CSBC CORPORATION, TAIWAN AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

JUNE 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

PWCR25000111

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 June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and six months then ended, as well as the statements of changes in equity and of cash flows for the six 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 June 30, 2025 and 2024, and of its consolidated financial performance for the three months and six months then ended and its consolidated cash flows for the six 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

August 8, 2025

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
JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	June 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 3,399,108	8	$ 3,624,339	11	$ 3,497,739	10
1136	Current financial assets at amortised cost	6(2) and 8	-	-	309	-	10,794	-
1140	Current contract assets	6(22)(27) and 7	6,303,752	15	3,219,659	9	2,561,446	8
1170	Accounts receivable, net	6(3)(22)	321,115	1	565,795	2	597,266	2
1180	Accounts receivable due from related parties	6(3)(22) and 7	28,748	-	107,737	-	648,210	2
1200	Other receivables		12,525	-	10,527	-	111,817	-
130X	Inventories	6(4)(22)	4,695,070	12	4,851,269	14	5,279,600	15
1410	Prepayments	6(5) and 7	5,990,594	15	2,397,293	7	2,541,308	7
1479	Other current assets, others		18,884	-	16,793	-	10,605	-
11XX	**Current Assets**		20,769,796	51	14,793,721	43	15,258,785	44
	Non-current assets							
1535	Non-current financial assets at amortised cost	6(2) and 8	959	-	957	-	1,264	-
1550	Investments accounted for under equity method	6(7)	1,695,025	4	1,021,939	3	726,574	2
1600	Property, plant and equipment	6(8)	13,191,794	33	13,244,795	39	13,430,447	39
1755	Right-of-use assets	6(9)	2,546,023	6	2,671,721	8	2,815,492	8
1760	Investment property - net	6(10)(11)	209,860	1	210,200	1	210,540	1
1780	Intangible assets	6(12)	72,879	-	55,549	-	46,977	-
1840	Deferred income tax assets		1,442,426	4	1,442,328	4	1,486,763	4
1920	Guarantee deposits paid		158,887	-	165,180	1	246,889	1
1975	Non-current net defined benefit asset	6(13)	398,976	1	410,868	1	186,270	1
15XX	**Non-current assets**		19,716,829	49	19,223,537	57	19,151,216	56
1XXX	**Total assets**		$ 40,486,625	100	$ 34,017,258	100	$ 34,410,001	100

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

	Liabilities and Equity	Notes	June 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(14)	$ 6,041,159	15	$ 3,717,791	11	$ 2,410,416	7
2110	Short-term notes and bills payable	6(15)	2,905,489	7	1,454,434	4	1,473,812	5
2120	Current financial liabilities at fair value through profit or loss	6(16)	65,125	-	2,496	-	5,745	-
2130	Current contract liabilities	6(22)(27) and 7	4,324,870	11	3,284,491	10	3,472,191	10
2170	Accounts payable	6(22) and 7	2,285,754	6	2,318,576	7	2,134,830	6
2200	Other payables	6(17)	820,184	2	959,115	3	773,838	2
2230	Current income tax liabilities		13,251	-	3,328	-	6,103	-
2250	Current provisions for liabilities	6(18)(22)	3,583,609	9	1,773,767	5	801,098	3
2280	Current lease liabilities	6(9)	268,190	1	313,802	1	321,590	1
2310	Advance receipts		41,056	-	33,612	-	74,270	-
2320	Long-term liabilities, current portion	6(19)(20)	83,211	-	1,769,984	5	1,761,663	5
21XX	**Current Liabilities**		20,431,898	51	15,631,396	46	13,235,556	39
	Non-current liabilities							
2500	Non-current financial liabilities at fair value through profit or loss	6(16)(19)	95,126	-	-	-	-	-
2527	Non-current contract liabilities	6(22)(27)	4,475,036	11	-	-	-	-
2540	Long-term borrowings	6(20)	3,960,665	10	4,317,384	13	4,938,650	14
2570	Deferred income tax liabilities		1,325,030	3	1,325,030	4	1,324,757	4
2580	Non-current lease liabilities	6(9)	2,390,241	6	2,484,991	7	2,615,536	8
2610	Long-term notes and accounts payable	6(21)	694,653	2	688,219	2	681,902	2
2630	Long-term deferred revenue	6(21)	87,190	-	105,729	-	124,148	-
2645	Guarantee deposits received		455,064	1	391,275	1	321,055	1
2670	Other non-current liabilities, others		2,756	-	3,735	-	3,623	-
25XX	**Non-current liabilities**		13,485,761	33	9,316,363	27	10,009,671	29
2XXX	**Total Liabilities**		33,917,659	84	24,947,759	73	23,245,227	68
	Equity attributable to owners of parent							
	Share capital							
3110	Common stock	6(23) and 7	12,745,394	31	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	6(25)						
3320	Special reserve		3,166,471	8	3,166,471	9	3,166,471	9
3350	Accumulated deficit		(9,231,902)	(23)	(9,458,991)	(28)	(7,425,729)	(22)
	Other equity interest	6(7)(26)						
3400	Other equity interest		(80,276)	-	(109,888)	-	(55,386)	-
31XX	**Equity attributable to owners of the parent**		6,599,687	16	9,100,026	27	11,187,790	32
36XX	**Non-controlling interests**		(30,721)	-	(30,527)	-	(23,016)	-
3XXX	**Total equity**		6,568,966	16	9,069,499	27	11,164,774	32
	Significant contingent liabilities and unrecognised contract commitments	7 and 9						
3X2X	**Total liabilities and equity**		$ 40,486,625	100	$ 34,017,258	100	$ 34,410,001	100

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 SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for loss per share amounts)

			Three months ended June 30				Six months ended June 30			
			2025		2024		2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(27) and 7	$ 9,927,839	100	$ 3,952,065	100	$ 13,837,825	100	$ 7,696,207	100
5000	Operating costs	6(4)(12)(31)(32) and 7	(11,392,323)	(115)	(4,393,569)	(111)	(16,426,705)	(119)	(8,515,761)	(111)
5900	Net operating margin		(1,464,484)	(15)	(441,504)	(11)	(2,588,880)	(19)	(819,554)	(11)
	Operating expenses	6(12)(31)(32)								
6100	Selling expenses		(18,614)	-	(17,386)	(1)	(31,407)	-	(32,972)	(1)
6200	General and administrative expenses		(83,136)	(1)	(73,832)	(2)	(154,962)	(1)	(147,265)	(2)
6300	Research and development expenses		(116,961)	(1)	(55,294)	(1)	(160,080)	(1)	(106,116)	(1)
6450	Expected credit loss	12(2)	(16,304)	-	(2,954)	-	(21,335)	-	(906)	-
6000	Total operating expenses		(235,015)	(2)	(149,466)	(4)	(367,784)	(2)	(287,259)	(4)
6900	Operating loss		(1,699,499)	(17)	(590,970)	(15)	(2,956,664)	(21)	(1,106,813)	(15)
	Non-operating income and expenses									
7100	Interest income		20,941	-	21,262	-	45,875	-	46,863	1
7010	Other income	6(10)(21)(28)	88,840	1	43,281	1	170,990	1	91,110	1
7020	Other gains and losses	6(29)	(399,319)	(4)	4,742	-	(327,954)	(2)	64,994	1
7050	Finance costs	6(9)(21)(30)	(47,400)	-	(47,105)	(1)	(92,663)	(1)	(108,789)	(2)
7060	Share of profit of associates and joint ventures accounted for under equity method	6(7)	345,065	3	343,550	9	643,474	5	448,086	6
7000	Total non-operating revenue and expenses		8,127	-	365,730	9	439,722	3	542,264	7
7900	**Loss before income tax**		(1,691,372)	(17)	(225,240)	(6)	(2,516,942)	(18)	(564,549)	(8)
7950	Income tax expense	6(33)	(7,142)	-	(2,283)	-	(13,203)	-	(7,628)	-
8200	**Loss for the period**		($ 1,698,514)	(17)	($ 227,523)	(6)	($ 2,530,145)	(18)	($ 572,177)	(8)
	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)	($ 59,669)	(1)	$ 31,617	1	$ 29,612	-	$ 67,235	1
8300	**Other comprehensive income for the period**		($ 59,669)	(1)	$ 31,617	1	$ 29,612	-	$ 67,235	1
8500	**Total comprehensive loss for the period**		($ 1,758,183)	(18)	($ 195,906)	(5)	($ 2,500,533)	(18)	($ 504,942)	(7)
	Loss, attributable to:									
8610	Owners of parent		($ 1,698,261)	(17)	($ 223,997)	(6)	($ 2,529,951)	(18)	($ 565,799)	(8)
8620	Non-controlling interest		(253)	-	(3,526)	-	(194)	-	(6,378)	-
			($ 1,698,514)	(17)	($ 227,523)	(6)	($ 2,530,145)	(18)	($ 572,177)	(8)
	Comprehensive loss attributable to:									
8710	Owners of the parent		($ 1,757,930)	(18)	($ 192,380)	(5)	($ 2,500,339)	(18)	($ 498,564)	(7)
8720	Non-controlling interest		(253)	-	(3,526)	-	(194)	-	(6,378)	-
			($ 1,758,183)	(18)	($ 195,906)	(5)	($ 2,500,533)	(18)	($ 504,942)	(7)
	Basic loss per share	6(34)								
9750	Total basic loss per share		($ 1.33)		($ 0.18)		($ 1.98)		($ 0.45)	

