$ 4,710,149</u>
	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 3,906,515	(\$ 36,532)	\$ 3,869,983
Work in process and repair of goods	749,467	-	749,467
Construction in progress	231,819	-	231,819
	<u>\$ 4,887,801</u>	<u>(\$ 36,532)</u>	<u>\$ 4,851,269</u>
	September 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 4,058,038	(\$ 36,636)	\$ 4,021,402
Work in process and repair of goods	396,222	-	396,222
Construction in progress	213,296	-	213,296
	<u>\$ 4,667,556</u>	<u>(\$ 36,636)</u>	<u>\$ 4,630,920</u>

The amount of inventories recognised as expense for the three months and nine months ended September 30, 2025 and 2024 is as follows:

	Three months ended September 30,	
	2025	2024
Raw materials costs	\$ 2,354,877	\$ 1,945,011
Loss on (gain from reversal of) obsolete inventories	293	(815)
	<u>\$ 2,355,170</u>	<u>\$ 1,944,196</u>
	Nine months ended September 30,	
	2025	2024
Raw materials costs	\$ 11,068,795	\$ 5,992,735
Gain from reversal of obsolete inventories	(742)	(923)
	<u>\$ 11,068,053</u>	<u>\$ 5,991,812</u>

The Group reversed a previous inventory write down and accounted for this transaction as a reduction of expenses because the related inventory items were scrapped or sold for the three months ended September 30, 2025 and for the nine months ended September 30, 2025 and 2024. The Group wrote down inventories from cost to net realisable value that are accounted for as an increase of expenses for the three months ended September 30, 2024.

(5) Prepayments

	September 30, 2025	December 31, 2024	September 30, 2024
Prepayments of suppliers	\$ 7,236,681	\$ 2,223,507	\$ 2,202,072
Excess VAT paid	90,231	122,273	166,733
Other prepayments	85,647	51,513	122,549
	<u>\$ 7,412,559</u>	<u>\$ 2,397,293</u>	<u>\$ 2,491,354</u>

(6) Financial asset measured at fair value through other comprehensive income - non-current Equity instruments-unlisted shares

A. Taiwan Offshore Wind Farm Services Corporation

On March 21, 2014, the Board of Directors has resolved that the Group and Taiwan Generations Corporation would jointly establish Taiwan Offshore Wind Farm Services Corporation. The Group has acquired 40% of share capital in September 2014. The Group has ceased recognising its share of losses in the associate since the fourth quarter of 2018. The accumulated share of losses in associate amounted to \$11,641.

As the Group did not participate in the capital increase of the company, resulting in changes in the shareholding ratio. In addition, the Group did not hold any seats in the Board of Directors. For the year ended December 31, 2023, the Group assessed that it had lost its significant influence over the company. Accordingly, the investment was classified as 'financial assets at fair value through other comprehensive income'. As of September 30, 2025, the Group's shareholding ratio in the company was 1.38% and the fair value of the equity investment amounted to \$0.

B. Fuhai Wind Farm Corporation

On August 9, 2016, the Board of Directors resolved to invest in Fuhai Wind Farm Corporation and obtained 37.97% of ownership shares. The Group has ceased recognising its share of losses in the associate since the third quarter of 2017. The accumulated share of losses in associate amounted to \$116,733.

As the Group did not participate in the capital increase of the company, resulting in changes in the shareholding ratio. In addition, the Group did not hold any seats in the Board of Directors. In early 2024, the Group assessed that it had lost its significant influence over the company. Accordingly, the investment was classified as 'financial assets at fair value through other comprehensive income'. As of September 30, 2025, the Group's shareholding ratio in the company was 0.93% and the fair value of the equity investment amounted to \$0.

(7) Investments accounted for under equity method

	2025	2024
At January 1	\$ 1,021,939	\$ 211,885
Share of profit of investments accounted for using the equity method	899,327	808,424
Earnings distribution of investments accounted for using equity method	(541)	(632)
Changes in other equity items	109,550	27,598
At September 30	<u>\$ 2,030,275</u>	<u>\$ 1,047,275</u>

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Associates:			
Taiwan International Windpower Training Corporation Ltd. (Note 1)	\$ 12,908	\$ 12,984	\$ 12,806
Joint Ventures:			
CSBC - DEME Wind Engineering Co., Ltd. (Note 2)	2,017,367	1,008,955	1,034,469
	<u>\$ 2,030,275</u>	<u>\$ 1,021,939</u>	<u>\$ 1,047,275</u>

Note 1: On May 11, 2018, with reporting to the Board of Directors for future reference, the Group, Taiwan International Ports Corporation, Ltd. and other companies jointly established Taiwan International Windpower Training Corporation Ltd. for investment. The Group owns 12% of the investee's share capital and one seat in the Board of Directors of the investee.

Note 2: On September 12, 2018, the Company's Board of Directors resolved to jointly invest in CSBC-DEME Wind Engineering Co., Ltd. with DEME Offshore Holding N.V. (formerly named GeoSea N.V.). Although the Company held a 50.0001% equity interest in CSBC-DEME Wind Engineering Co., Ltd., the resolutions presented to the Board of Directors of CSBC-DEME Wind Engineering Co., Ltd. require a unanimous approval by both the Company and DEME Offshore Holding N.V. as required by the Articles of Incorporation of CSBC-DEME Wind Engineering Co., Ltd.

A. Associate

The Group's share of the operating results in all individually immaterial associates are summarized below:

	<u>Three months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Profit for the period from continuing operations (i.e. total comprehensive income)	\$ 3	\$ 208
<u>Nine months ended September 30,</u>		
Profit for the period from continuing operations (i.e. total comprehensive income)	2025 \$ 440	2024 \$ 605

B. Joint venture

(a) The summarised financial information of the joint ventures that are material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>	<u>Methods of measurement</u>
CSBC-DEME Wind Engineering Co., Ltd.	Taiwan	50.0001%	Equity method

Note: As of September 30, 2025, December 31, 2024 and September 30, 2024, the shareholding ratio did not change. Details are provided in Note 2.

(b) The summarised financial information of the joint ventures that are material to the Group is as follows:

Balance sheet

	CSBC-DEME Wind Engineering Co., Ltd.		
	September 30, 2025	December 31, 2024	September 30, 2024
Cash and cash equivalents	\$ 7,255,220	\$ 1,280,309	\$ 1,856,455
Other current assets	1,479,557	2,047,710	3,380,928
Current assets	8,734,777	3,328,019	5,237,383
Non-current assets	9,339,149	9,089,950	9,611,369
Total assets	18,073,926	12,417,969	14,848,752
Current financial liabilities (not including accounts payable, other payables and provision)	625,179	593,986	1,887,001
Other current liabilities	8,608,866	4,845,764	5,561,978
Current liabilities	9,234,045	5,439,750	7,448,979
Non-current financial liabilities (not including accounts payable, other payables and provision)	4,584,276	4,850,749	5,216,209
Other non-current liabilities	164,926	109,564	114,629
Non-current liabilities	4,749,202	4,960,313	5,330,838
Total liabilities	13,983,247	10,400,063	12,779,817
Total net assets	\$ 4,090,679	\$ 2,017,906	\$ 2,068,935
Share in joint venture's net assets (i.e. carrying amount of the joint venture)	\$ 2,045,344	\$ 1,008,955	\$ 1,034,469

Statement of comprehensive income

	CSBC-DEME Wind Engineering Co., Ltd.	
	Three months ended September 30,	
	2025	2024
Revenue	\$ 3,621,167	\$ 3,463,185
Depreciation and amortisation	\$ 162,869	\$ 168,931
Interest income	\$ 12,586	\$ 3,471
Interest expense	\$ 68,746	\$ 91,477
Profit before income tax	\$ 703,977	\$ 734,464
Income tax expense	(143,366)	(14,205)
Profit for the period from continuing operations	560,611	720,259
Profit for the period from discontinued operations	-	-
Profit, net of tax	560,611	720,259
Other comprehensive income (loss), net of tax	166,867	(79,273)
Total comprehensive income	\$ 727,478	\$ 640,986
Dividends received from joint venture	\$ -	\$ -

CSBC-DEME Wind Engineering Co., Ltd.

Nine months ended September 30,

	2025	2024
Revenue	\$ 12,264,519	\$ 15,101,355
Depreciation and amortisation	\$ 484,349	\$ 491,350
Interest income	\$ 20,601	\$ 16,249
Interest expense	\$ 200,378	\$ 269,632
Profit before income tax	\$ 1,890,587	\$ 1,679,693
Income tax expense	(153,164)	(64,057)
Profit for the period from continuing operations	1,737,423	1,615,636
Profit for the period from discontinued operations	-	-
Profit, net of tax	1,737,423	1,615,636
Other comprehensive income, net of tax	202,696	55,196
Total comprehensive income	\$ 1,940,119	\$ 1,670,832
Dividends received from joint venture	\$ -	\$ -

(8) Property, plant and equipment

	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	Total
<u>At January 1, 2025</u>								
Cost	\$6,093,941	\$ 1,191,355	\$ 8,447,154	\$ 13,074,120	\$ 1,897,806	\$ 1,088,408	\$ 311,059	\$ 446,817 \$32,550,660
Accumulated depreciation and impairment	-	(916,201)	(6,986,281)	(9,322,964)	(940,423)	(969,731)	(170,265)	- (19,305,865)
	<u>\$6,093,941</u>	<u>\$ 275,154</u>	<u>\$ 1,460,873</u>	<u>\$ 3,751,156</u>	<u>\$ 957,383</u>	<u>\$ 118,677</u>	<u>\$ 140,794</u>	<u>\$ 446,817 \$13,244,795</u>
<u>2025</u>								
Opening net book amount as at January 1	\$6,093,941	\$ 275,154	\$ 1,460,873	\$ 3,751,156	\$ 957,383	\$ 118,677	\$ 140,794	\$ 446,817 \$13,244,795
Additions	-	-	-	-	502	326	324	393,212 394,364
Reclassifications - costs	-	-	11,371	315,919	4,274	-	7,459	(339,023) -
Depreciation charge	-	(22,958)	(61,631)	(367,144)	(71,568)	(19,398)	(19,531)	- (562,230)
Disposals - costs	-	-	-	(101,308)	(4,333)	(1,096)	(6,533)	- (113,270)
Disposals - accumulated depreciation	-	-	-	98,668	4,330	751	6,458	- 110,207
Closing net book amount as at September 30	<u>\$6,093,941</u>	<u>\$ 252,196</u>	<u>\$ 1,410,613</u>	<u>\$ 3,697,291</u>	<u>\$ 890,588</u>	<u>\$ 99,260</u>	<u>\$ 128,971</u>	<u>\$ 501,006 \$13,073,866</u>
<u>At September 30, 2025</u>								
Cost	\$6,093,941	\$ 1,191,355	\$ 8,458,525	\$ 13,288,731	\$ 1,898,249	\$ 1,087,638	\$ 312,309	\$ 501,006 \$32,831,754
Accumulated depreciation and impairment	-	(939,159)	(7,047,912)	(9,591,440)	(1,007,661)	(988,378)	(183,338)	- (19,757,888)
	<u>\$6,093,941</u>	<u>\$ 252,196</u>	<u>\$ 1,410,613</u>	<u>\$ 3,697,291</u>	<u>\$ 890,588</u>	<u>\$ 99,260</u>	<u>\$ 128,971</u>	<u>\$ 501,006 \$13,073,866</u>