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

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

		Equity attributable to owners of the parent								
		Capital			Retained earnings					
	Notes	Common stock	Advance receipts for share capital	Capital surplus, additional paid-in capital	Special reserve	Accumulated deficit	Other equity interest	Total	Non-controlling interests	Total equity
Six months ended June 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		-	-	-	-	(565,799)	-	(565,799)	(6,378)	(572,177)
Other comprehensive income	6(7)(26)	-	-	-	-	-	67,235	67,235	-	67,235
Total comprehensive (loss) income		-	-	-	-	(565,799)	67,235	(498,564)	(6,378)	(504,942)
Issuance of shares	6(23)(24) and 7	3,410,248	(892,011)	2,479,566	-	-	-	4,997,803	-	4,997,803
Balance at June 30, 2024		$ 12,745,394	$ -	$ 2,757,040	$ 3,166,471	($ 7,425,729)	($ 55,386)	$ 11,187,790	($ 23,016)	$ 11,164,774
Six months ended June 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		-	-	-	-	(2,529,951)	-	(2,529,951)	(194)	(2,530,145)
Other comprehensive income	6(7)(26)	-	-	-	-	-	29,612	29,612	-	29,612
Total comprehensive (loss) income		-	-	-	-	(2,529,951)	29,612	(2,500,339)	(194)	(2,500,533)
Capital surplus used to offset accumulated deficits	6(24)(25)	-	-	(2,757,040)	-	2,757,040	-	-	-	-
Balance at June 30, 2025		$ 12,745,394	$ -	$ -	$ 3,166,471	($ 9,231,902)	($ 80,276)	$ 6,599,687	($ 30,721)	$ 6,568,966

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

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

	Notes	Six months ended June 30 2025	Six months ended June 30 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		($ 2,516,942)	($ 564,549)
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit losses	12(2)	21,335	906
Property, plant and equipment transferred and depreciation	6(8)(31)	373,174	347,140
Depreciation charges on right-of-use assets	6(9)(31)	126,767	130,050
Depreciation expense from investment properties	6(11)	340	340
Amortization expense	6(12)(31)	15,121	11,151
Share of loss of investments accounted for using equity method	6(7)	(643,474)	(448,086)
Interest income		(45,875)	(46,863)
Government grant revenue	6(28)(30)(35)	(6,434)	(6,317)
Net loss on financial assets or liabilities at fair value through profit or loss	6(29)	151,521	4,861
Losses on disposal of property, plant and equipment	6(29)	2,676	373
Interest expense	6(30)	92,663	108,789
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets		(3,104,972)	72,692
Accounts receivable		244,224	207,897
Accounts receivable due from related parties		78,989	(2,296)
Other receivables		(2,676)	(4,288)
Inventories		156,199	549,091
Prepayments		(3,593,301)	633,707
Other current assets, others		(6,440)	4,127
Net defined benefit asset		11,892	(16,611)
Changes in operating liabilities			
Financial liabilities at fair value through profit or loss		6,234	-
Contract liabilities		5,515,415	(2,711,930)
Notes payable		-	(15)
Accounts payable		(32,822)	(173,063)
Other payables		(147,040)	(346,946)
Provisions		1,809,842	(144,540)
Advance receipts		(4,661)	(11,439)
Cash outflow generated from operations		(1,498,245)	(2,405,819)
Interest received		46,553	41,841
Dividends received		-	632
Interest paid		(79,861)	(101,556)
Income taxes refunded (paid)		972	(18,512)
Net cash flows used in operating activities		(1,530,581)	(2,483,414)

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

	Notes	Six months ended June 30 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from repayments of financial assets at amortised cost		$ 307	$ 1,074
Cash payments for the purchase of property, plant and equipment	6(35)	(319,879)	(328,037)
Proceeds from disposal of property, plant and equipment		233	-
Acquisition of intangible assets	6(12)	(32,451)	(13,934)
Increase in refundable deposits		(17,853)	(129,084)
Decrease in refundable deposits		24,146	62,781
Net cash flows used in investing activities		(345,497)	(407,200)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in short-term borrowings	6(36)	2,323,368	(1,175,854)
Increase (decrease) in short-term notes and bills payable	6(36)	1,453,000	(2,665,000)
Repayments of bonds	6(36)	(1,768,300)	-
Proceeds from long-term borrowings	6(36)	73,200	-
Repayments of long-term borrowings	6(36)	(351,800)	(2,000,600)
Payments of lease liabilities	6(36)	(141,431)	(112,687)
Increase in guarantee deposits received	6(36)	163,646	105,421
Decrease in guarantee deposits received	6(36)	(99,857)	(76,249)
Decrease in other non-current liabilities	6(36)	(979)	(1,231)
Proceeds from issuing shares	6(23)	-	4,997,803
Net cash flows from (used in) financing activities		1,650,847	(928,397)
Net decrease in cash and cash equivalents		(225,231)	(3,819,011)
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)	$ 3,399,108	$ 3,497,739

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

CSBC CORPORATION, TAIWAN AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED 30, 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 August 8, 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:

Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'

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
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027

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:

			% of shares held as of			
Name of investor	Name of subsidiary	Main business activities	June 30, 2025	December 31, 2024	June 30, 2024	Description
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)	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.

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 six months ended June 30, 2025 would have decreased by $958,047 or increased by $948,260 (the construction profit for the six months ended June 30, 2024 would have decreased by $603,995 or increased by $573,031).

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	$ 790	$ 855	$ 815
Checking accounts and demand deposits	1,808,879	2,372,603	2,557,698
Time deposits	1,558,835	917,433	922,596
Bonds sold under repurchase agreement	30,604	333,448	16,630
	$ 3,399,108	$ 3,624,339	$ 3,497,739

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 June 30, 2025, December 31, 2024 and June 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

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Restricted bank deposits	$ -	$ -	$ 10,794
Pledged time deposits	-	309	-
Total	-	309	10,794
Non-current items:			
Pledged time deposits	959	957	1,264
	$ 959	$ 1,266	$ 12,058

A. As at June 30, 2025, December 31, 2024 and June 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 $959, $1,266 and $12,058, 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

	June 30, 2025	December 31, 2024	June 30, 2024
Construction receivables	$ 138,563	$ 402,871	$ 421,152
Repair receivables	95,560	126,765	150,827
Lease payments receivable	89,575	45,481	34,503
	323,698	575,117	606,482
Less: Allowance for doubtful accounts	(2,583)	(9,322)	(9,216)
	321,115	565,795	597,266
Accounts receivable - related parties	28,748	107,737	648,210
Less: Allowance for doubtful accounts	-	-	-
	28,748	107,737	648,210
	$ 349,863	$ 673,532	$ 1,245,476

Please refer to Note 7 for related party transactions.

A. As of June 30, 2025, December 31, 2024 and June 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 June 30, 2025, December 31, 2024 and June 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 $349,863, $673,532 and $1,245,476, respectively.