	<u>Land</u>	<u>Land improvements</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Construction in progress</u>	<u>Total</u>
<u>At January 1, 2024</u>									
Cost	\$6,093,941	\$ 1,191,535	\$ 8,160,833	\$ 12,683,423	\$ 1,565,167	\$ 1,080,830	\$ 244,752	\$ 1,171,927	\$32,192,408
Accumulated depreciation and impairment	-	(884,922)	(6,909,228)	(8,937,825)	(858,163)	(943,989)	(148,039)	-	(18,682,166)
	<u>\$6,093,941</u>	<u>\$ 306,613</u>	<u>\$ 1,251,605</u>	<u>\$ 3,745,598</u>	<u>\$ 707,004</u>	<u>\$ 136,841</u>	<u>\$ 96,713</u>	<u>\$ 1,171,927</u>	<u>\$13,510,242</u>
<u>2024</u>									
Opening net book amount as at January 1	\$6,093,941	\$ 306,613	\$ 1,251,605	\$ 3,745,598	\$ 707,004	\$ 136,841	\$ 96,713	\$ 1,171,927	\$13,510,242
Additions	-	-	-	-	-	16,398	47,218	281,653	345,269
Reclassifications - costs	-	-	246,052	401,633	337,122	-	11,871	(996,678)	-
Depreciation charge	-	(23,543)	(57,767)	(341,899)	(64,715)	(19,875)	(17,281)	-	(525,080)
Disposals - costs	-	-	(236)	(55,516)	(5,593)	-	(1,062)	-	(62,407)
Disposals - accumulated depreciation	-	-	218	55,192	5,458	-	1,058	-	61,926
Closing net book amount as at September 30	<u>\$6,093,941</u>	<u>\$ 283,070</u>	<u>\$ 1,439,872</u>	<u>\$ 3,805,008</u>	<u>\$ 979,276</u>	<u>\$ 133,364</u>	<u>\$ 138,517</u>	<u>\$ 456,902</u>	<u>\$13,329,950</u>
<u>At September 30, 2024</u>									
Cost	\$6,093,941	\$ 1,191,535	\$ 8,406,649	\$ 13,029,540	\$ 1,896,696	\$ 1,097,228	\$ 302,779	\$ 456,902	\$32,475,270
Accumulated depreciation and impairment	-	(908,465)	(6,966,777)	(9,224,532)	(917,420)	(963,864)	(164,262)	-	(19,145,320)
	<u>\$6,093,941</u>	<u>\$ 283,070</u>	<u>\$ 1,439,872</u>	<u>\$ 3,805,008</u>	<u>\$ 979,276</u>	<u>\$ 133,364</u>	<u>\$ 138,517</u>	<u>\$ 456,902</u>	<u>\$13,329,950</u>

- A. For the three months and nine months ended September 30, 2025 and 2024, the Group both had no borrowing costs capitalised as part of property, plant and equipment for both years.
- B. Significant components and the useful lives of land improvements, buildings, and machinery equipment of the Group are as follows:
 - (a) The significant components of land improvements include construction expenses for wharf, which are depreciated over 45 years.
 - (b) The significant components of buildings include shipyard, plants and warehouse, and office buildings, which are depreciated over 40, 45 and 60 years, respectively.
 - (c) The significant components of machinery equipment include crane, hoisting machine and substation as well as welding machine and working platform, which are depreciated over 18, 25 and 30 years, respectively.
- C. The Group's property, plant and equipment were all acquired for self-use and were not pledged to others as collateral.

(9) Lease transactions – lessee

- A. The Group leases various assets including land, buildings and terminal equipment. Rental contracts are typically made for periods of 4 to 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes and may not affect the ownership of the lessor.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
	Book value	Book value	Book value
Land	\$ 1,437,892	\$ 2,516,336	\$ 2,557,253
Buildings and structures	37,373	61,254	76,528
Transportation equipment (terminal equipment)	53,704	94,131	107,940
	<u>\$ 1,528,969</u>	<u>\$ 2,671,721</u>	<u>\$ 2,741,721</u>
Three months ended September 30,			
		2025	2024
		Depreciation expense	Depreciation expense
Land	\$ 27,048	\$ 41,823	
Buildings and structures	8,527		9,524
Transportation equipment (terminal equipment)	14,143		11,660
	<u>\$ 49,718</u>	<u>\$ 63,007</u>	

	Nine months ended September 30,	
	2025	2024
	Depreciation expense	Depreciation expense
Land	\$ 108,883	\$ 122,753
Buildings and structures	25,841	28,877
Transportation equipment (terminal equipment)	41,761	41,427
	<u>\$ 176,485</u>	<u>\$ 193,057</u>

C. For the three months and nine months ended September 30, 2025 and 2024, the Group had no additions to right-of-use assets. In addition, the Group had a net decrease in lease liabilities of \$965,198, \$10,764, \$966,267 and \$10,764 for the three months and nine months ended September 30, 2025 and 2024, respectively, due to the impact of variable lease payments in lease liabilities, and made a corresponding adjustment to the right-of use assets.

D. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 5,110	\$ 8,762
Expense on short-term lease contracts	12,528	13,933
Expense on leases of low-value assets	569	484
Nine months ended September 30,		
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 21,705	\$ 26,901
Expense on short-term lease contracts	30,787	92,860
Expense on leases of low-value assets	1,552	1,219

E. For the three months and nine months ended September 30, 2025 and 2024, the Group's total cash outflow for leases were \$94,744, \$111,861, \$272,013 and \$322,349, respectively.

(10) Leasing arrangements – lessor

A. The Group leases various assets including land, buildings and ships. Rental contracts are typically made for periods of 2 and 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To secure the use of the leased assets, the leased assets may not be used to sublease, sublet, lend, donate, sell or grant to others under any method. In addition, the Group leases rooftop of its plants for lessees to install solar photovoltaic power generation equipment. Rental contracts are typically made for periods of 20 years. Lease payments consist of fixed base rent and variable operating rent.

B. For the three months and nine months ended September 30, 2025 and 2024, the Group recognised rent income in the amounts of \$105,575, \$113,638, \$302,647 and \$242,999, respectively, based on the operating lease agreement, in which the amounts of variable lease payments were not material.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Less than 1 year	\$ 32,619	\$ 26,549	\$ 27,572
Later than 1 year but not later than 5 years	124,173	70,635	78,294
Later than 5 years	157,406	167,821	181,621
	<u>\$ 314,198</u>	<u>\$ 265,005</u>	<u>\$ 287,487</u>

D. Please refer to Note 7 for related party transactions.

(11) Investment property, net

	Land	Buildings and structures	Total
<u>At January 1, 2025</u>			
Cost	\$ 202,578	\$ 29,745	\$ 232,323
Accumulated depreciation and impairment	-	(22,123)	(22,123)
	<u>\$ 202,578</u>	<u>\$ 7,622</u>	<u>\$ 210,200</u>
<u>2025</u>			
Opening net book amount as at January 1	\$ 202,578	\$ 7,622	\$ 210,200
Depreciation charge	-	(510)	(510)
Closing net book amount as at September 30	<u>\$ 202,578</u>	<u>\$ 7,112</u>	<u>\$ 209,690</u>
<u>At September 30, 2025</u>			
Cost	\$ 202,578	\$ 29,745	\$ 232,323
Accumulated depreciation and impairment	-	(22,633)	(22,633)
	<u>\$ 202,578</u>	<u>\$ 7,112</u>	<u>\$ 209,690</u>
	Land	Buildings and structures	Total
<u>At January 1, 2024</u>			
Cost	\$ 202,578	\$ 29,745	\$ 232,323
Accumulated depreciation and impairment	-	(21,443)	(21,443)
	<u>\$ 202,578</u>	<u>\$ 8,302</u>	<u>\$ 210,880</u>
<u>2024</u>			
Opening net book amount as at January 1	\$ 202,578	\$ 8,302	\$ 210,880
Depreciation charge	-	(510)	(510)
Closing net book amount as at September 30	<u>\$ 202,578</u>	<u>\$ 7,792</u>	<u>\$ 210,370</u>
<u>At September 30, 2024</u>			
Cost	\$ 202,578	\$ 29,745	\$ 232,323
Accumulated depreciation and impairment	-	(21,953)	(21,953)
	<u>\$ 202,578</u>	<u>\$ 7,792</u>	<u>\$ 210,370</u>

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Three months ended September 30,	
	2025	2024
Rental income from the lease of the investment property	\$ 6,418	\$ 6,340
Direct operating expenses arising from the investment property that generate rental income in the period	\$ 170	\$ 455
Nine months ended September 30,		
	2025	2024
Rental income from the lease of the investment property	\$ 23,001	\$ 21,321
Direct operating expenses arising from the investment property that generate rental income in the period	\$ 790	\$ 795

B. The fair value of the investment property held by the Group as at December 31, 2024 was \$729,810, which was revalued by independent valuers. Valuations were made using the comparison method, cost method for land development analysis and the income approach.

C. The Group has assessed the fair value of its investment property by discounting the expected cash flows by the interest rate for a one-year time deposit offered by the Directorate General of the Postal Remittances and Savings Bank to be \$231,578 and \$148,047 for the nine months ended September 30, 2025 and 2024, respectively.

(12) Intangible assets

	2025		
	Software	Other intangible assets	Total
<u>At January 1</u>			
Cost	\$ 85,186	\$ 13,000	\$ 98,186
Accumulated amortisation and impairment	(42,637)	-	(42,637)
	<u>\$ 42,549</u>	<u>\$ 13,000</u>	<u>\$ 55,549</u>
Opening net book amount as at January 1	\$ 42,549	\$ 13,000	\$ 55,549
Additions - acquired separately	35,082	-	35,082
Amortisation charge	(22,754)	-	(22,754)
Disposals - costs	(6,792)	-	(6,792)
Disposals - accumulated amortisation	6,792	-	6,792
Closing net book amount as at September 30	<u>\$ 54,877</u>	<u>\$ 13,000</u>	<u>\$ 67,877</u>
<u>At September 30</u>			
Cost	\$ 113,476	\$ 13,000	\$ 126,476
Accumulated amortisation and impairment	(58,599)	-	(58,599)
	<u>\$ 54,877</u>	<u>\$ 13,000</u>	<u>\$ 67,877</u>

	2024		
	Software	Other intangible assets	Total
<u>At January 1</u>			
Cost	\$ 60,091	\$ 13,000	\$ 73,091
Accumulated amortisation and impairment	(28,897)	-	(28,897)
	<u>\$ 31,194</u>	<u>\$ 13,000</u>	<u>\$ 44,194</u>
Opening net book amount as at January 1	\$ 31,194	\$ 13,000	\$ 44,194
Additions - acquired separately	21,811	-	21,811
Amortisation charge	(18,235)	-	(18,235)
Disposals - costs	(4,188)	-	(4,188)
Disposals - accumulated amortisation	4,188	-	4,188
Closing net book amount as at September 30	<u>\$ 34,770</u>	<u>\$ 13,000</u>	<u>\$ 47,770</u>
<u>At September 30</u>			
Cost	\$ 77,714	\$ 13,000	\$ 90,714
Accumulated amortisation and impairment	(42,944)	-	(42,944)
	<u>\$ 34,770</u>	<u>\$ 13,000</u>	<u>\$ 47,770</u>

Details of amortisation on intangible assets are as follows:

	Three months ended September 30,	
	2025	2024
Operating costs	\$ 5,833	\$ 6,492
Administrative expenses	1,800	592
	<u>\$ 7,633</u>	<u>\$ 7,084</u>
Nine months ended September 30,		
	2025	2024
Operating costs	\$ 18,833	\$ 16,461
Administrative expenses	3,921	1,774
	<u>\$ 22,754</u>	<u>\$ 18,235</u>

(13) Pension

A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 9% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. The Company has assessed that the balance is sufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year.

(b) The pension costs under defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024, were \$14,195, \$15,695, \$42,087 and \$47,084, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2025 amount to \$60,000.

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the three months and nine months ended September 30, 2025 and 2024 were \$26,764, \$30,290, \$80,319 and \$82,812, respectively.

(14) Short-term loans

Type of loans	September 30, 2025	Interest rate range	Collateral
Bank loans			
Unsecured loans	\$ 8,117,000	1.85%~3.13%	None
Procurement unsecured loans	49,543	1.20%~4.90%	None
	<u>\$ 8,166,543</u>		
Type of loans	December 31, 2024	Interest rate range	Collateral
Bank loans			
Unsecured loans	\$ 3,689,000	1.87%~3.12%	None
Procurement unsecured loans	28,791	1.01%~5.39%	None
	<u>\$ 3,717,791</u>		
Type of loans	September 30, 2024	Interest rate range	Collateral
Bank loans			
Unsecured loans	<u>\$ 4,404,168</u>	1.88%~3.13%	None

(15) Short-term notes and bills payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial papers payable	\$ 4,828,000	\$ 1,455,000	\$ 1,565,000
Less: Unamortized discount	(3,332)	(566)	(896)
	<u>\$ 4,824,668</u>	<u>\$ 1,454,434</u>	<u>\$ 1,564,104</u>
Annual interest rates	<u>1.48%~2.54%</u>	<u>1.60%~2.43%</u>	<u>1.58%~1.96%</u>

The above commercial paper payables are guaranteed and issued by domestic bills financial institutions.