C. The Group had no past due accounts receivable.

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

(4) Inventories

	June 30, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 4,263,595	($ 35,497)	$ 4,228,098
Work in process and repair of goods	152,389	-	152,389
Construction in progress	314,583	-	314,583
	$ 4,730,567	($ 35,497)	$ 4,695,070

	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
	$ 4,887,801	($ 36,532)	$ 4,851,269

	June 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 4,886,666	($ 37,451)	$ 4,849,215
Work in process and repair of goods	236,868	-	236,868
Construction in progress	193,517	-	193,517
	$ 5,317,051	($ 37,451)	$ 5,279,600

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

	Three months ended June 30,	
	2025	2024
Raw materials costs	$ 6,681,217	$ 2,144,464
(Gain from reversal of) loss on obsolete inventories	(984)	567
	$ 6,680,233	$ 2,145,031

	Six months ended June 30,	
	2025	2024
Raw materials costs	$ 8,713,918	$ 4,047,724
Gain from reversal of obsolete inventories	(1,035)	(108)
	$ 8,712,883	$ 4,047,616

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 June 30, 2025 and for the six months ended June 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 June 30, 2024.

(5) Prepayments

	June 30, 2025	December 31, 2024	June 30, 2024
Prepayments of suppliers	$ 5,790,139	$ 2,223,507	$ 2,241,168
Excess VAT paid	37,702	122,273	166,143
Other prepayments	162,753	51,513	133,997
	$ 5,990,594	$ 2,397,293	$ 2,541,308

(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 June 30, 2025, the Group’s shareholding ratio in the company was 1.47% 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 June 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	643,474	448,086
Earnings distribution of investments accounted for using equity method	-	(632)
Changes in other equity items	29,612	67,235
At June 30	$ 1,695,025	$ 726,574

	June 30, 2025	December 31, 2024	June 30, 2024
Associates:			
Taiwan International Windpower Training Corporation Ltd. (Note 1)	$ 13,421	$ 12,984	$ 12,598
Joint Ventures:			
CSBC - DEME Wind Engineering Co., Ltd. (Note 2)	1,681,604	1,008,955	713,976
	$ 1,695,025	$ 1,021,939	$ 726,574

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:

	Three months ended June 30,	
	2025	2024
Profit for the period from continuing operations (i.e. total comprehensive income)	$ 78	$ 190

	Six months ended June 30,	
	2025	2024
Profit for the period from continuing operations (i.e. total comprehensive income)	$ 437	$ 397

B. Joint venture

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

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

Note: As of June 30, 2025, December 31, 2024 and June 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.		
	June 30, 2025	December 31, 2024	June 30, 2024
Cash and cash equivalents	$ 4,768,402	$ 1,280,309	$ 2,161,756
Other current assets	869,178	2,047,710	3,942,625
Current assets	5,637,580	3,328,019	6,104,381
Non-current assets	8,973,183	9,089,950	9,604,151
Total assets	14,610,763	12,417,969	15,708,532
Current financial liabilities (not including accounts payable, other payables and provision)	601,871	593,986	1,516,056
Other current liabilities	5,940,718	4,845,764	7,602,561
Current liabilities	6,542,589	5,439,750	9,118,617
Non-current financial liabilities (not including accounts payable, other payables and provision)	4,594,894	4,850,749	5,156,364
Other non-current liabilities	110,079	109,564	5,602
Non-current liabilities	4,704,973	4,960,313	5,161,966
Total liabilities	11,247,562	10,400,063	14,280,583
Total net assets	$ 3,363,201	$ 2,017,906	$ 1,427,949
Share in joint venture's net assets (i.e. carrying amount of the joint venture)	$ 1,681,604	$ 1,008,955	$ 713,976

Statement of comprehensive income

	CSBC-DEME Wind Engineering Co., Ltd.	
	Three months ended June 30,	
	2025	2024
Revenue	$ 4,509,307	$ 6,260,136
Depreciation and amortisation	$ 154,555	$ 162,695
Interest income	$ 7,602	$ 12,763
Interest expense	$ 131,387	$ 165,734
Profit before income tax	$ 696,970	$ 736,572
Income tax expense	(6,996)	(49,852)
Profit for the period from continuing operations	689,974	686,720
Profit for the period from discontinued operations	-	-
Profit, net of tax	689,974	686,720
Other comprehensive (loss) income, net of tax	(119,338)	63,232
Total comprehensive income	$ 570,636	$ 749,952
Dividends received from joint venture	$ -	$ -

	CSBC-DEME Wind Engineering Co., Ltd.	
	Six months ended June 30,	
	2025	2024
Revenue	$ 8,643,352	$ 11,638,170
Depreciation and amortisation	$ 321,480	$ 322,419
Interest income	$ 8,015	$ 12,778
Interest expense	$ 131,632	$ 178,155
Profit before income tax	$ 1,186,610	$ 945,229
Income tax expense	(9,798)	(49,852)
Profit for the period from continuing operations	1,176,812	895,377
Profit for the period from discontinued operations	-	-
Profit, net of tax	1,176,812	895,377
Other comprehensive income, net of tax	35,829	134,469
Total comprehensive income	$ 1,212,641	$ 1,029,846
Dividends received from joint venture	$ -	$ -

(8) Property, plant and equipment

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	Total
At January 1, 2025									
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)
	$6,093,941	$ 275,154	$ 1,460,873	$ 3,751,156	$ 957,383	$ 118,677	$ 140,794	$ 446,817	$13,244,795
2025									
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	-	322,254	323,082
Reclassifications - costs	-	-	7,969	273,398	2,206	-	1,930	(285,503)	-
Depreciation charge	-	(15,647)	(41,399)	(243,089)	(47,765)	(12,937)	(12,337)	-	(373,174)
Disposals - costs	-	-	-	(63,444)	(1,988)	(1,096)	(5,160)	-	(71,688)
Disposals - accumulated depreciation	-	-	-	60,953	1,988	751	5,087	-	68,779
Closing net book amount as at June 30	$6,093,941	$ 259,507	$ 1,427,443	$ 3,778,974	$ 912,326	$ 105,721	$ 130,314	$ 483,568	$13,191,794
At June 30, 2025									
Cost	$6,093,941	$ 1,191,355	$ 8,455,123	$ 13,284,074	$ 1,898,526	$ 1,087,638	$ 307,829	$ 483,568	$32,802,054
Accumulated depreciation and impairment	-	(931,848)	(7,027,680)	(9,505,100)	(986,200)	(981,917)	(177,515)	-	(19,610,260)
	$6,093,941	$ 259,507	$ 1,427,443	$ 3,778,974	$ 912,326	$ 105,721	$ 130,314	$ 483,568	$13,191,794

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress	Total
At January 1, 2024									
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)
	$6,093,941	$ 306,613	$ 1,251,605	$ 3,745,598	$ 707,004	$ 136,841	$ 96,713	$ 1,171,927	$13,510,242
2024									
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	-	-	-	-	-	15,761	45,820	206,137	267,718
Reclassifications - costs	-	-	243,204	349,718	329,492	-	7,402	(929,816)	-
Depreciation charge	-	(15,701)	(38,008)	(225,429)	(41,025)	(13,437)	(13,540)	-	(347,140)
Disposals - costs	-	-	(198)	(38,011)	(4,465)	-	(636)	-	(43,310)
Disposals - accumulated depreciation	-	-	180	37,793	4,331	-	633	-	42,937
Closing net book amount as at June 30	$6,093,941	$ 290,912	$ 1,456,783	$ 3,869,669	$ 995,337	$ 139,165	$ 136,392	$ 448,248	$13,430,447
At June 30, 2024									
Cost	$6,093,941	$ 1,191,535	$ 8,403,839	$ 12,995,130	$ 1,890,194	$ 1,096,591	$ 297,338	$ 448,248	$32,416,816
Accumulated depreciation and impairment	-	(900,623)	(6,947,056)	(9,125,461)	(894,857)	(957,426)	(160,946)	-	(18,986,369)
	$6,093,941	$ 290,912	$ 1,456,783	$ 3,869,669	$ 995,337	$ 139,165	$ 136,392	$ 448,248	$13,430,447

A. For the three months and six months ended June 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:

	June 30, 2025	December 31, 2024	June 30, 2024
	Book value	Book value	Book value
Land	$ 2,434,500	$ 2,516,336	$ 2,591,835
Buildings and structures	45,010	61,254	86,866
Transportation equipment (terminal equipment)	66,513	94,131	136,791
	$ 2,546,023	$ 2,671,721	$ 2,815,492

	Three months ended June 30,	
	2025	2024
	Depreciation expense	Depreciation expense
Land	$ 40,917	$ 40,465
Buildings and structures	8,307	9,677
Transportation equipment (terminal equipment)	13,809	14,883
	$ 63,033	$ 65,025

	Six months ended June 30,	
	2025	2024
	Depreciation expense	Depreciation expense
Land	$ 81,835	$ 80,930
Buildings and structures	17,314	19,353
Transportation equipment (terminal equipment)	27,618	29,767
	$ 126,767	$ 130,050

C. For the three months and six months ended June 30, 2025 and 2024, the Group had no additions to right-of-use assets. In addition, the Group had an increase in lease liabilities of $1,069 for the six months ended June 30, 2025 due to the impact of variable lease payments in lease liabilities, and made a corresponding adjustment to the right-of use assets. There were no such transactions for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2024.