(16) Financial assets and liabilities at fair value through profit or loss

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Assets			
Adjustments for change in value of of derivative financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ _____ -	\$ _____ -	\$ 6,669
Liabilities			
Financial liabilities held for trading			
Valuation adjustment of derivative financial instruments	\$ 107,282	\$ 2,496	\$ _____ -
Financial liabilities mandatorily measured at fair value through profit or loss			
Call and put options embedded in convertible bonds	-	16,710	16,710
Valuation adjustment	_____ -	(16,710)	(16,710)
	_____ -	_____ -	_____ -
	<u>\$ 107,282</u>	<u>\$ 2,496</u>	<u>\$ _____ -</u>

Non-current items:

Financial liabilities held for trading

Valuation adjustment of derivative financial instruments	\$ 25,555	\$ _____ -	\$ _____ -
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- A. Information about the amounts recognised in profit or loss in relation to financial liabilities at fair value through profit or loss is provided in Note 6(29).
- B. Explanations of the transactions and contract information in respect of derivative financial liabilities that the Group does not adopt hedge accounting are as follows:

September 30, 2025		
	Contract amount (Notional principal)	Expiry period
<u>Derivative financial liabilities</u>		
Current items:		
Forward foreign exchange contracts	<u>JPY 6,324,492 thousand</u>	2025.10~2026.09
Non-current items:		
Forward foreign exchange contracts	<u>JPY 5,869,901 thousand</u>	2026.10~2027.09
December 31, 2024		
	Contract amount (Notional principal)	Expiry period
<u>Derivative financial liabilities</u>		
Current items:		
Forward foreign exchange contracts	<u>JPY 664,200 thousand</u>	2025.02~2025.10

September 30, 2024

<u>Derivative financial liabilities</u>	<u>Contract amount (Notional principal)</u>	<u>Expiry period</u>
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Current items:

Forward foreign exchange contracts	<u>JPY 668,700 thousand</u>	2024.12~2025.03
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The Group entered into forward foreign exchange contracts to buy JPY to hedge exchange rate risk of import proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. The details of terms of the first domestic secured convertible bonds issued by the Company are provided in Note 6(19).

(17) Other payables

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accrued expenses	\$ 731,301	\$ 898,360	\$ 1,001,328
Payable on machinery and equipment	18,876	18,617	29,854
Others	38,105	42,138	45,228
	<u>\$ 788,282</u>	<u>\$ 959,115</u>	<u>\$ 1,076,410</u>

(18) Provisions

	<u>Warranty</u>	<u>Onerous contracts</u>	<u>Total</u>
At January 1, 2025	\$ 517,295	\$ 1,256,472	\$ 1,773,767
Additional provisions	1,295,487	2,353,687	3,649,174
Used during the period	(444,874)	(641,955)	(1,086,829)
Unused amounts reversed	-	(6,790)	(6,790)
At September 30, 2025	<u>\$ 1,367,908</u>	<u>\$ 2,961,414</u>	<u>\$ 4,329,322</u>

The analysis of provisions is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>January 1, 2024</u>
Realised in one year	\$ 210,596	\$ 30,977	\$ 23,395	\$ 73,098
Realised after one year	4,118,726	1,742,790	759,798	872,540
	<u>\$ 4,329,322</u>	<u>\$ 1,773,767</u>	<u>\$ 783,193</u>	<u>\$ 945,638</u>

A. Provision for warranty

The Group gives warranties on contracts revenue in relation to shipbuilding, vessel construction and anti-corrosion coating. Provision for warranty is estimated based on historical warranty data of products.

B. Provision for onerous contract

Under the irrevocable contracts of shipbuilding, vessel construction and anti-corrosion coating, the Group's estimated provision for onerous contract is the difference between the inevitable cost of existing obligations to be performed in the future and the expected economic benefits from the contracts. The estimated provision may change with the actual construction situation.

(19) Bonds payable and long-term liabilities, current portion

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
The first domestic secured convertible bonds	\$ -	\$ 1,768,300	\$ 1,768,300
Less: Discount on bonds payable	_____ -	(2,316)	(5,880)
		- 1,765,984	1,762,420
Less: Expiring within one year (shown as 'long-term liabilities , current portion')	_____ -	(1,765,984)	(1,762,420)
	\$ -	\$ -	\$ -

A. The issuance of domestic convertible bonds by the Company

(a) The terms of the first domestic secured convertible bonds issued by the Company are as follows:

i. The Company issued \$2 billion, 0% first domestic secured convertible bonds, as approved by the regulatory authority. The bonds mature 5 years from the issue date (February 24, 2020 ~ February 24, 2025).

The bonds will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on February 24, 2020.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue (May 25, 2020) to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds. The conversion price is \$25.1 (in dollars) per share, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be recalculated based on the pricing model in the terms of the bonds on each effective date regulated by the terms. If the recalculated conversion price is lower than the conversion price before the recalculation, the conversion price will be adjusted; however, it will not be adjusted if it is higher.

Where there is an increase in the number of the Company's issued shares after the issuance of the bonds, the Company shall adjust the conversion price based on the formula stipulated in the terms of the bonds. As of December 31, 2023, the conversion price was NT\$22 (in dollars). The conversion price was adjusted to NT\$21.4 (in dollars) starting from January 9, 2024.

iv. The Company may notify to repurchase all the bonds outstanding in cash at the bonds' face value within 30 trading days after the closing price of the Company's common shares is above the then conversion price by at least 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue (May 25, 2020) to 40 days before the maturity date (January 15, 2025).

Alternatively, the Company may repurchase the bonds outstanding in cash at the bonds' face value at any time if the outstanding balance of the bonds is less than 10% of total initial issue amount during the period from the date after three months of the bonds issue (May 25, 2020) to 40 days before the maturity date (January 15, 2025).

- v. The bonds set the date after four years from the issue date (February 24, 2024) as the put effective date for the bondholders to early put the bonds back to the Company. The bondholders have the right to require the Company to redeem the bonds in cash at 102.0151% of the bonds' face value (a yield to put of 0.5%).
- vi. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) The bonds with an accumulated face value of \$231,700 have been converted into 10,522 thousand common shares.

(c) The aforementioned bonds payable matured on February 24, 2025, and the number of unexecuted conversions prior to the maturity date was 17,683 bonds. The Company has redeemed the bonds at the face value (\$100,000 per share(bond)) and paid the full amount in cash to the bondholders.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to \$96,153 were separated from the liability component and were recognised in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IFRS 39 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation was 0.8084%.

(20) Long-term borrowings and long-term liabilities current portion

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	September 30, 2025
Long-term bank borrowings				
Unsecured borrowings				
Syndicated loan of several banks consisting of Bank of Taiwan	Refer to Note 1 for details.	2.29%	None	\$ 2,000,000
Bank of Taiwan	Borrowing period is from Sep. 23, 2023 to Dec. 19, 2027; interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	2.35%	None	273,200
Bank of Panshin	Borrowing period is from Nov. 11, 2022 to Oct. 25, 2027. Refer to Note 2 for details.	2.46%~ 3.31%	None	34,691
Secured borrowings				
Bank of Panshin	Borrowing period is from June 13, 2022 to June 13, 2026; interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	3.16%	Note 3	60,000
				2,367,891

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	September 30, 2025
Commercial papers payable				
Mega Bills Finance Co., Ltd.	Borrowing period is from Sep. 20, 2023 to Dec. 15, 2026. Refer to Note 4 for details.	1.82%	None	350,000
Taishin International Bank	Borrowing period is from Jun. 20, 2023 to Dec. 20, 2026. Refer to Note 4 for details.	1.63%	None	210,000
China Bills Finance Corporation	Borrowing period is from Jun. 20, 2023 to Oct. 24, 2026. Refer to Note 4 for details.	1.69%~ 1.80%	None	140,000
Subtotal of commercial papers payable				700,000
Less: Discount on commercial papers payable				(1,035)
Carrying amount of commercial papers payable				698,965
				3,066,856
Less: Current portion				(83,811)
				\$ 2,983,045
Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2024
Long-term bank borrowings				
Unsecured borrowings				
Syndicated loan of several banks consisting of Bank of Taiwan	Refer to Note 1 for details.	2.26%	None	\$ 2,000,000
Bank of Taiwan	Borrowing period is from Sep. 23, 2023 to Dec. 19, 2027; interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	2.70%	None	126,200
Bank of Panshin	Borrowing period is from Nov. 11, 2022 to Nov. 11, 2027. Refer to Note 2 for details.	2.46%~ 3.31%	None	37,391
Secured borrowings				
Bank of Panshin	Borrowing period is from June 13, 2022 to June 13, 2026.; interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	3.16%	Note 3	60,000
				2,223,591
Commercial papers payable				
Mega Bills Finance Co., Ltd.	Borrowing period is from Sep. 20, 2023 to Dec. 15, 2026. Refer to Note 4 for details.	1.82%	None	700,000
Taishin International Bank	Borrowing period is from Jun. 20, 2023 to Dec. 20, 2026. Refer to Note 4 for details.	1.64%	None	560,000
China Bills Finance Corporation	Borrowing period is from Jun. 20, 2023 to Oct. 24, 2026. Refer to Note 4 for details.	1.68%~ 1.80%	None	490,000

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2024
International Bills Finance Corporation	Borrowing period is from Jun. 21, 2023 to Jun. 20, 2026. Refer to Note 4 for details.	1.74%	None	350,000
Subtotal of commercial papers payable				2,100,000
Less: Discount on commercial papers payable				(2,207)
Carrying amount of commercial papers payable				2,097,793
				4,321,384
Less: Current portion				(4,000)
				\$ 4,317,384
Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	September 30, 2024
Long-term bank borrowings				
Unsecured borrowings				
Syndicated loan of several banks consisting of Bank of Taiwan	Refer to Note 2 for details.	2.26%	None	\$ 2,000,000
Bank of Taiwan	Borrowing period is from Sep. 23, 2023 to Dec. 19, 2027;interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	2.70%	None	126,200
Bank of Panshin	Borrowing period is from Nov. 11, 2022 to Oct. 25, 2027. Refer to Note 3 for details.	2.34%~ 3.19%	None	38,091
Secured borrowings				
Bank of Panshin	Borrowing period is from June 13, 2022 to June 13, 2026; interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	3.04%	Note 1	60,000
Commercial papers payable				2,224,291
Mega Bills Finance Co., Ltd.	Borrowing period is from Sep. 20, 2023 to Dec. 15, 2026. Refer to Note 4 for details.	1.82%	None	700,000
Taishin International Bank	Borrowing period is from Jun. 20, 2023 to Dec. 20, 2026. Refer to Note 4 for details.	1.64%	None	560,000

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	September 30, 2024
China Bills Finance Corporation	Borrowing period is from Jun. 20, 2023 to Oct. 24, 2026. Refer to Note 4 for details.	1.60%~ 1.61%	None	490,000
International Bills Finance Corporation	Borrowing period is from Jun. 21, 2023 to Jun. 20, 2026. Refer to Note 4 for details.	1.73%	None	350,000
Subtotal of commercial papers payable				2,100,000
Less: Discount on commercial papers payable				(3,621)
Carrying amount of commercial papers payable				2,096,379
				4,320,670
Less: Current portion				(3,400)
				\$ 4,317,270

Note 1: For the year ended December 31, 2022, the Group and a bank consortium signed a 5-year syndicated credit contract, and the final maturity date is in September 2027 (except for guarantee for bond issuance which matures 5 years and 3 months after proceeds from issuance of bonds are collected). The credit facilities are divided into Tranche A and Tranche B. For Tranche A long-term bank borrowings, the first installment is 30 months from the date of the first drawdown and every six months after that, for a total of 6 installments. 10% of the principal is repayable from the first to the fifth installments, and the remaining principal is repayable in the sixth installment. Tranche B credit facilities are further divided into Tranche B1 - long-term bank borrowings, Tranche B2 - long-term commercial papers payable and Tranche B3 - guarantee for bond issuance. The Group can withdraw the facility at its discretion. For Tranches B1 and B2, when each drawdown expires, the Group can directly repay the loan principal that is originally expired with the new drawn loan, without actually remitting funds.

The syndicated credit contract stipulates several financial restrictions. The Group's latest current ratio did not meet the contract restrictions, and the Group promised to improve by increasing capital by cash or by other means within the next year.

Note 2: Interest is repayable monthly; the grace period for the principal is 1 year, the principal is repayable monthly in the amount of \$100 from the second year, \$300 from the third year and \$500 from the fourth year, and the remaining principal is repayable at maturity.

Note 3: The subsidiary, CSBC Coating Solution Co., Ltd., signed a joint construction and subsale contract with a non-related landowner for financing of lands and buildings. The landowner was the joint guarantor and its lands were established as the first priority mortgage.

Note 4: The Group, bills companies and banks signed the revolving issued commercial papers (60 ~ 180 days) and guaranteed underwriting purchase agreement, and the contract period is 2 ~ 3 years. The agreement can be renewed by both parties upon maturity. During the contract period, the Group only needs to pay fees and interest, and thus it was accounted for as 'long-term borrowings'.

As of September 30, 2025, the Group's borrowing balance of commercial papers amounted to \$698,965, which should be classified as current liabilities in accordance with the Q&A guidelines on 'Questions on the Classification of Liabilities for Funds Obtained from the Revolving Issuance of Commercial Papers by Enterprises' issued by the Accounting Research and Development Foundation in August 2025. However, in accordance with the applicable regulations issued by the Securities and Futures Bureau, Financial Supervisory Commission (FSC) regarding the Q&A guidelines, revolving commercial papers issued before December 31, 2025 are not subject to the aforementioned Q&A guidelines.

(21) Deferred revenue

A. The Republic of China Government started to promote privatization starting from 2008. The Privatization Fund, Executive Yuan, would provide a loan in the amount of \$1,500,000 to cover a portion of the shortfall to settle the pension and severance obligation as a result of the privatization. The Group was required to repay the loan to the Privatization Fund in a period of ten years, under the condition that the Company is profitable. As approved by the Executive Yuan in November 2022, the Company can make a yearly repayment starting from 2027. If the earnings after tax in the prior year is below \$500 million, the repayment amount is 15% of earnings after tax. If the earnings after tax in the prior year is above \$500 million, the repayment amount is the aforementioned ratio plus 20% of earnings after tax exceeding \$500 million until the loan is fully repaid. The Group uses the average long-term loan interest rate on the loan for discounting. The discounted values are recorded under "long-term notes payable and payables". The difference between the discounted value and the amount received is listed in "deferred revenue". The amounts that are payable within one year are listed in "other financial liabilities-current". The unamortised amounts are shown below:

	September 30, 2025	December 31, 2024	September 30, 2024
Long-term notes and accounts receivable	\$ 697,871	\$ 688,219	\$ 685,060
Long-term deferred revenue	43,629	53,281	56,440
	<u>\$ 741,500</u>	<u>\$ 741,500</u>	<u>\$ 741,500</u>

Note: The "Privatization Fund" was approved by the Executive Yuan to retire on January 1, 2024. Starting from 2024, the Ministry of Economic Affairs (MOEA) will be responsible for implementing the related compensation matters.

B. Government grants and interest expenses that should be amortised are recognised under 'other revenue' and 'finance costs', respectively, for the three months and nine months ended September 30, 2025 and 2024. For more information, please refer to Notes 6(28) and (30).

(22) Analysis of assets and liabilities

Assets and liabilities of the Group related to the business of shipbuilding, vessel building, major machinery and ship repair, are classified as current or non-current based on the operating cycle. However, such assets and liabilities were analyzed on "one year" basis as follows:

	Less than 12 months	More than 12 months	Total
<u>September 30, 2025</u>			
Assets			
Contract assets (including related parties)	\$ 995,491	\$ 4,938,687	\$ 5,934,178
Accounts receivable, net (including related parties)	2,573,718	-	2,573,718
Inventories	4,312,263	-	4,312,263
	<u>\$ 7,881,472</u>	<u>\$ 4,938,687</u>	<u>\$ 12,820,159</u>
Liabilities			
Contract liabilities (including related parties)	\$ 142,802	\$ 8,401,273	\$ 8,544,075
Accounts payable (including related parties)	1,828,519	-	1,828,519
Provision for liabilities	206,597	4,105,840	4,312,437
	<u>\$ 2,177,918</u>	<u>\$ 12,507,113</u>	<u>\$ 14,685,031</u>
	Less than 12 months	More than 12 months	Total
<u>December 31, 2024</u>			
Assets			
Contract assets (including related parties)	\$ 2,097,587	\$ 606,827	\$ 2,704,414
Accounts receivable, net (including related parties)	672,209	-	672,209
Inventories	4,616,563	-	4,616,563
	<u>\$ 7,386,359</u>	<u>\$ 606,827</u>	<u>\$ 7,993,186</u>
Liabilities			
Contract liabilities (including related parties)	\$ 183,611	\$ 3,094,195	\$ 3,277,806
Accounts payable (including related parties)	2,004,014	-	2,004,014
Provision for liabilities	26,974	1,729,904	1,756,878
	<u>\$ 2,214,599</u>	<u>\$ 4,824,099</u>	<u>\$ 7,038,698</u>
	Less than 12 months	More than 12 months	Total
<u>September 30, 2024</u>			
Assets			
Contract assets (including related parties)	\$ 1,083,316	\$ 1,918,403	\$ 3,001,719
Accounts receivable, net (including related parties)	824,649	-	824,649
Inventories	4,414,139	-	4,414,139
	<u>\$ 6,322,104</u>	<u>\$ 1,918,403</u>	<u>\$ 8,240,507</u>
Liabilities			
Contract liabilities (including related parties)	\$ 616,821	\$ 2,037,743	\$ 2,654,564
Notes payable	95,600	-	95,600
Accounts payable (including related parties)	2,000,541	-	2,000,541
Provision for liabilities	21,154	744,998	766,152
	<u>\$ 2,734,116</u>	<u>\$ 2,782,741</u>	<u>\$ 5,516,857</u>

(23) Common stock

A. As of September 30, 2025, the Company's authorised capital was \$20,000,000, consisting of 2,000,000 thousand shares of ordinary stock and the paid-in capital was \$12,745,394, consisting of 1,274,539 thousand shares of ordinary stock (including private placement of 176,025 thousand shares), with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2025	2024
At January 1	1,274,539	933,514
Issuance of shares	-	341,025
At September 30	<u>1,274,539</u>	<u>1,274,539</u>

B. The Company's special shareholders' meeting has approved the proposal regarding the capital increase through private placement on December 21, 2017. The record date for capital increase resolved by the Board of Directors at their meeting on May 11, 2018 was May 25, 2018. The amount of capital raised through the private placement was \$2,526,000 by issuing common stock amounting to 60 million shares at premium of \$42.10 (in dollars) per share, of which the government related entity, Financing Investment Venture Capital, and the management committee of Yao Hua Glass Corp., Ltd. each subscribed 30 million shares amounting to \$1,263,000. The Company has completed the registration of the capital increase. The investors in this private placement is entitled to the same rights and obligations as those of outstanding shares except that they cannot freely transfer the shares within 3 years of settlement unless under certain circumstances pursuant to Article 43-8 of Securities and Exchange Act. Under the resolution, the Board of Directors are authorised to file for listing the ordinary shares in private placement with the competent authority after 3 years of settlement.

C. In order to fulfil its capital and repay the bank loans, as resolved by the Board of Directors on August 9, 2023, the Company conducted a public offering for cash capital increase by issuing common stock, which was approved by Financial Supervisory Commission pursuant to Jin-Guan-Zheng-Fa-Zi Letter No. 1120359199, dated November 17, 2023. The Company issued 225 million common stocks at an issue price of \$17.5 (in dollars) per share. The rights and obligations of shares issued at this capital increase are the same as the original common stocks.

The total amount raised was \$3.9375 billion, which was completed on January 9, 2024. The effective date of capital increase was set on January 9, 2024 and the registration had been completed.

D. In response to the capital needs of the Company's development, to fulfil its capital and repay the bank loans, to strengthen the overall financial structure, the Company's first special shareholders' meeting had approved the proposal regarding the capital increase by issuing new shares through private placement on October 2, 2023. The total number of shares to be issued through the private placement did not exceed 375 million shares, which would be raised in installments (up to 3 installments) within one year from the date of resolution of the special shareholders' meeting.

On January 5, 2024, the Board of Directors of the Company resolved that the private placement price was \$16.88 (in dollars) with an actual number of shares to be issued through the private placement of 116,025 thousand shares. The paid-in capital amounted to \$1.9585 billion, and the proceeds from shares issued were collected on January 18, 2024. The effective date of the capital increase was set on January 19, 2024 and the registrations had been completed.

The abovementioned private placement was subscribed by the government related parties, Financing Investment Venture Capital and the management committee of Yao Hua Glass Co., Ltd. in the amounts of \$1.3 billion and \$658.5 million, equivalent to 77,014 thousand shares and 39,011 thousand shares, respectively. The investors in this private placement are entitled to the same rights and obligations as those of outstanding shares except that they cannot freely transfer the shares within 3 years of settlement unless under certain circumstances pursuant to Article 43-8 of Securities and Exchange Act. Under the resolution, the Board of Directors is authorised to file for listing the ordinary shares in private placement with the competent authority after 3 years of settlement.

(24) Capital surplus

A. Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2025		
	Share premium	Expired share options	Total
At January 1	\$ 2,672,026	\$ 85,014	\$ 2,757,040
Offset of accumulated deficit	(2,672,026)	(85,014)	(2,757,040)
At September 30	\$ -	\$ -	\$ -

	2024		
	Share premium	Share options	Employee stock options
At January 1	\$ 132,262	\$ 85,014	\$ 60,198
Issuance of shares	2,539,764	-	(60,198)
At September 30	\$ 2,672,026	\$ 85,014	\$ -

B. Please refer to Note 6(19) for the information of capital surplus—share options.

(25) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital stock balance. Appropriation of the remainder shall be proposed by the Board of Directors and resolved by the stockholders.

B. The Company's dividend policy is summarized below:

As the Company operates in a volatile business environment and is in the stable growth stage, the residual dividend policy is adopted taking into consideration the Company's financial structure, operating results and future expansion plans. According to the dividend policy adopted by the Board of Directors, at least 10% of the Company's distributable earnings shall be appropriated as dividends, and cash dividends shall account for at least 10% of the total dividends distributed.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve amounting to \$3,201,365 on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

(c) The Company disposed land in 2013 and 2018. Therefore, the Company reversed special reserve of \$34,894 to undistributed earnings.

E. The proposal for deficit compensation for the year ended December 31, 2023 was resolved by the stockholders at the regular stockholders' meeting on June 26, 2024. The Company still had accumulated deficits and thus dividends will not be distributed.

The proposal for deficit compensation for the year ended December 31, 2024 was resolved by the stockholders at the regular stockholders' meeting on June 25, 2025. After offsetting the deficit compensation with capital surplus of \$2,757,040, the Company still had accumulated deficits and thus dividends will not be distributed.