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

	Three months ended June 30,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 8,128	$ 8,930
Expense on short-term lease contracts	9,393	13,735
Expense on leases of low-value assets	569	347

	Six months ended June 30,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 16,595	$ 18,139
Expense on short-term lease contracts	18,259	78,927
Expense on leases of low-value assets	983	735

E. For the three months and six months ended June 30, 2025 and 2024, the Group's total cash outflow for leases were $58,039, $45,393, $177,268 and $210,488, 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 six months ended June 30, 2025 and 2024, the Group recognised rent income in the amounts of $122,940, $63,168, $197,072 and $129,361, 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:

	June 30, 2025	December 31, 2024	June 30, 2024
Less than 1 year	$ 22,636	$ 26,549	$ 27,882
Later than 1 year but not later than 5 years	72,106	70,635	79,073
Later than 5 years	159,539	167,821	186,051
	$ 254,281	$ 265,005	$ 293,006

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

(11) Investment property, net

	Land	Buildings and structures	Total
At January 1, 2025			
Cost	$ 202,578	$ 29,745	$ 232,323
Accumulated depreciation and impairment	-	(22,123)	(22,123)
	$ 202,578	$ 7,622	$ 210,200
2025			
Opening net book amount as at January 1	$ 202,578	$ 7,622	$ 210,200
Depreciation charge	-	(340)	(340)
Closing net book amount as at June 30	$ 202,578	$ 7,282	$ 209,860
At June 30, 2025			
Cost	$ 202,578	$ 29,745	$ 232,323
Accumulated depreciation and impairment	-	(22,463)	(22,463)
	$ 202,578	$ 7,282	$ 209,860

	Land	Buildings and structures	Total
At January 1, 2024			
Cost	$ 202,578	$ 29,745	$ 232,323
Accumulated depreciation and impairment	-	(21,443)	(21,443)
	$ 202,578	$ 8,302	$ 210,880
2024			
Opening net book amount as at January 1	$ 202,578	$ 8,302	$ 210,880
Depreciation charge	-	(340)	(340)
Closing net book amount as at June 30	$ 202,578	$ 7,962	$ 210,540
At June 30, 2024			
Cost	$ 202,578	$ 29,745	$ 232,323
Accumulated depreciation and impairment	-	(21,783)	(21,783)
	$ 202,578	$ 7,962	$ 210,540

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 June 30,	
	2025	2024
Rental income from the lease of the investment property	$ 6,391	$ 6,027
Direct operating expenses arising from the investment property that generate rental income in the period	$ 450	$ 170

	Six months ended June 30,	
	2025	2024
Rental income from the lease of the investment property	$ 16,583	$ 14,981
Direct operating expenses arising from the investment property that generate rental income in the period	$ 620	$ 340

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 $210,760 and $189,804 for the six months ended June 30, 2025 and 2024, respectively.

(12) Intangible assets

	2025		
	Software	Other intangible assets	Total
At January 1			
Cost	$ 85,186	$ 13,000	$ 98,186
Accumulated amortisation and impairment	(42,637)	-	(42,637)
	$ 42,549	$ 13,000	$ 55,549
Opening net book amount as at January 1	$ 42,549	$ 13,000	$ 55,549
Additions - acquired separately	32,451	-	32,451
Amortisation charge	(15,121)	-	(15,121)
Disposals - costs	(6,792)	-	(6,792)
Disposals - accumulated amortisation	6,792	-	6,792
Closing net book amount as at June 30	$ 59,879	$ 13,000	$ 72,879
At June 30			
Cost	$ 110,845	$ 13,000	$ 123,845
Accumulated amortisation and impairment	(50,966)	-	(50,966)
	$ 59,879	$ 13,000	$ 72,879

	2024		
	Software	Other intangible assets	Total
At January 1			
Cost	$ 60,091	$ 13,000	$ 73,091
Accumulated amortisation and impairment	(28,897)	-	(28,897)
	$ 31,194	$ 13,000	$ 44,194
Opening net book amount as at January 1	$ 31,194	$ 13,000	$ 44,194
Additions - acquired separately	13,934	-	13,934
Amortisation charge	(11,151)	-	(11,151)
Disposals - costs	(1,073)	-	(1,073)
Disposals - accumulated amortisation	1,073	-	1,073
Closing net book amount as at June 30	$ 33,977	$ 13,000	$ 46,977
At June 30			
Cost	$ 72,952	$ 13,000	$ 85,952
Accumulated amortisation and impairment	(38,975)	-	(38,975)
	$ 33,977	$ 13,000	$ 46,977

Details of amortisation on intangible assets are as follows:

	Three months ended June 30,	
	2025	2024
Operating costs	$ 6,136	$ 5,452
Administrative expenses	1,528	591
	$ 7,664	$ 6,043

	Six months ended June 30,	
	2025	2024
Operating costs	$ 13,000	$ 9,969
Administrative expenses	2,121	1,182
	$ 15,121	$ 11,151

(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 six months ended June 30, 2025 and 2024, were $13,946, $15,694, $27,892 and $31,389, 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 six months ended June 30, 2025 and 2024 were $26,596, $25,510, $53,555 and $52,522, respectively.

(14) Short-term loans

Type of loans	June 30, 2025	Interest rate range	Collateral
Bank loans			
Unsecured loans	$ 6,013,000	1.85%～3.13%	None
Procurement unsecured loans	28,159	1.88%	None
	$ 6,041,159		

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
	$ 3,717,791		

Type of loans	June 30, 2024	Interest rate range	Collateral
Bank loans			
Unsecured loans	$ 2,391,168	1.88%～2.52%	None
Procurement unsecured loans	19,248	4.30%～6.38%	None
	$ 2,410,416		

(15) Short-term notes and bills payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial papers payable	$ 2,908,000	$ 1,455,000	$ 1,475,000
Less: Unamortized discount	(2,511)	(566)	(1,188)
	$ 2,905,489	$ 1,454,434	$ 1,473,812
Annual interest rates	1.50%～2.31%	1.60%～2.43%	1.56%～1.95%

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

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

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Financial liabilities held for trading			
Valuation adjustment of derivative financial instruments	$ 65,125	$ 2,496	$ 5,745
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)
	-	-	-
	$ 65,125	$ 2,496	$ 5,745

Items	June 30, 2025		December 31, 2024		June 30, 2024	
Non-current items:						
Financial liabilities held for trading						
Valuation adjustment of derivative financial instruments	$	95,126	$	-	$	-

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:

	June 30, 2025	
Derivative financial liabilities	Contract amount (Notional principal)	Expiry period
Current items:		
Forward foreign exchange contracts	JPY 4,146,852 thousand	2025.08~2026.05
Non-current items:		
Forward foreign exchange contracts	JPY 6,514,828 thousand	2026.07~2027.05

	December 31, 2024	
Derivative financial liabilities	Contract amount (Notional principal)	Expiry period
Current items:		
Forward foreign exchange contracts	JPY 664,200 thousand	2025.02~2025.10

	June 30, 2024	
Derivative financial liabilities	Contract amount (Notional principal)	Expiry period
Current items:		
Forward foreign exchange contracts	JPY 668,700 thousand	2024.12~2025.03

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

	June 30, 2025		December 31, 2024		June 30, 2024	
Accrued expenses	$	749,042	$	898,360	$	694,671
Payable on machinery and equipment		21,820		18,617		29,358
Others		49,322		42,138		49,809
	$	820,184	$	959,115	$	773,838

(18) Provisions

	Warranty	Onerous contracts	Total
At January 1, 2025	$ 517,295	$ 1,256,472	$ 1,773,767
Additional provisions	281,961	2,228,985	2,510,946
Used during the period	(328,105)	(371,069)	(699,174)
Unused amounts reversed	-	(1,930)	(1,930)
At June 30, 2025	$ 471,151	$ 3,112,458	$ 3,583,609