(26) Other equity items

	2025		
	Hedging reserve	Currency translation	Total
At January 1	(\$ 112,510)	\$ 2,622	(\$ 109,888)
Associates—			
Cash flow hedges	30,176	-	30,176
Currency translation differences	-	79,374	79,374
At September 30	(\$ 82,334)	\$ 81,996	(\$ 338)

	2024		
	Hedging reserve	Currency translation	Total
At January 1	(\$ 122,621)	\$ -	(\$ 122,621)
Associates—			
Cash flow hedges	18,845	-	18,845
Currency translation differences	-	8,753	8,753
At September 30	(\$ 103,776)	\$ 8,753	(\$ 95,023)

(27) Operating revenue

	Three months ended September 30,	
	2025	2024
Revenue from contracts with customers	\$ 4,010,360	\$ 3,445,516
Others - ship rental revenue	93,105	101,246
	\$ 4,103,465	\$ 3,546,762
	Nine months ended September 30,	
	2025	2024
Revenue from contracts with customers	\$ 17,679,799	\$ 11,039,446
Others - ship rental revenue	261,491	203,523
	\$ 17,941,290	\$ 11,242,969

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time in the following major product types:

	Three months ended September 30,	
	2025	2024
Construction of ships and vessels		
Vessel construction	\$ 1,782,614	\$ 2,301,130
Shipbuilding	694,452	85,008
	2,477,066	2,386,138
All other segments		
Machinery building	1,101,273	720,413
Ship/vessel repair	431,398	258,638
Anti-corrosion coating	(666)	18,664
Others	1,289	61,663
	1,533,294	1,059,378
	\$ 4,010,360	\$ 3,445,516

	Nine months ended September 30,	
	2025	2024
Construction of ships and vessels		
Vessel construction	\$ 12,675,500	\$ 6,712,886
Shipbuilding	1,146,807	1,064,707
	<u>13,822,307</u>	<u>7,777,593</u>
All other segments		
Machinery building	2,408,319	2,217,353
Ship/vessel repair	1,132,339	887,987
Anti-corrosion coating	21,011	66,388
Others	295,823	90,125
	<u>3,857,492</u>	<u>3,261,853</u>
	<u>\$ 17,679,799</u>	<u>\$ 11,039,446</u>

B. Contract assets and liabilities

The Group has recognised the following revenue-related contract assets and liabilities:

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract assets	\$ 6,642,608	\$ 3,431,123	\$ 3,284,606	\$ 2,835,615
Contract assets				
- related parties	21,184	643	481,992	5,735
	6,663,792	3,431,766	3,766,598	2,841,350
Less: Loss allowance	(233,853)	(212,107)	(213,580)	(206,149)
	<u>\$ 6,429,939</u>	<u>\$ 3,219,659</u>	<u>\$ 3,553,018</u>	<u>\$ 2,635,201</u>
Contract liabilities	\$ 8,547,465	\$ 2,829,126	\$ 1,949,117	\$ 4,745,568
(Note)				
Contract liabilities				
- related parties	-	455,365	715,418	1,438,553
	<u>\$ 8,547,465</u>	<u>\$ 3,284,491</u>	<u>\$ 2,664,535</u>	<u>\$ 6,184,121</u>

Note: Including non-current amount.

Please refer to Note 7 for related party transactions.

Information relating to credit risk of contract assets is provided in Note 12(2).

Revenue recognised that was included in the contract liability balance at the beginning of the period

The Group had a contract liability balance at the beginning of the period, of which \$1,010,964 and \$3,796,848 was recognised as revenue for the nine months ended September 30, 2025 and 2024, respectively.

C. As of September 30, 2025, the total transaction price allocated to unfulfilled contract obligations was \$132,210,645 and this amount would be recognised as revenue gradually with the completion process of shipbuilding, vessel construction and anti-corrosion coating. The shipbuilding, vessel construction and anti-corrosion coating are expected to be completed during the period from July 2025 to October 2031.

(28) Other income

	Three months ended September 30,	
	2025	2024
Indemnity revenue	\$ 7,532	\$ 3,634
Rental revenue	12,470	12,392
Government grant revenue	5,070	3,158
Others	3,259	18,289
	<u>\$ 28,331</u>	<u>\$ 37,473</u>

	Nine months ended September 30,	
	2025	2024
Indemnity revenue	\$ 65,586	\$ 8,784
Rental revenue	41,156	39,476
Government grant revenue	80,259	20,086
Others	12,320	60,237
	<u>\$ 199,321</u>	<u>\$ 128,583</u>

(29) Other gains and losses

	Three months ended September 30,	
	2025	2024
Foreign exchange gains (losses)	\$ 65,594	(\$ 7,330)
Net gain on financial assets and liabilities at fair value through profit or loss	18,730	12,414
(Losses) gain on disposal of property, plant and equipment	(154)	8
Other losses	(6,302)	(8,201)
	<u>\$ 77,868</u>	<u>(\$ 3,109)</u>

	Nine months ended September 30,	
	2025	2024
Foreign exchange (losses) gains	(\$ 95,398)	\$ 83,373
Net (loss) gain on financial assets and liabilities at fair value through profit or loss	(132,791)	7,553
Losses on disposal of property, plant and equipment	(2,830)	(365)
Other losses	(19,067)	(28,676)
	<u>(\$ 250,086)</u>	<u>\$ 61,885</u>

(30) Finance costs

	Three months ended September 30,	
	2025	2024
Interest expense:		
Bank loans	\$ 70,946	\$ 46,805
Amortisation on lease liabilities	5,110	8,762
Amortisation on convertible bonds	-	3,558
Expenses amortised from government grants payable	3,218	3,158
Less: Capitalisation of qualifying assets	(37,892)	(14,869)
	<u>\$ 41,382</u>	<u>\$ 47,414</u>
	Nine months ended September 30,	
	2025	2024
Interest expense:		
Bank loans	\$ 164,563	\$ 141,096
Amortisation on lease liabilities	21,705	26,901
Amortisation on convertible bonds	2,316	10,650
Expenses amortised from government grants payable	9,652	9,475
Less: Capitalisation of qualifying assets	(64,191)	(31,919)
	<u>\$ 134,045</u>	<u>\$ 156,203</u>

(31) Expenses by nature

	Three months ended September 30,	
	2025	2024
Direct materials	\$ 2,354,877	\$ 1,945,011
Change in inventory of finished goods and work in process	(1,396,042)	291,817
Employee benefit expense	894,849	893,758
Depreciation charges	238,774	240,947
Amortisation charges	7,633	7,084
Outsourcing fees	704,840	648,014
Professional service fees	91,634	196,135
Other expenses	1,487,105	381,076
Operating costs and expenses	<u>\$ 4,383,670</u>	<u>\$ 4,603,842</u>

	Nine months ended September 30,	
	2025	2024
Direct materials	\$ 11,068,795	\$ 5,992,735
Change in inventory of finished goods and work in process	2,693,539	660,532
Employee benefit expense	2,612,955	2,667,434
Depreciation charges	738,715	718,137
Amortisation charges	22,754	18,235
Outsourcing fees	1,950,228	1,847,265
Professional service fees	409,227	629,687
Other expenses	1,681,946	872,837
Operating costs and expenses	<u>\$ 21,178,159</u>	<u>\$ 13,406,862</u>

(32) Employee benefit expense

	Three months ended September 30,	
	2025	2024
Wages and salaries	\$ 768,548	\$ 761,756
Labor and health insurance fees	69,417	67,770
Pension cost	40,959	45,985
Directors' remuneration	713	617
Other personnel expenses	15,212	17,630
	<u>\$ 894,849</u>	<u>\$ 893,758</u>

	Nine months ended September 30,	
	2025	2024
Wages and salaries	\$ 2,227,537	\$ 2,277,600
Labor and health insurance fees	213,391	212,062
Pension cost	122,406	129,896
Directors' remuneration	2,459	2,377
Other personnel expenses	47,162	45,499
	<u>\$ 2,612,955</u>	<u>\$ 2,667,434</u>

A. According to the Articles of Incorporation of the Company, the Company shall distribute employees' compensation, based on the distributable profit of the current year, in a ratio of profit. Employees' compensation can be distributed in the form of shares or in cash. If a company has accumulated deficit, earnings should first be channeled to cover losses. Employees' compensation shall account for 1% to 5%, directors' remuneration shall account for less than 1%, of the amount of current year's pre-tax profit but excluding the employees' compensation and directors' remuneration.

B. The Company did not recognise employees' compensation and directors' renumeration as a result of the operating deficit for the nine months ended September 30, 2025 and 2024.

The Board of Directors resolved not to appropriate employees' compensation and directors' renumeration as a result of the operating accumulated deficit for the year ended December 31, 2024.

Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(33) Income tax expense

A. Income tax expense

Components of income tax expense:

	Three months ended September 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 3,229	\$ 3,100
Under (over) estimation provision of income tax in prior year	—	—
Total current tax	3,229	3,100
Deferred tax:		
Origination and reversal of temporary differences	—	339
Income tax expense	\$ 3,229	\$ 3,439
	Nine months ended September 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	\$ 16,578	\$ 8,884
(Over) underestimation provision of income tax in prior year	(48)	1,794
Total current tax	16,530	10,678
Deferred tax:		
Origination and reversal of temporary differences	(98)	389
Income tax expense	\$ 16,432	\$ 11,067

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority. As of November 10, 2025, there were no administrative remedies.

(34) Earnings (losses) per share

Three months ended September 30, 2025		
	Weighted average number of ordinary shares outstanding Amount after tax	Earnings per share (shares in thousands) (in dollars)
Basic earnings per share		
Profit attributable to ordinary shareholders	\$ 63,191	1,274,539 \$ 0.05
Three months ended September 30, 2024		
	Weighted average number of ordinary shares outstanding Amount after tax	Losses per share (shares in thousands) (in dollars)
Basic losses per share		
Loss attributable to ordinary shareholders	(\$ 695,589)	1,274,539 (\$ 0.55)
Nine months ended September 30, 2025		
	Weighted average number of ordinary shares outstanding Amount after tax	Losses per share (shares in thousands) (in dollars)
Basic losses per share		
Loss attributable to ordinary shareholders	(\$ 2,466,760)	1,274,539 (\$ 1.94)
Nine months ended September 30, 2024		
	Weighted average number of ordinary shares outstanding Amount after tax	Losses per share (shares in thousands) (in dollars)
Basic losses per share		
Loss attributable to ordinary shareholders	(\$ 1,261,388)	1,261,836 (\$ 1.00)

The Company's convertible corporate bonds had anti-dilution effect for the three months and nine months ended September 30, 2024; thus, they were not included in the calculation of diluted losses per share. There were no such transactions for the three months and the nine months ended September 30, 2025.

(35) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Nine months ended September 30,	
	2025	2024
Purchase of property, plant and equipment	\$ 394,364	\$ 345,269
Add : Beginning balance of payable on equipment	18,617	89,677
Less : Ending balance of payable on equipment	(18,876)	(29,854)
Cash paid during the period	<u>\$ 394,105</u>	<u>\$ 405,092</u>

B. Investment and financing activities with no cash flow effects:

	Nine months ended September 30,	
	2025	2024
Interest expense amortised from government grants	<u>\$ 9,652</u>	<u>\$ 9,475</u>
Increase in lease liabilities due to remeasurement	\$ 966,267	\$ 10,764
Less: Increase in right-of-use assets	(966,267)	(10,764)
The unpaid amount for acquisition of a subsidiary (shown as 'other payables')	<u>\$ 1,650</u>	<u>\$ 2,500</u>
Long-term liabilities, current portion	<u>\$ 83,811</u>	<u>\$ 1,765,820</u>
Advance receipts for ordinary share transferred to capital stocks	<u>\$ -</u>	<u>\$ 892,011</u>

(36) Changes in liabilities from financing activities

	2025			
	January 1	Changes in cash flow from financing activities	Changes in non-cash items	September 30
Short-term borrowings	\$ 3,717,791	\$ 4,448,752	\$ -	\$ 8,166,543
Short-term notes and bills payable	1,454,434	3,373,000	(2,766)	4,824,668
Corporate bonds payable (Note 1)	1,765,984	(1,768,300)	2,316	-
Long-term borrowings (Note 1)	4,321,384	(1,255,700)	1,172	3,066,856
Lease liability (Notes 1 and 2)	2,798,793	(217,969)	(966,267)	1,614,557
Long-term notes and accounts payable	688,219	-	9,652	697,871
Long-term deferred revenue	105,729	-	(27,808)	77,921
Guarantee deposits received	391,275	91,203	-	482,478
Other non-current liabilities, others	<u>3,735</u>	<u>(1,486)</u>	<u>-</u>	<u>2,249</u>
Liabilities from financing activities-gross	<u>\$ 15,247,344</u>	<u>\$ 4,669,500</u>	<u>(\$ 983,701)</u>	<u>\$ 18,933,143</u>

2024

	January 1	Changes in cash flow from financing activities	Changes in non-cash items	September 30
Short-term borrowings	\$ 3,586,270	\$ 817,898	\$ -	\$ 4,404,168
Short-term notes and bills payable	4,135,129	(2,575,000)	3,975	1,564,104
Corporate bonds payable (Note 1)	1,751,770	-	10,650	1,762,420
Long-term borrowings (Note 1)	6,941,852	(2,621,700)	518	4,320,670
Lease liability (Notes 1 and 2)	3,049,813	(201,369)	(10,764)	2,837,680
Long-term notes and accounts payable	675,585	-	9,475	685,060
Long-term deferred revenue	142,568	-	(27,630)	114,938
Guarantee deposits received	291,883	51,433	-	343,316
Other non-current liabilities, others	4,854	(1,533)	-	3,321
Liabilities from financing activities-gross	<u>\$ 20,579,724</u>	<u>(\$ 4,530,271)</u>	<u>(\$ 13,776)</u>	<u>\$ 16,035,677</u>

Note 1: Including current portion.

Note 2: Information on Supplemental cash flow information is provided in Note 6(35).

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
CPC Corporation, Taiwan	The Company's legal entity director , which was dismissed from its position upon the expiration of the term on June 25, 2025.
Taiwan International Windpower Training Corporation Ltd.	Associate
CSBC-DEME Wind Engineering Co., Ltd.	Joint venture
CDWE Green Jude Shipowner Co., Ltd.	Subsidiary of a joint venture
Financing Investment Venture Capital	Government related entity
Yao Hua Glass Co.,Ltd. Management Committee	Government related entity
National Defense Industrial Development Foundation	Government related entity

(2) Significant related party transactions and balances

A. Operating revenue

Three months ended September 30,		
2025	2024	

Key management:

The Company's legal entity director			
CPC Corporation, Taiwan	\$ -	\$ 854,594	
Joint ventures			
CSBC-DEME Wind Engineering Co., Ltd.	20,788	46,707	
	<u>\$ 20,788</u>	<u>\$ 901,301</u>	
		Nine months ended September 30,	
	2025	2024	

Key management:

The Company's legal entity director			
CPC Corporation, Taiwan	\$ 1,376,769	\$ 2,711,541	
Joint ventures			
CSBC-DEME Wind Engineering Co., Ltd.	68,932	148,870	
	<u>\$ 1,445,701</u>	<u>\$ 2,860,411</u>	

- (a) The price was based on the contract signed by both parties, and the collection terms were approximately the same as those to third parties.
- (b) In July 2022, the Company entered into a contract with CPC Corporation, Taiwan for the construction of a 50,000 DWT oil/chemical tanker new building project, with a total contract price of NT\$1.57 billion. The project was completed and delivered in November 2024. Additionally, in December 2022 and July 2023, the Company entered into contracts with CPC Corporation, Taiwan for contracting EPC turnkey project involving 26 petrochemical storage tanks in the third area of Dalin Petrochemical Oil Storage and Transportation Center and for the EPC turnkey project of the loading and unloading plant for tank trucks at the Dalin Petrochemical Storage and Transportation Centre. The cumulative total contract price for these projects amounted to NT\$11.6 billion, and they are expected to be completed and delivered in 2026. Please refer to item C 'contract assets and contract liabilities' for further information.
- (c) The Group mainly provides CSBC-DEME Wind Engineering Co., Ltd. with bareboat chartering and logistics support services for the underwater foundation transportation and installation project in offshore wind farms.

B. Purchases of goods

	<u>Three months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Purchases of goods:		
Key management:		
Legal entity director		
CPC Corporation, Taiwan	\$ <u> </u> -	\$ <u> </u> 12,652
	<u>Nine months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
Purchases of goods:		
Key management:		
Legal entity director		
CPC Corporation, Taiwan	\$ <u> </u> 35,141	\$ <u> </u> 33,194

The price was based on the contract signed by both parties, and the collection terms were approximately the same as those to third parties.

C. Contract assets and contract liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Contract assets:			
Key management:			
Legal entity director			
CPC Corporation, Taiwan	\$ <u> </u> -	\$ <u> </u> -	\$ <u> </u> 479,712
Joint ventures:			
CSBC-DEME Wind			
Engineering	<u> </u> 21,184	<u> </u> 643	<u> </u> 2,280
	<u> </u> 21,184	<u> </u> 643	<u> </u> 481,992
Less: Loss allowance	<u>(</u> 149)	<u>(</u> 5)	<u>(</u> 3,396)
	<u>\$ </u> 21,035	<u>\$ </u> 638	<u>\$ </u> 478,596
Contract liabilities:			
Key management:			
Legal entity director			
CPC Corporation, Taiwan	\$ <u> </u> -	\$ <u> </u> 455,365	\$ <u> </u> 715,418

D. Receivables from related parties

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accounts receivable :			
Joint ventures:			
CSBC-DEME Wind Engineering Co., Ltd.	\$ 17,485	\$ 67,737	\$ 74,012
Key management:			
Legal entity director			
CPC Corporation, Taiwan	\$ -	\$ 40,000	\$ 40,000
	17,485	107,737	114,012
Less: Loss allowance	\$ -	\$ -	\$ -
	\$ 17,485	\$ 107,737	\$ 114,012

E. Prepaid accounts

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Key management:			
Legal entity director			
CPC Corporation, Taiwan	\$ -	\$ 25,337	\$ 15,219

F. Payables to related parties

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accounts payable:			
Key management:			
Legal entity director			
CPC Corporation, Taiwan	\$ -	\$ -	\$ 890
Other payables :			
Joint ventures			
CSBC-DEME Wind Engineering	\$ -	\$ -	\$ 248,232

G. Leasing arrangements – lessor

The Group leased the building to CSBC-DEME Wind Engineering Co., Ltd. for office use. The lease term of the agreement is approximately five years, and the rents are collected at the beginning of each month. For the three months and nine months ended September 30, 2025 and 2024, the Group's rental income amounted to \$1,307, \$887, \$3,425 and \$2,659, respectively.

H. Endorsements and guarantees provided to related parties

September 30, 2025 December 31, 2024 September 30, 2024

Other related parties:

Joint ventures

CSBC-DEME Wind

Engineering

Endorsement/guarantee amount	\$ <u>63,059,996</u>	\$ <u>53,353,438</u>	\$ <u>44,496,395</u>
Actual amount drawn down	\$ <u>63,019,996</u>	\$ <u>34,437,432</u>	\$ <u>35,685,693</u>

The abovementioned endorsement/guarantee amount included the amount of endorsement / guarantee provided amounting to EUR 1.760 billion, EUR 1.560 billion and EUR 1.255 billion, respectively. The actual amount drawn down included EUR 1.760 billion, EUR 1.007 billion and EUR 1.007 billion, respectively. The exchange rate of translation into New Taiwan dollars at the financial reporting date was 35.77, 34.14 and 35.38, respectively.

I. Others

(a) Details on capital increase from the related parties are provided in Note 6(23).

(b) The Company's joint venture, CSBC-DEME Wind Engineering Co., Ltd. signed a Zhang Fang and West Island Offshore Wind Farm Fan Transportation and Installation Plan on November 19, 2019. The Company and DEME Offshore are the joint contractors of the plan and issued performance letter of guarantee and advance payment guarantee with a total amount of EUR 11,802 thousand for contracting the construction according to their shareholding ratios. The Company issued bank guarantee amounting to EUR 5,901 thousand (NT\$200 million) based on its shareholding ratio of 50.0001%. The guarantee period is until September 2024.

The Company collected the service charge, which CSBC-DEME Wind Engineering Co., Ltd. assumed due to obtaining the bank guarantee based on the agreement, on behalf of banks (and the Company paid the charges to the bank). For the three months and nine months ended September 30, 2024, banking charges amounted to \$27 and \$483, respectively. There were no such transactions for the three months and the nine months ended September 30, 2025.

(c) In order to provide performance guarantee and prepayment guarantees for the transportation and installation of the offshore wind turbines and the ocean pile and floating vessel of Zhong Neng Offshore Wind Farm Project, the joint venture, CSBC-DEME Wind Engineering Co., Ltd., entered into a syndicated credit contract with First Commercial Bank, Ltd. as the management bank and other banks, and obtained a total credit line of EUR 29.9 million. The Company and DEME Offshore Holding NV ('the contractor') jointly issued a letter of support for the contract stating the following matters: For the duration of syndicated credit contract, the contractor shall jointly hold directly or indirectly not lower than 51% of the shares at any time, controlling more than 50% of the board seats, and commit to maintaining the normal operating as well as optimal and appropriate financial condition of the joint venture. The aforementioned guarantee period is until August 2029.

(d) Information on Significant Contingent Liabilities and Unrecognised Contract Commitments is provided in Note 9.

(3) Key management compensation

	Three months ended September 30,	
	2025	2024
Salaries and other short-term employee benefits	\$ 4,352	\$ 5,903
Post-employment benefits	239	465
	<u>\$ 4,591</u>	<u>\$ 6,368</u>
Nine months ended September 30,		
	2025	2024
	\$ 16,964	\$ 20,580
Post-employment benefits	841	1,426
	<u>\$ 17,805</u>	<u>\$ 22,006</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	September 30, 2025	December 31, 2024	September 30, 2024	
Restricted bank deposits (shown as "Financial assets at amortised cost - current")	\$ -	\$ -	\$ 10,794	Guarantee for issuance of letter of credit and letters of guarantee
Pledged time deposits (shown as 'Financial assets at amortised cost - current')	960	309	-	Construction deposits for warranty
Pledged time deposits (shown as "Financial assets at amortised cost - non-current")	-	957	1,265	Construction deposits for warranty
	<u>\$ 960</u>	<u>\$ 1,266</u>	<u>\$ 12,059</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) The balance of the Group's unused letters of credit for import of materials is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Balance of unused letters of credit	\$ 641,514	\$ 528,852	\$ 368,161

(2) The amounts of unfulfilled contract obligations of the Group's contracts are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Unfulfilled customer contract obligations	\$ 132,210,645	\$ 36,584,968	\$ 39,284,720

(3) The guaranteed credit by banks for the Group's construction projects is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Guaranteed credit by banks	\$ 14,921,038	\$ 14,718,484	\$ 14,425,833

Refer to Note 7(2) I(b),(c) for further information.

(4) The amount of the Group's purchase contracts and outsourcing construction contracts to be paid is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Purchase contracts to be paid	\$ 31,348,636	\$ 8,548,818	\$ 5,404,695
Outsourcing construction contracts to be paid	<u>1,428,039</u>	<u>1,180,186</u>	<u>1,353,593</u>
	<u>\$ 32,776,675</u>	<u>\$ 9,729,004</u>	<u>\$ 6,758,288</u>

(5) As of September 30, 2025, December 31, 2024 and September 30, 2024, the amounts of guarantee notes issued by the Group for the bank borrowings were \$68.632 billion, \$66.216 billion and \$60.944 billion, respectively.

(6) On March 16, 2022, the Board of Directors of the subsidiary, CSBC Coating Solutions Co., Ltd. (“CSBC Coating Solutions”), approved to sign a joint construction and separate sale contract with a non-related party for the land on Pingsong section, Xiaogang District. The ratios of the joint construction and separate sale for the landowner and CSBC Coating Solutions are 25% and 75%, respectively. CSBC Coating Solutions expected to invest about \$0.55346 billion as construction cost. The contract period starts from the signature date to December 31, 2025.

(7) Refer to Note 7 for the endorsements/guarantees provided by the Group to others.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Following the industry practices, the Group uses gearing ratio to control capital.

The Group's policy is to maintain a stable gearing ratio. Ratios are as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Gearing ratio	<u>84%</u>	<u>73%</u>	<u>70%</u>

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	\$ _____ -	\$ _____ -	\$ 6,669
Financial assets mandatorily measured at fair value through profit or loss			
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ _____ -	\$ _____ -	\$ _____ -
Financial assets at amortised cost			
Cash and cash equivalents	\$ 2,781,705	\$ 3,624,339	\$ 3,887,535
Financial assets at amortised cost	960	1,266	12,059
Accounts receivable (including related parties)	2,611,817	673,532	827,401
Other receivables	24,169	10,527	111,872
Guarantee deposits paid	177,512	165,180	162,444
	<u>\$ 5,596,163</u>	<u>\$ 4,474,844</u>	<u>\$ 5,001,311</u>
	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	\$ 132,837	\$ 2,496	\$ _____ -
Financial liabilities at amortised cost			
Short-term borrowings	\$ 8,166,543	\$ 3,717,791	\$ 4,404,168
Short-term notes and bills payable	4,824,668	1,454,434	1,564,104
Notes payable	11	-	95,600
Accounts payable	2,100,637	2,318,576	2,237,868
Other payables	788,282	959,115	1,076,410
Corporate bonds payable (Note)	-	1,765,984	1,762,420
Long-term borrowings (Note)	3,066,856	4,321,384	4,320,670
Long-term notes and accounts payable	697,871	688,219	685,060
Guarantee deposits received	482,478	391,275	343,316
	<u>\$ 20,127,346</u>	<u>\$ 15,616,778</u>	<u>\$ 16,489,616</u>
Lease liability	<u>\$ 1,614,557</u>	<u>\$ 2,798,793</u>	<u>\$ 2,837,680</u>

Note: Including current portion.