The analysis of provisions is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Realised in one year	$ 44,090	$ 30,977	$ 32,857	$ 73,098
Realised after one year	3,539,519	1,742,790	768,241	872,540
	$ 3,583,609	$ 1,773,767	$ 801,098	$ 945,638

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

	June 30, 2025	December 31, 2024	June 30, 2024
The first domestic secured convertible bonds	$ -	$ 1,768,300	$ 1,768,300
Less: Discount on bonds payable	-	(2,316)	(9,437)
	-	1,765,984	1,758,863
Less: Expiring within one year (shown as 'long-term liabilities, current portion')	-	(1,765,984)	(1,758,863)
	$ -	$ -	$ -

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	June 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	199,400
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	35,591
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
				2,294,991
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.	1.63%	None	560,000
China Bills Finance Corporation	Borrowing period is from Jun. 20, 2023 to Oct. 24, 2026. Refer to Note 4 for details.	1.69%~ 1.80%	None	490,000
Subtotal of commercial papers payable				1,750,000
Less: Discount on commercial papers payable				(1,115)
Carrying amount of commercial papers payable				1,748,885
				4,043,876
Less: Current portion				(83,211)
				$ 3,960,665

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
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	June 30, 2024
Long-term bank borrowings				
Unsecured borrowings				
Syndicated loan of several banks consisting of Bank of Taiwan	Refer to Note 1 for details.	2.10%	None	$ 2,000,000
Bank of Taiwan	Borrowing period is from Sep. 23, 2023 to Dec. 19, 2028;interest is repayable monthly and principal is repayable in a lump sum amount at maturity.	2.70%	None	47,000
Bank of Panshin	Borrowing period is from Nov. 11, 2022 to Oct. 25, 2027. Refer to Note 2 for details.	2.34%~ 3.19%	None	38,391
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.	3.04%	Note 3	60,000
				2,145,391
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.	1.78%	None	800,000
Taishin International Bank	Borrowing period is from Jun. 20, 2023 to Dec. 20, 2026. Refer to Note 4 for details.	1.60%	None	800,000
China Bills Finance Corporation	Borrowing period is from Jun. 20, 2023 to Oct. 24, 2026. Refer to Note 4 for details.	1.55%~ 1.60%	None	700,000
International Bills Finance Corporation	Borrowing period is from Jun. 21, 2023 to Jun. 20, 2026. Refer to Note 4 for details.	1.69%	None	500,000
Subtotal of commercial papers payable				2,800,000
Less: Discount on commercial papers payable				(3,941)
Carrying amount of commercial papers payable				2,796,059
				4,941,450
Less: Current portion				(2,800)
				$ 4,938,650

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'.

(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:

	June 30, 2025	December 31, 2024	June 30, 2024
Long-term notes and accounts receivable	$ 694,653	$ 688,219	$ 681,902
Long-term deferred revenue	46,847	53,281	59,598
	$ 741,500	$ 741,500	$ 741,500

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 six months ended June 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
June 30, 2025			
Assets			
Contract assets (including related parties)	$ 1,810,509	$ 4,001,614	$ 5,812,123
Accounts receivable, net (including related parties)	310,263	-	310,263
Inventories	4,373,675	-	4,373,675
	$ 6,494,447	$ 4,001,614	$ 10,496,061
Liabilities			
Contract liabilities (including related parties)	$ 62,371	$ 8,733,470	$ 8,795,841
Accounts payable (including related parties)	1,995,419	-	1,995,419
Provision for liabilities	40,091	3,526,632	3,566,723
	$ 2,097,881	$ 12,260,102	$ 14,357,983

	Less than 12 months	More than 12 months	Total
December 31, 2024			
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
	$ 7,386,359	$ 606,827	$ 7,993,186
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
	$ 2,214,599	$ 4,824,099	$ 7,038,698

	Less than 12 months	More than 12 months	Total
June 30, 2024			
Assets			
Contract assets (including related parties)	$ 1,253,997	$ 853,664	$ 2,107,661
Accounts receivable, net (including related parties)	1,055,543	-	1,055,543
Inventories	5,083,942	-	5,083,942
	$ 7,393,482	$ 853,664	$ 8,247,146
Liabilities			
Contract liabilities (including related parties)	$ 35,465	$ 3,426,088	$ 3,461,553
Accounts payable (including related parties)	1,918,459	-	1,918,459
Provision for liabilities	32,858	751,349	784,207
	$ 1,986,782	$ 4,177,437	$ 6,164,219

(23) Common stock

A. As of June 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 June 30	1,274,539	1,274,539

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 June 30	$ -	$ -	$ -

	2024			
	Share premium	Share options	Employee stock options	Total
At January 1	$ 132,262	$ 85,014	$ 60,198	$ 277,474
Issuance of shares	2,539,764	-	(60,198)	2,479,566
At June 30	$ 2,672,026	$ 85,014	$ -	$ 2,757,040

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	21,642	-	21,642
Currency translation differences	-	7,970	7,970
At June 30	($ 90,868)	$ 10,592	($ 80,276)

	2024		
	Hedging reserve	Currency translation	Total
At January 1	($ 122,621)	$ -	($ 122,621)
Associates–			
Cash flow hedges	61,586	-	61,586
Currency translation differences	-	5,649	5,649
At June 30	($ 61,035)	$ 5,649	($ 55,386)

(27) Operating revenue

	Three months ended June 30,	
	2025	2024
Revenue from contracts with customers	$ 9,817,342	$ 3,900,976
Others - ship rental revenue	110,497	51,089
	$ 9,927,839	$ 3,952,065

	Six months ended June 30,	
	2025	2024
Revenue from contracts with customers	$ 13,669,439	$ 7,593,930
Others - ship rental revenue	168,386	102,277
	$ 13,837,825	$ 7,696,207

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 June 30,	
	2025	2024
Construction of ships and vessels		
Vessel construction	$ 8,572,569	$ 2,379,867
Shipbuilding	222,373	334,476
	8,794,942	2,714,343
All other segments		
Machinery building	566,470	913,572
Ship/vessel repair	420,548	246,008
Anti-corrosion coating	11,164	23,911
Others	24,218	3,142
	1,022,400	1,186,633
	$ 9,817,342	$ 3,900,976

	Six months ended June 30,	
	2025	2024
Construction of ships and vessels		
Vessel construction	$ 10,892,886	$ 4,411,756
Shipbuilding	452,355	979,699
	11,345,241	5,391,455
All other segments		
Machinery building	1,307,046	1,496,940
Ship/vessel repair	700,941	629,349
Anti-corrosion coating	21,677	47,724
Others	294,534	28,462
	2,324,198	2,202,475
	$ 13,669,439	$ 7,593,930

B. Contract assets and liabilities

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

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Contract assets	$ 6,536,738	$ 3,431,123	$ 2,425,841	$ 2,835,615
Contract assets - related parties	-	643	342,818	5,735
	6,536,738	3,431,766	2,768,659	2,841,350
Less: Loss allowance	(232,986)	(212,107)	(207,213)	(206,149)
	$ 6,303,752	$ 3,219,659	$ 2,561,446	$ 2,635,201
Contract liabilities	$ 8,799,906	$ 2,829,126	$ 2,545,944	$ 4,745,568
Contract liabilities - related parties	-	455,365	926,247	1,438,553
	$ 8,799,906	$ 3,284,491	$ 3,472,191	$ 6,184,121

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 $774,444 and $3,201,785 was recognised as revenue for the six months ended June 30, 2025 and 2024, respectively.

C. As of June 30, 2025, the total transaction price allocated to unfulfilled contract obligations was $135,352,532 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 June 30, 2025	Three months ended June 30, 2024
Indemnity revenue	$ 6,375	$ 4,230
Rental revenue	12,443	12,079
Government grant revenue	67,988	10,930
Others	2,034	16,042
	$ 88,840	$ 43,281

	Six months ended June 30, 2025	Six months ended June 30, 2024
Indemnity revenue	$ 58,054	$ 5,150
Rental revenue	28,686	27,084
Government grant revenue	75,189	16,928
Others	9,061	41,948
	$ 170,990	$ 91,110

(29) Other gains and losses

	Three months ended June 30, 2025	Three months ended June 30, 2024
Foreign exchange (losses) gains	($ 203,503)	$ 23,624
Net loss on financial assets and liabilities at fair value through profit or loss	(189,414)	(6,334)
Losses on disposal of property, plant and equipment	(336)	(234)
Other losses	(6,066)	(12,314)
	($ 399,319)	$ 4,742

	Six months ended June 30, 2025	Six months ended June 30, 2024
Foreign exchange (losses) gains	($ 160,992)	$ 90,703
Net loss on financial assets and liabilities at fair value through profit or loss	(151,521)	(4,861)
Losses on disposal of property, plant and equipment	(2,676)	(373)
Other losses	(12,765)	(20,475)
	($ 327,954)	$ 64,994

(30) Finance costs

	Three months ended June 30, 2025	Three months ended June 30, 2024
Interest expense:		
Bank loans	$ 50,705	$ 42,476
Amortisation on lease liabilities	8,128	8,930
Amortisation on convertible bonds	-	3,549
Expenses amortised from government grants payable	3,217	3,159
Less: Capitalisation of qualifying assets	(14,650)	(11,009)
	$ 47,400	$ 47,105

	Six months ended June 30, 2025	Six months ended June 30, 2024
Interest expense:		
Bank loans	$ 93,617	$ 94,291
Amortisation on lease liabilities	16,595	18,139
Amortisation on convertible bonds	2,316	7,092
Expenses amortised from government grants payable	6,434	6,317
Less: Capitalisation of qualifying assets	(26,299)	(17,050)
	$ 92,663	$ 108,789

(31) Expenses by nature

	Three months ended June 30, 2025	Three months ended June 30, 2024
Direct materials	$ 6,681,217	$ 2,144,464
Change in inventory of finished goods and work in process	1,478,362	271,025
Employee benefit expense	895,334	873,453
Depreciation charges	250,764	242,078
Amortisation charges	7,664	6,043
Outsourcing fees	661,304	554,554
Professional service fees	197,962	218,258
Other expenses	1,454,731	233,160
Operating costs and expenses	$ 11,627,338	$ 4,543,035

	Six months ended June 30,	
	2025	2024
Direct materials	$ 8,713,918	$ 4,047,724
Change in inventory of finished goods and work in process	1,376,224	368,715
Employee benefit expense	1,718,106	1,773,676
Depreciation charges	499,941	477,190
Amortisation charges	15,121	11,151
Outsourcing fees	1,245,388	1,199,251
Professional service fees	317,593	433,552
Other expenses	2,908,198	491,761
Operating costs and expenses	$ 16,794,489	$ 8,803,020

(32) Employee benefit expense

	Three months ended June 30,	
	2025	2024
Wages and salaries	$ 761,225	$ 749,667
Labor and health insurance fees	70,294	66,933
Pension cost	40,542	41,204
Directors' remuneration	1,107	1,141
Other personnel expenses	22,166	14,508
	$ 895,334	$ 873,453

	Six months ended June 30,	
	2025	2024
Wages and salaries	$ 1,458,989	$ 1,515,844
Labor and health insurance fees	143,974	144,292
Pension cost	81,447	83,911
Directors' remuneration	1,746	1,760
Other personnel expenses	31,950	27,869
	$ 1,718,106	$ 1,773,676

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 six months ended June 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 June 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 7,176	$ 4,828
Under (over) estimation provision of income tax in prior year	7	(411)
Total current tax	7,183	4,417
Deferred tax:		
Origination and reversal of temporary differences	(41)	(2,134)
Income tax expense	$ 7,142	$ 2,283

	Six months ended June 30,	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 13,349	$ 5,784
(Over) underestimation provision of income tax in prior year	(48)	1,794
Total current tax	13,301	7,578
Deferred tax:		
Origination and reversal of temporary differences	(98)	50
Income tax expense	$ 13,203	$ 7,628

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority. As of August 8, 2025, there were no administrative remedies.

(34) Losses per share

	Three months ended June 30, 2025		
	Amount after tax	Weigthted average number of ordinary shares outstanding (shares in thousands)	Losses per share (in dollars)
Basic losses per share			
Loss attributable to ordinary shareholders	($ 1,698,261)	1,274,539	($ 1.33)

	Three months ended June 30, 2024		
	Amount after tax	Weigthted average number of ordinary shares outstanding (shares in thousands)	Losses per share (in dollars)
Basic losses per share			
Loss attributable to ordinary shareholders	($ 223,997)	1,274,539	($ 0.18)

	Six months ended June 30, 2025		
	Amount after tax	Weigthted average number of ordinary shares outstanding (shares in thousands)	Losses per share (in dollars)
Basic losses per share			
Loss attributable to ordinary shareholders	($ 2,529,951)	1,274,539	($ 1.98)

	Six months ended June 30, 2024		
	Amount after tax	Weigthted average number of ordinary shares outstanding (shares in thousands)	Losses per share (in dollars)
Basic losses per share			
Loss attributable to ordinary shareholders	($ 565,799)	1,255,415	($ 0.45)

The Company’s convertible corporate bonds had anti-dilution effect for the three months and six months ended June 20, 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 six months ended June 30, 2025.

(35) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Six months ended June 30, 2025	Six months ended June 30, 2024
Purchase of property, plant and equipment	$ 323,082	$ 267,718
Add：Beginning balance of payable on equipment	18,617	89,677
Less：Ending balance of payable on equipment	(21,820)	(29,358)
Cash paid during the period	$ 319,879	$ 328,037

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

	Six months ended June 30, 2025	Six months ended June 30, 2024
Interest expense amortised from government grants	$ 6,434	$ 6,317
Increase in lease labilities due to remeasurement	$ 1,069	$ -
Less: Increase in right-of-use assets	(1,069)	-
	$ -	$ -
The unpaid amount for acquisition of a subsidiary (shown as 'other payables')	$ 2,500	$ 4,531
Long-term liabilities, current portion	$ 83,211	$ 1,761,663
Advance receipts for ordinary share transferred to capital stocks	$ -	$ 892,001

(36) Changes in liabilities from financing activities

	2025			
	January 1	Changes in cash flow from financing activities	Changes in non-cash items	June 30
Short-term borrowings	$ 3,717,791	$ 2,323,368	$ -	$ 6,041,159
Short-term notes and bills payable	1,454,434	1,453,000	(1,945)	2,905,489
Corporate bonds payable (Note)	1,765,984	(1,768,300)	2,316	-
Long-term borrowings (Note)	4,321,384	(278,600)	1,092	4,043,876
Lease liability (Note)	2,798,793	(141,431)	1,069	2,658,431
Long-term notes and accounts payable	688,219	-	6,434	694,653
Long-term deferred revenue	105,729	-	(18,539)	87,190
Guarantee deposits received	391,275	63,789	-	455,064
Other non-current liabilities, others	3,735	(979)	-	2,756
Liabilities from financing activities-gross	$ 15,247,344	$ 1,650,847	($ 9,573)	$ 16,888,618

	2024			
	January 1	Changes in cash flow from financing activities	Changes in non-cash items	June 30
Short-term borrowings	$ 3,586,270	($ 1,175,854)	$ -	$ 2,410,416
Short-term notes and bills payable	4,135,129	(2,665,000)	3,683	1,473,812
Corporate bonds payable (Note)	1,751,770	-	7,093	1,758,863
Long-term borrowings (Note)	6,941,852	(2,000,600)	198	4,941,450
Lease liability (Note)	3,049,813	(112,687)	-	2,937,126
Long-term notes and accounts payable	675,585	-	6,317	681,902
Long-term deferred revenue	142,568	-	(18,420)	124,148
Guarantee deposits received	291,883	29,172	-	321,055
Other non-current liabilities, others	4,854	(1,231)	-	3,623
Liabilities from financing activities-gross	$ 20,579,724	($ 5,926,200)	($ 1,129)	$ 14,652,395

Note: Including current portion.