B. Financial risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as cross currency swap contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

For supervising management, the Board of Directors has set related rules to authorize the management to perform daily operations within acceptable risk range and requires the internal audit to inspect the management and report on a regular basis. The internal audit must report to the Board of Directors if there is any unusual situation at any time, and respond to the situations adequately.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The foreign exchange risk is mainly arising from USD, EUR, RMB and JPY. Management has set up a policy to require the Company to manage its foreign exchange risk against its non-functional currency. The Group is required to hedge its entire foreign exchange risk exposure with the treasury. Exchange rate risk is measured through a forecast of highly probable foreign currency revenues and expenditures. Forward swap contracts are adopted to minimise the volatility of the exchange rate affecting forecast foreign currency income and cost of inventory purchases.
- ii. The Group's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2025				
Foreign Currency (in thousands)	Exchange Rate	Book Value (NTD)		
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 27,121	30.40	\$ 824,343	
RMB:NTD	43,932	4.25	186,535	
EUR:NTD	504	35.57	17,927	
JPY:NTD	144,662	0.20	29,482	
<u>Financial liabilities</u>				
<u>Monetary items</u>				
JPY:NTD	153,749	0.21	31,949	

December 31, 2024				
Foreign Currency (in thousands)	Exchange Rate	Book Value (NTD)		
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 30,223	32.74	\$ 989,501	
EUR:NTD	1,717	33.94	58,275	
JPY:NTD	93,096	0.21	19,550	
<u>Financial liabilities</u>				
<u>Monetary items</u>				
EUR:NTD	737	34.34	25,309	
September 30, 2024				
Foreign Currency (in thousands)	Exchange Rate	Book Value (NTD)		
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 25,985	31.60	\$ 821,126	
EUR:NTD	15,937	35.18	560,664	
<u>Financial liabilities</u>				
<u>Monetary items</u>				
EUR:NTD	6,973	35.58	248,099	

iii. If NTD had appreciated/ depreciated by 1% against USD with all other variables held constant, effect to post-tax profit (loss) is as follows:

Nine months ended September 30,

If NTD had appreciated/ depreciated by 1% against tax	2025	2024
Increase (decrease) in net profit (loss) after tax	\$ 8,211	\$ 9,068

iv. The net exchange gain (loss) arising from significant foreign exchange variation on the monetary items held by the Group for the three months and nine months ended September 30, 2025 and 2024, amounted to \$65,594, (\$7,330), (\$95,398) and \$83,373, respectively.

Price risk

The Group is not exposed to significant commodity price risk.

Interest rate risk

- i. The convertible bonds issued by the Company are zero-interest bonds with conversion options, and its fair value is affected by the stock price volatility. Based on the assessment, there is no material change in interest rate that would expose the Group to cash flow risk.
- ii. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. If the interest rate had increased by 0.25% with all other variables held constant, cash flows for the nine months ended September 30, 2025 and 2024 would have increased/decreased by \$7,670 and \$10,811, respectively.

(b) Credit risk

Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable and other receivables based on the agreed terms. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

Cash and cash equivalents and financial assets at amortised cost

The Group only trades with counterparties with good credit, in accordance with the Group's transaction policies. There is no recent violation of significant cash and cash equivalents and financial assets at amortised cost.

Contract assets, accounts receivable and other receivables

- i. The Group appointed external agency to perform proper credit investigations for customers before signing the contracts of shipbuilding, vessel construction and machinery manufacturing. The results of the credit investigations were low risk, therefore, the credit risks of relevant receivables (primarily under accounts receivable or contract assets) were low risk.
- ii. The Group's contract assets and accounts receivable were due from government (including state-owned enterprises) and general business. To maintain the quality of the accounts receivable and contract assets, the Group has established credit risk management procedures for operating. The Group considered customers' financial status, historical trading record and future economic condition in accordance with types of customer, and took into account factors that may influence customers' ability to pay to assess the credit quality of customers. The Group estimated expected credit loss by individual assessment.
- iii. In line with credit risk management procedure, when the counterparty failed to fulfil the mutual agreements nor to conduct negotiation, the default has occurred.
- iv. As of September 30, 2025, December 31, 2024 and September 30, 2024, the expected loss rates of not past due accounts receivable and contract assets were both 1% and 0.705%, respectively.
- v. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable and contract assets are as follows:

	2025		
	Accounts receivable	Contract assets	Total
At January 1	\$ 9,322	\$ 212,107	\$ 221,429
Provision for impairment loss	54	21,746	21,800
Write-offs	(7,195)	-	(7,195)
At September 30	<u>\$ 2,181</u>	<u>\$ 233,853</u>	<u>\$ 236,034</u>

	2024		
	Accounts receivable	Contract assets	Total
At January 1	\$ 9,374	\$ 206,149	\$ 215,523
(Reversal of) Provision for impairment loss	820	7,431	8,251
At September 30	<u>\$ 10,194</u>	<u>\$ 213,580</u>	<u>\$ 223,774</u>

For the three months and nine months ended September 30, 2025 and 2024, the expected credit (losses) gains arising from accounts receivable and contract assets generated from customers' contracts amounted to \$465, \$7,345, \$21,800 and \$8,251 respectively.

vi. As of September 30, 2025, December 31, 2024 and September 30, 2024, the balances of receivables and contract assets from the top three counterparties amounted to \$7,722,841, \$3,100,992 and \$3,228,574, respectively. The credit risk concentration occurs when the ability of counterparties to meet its contractual obligations is affected by changes in economic or other conditions.

(c) Liquidity risk

The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

September 30, 2025:

	Less than	Between 1	Between 2	
	1 year	and 2 years	and 5 years	Over 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 8,173,111	\$ -	\$ -	\$ -
Short-term notes payable	4,828,000	-	-	-
Payables	3,214,302	1,419,194	547,908	247,980
Lease liability	186,230	160,040	259,715	1,193,161
Long-term borrowings (Note)	<u>132,597</u>	<u>2,757,578</u>	<u>275,044</u>	<u>-</u>
	<u>\$ 16,534,240</u>	<u>\$ 4,336,812</u>	<u>\$ 1,082,667</u>	<u>\$ 1,441,141</u>
Derivative financial liabilities:				
Forward foreign exchange contracts				
-Inflow	\$ 1,522,162	\$ 1,268,297	\$ -	\$ -
-Outflow	(1,414,880)	(1,242,742)	-	-
	<u>\$ 107,282</u>	<u>\$ 25,555</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 3,720,391	\$ -	\$ -	\$ -
Short-term notes payable	1,455,000	-	-	-
Payables	3,592,811	529,239	508,542	245,023
Lease liability	313,802	221,698	488,763	2,100,215
Corporate bonds payable (Note)	1,768,300	-	-	-
Long-term borrowings (Note)	49,500	2,219,830	2,177,557	-
	<u>\$ 10,899,804</u>	<u>\$ 2,970,767</u>	<u>\$ 3,174,862</u>	<u>\$ 2,345,238</u>

Derivative financial liabilities:

Forward foreign exchange contracts				
-Inflow	\$ 144,636	\$ -	\$ -	\$ -
-Outflow	(142,140)	-	-	-
	<u>\$ 2,496</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

September 30, 2024:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:				
Short-term borrowings	\$ 4,406,932	\$ -	\$ -	\$ -
Short-term notes payable	1,565,000	-	-	-
Payables	3,670,472	522,562	513,153	244,151
Lease liability	325,032	237,197	510,085	2,100,215
Corporate bonds payable (Note)	1,768,300	-	-	-
Long-term borrowings (Note)	48,922	460,760	3,949,294	-
	<u>\$ 11,784,658</u>	<u>\$ 1,220,519</u>	<u>\$ 4,972,532</u>	<u>\$ 2,344,366</u>

Derivative financial liabilities: None.

Note: Including current portion.

The Group and many public and private financial institutions entered into comprehensive credit facility contracts whereby the undrawn borrowings facilities are sufficient for its future operating activities and to fulfill its capital commitments.

(3) Fair value estimation

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the investment property, equity investment without active market and the call and put options embedded in convertible bonds held by the Group is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, financial assets at amortised cost, accounts receivable, other receivables, guarantee deposits paid, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, other payables, bonds payable, long-term borrowings (including current portion), long-term notes and accounts payable, guarantee deposits received and lease liabilities are approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at September 30, 2025, December 31, 2024 and September 30, 2024 is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

September 30, 2025:

	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ -	\$ -	\$ -	\$ -
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	\$ -	\$ 132,837	\$ -	\$ 132,837

December 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through other comprehensive income				
Equity securities	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value				
through profit or loss				
Derivative instruments	\$ _____ -	\$ 2,496	\$ _____ -	\$ 2,496

September 30, 2024:

	Level 1	Level 2	Level 3	Total
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Derivative instruments	\$ _____ -	\$ 6,669	\$ _____ -	\$ 6,669
Financial assets at fair value				
through other comprehensive income				
Equity securities	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value				
through profit or loss				
Derivative instruments	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

(b) The methods and assumptions the Group used to measure fair value are as follows:

- When the Group assessing non-standardised financial instruments with lower complexity, such as forward foreign exchange contracts, the Group uses valuation techniques which are extensively used by the market to estimate their fair value. The parameters used in the valuation model for these kinds of financial instruments usually use the observable information as the input.

ii. Certain inputs used in the valuation model for measuring the fair value of the Group's debt instruments with embedded derivatives are not observable at market, and the Group must make reasonable estimates based on its assumptions. The options embedded in convertible bonds held by the Group adopted binomial tree model and the significant unobservable inputs were stock price, volatility and risk discount rate. As of December 31, 2024 and September 30, 2024, the fair values of the options held by the Group were all \$0. Based on the Group's assessment on the changes in valuation parameter, there was no significant impact to the profit or loss for the period. There were no such transactions as of September 30, 2025.

E. For the nine months ended September 30, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the nine months ended September 30, 2025 and 2024:

	2025	2024
	Derivative instrument	Derivative instrument
At January 1	\$ 2,496	(\$ 884)
Gains recognised in profit or loss		
Recorded as non-operating income and expenses	<u>130,341</u>	<u>7,553</u>
At September 30	<u>\$ 132,837</u>	<u>\$ 6,669</u>
Movement of unrealised gain in profit or loss of assets and liabilities held as at September 30, 2025 and 2024 (Note)	<u>\$ 132,837</u>	<u>\$ 7,553</u>

Note: Recorded as non-operating income and expense.

G. For the nine months ended September 30, 2025 and 2024, there was no transfer into or out from Level 3.

H. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments using the actuarial reports issued by external experts. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: Please refer to table 1.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): None.

D. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 2.

E. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more:
None.

F. Significant inter-company transactions during the reporting period: Please refer to table 3.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 4.

(3) Information on investments in Mainland China

A. Basic information: None.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. SEGMENT INFORMATION

(1) General information

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decisions. The Chief Operating Decision-Maker considers the business from a product perspective. The reportable operating segments derive their revenue primarily from the construction and repairing of ships and vessels and machinery buildings. As other businesses, mainly including machinery engineering, leases and coating, do not meet the quantitative thresholds required by IFRS 8, the results of these operations are included in the 'all other segments' column.

(2) Measurement of segment information

The Chief Operating Decision-Maker assesses the performance of the operating segments based on the gross profit of each business category. This measurement basis excludes the effects of operating expenses, non-operating revenue and non-operating expenses from the operating segments.