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 June 30,	
	2025	2024
Key management:		
The Company's legal entity director		
CPC Corporation, Taiwan	$ 625,786	$ 1,070,954
Joint ventures		
CSBC-DEME Wind Engineering Co., Ltd.	18,125	32,976
	$ 643,911	$ 1,103,930

	Six months ended June 30,	
	2025	2024
Key management:		
The Company's legal entity director		
CPC Corporation, Taiwan	$ 1,376,769	$ 1,856,947
Joint ventures		
CSBC-DEME Wind Engineering Co., Ltd.	48,144	102,163
	$ 1,424,913	$ 1,959,110

(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

	Three months ended June 30, 2025	Three months ended June 30, 2024
Purchases of goods:		
Key management:		
Legal entity director		
CPC Corporation, Taiwan	$ 10,873	$ 19,561

	Six months ended June 30, 2025	Six months ended June 30, 2024
Purchases of goods:		
Key management:		
Legal entity director		
CPC Corporation, Taiwan	$ 35,141	$ 20,542

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

	June 30, 2025	December 31, 2024	June 30, 2024
Contract assets:			
Key management:			
Legal entity director			
CPC Corporation, Taiwan	$ -	$ -	$ 340,563
Joint ventures:			
CSBC-DEME Wind Engineering Co.. Ltd.	-	643	2,255
	-	643	342,818
Less: Loss allowance	-	(5)	(2,417)
	$ -	$ 638	$ 340,401
Contract liabilities:			
Key management:			
Legal entity director CPC Corporation, Taiwan	$ -	$ 455,365	$ 926,247

D. Receivables from related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable :			
Joint ventures:			
CSBC-DEME Wind Engineering Co., Ltd.	$ 28,748	$ 67,737	$ 648,210
Key management:			
Legal entity director			
CPC Corporation, Taiwan	-	40,000	-
	28,748	107,737	648,210
Less: Loss allowance	-	-	-
	$ 28,748	$ 107,737	$ 648,210

E. Prepaid accounts

	June 30, 2025	December 31, 2024	June 30, 2024
Key management:			
Legal entity director			
CPC Corporation, Taiwan	$ -	$ 25,337	$ 6,820

F. Payables to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable:			
Key management:			
Legal entity director			
CPC Corporation, Taiwan	$ -	$ -	$ 3,677

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 six months ended June 30, 2025 and 2024, the Group's rental income amounted to $1,059, $886, $2,118 and $1,772, respectively.

H. Endorsements and guarantees provided to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Other related parties:			
Joint ventures			
CSBC-DEME Wind Engineering Co., Ltd.			
Endorsement/guarantee amount	$ 53,680,946	$ 53,353,438	$ 43,655,838
Actual amount drawn down	$ 53,640,946	$ 34,437,432	$ 35,011,229

The abovementioned endorsement/guarantee amount included the amount of endorsement / guarantee provided amounting to EUR 1.5596 billion, EUR 1.560 billion and EUR 1.2550 billion, respectively. The actual amount drawn down included EUR 1.5596 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 34.35, 34.14 and 34.71, 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 six months ended June 30, 2024, banking charges amounted to $224 and $456, respectively. There were no such transactions for the three months and the six months ended June 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 June 30,	
	2025	2024
Salaries and other short-term employee benefits	$ 5,851	$ 6,271
Post-employment benefits	301	496
	$ 6,152	$ 6,767

	Six months ended June 30,	
	2025	2024
Salaries and other short-term employee benefits	$ 12,612	$ 14,677
Post-employment benefits	602	961
	$ 13,214	$ 15,638

8. PLEDGED ASSETS

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

	Book value			
Pledged asset	June 30, 2025	December 31, 2024	June 30, 2024	Purpose
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')	-	309	-	Construction deposits for warranty
Pledged time deposits (shown as "Financial assets at amortised cost - non-current")	959	957	1,264	Construction deposits for warranty
	$ 959	$ 1,266	$ 12,058	

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:

	June 30, 2025	December 31, 2024	June 30, 2024
Balance of unused letters of credit	$ 391,583	$ 528,852	$ 308,489

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

	June 30, 2025	December 31, 2024	June 30, 2024
Unfulfilled customer contract obligations	$ 135,352,532	$ 36,584,968	$ 37,452,041

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

	June 30, 2025	December 31, 2024	June 30, 2024
Guaranteed credit by banks	$ 14,713,799	$ 14,718,484	$ 14,168,933

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:

	June 30, 2025	December 31, 2024	June 30, 2024
Purchase contracts to be paid	$ 26,304,160	$ 8,548,818	$ 3,678,764
Outsourcing construction contracts to be paid	1,167,048	1,180,186	1,289,135
	$ 27,471,208	$ 9,729,004	$ 4,967,899

(5) As of June 30, 2025, December 31, 2024 and June 30, 2024, the amounts of guarantee notes issued by the Group for the bank borrowings were $61.387 billion, $66.216 billion and $61.377 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:

	June 30, 2025	December 31, 2024	June 30, 2024
Gearing ratio	84%	73%	68%

(2) Financial instruments

A. Financial instruments by category

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ -	$ -	$ -
Financial assets at amortised cost			
Cash and cash equivalents	$ 3,399,108	$ 3,624,339	$ 3,497,739
Financial assets at amortised cost	959	1,266	12,058
Accounts receivable (including related parties)	349,863	673,532	1,245,476
Other receivables	12,525	10,527	111,817
Guarantee deposits paid	158,887	165,180	246,889
	$ 3,921,342	$ 4,474,844	$ 5,113,979

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	$ 160,251	$ 2,496	$ 5,745
Financial liabilities at amortised cost			
Short-term borrowings	$ 6,041,159	$ 3,717,791	$ 2,410,416
Short-term notes and bills payable	2,905,489	1,454,434	1,473,812
Accounts payable	2,285,754	2,318,576	2,134,830
Other payables	820,184	959,115	773,838
Corporate bonds payable (Note)	-	1,765,984	1,758,863
Long-term borrowings (Note)	4,043,876	4,321,384	4,941,450
Long-term notes and accounts payable	694,653	688,219	681,902
Guarantee deposits received	455,064	391,275	321,055
	$ 17,246,179	$ 15,616,778	$ 14,496,166
Lease liability	$ 2,658,431	$ 2,798,793	$ 2,937,126

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:

	June 30, 2025		
	Foreign Currency (in thousands)	Exchange Rate	Book Value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 45,900	29.25	$ 1,342,575
RMB:NTD	62,023	4.07	252,184
EUR:NTD	504	34.15	17,212

	December 31, 2024			
	Foreign Currency (in thousands)		Exchange Rate	Book Value (NTD)
Financial assets				
Monetary items				
USD:NTD	$	30,223	32.74	$ 989,501
EUR:NTD		1,717	33.94	58,275
JPY:NTD		93,096	0.21	19,550
Financial liabilities				
Monetary items				
EUR:NTD		737	34.34	25,309

	June 30, 2024			
	Foreign Currency (in thousands)		Exchange Rate	Book Value (NTD)
Financial assets				
Monetary items				
USD:NTD	$	30,220	32.40	$ 979,128
EUR:NTD		17,040	34.51	588,050
Financial liabilities				
Monetary items				
USD:NTD		563	32.50	18,298

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:

	Six months ended June 30,	
If NTD had appreciated/ depreciated by 1% against tax	2025	2024
Increase (decrease) in net profit (loss) after tax	$ 12,896	$ 12,391

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 six months ended June 30, 2025 and 2024, amounted to ($203,503), $23,624, ($160,992) and $90,703, 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 six months ended June 30, 2025 and 2024 would have increased/decreased by $10,112 and $12,363, 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 June 30, 2025, December 31, 2024 and June 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	456	20,879	21,335
Write-offs	(7,195)	-	(7,195)
At June 30	$ 2,583	$ 232,986	$ 235,569

	2024		
	Accounts receivable	Contract assets	Total
At January 1	$ 9,374	$ 206,149	$ 215,523
(Reversal of) Provision for impairment loss	(158)	1,064	906
At June 30	$ 9,216	$ 207,213	$ 216,429

For the three months and six months ended June 30, 2025 and 2024, the expected credit (losses) gains arising from accounts receivable and contract assets generated from customers' contracts amounted to $16,304, $2,954, $21,335 and $906 respectively.

vi. As of June 30, 2025, December 31, 2024 and June 30, 2024, the balances of receivables and contract assets from the top three counterparties amounted to $5,452,714, $3,100,992 and $2,469,684, 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.