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

For the three months ended September 30, 2025:

	Construction of ships and vessels	Machinery building	Ship / vessel repairs	All other segments	Adjustments and eliminations (Note 1)	Total
Revenue from external customers	\$ 2,477,066	\$ 1,101,273	\$ 431,398	\$ 93,728	\$ -	\$ 4,103,465
Inter-segment revenue	<u>-</u>	<u>-</u>	<u>-</u>	181,642	(181,642)	<u>-</u>
Total segment revenue	<u>\$ 2,477,066</u>	<u>\$ 1,101,273</u>	<u>\$ 431,398</u>	<u>\$ 275,370</u>	<u>(\$ 181,642)</u>	<u>\$ 4,103,465</u>
Segment (loss) profit	<u>(\$ 662,751)</u>	<u>\$ 147,868</u>	<u>\$ 408,507</u>	<u>\$ 23,497</u>	<u>\$ 114</u>	<u>(\$ 82,765)</u>

For the three months ended September 30, 2024:

	Construction of ships and vessels	Machinery building	Ship / vessel repairs	All other segments	Adjustments and eliminations (Note 1)	Total
Revenue from external customers	\$ 2,386,138	\$ 720,413	\$ 258,638	\$ 181,573	\$ -	\$ 3,546,762
Inter-segment revenue	<u>-</u>	<u>-</u>	<u>-</u>	365,067	(365,067)	<u>-</u>
Total segment revenue	<u>\$ 2,386,138</u>	<u>\$ 720,413</u>	<u>\$ 258,638</u>	<u>\$ 546,640</u>	<u>(\$ 365,067)</u>	<u>\$ 3,546,762</u>
Segment (loss) profit	<u>(\$ 1,125,422)</u>	<u>\$ 75,584</u>	<u>\$ 72,425</u>	<u>\$ 75,564</u>	<u>\$ 1,024</u>	<u>(\$ 900,825)</u>

For the nine months ended September 30, 2025:

	Construction of ships and vessels	Machinery building	Ship / vessel repairs	All other segments	Adjustments and eliminations (Note 1)	Total
Revenue from external customers	\$ 13,822,307	\$ 2,408,319	\$ 1,132,339	\$ 578,325	\$ -	\$ 17,941,290
Inter-segment revenue	-	-	-	707,600	(707,600)	-
Total segment revenue	\$ 13,822,307	\$ 2,408,319	\$ 1,132,339	\$ 1,285,925	(\$ 707,600)	\$ 17,941,290
Segment (loss) profit	(\$ 4,207,585)	\$ 164,814	\$ 1,069,844	\$ 295,450	\$ 5,832	(\$ 2,671,645)

For the nine months ended September 30, 2024:

	Construction of ships and vessels	Machinery building	Ship / vessel repairs	All other segments	Adjustments and eliminations (Note 1)	Total
Revenue from external customers	\$ 7,777,593	\$ 2,217,353	\$ 887,987	\$ 360,036	\$ -	\$ 11,242,969
Inter-segment revenue	-	-	-	932,500	(932,500)	-
Total segment revenue	\$ 7,777,593	\$ 2,217,353	\$ 887,987	\$ 1,292,536	(\$ 932,500)	\$ 11,242,969
Segment (loss) profit	(\$ 2,227,687)	\$ 123,556	\$ 194,010	\$ 203,544	(\$ 13,802)	(\$ 1,720,379)

Note 1: Refers to the elimination of inter-segment revenue.

Note 2: Segment assets and liabilities are regularly provided to the Chief Operating Decision-Maker, but not distributed to each reportable segment.

(3) Information about segment profit or loss, assets and liabilities

The revenue from external parties reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income. A reconciliation of segment profit to profit (loss) before tax and discontinued operations is provided as follows:

	Three months ended September 30,	
	2025	2024
Segment loss	(\$ 106,376)	\$ 977,413)
Other segment profit	23,611	76,588
Total segments	(82,765)	(900,825)
Operating expenses	(197,440)	(156,255)
Non-operating income and expenses	336,521	362,811
Loss before tax and discontinued operations	<u>\$ 56,316</u>	<u>(\$ 694,269)</u>

	Nine months ended September 30,	
	2025	2024
Segment loss	(\$ 2,972,927)	\$ 1,910,121)
Other segment profit	301,282	189,742
Total segments	(2,671,645)	(1,720,379)
Operating expenses	(565,224)	(443,514)
Non-operating income and expenses	776,243	905,075
Loss before tax and discontinued operations	<u>(\$ 2,460,626)</u>	<u>(\$ 1,258,818)</u>

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CSBC CORPORATION TAIWAN
Provision of endorsements and guarantees to others
Nine months ended September 30, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Party being endorsed/guaranteed		Relationship with the endorser/guarantor	Maximum outstanding		Outstanding		Amount of endorsements/guarantees	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor		Ceiling on total amount of endorsements/guarantees provided by the endorser/guarantor company	Provision of endorsements/guarantees by parent company to subsidiary	Provision of endorsements/guarantees to the party in Mainland China	Footnote	
	Endorser/guarantor	Company name		Limit on endorsements/ guarantees provided for a single party	as of September 30, 2025	endorsement/guarantee amount	guarantee amount at September 30, 2025		Actual amount drawn down	secured with collateral					
0	CSBC Corporation, Taiwan	CSBC Power Technology Co., Ltd.	2	\$ 67,428,160	\$ 980,000	\$ 980,000	\$ 950,000	\$ -		14%	\$ 67,428,160	Y	N	N	Note 3
0	CSBC Corporation, Taiwan	CSBC-DEME Wind Engineering Co., Ltd.	6	67,428,160	63,059,996	63,059,996	63,019,996	\$ -		935%	\$ 67,428,160	N	N	N	Note 3, 4, 5

Note 1: The explanation for column "Number" is as follow:

- (1)The Company is '0'.
- (2)The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) The performance guarantees for the sale of pre-sales contracts under the Consumer Protection Law are jointly guaranteed.

Note 3: The regulations on the endorsement/guarantees provided by the Company to others are as follows:

- (1) Ceiling on total amount of endorsements/guarantees provided by the Company: No higher than 1000% of the Company's net assets.
- (2) Limit on endorsements/guarantees provided by the Company for a single party: No higher than 1000% of the Company's net assets.

For companies having business relationship with the Company, limit on the amount of endorsements/guarantees is the amount of business transactions occurred between the creditor and borrower.

The amount of the transactions is the higher value of purchasing and selling during current year on the year of financing.

Note 4: The outstanding endorsement/ guarantee amount at September 30, 2025 which was denominated in foreign currency included EUR 1.7599 billion and TWD 110 million. The actual amount of endorsement drawn down is EUR 1.7599 billion and TWD 70 million.

The exchange rate of foreign currencies translated into New Taiwan dollars at the financial reporting date was 34.35.

Note 5: According to the letters from the regulatory authority dated September 11, 2025 and October 7, 2025, the endorsements and guarantees provided by the Company to CSBC-DEME Wind Engineering Co., Ltd. were regarded as full guarantee as they did not specify the amount or percentage that shall be borne by the guarantor. This resulted in a violation of the limit regulations for the endorsement and guarantee amount. The Company was required to develop an improvement plan and submit it to the latest audit committee, as well as to complete the improvement according to the schedule. The Company has prepared an improvement plan and submitted it to the audit committee and Board of Directors for review and approval in November 2025.

CSBC CORPORATION TAIWAN

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Nine months ended September 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		
			Purchases			Percentage of total purchases					
			(sales)	Amount	(sales)	Credit term	Unit price	Credit term	Balance	notes/accounts receivable	Footnote
CSBC Corporation, Taiwan	CPC Corporation, Taiwan	Legal entity director	(Sale)	(\$ 1,376,769)	(8%)	Note 1	Note 1	Note 1	\$ -	-	Note 2

Note 1: Based on the contract, the payment terms is the same as in general transactions.

Note 2: CPC Corporation, Taiwan was dismissed from holding director's position upon the expiration of the term on June 25, 2025. Please refer to Note 7, "RELATED PARTY TRANSACTIONS" for details.

CSBC CORPORATION TAIWAN
Significant inter-company transactions during the reporting periods
Nine months ended September 30, 2025

Table 3

Transactions amount between the parent company and subsidiaries or between subsidiaries reaching NT\$10 million is provided below:

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	CSBC Corporation, Taiwan	CSBC Coating Solutions Co., Ltd	Parent company to subsidiary	Outsourcing expenses (including reimbursable procurement costs)	\$ 298,615	Note 4	2%
0	CSBC Corporation, Taiwan	CSBC Coating Solutions Co., Ltd	Parent company to subsidiary	Accounts payable	24,561	Note 4	-
0	CSBC Corporation, Taiwan	CSBC Power Technology Co., Ltd.	Parent company to subsidiary	Outsourcing expenses	16,030	Note 4	-
0	CSBC Corporation, Taiwan	BLUE ACE CORPORATION	Parent company to subsidiary	Outsourcing expenses	104,954	Note 4	1%
0	CSBC Corporation, Taiwan	CSBC Construction Co., Ltd	Parent company to subsidiary	Outsourcing expenses	108,738	Note 4	1%
1	CSBC Coating Solutions Co., Ltd	CSBC Construction Co., Ltd	Subsidiary to subsidiary	Outsourcing expenses	162,086	Note 4	1%
1	CSBC Coating Solutions Co., Ltd	CSBC Construction Co., Ltd	Subsidiary to subsidiary	Accounts payable	55,670	Note 4	-
1	CSBC Coating Solutions Co., Ltd	CSBC Construction Co., Ltd	Subsidiary to subsidiary	Guarantee deposits received	21,552	Note 4	-
1	CSBC Coating Solutions Co., Ltd	BLUE ACE CORPORATION	Subsidiary to subsidiary	Other receivables	23,731	Note 4	-
1	CSBC Coating Solutions Co., Ltd	BLUE ACE CORPORATION	Subsidiary to subsidiary	Guarantee deposits received	17,177	Note 4	-
2	CSBC Power Technology Co., Ltd.	CSBC Corporation, Taiwan	Subsidiary to parent company	Lease liabilities	10,129	Note 4	-

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1)Parent company is '0'.
- (2)The subsidiaries are numbered in order starting from '1'.

Note 2: If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice.

For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts, based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Based on the contract, the payment terms is the same as in general transactions.

CSBC CORPORATION TAIWAN

Information on investees

Nine months ended September 30, 2025

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2025			Net profit (loss) of the investee for the nine months ended September 30, 2025	Investment income (loss) recognised by the Company for the nine months ended September 30, 2025	Footnote			
				Balance as at September 30, 2025		Balance as at December 31, 2024								
				Number of shares	Ownership (%)	Book value	2025	30, 2025						
CSBC Corporation, Taiwan	CSBC-DEME Wind Engineering Co., Ltd.	Taiwan	Installation of cable, lease of ships, and contracting of ships services	\$ 1,549,500	\$ 1,549,500	15,651,515	50.00	\$ 2,017,367	\$ 1,737,423	\$ 898,850	Note 1			
"	CSBC Coating Solutions Co., Ltd.	Taiwan	Marine coating, steel structure painting works, surface treatment, and high-tech anti-corrosion etc.	125,000	125,000	25,950,370	100.00	296,956	48,209	46,999	Note 2			
"	CSBC Power Technology Co., Ltd.	Taiwan	Manufacturing of ships and its components etc.	62,550	62,550	6,500,000	86.67	(265,361)	(96,693)	(66,932)	Note 2			
"	Taiwan International Windpower Training Corporation Ltd.	Taiwan	Research and development, energy technology service	12,000	12,000	1,200,000	12.00	12,908	2,586	477	Note 1			
CSBC Coating Solutions Co., Ltd.	BLUE ACE CORPORATION	Taiwan	Marine coating, steel structure painting works, surface treatment, and high-tech anti-corrosion etc.	25,000	25,000	-	100.00	41,504	4,778	-	Note 3			
"	CSBC Construction Co., Ltd.	Taiwan	Building construction	40,149	40,149	-	100.00	54,196	29,421	-	Note 3			
"	Blue Ocean Wind Power Engineering (Hong Kong) Limited	Hong Kong	Marine works services	-	-	-	-	-	-	-	Note 3, 4			

Note 1 : Please refer to Note 6(7) for details about investments accounted for under equity method.

Note 2 : The difference between the income (loss) of the investee and the investment income (loss) recognised by the Company was the investment income (loss) recognised by the Company in proportion to the share ownership and unrealised (loss) gain from inter-company transactions.

Note 3 : The amount has been included in the profit (loss) of the Company's investee accounted for using equity method and has been recognised as gain (loss) on investment.

Note 4 : In December 2023, Blue Ocean Wind Power Engineering (Hong Kong) Limited discontinued operations and cancelled its registration as approved by the shareholders at their meeting. The entity's cancellation of registration and dissolution registration were completed on March 28, 2025.