June 30, 2025:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Non-derivative financial liabilities:				
Short-term borrowings	$ 6,045,865	$ -	$ -	$ -
Short-term notes payable	2,908,000	-	-	-
Payables	3,451,338	484,735	522,929	253,513
Lease liability	268,190	221,698	444,200	2,033,931
Long-term borrowings (Note)	112,624	1,807,729	2,230,115	-
	$ 12,786,017	$ 2,514,162	$ 3,197,244	$ 2,287,444
Derivative financial liabilities:				
Forward foreign exchange contracts				
-Inflow	$ 2,509,555	$ -	$ -	$ -
-Outflow	(2,349,304)	-	-	-
	$ 160,251	$ -	$ -	$ -

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	-
	$ 10,899,804	$ 2,970,767	$ 3,174,862	$ 2,345,238
Derivative financial liabilities:				
Forward foreign exchange contracts				
-Inflow	$ 144,636	$ -	$ -	$ -
-Outflow	(142,140)	-	-	-
	$ 2,496	$ -	$ -	$ -

June 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	$ 2,412,406	$ -	$ -	$ -
Short-term notes payable	1,475,000	-	-	-
Payables	3,149,991	543,876	504,905	242,229
Lease liability	321,590	255,455	537,464	2,166,502
Corporate bonds payable (Note)	1,768,300	-	-	-
Long-term borrowings (Note)	45,626	607,935	4,410,494	-
	$ 9,172,913	$ 1,407,266	$ 5,452,863	$ 2,408,731
Derivative financial liabilities:				
Forward foreign exchange contracts				
-Outflow	$ 148,287	$ -	$ -	$ -
-Inflow	(142,542)	-	-	-
	$ 5,745	$ -	$ -	$ -

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 June 30, 2025, December 31, 2024 and June 30, 2024 is as follows:

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

June 30, 2025:

	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ -	$ -	$ -	$ -
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 160,251	$ -	$ 160,251

December 31, 2024:

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

June 30, 2024:

	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ -	$ -	$ -	$ -
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 5,745	$ -	$ 5,745

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

i. 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 in 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 June 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 June 30, 2025.

E. For the six months ended June 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 six months ended June 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	157,755	4,861
At June 30	$ 160,251	$ 5,745
Movement of unrealised gain in profit or loss of assets and liabilities held as at June 30, 2025 and 2024 (Note)	$ 160,251	$ 5,745

Note: Recorded as non-operating income and expense.

G. For the six months ended June 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 June 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	$ 8,794,942	$ 566,470	$ 420,548	$ 145,879	$ -	$ 9,927,839
Inter-segment revenue	-	-	-	167,073	(167,073)	-
Total segment revenue	$ 8,794,942	$ 566,470	$ 420,548	$ 312,952	($ 167,073)	$ 9,927,839
Segment (loss) profit	($ 2,139,453)	$ 1,991	$ 607,290	$ 62,402	$ 3,286	($ 1,464,484)

For the three months ended June 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	$ 2,714,343	$ 913,572	$ 246,008	$ 78,142	$ -	$ 3,952,065
Inter-segment revenue	-	-	-	252,607	(252,607)	-
Total segment revenue	$ 2,714,343	$ 913,572	$ 246,008	$ 330,749	($ 252,607)	$ 3,952,065
Segment (loss) profit	($ 550,038)	$ 21,439	$ 55,268	$ 42,616	($ 10,789)	($ 441,504)

For the six months ended June 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	$ 11,345,241	$ 1,307,046	$ 700,941	$ 484,597	$ -	$ 13,837,825
Inter-segment revenue	-	-	-	525,958	(525,958)	-
Total segment revenue	$ 11,345,241	$ 1,307,046	$ 700,941	$ 1,010,555	($ 525,958)	$ 13,837,825
Segment (loss) profit	($ 3,544,834)	$ 16,946	$ 661,337	$ 271,953	$ 5,718	($ 2,588,880)

For the six months ended June 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	$ 5,391,455	$ 1,496,940	$ 629,349	$ 178,463	$ -	$ 7,696,207
Inter-segment revenue	-	-	-	576,433	(576,433)	-
Total segment revenue	$ 5,391,455	$ 1,496,940	$ 629,349	$ 754,896	($ 576,433)	$ 7,696,207
Segment (loss) profit	($ 1,102,265)	$ 47,972	$ 121,585	$ 127,980	($ 14,826)	($ 819,554)

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 June 30, 2025	Three months ended June 30, 2024
Segment loss	($ 1,530,172)	($ 473,331)
Other segment profit	65,688	31,827
Total segments	(1,464,484)	(441,504)
Operating expenses	(235,015)	(149,466)
Non-operating income and expenses	8,127	365,730
Loss before tax and discontinued operations	($ 1,691,372)	($ 225,240)

	Six months ended June 30, 2025	Six months ended June 30, 2024
Segment loss	($ 2,866,551)	($ 932,708)
Other segment profit	277,671	113,154
Total segments	(2,588,880)	(819,554)
Operating expenses	(367,784)	(287,259)
Non-operating income and expenses	439,722	542,264
Loss before tax and discontinued operations	($ 2,516,942)	($ 564,549)

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CSBC CORPORATION TAIWAN

Provision of endorsements and guarantees to others

Six months ended June 30, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of June 30, 2025	Outstanding endorsement/ guarantee amount at June 30, 2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of asset value of the endorser/guarantor guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	CSBC Corporation, Taiwan	CSBC Power Technology Co., Ltd.	2	$ 65,996,870	$ 980,000	$ 980,000	$ 950,000	$ -	15%	$ 65,996,870	Y	N	N	Note 3
0	CSBC Corporation, Taiwan	CSBC-DEME Wind Engineering Co., Ltd.	6	65,996,870	56,878,048	53,680,946	53,640,946	-	813%	65,996,870	N	N	N	Note 3, 4

Note 1: The explanation for colum "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 June 30, 2025 which was denominated in foreign currency included EUR 1.5596 billion and TWD 110 million. The actual amount of endorsement drawn down is EUR 1.5596 billion and TWD 70 million.

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

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

Six months ended June 30, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Total notes/accounts receivable	Footnote
CSBC Corporation, Taiwan	CPC Corporation, Taiwan	Legal entity director	(Sale)	($ 1,376,769)	(10%)	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

Six months ended June 30, 2025

Table 3 — Expressed in thousands of NTD (Except as otherwise indicated)

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

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
0	CSBC Corporation, Taiwan	CSBC Coating Solutions Co., Ltd	Parent company to subsidiary	Outsourcing expenses	$ 232,653	Note 4	2%
0	CSBC Corporation, Taiwan	CSBC Coating Solutions Co., Ltd	Parent company to subsidiary	Purchases	23,270	Note 5	-
0	CSBC Corporation, Taiwan	CSBC Coating Solutions Co., Ltd	Parent company to subsidiary	Accounts payable	23,270	Note 4	-
0	CSBC Corporation, Taiwan	CSBC Coating Solutions Co., Ltd	Parent company to subsidiary	Other payable	21,688	Note 4	-
0	CSBC Corporation, Taiwan	CSBC Power Technology Co., Ltd.	Parent company to subsidiary	Outsourcing expenses	15,040	Note 4	-
0	CSBC Corporation, Taiwan	BLUE ACE CORPORATION	Parent company to subsidiary	Outsourcing expenses	72,314	Note 4	1%
0	CSBC Corporation, Taiwan	BLUE ACE CORPORATION	Parent company to subsidiary	Other payable	10,386	Note 4	-
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	88,677	Note 4	1%
1	CSBC Coating Solutions Co., Ltd	CSBC Construction Co., Ltd	Subsidiary to subsidiary	Accounts payable	48,076	Note 4	-
1	CSBC Coating Solutions Co., Ltd	CSBC Construction Co., Ltd	Subsidiary to subsidiary	Guarantee deposits received	14,594	Note 4	-
1	CSBC Coating Solutions Co., Ltd	BLUE ACE CORPORATION	Subsidiary to subsidiary	Other receivables	17,927	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	10,642	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

Six months ended June 30, 2025

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at June 30, 2025	Initial investment amount: Balance as at December 31, 2024	Shares held as at June 30, 2025: Number of shares	Shares held as at June 30, 2025: Ownership (%)	Shares held as at June 30, 2025: Book value	Net profit (loss) of the investee for the six months ended June 30, 2025	Investment income (loss) recognised by the Company for the six months ended June 30, 2025	Footnote
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	$ 1,681,604	$ 1,176,812	$ 643,037	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	24,000,984	100.00	286,899	36,092	36,942	Note 2
"	CSBC Power Technology Co., Ltd.	Taiwan	Manufacturing of ships and its components etc.	62,550	62,550	6,500,000	86.67	(199,691)	(14,431)	(1,262)	Note 2
"	Taiwan International Windpower Training Corporation Ltd.	Taiwan	Research and development, energy technology service	12,000	12,000	1,200,000	12.00	13,421	3,639	437	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	38,964	2,237	-	Note 3
"	CSBC Construction Co., Ltd.	Taiwan	Building construction	40,149	40,149	-	100.00	52,945	21,186	-	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.