

**SHAN-LOONG TRANSPORTATION CO., LTD.
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2026 and 2025**

Address: 1F., No. 1-2, Sec. 1, Minsheng Rd., Banqiao Dist., New Taipei City 22069,
Taiwan (R.O.C.)
Telephone: (02)2959-9611

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

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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

Independent Auditors' Review Report

To the Board of Directors of Shan-Loong Transportation Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Shan-Loong Transportation Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2026 and 2025, as well as the changes in equity and cash flows for the six months ended June 30, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$129,061 thousand and \$371,726 thousand, constituting 1.60% and 4.52% of consolidated total assets as of June 30, 2026 and 2025, respectively, total liabilities amounting to \$73,764 thousand and \$10,496 thousand, constituting 1.33% and 0.21% of consolidated total liabilities as of June 30, 2026 and 2025, respectively, and the value of total comprehensive income (loss) amounting to \$(1,389) thousand, \$(41) thousand, \$(1,482) thousand and \$(45) thousand, constituting 2.64%, 0.01%, 1.35% and 0.01% of consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2026 and 2025, respectively.

Furthermore, as stated in Note 6(f), the other equity accounted investments of Shan-Loong Transportation Co., Ltd. and its subsidiaries in its investee companies of \$60,240 thousand and \$58,186 thousand as of June 30, 2026 and 2025, and its equity in net earnings (losses) on these investee companies of \$1,622 thousand, \$947 thousand, \$3,092 thousand and \$(916) thousand for the three months and six months ended June 30, 2026 and 2025, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Shan-Loong Transportation Co., Ltd. and its subsidiaries as of June 30, 2026 and 2025, and of their consolidated financial performance for the three months and six months ended June 30, 2026 and 2025, as well as their consolidated cash flows for the six months ended June 30, 2026 and 2025 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Emphasis of Matter

As stated in Note 12(b) of the consolidated financial statements, investigative authorities conducted a search and seizure on the Company on February 20, 2025 due to allegations of legal violations by certain management personnel. The Company conducted an internal review and discovered undisclosed related parties and transactions with certain vendors. Based on these findings, transactions with these vendors have been disclosed as related party transactions and prior financial statements have been corrected accordingly. Regarding the allegations against certain management personnel, the Company stated that it lacks judicial investigative authority and due to the confidentiality of the investigation, the facts and legal responsibilities will be clarified by investigative and judicial authorities before taking corresponding measures. However, the Company will fully cooperate with the investigation and plans to commission external experts to analyze the reasonableness of related party procurement prices to protect its shareholder interests. The auditor has not modified the review conclusion due to this matter.

The engagement partners on the reviews resulting in this independent auditors’ review report are Mei, Yuan-Chen and Kuo, Yang-Lun.

KPMG

Taipei, Taiwan (Republic of China)
August 11, 2026

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES**Consolidated Balance Sheets****June 30, 2026, December 31, 2025, and June 30, 2025****(expressed in thousands of New Taiwan Dollars)**

Assets		June 30, 2026		December 31, 2025		June 30, 2025		Liabilities and Equity		June 30, 2026		December 31, 2025		June 30, 2025			
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%		
Current assets:									Current liabilities:								
1100	Cash and cash equivalents (note (6)(a))	\$	839,084	10	1,655,633	20	806,254	10	2150	Notes and accounts payable (note (7))	\$	774,471	10	779,367	9	756,630	9
1170	Notes and accounts receivable, net (note (6)(c))		316,534	4	304,750	4	99,009	1	2200	Other payables (note (7))		330,054	4	340,921	4	188,631	2
1180	Notes and accounts receivable due from related parties, net (notes (6)(c) and (7))		165,543	2	184,678	2	229,371	3	2216	Dividends payable		41,185	1	-	-	41,185	1
1300	Inventories, net (note (6)(e))		198,267	2	205,763	2	252,296	3	2230	Current income tax liabilities		4,268	-	5,985	-	3,739	-
1476	Other current financial assets (notes (6)(d) and (7))		373,728	5	18,601	-	443,859	5	2280	Current lease liabilities (notes (6)(j) and (7))		174,785	2	174,918	2	187,813	2
1479	Other current assets		67,479	1	61,748	1	63,709	1	2130	Current contract liabilities (note (6)(o))		235,039	3	216,008	3	63,743	1
Total current assets			1,960,635	24	2,431,173	29	1,894,498	23	2250	Provisions		11,509	-	11,412	-	17,943	-
Non-current assets:									2399	Other current liabilities		21,164	-	24,079	-	20,755	-
1517	Non-current financial assets at fair value through other comprehensive income (note (6)(b))		1,544,859	19	1,305,625	16	1,395,820	17	2320	Long-term liabilities, current portion (note (6)(i))		2,570,000	32	1,770,000	21	1,775,000	22
1550	Investments accounted for using equity method, net (note (6)(f))		60,240	1	57,148	-	58,186	1	Total current liabilities			4,162,475	52	3,322,690	39	3,055,439	37
1600	Property, plant and equipment (notes (6)(g), (7) and (8))		3,525,024	44	3,605,789	43	3,743,709	45	Non-current liabilities:								
1755	Right-of-use asset (notes (6)(h) and (7))		648,449	8	664,861	8	718,749	9	2540	Long-term borrowings (note (6)(i))		750,000	9	1,750,000	21	1,100,000	13
1780	Intangible assets		123,678	2	142,508	2	150,346	2	2570	Deferred income tax liabilities		110,332	1	110,332	1	141,334	2
1840	Deferred income tax assets		24,901	-	30,221	-	77,344	1	2580	Non-current lease liabilities (notes (6)(j) and (7))		479,563	6	495,618	6	546,489	7
1990	Other non-current assets (notes (7) and (8))		189,476	2	170,246	2	179,170	2	2640	Non-current net defined benefit liability		34,915	1	37,297	-	40,068	-
Total non-current assets			6,116,627	76	5,976,398	71	6,323,324	77	2645	Guarantee deposits received		7,209	-	7,502	-	6,528	-
									Total non-current liabilities			1,382,019	17	2,400,749	28	1,834,419	22
									Total liabilities			5,544,494	69	5,723,439	67	4,889,858	59
									Equity:								
									Equity attributable to owners of parent: (note (6)(m))								
								3100	Ordinary shares		1,372,818	17	1,372,818	16	1,372,818	17	
								3200	Capital surplus		548,711	7	589,896	7	589,490	7	
								3300	Retained earnings		(57,189)	(1)	300,503	4	790,444	10	
								3400	Other equity		641,374	8	396,313	5	415,796	5	
								3500	Treasury shares		(31,863)	(1)	(31,863)	-	(31,863)	-	
											2,473,851	30	2,627,667	32	3,136,685	39	
								36XX	Non-controlling interests		58,917	1	56,465	1	191,279	2	
									Total equity		2,532,768	31	2,684,132	33	3,327,964	41	
Total assets		\$	8,077,262	100	8,407,571	100	8,217,822	100	Total liabilities and equity	\$	8,077,262	100	8,407,571	100	8,217,822	100	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the three months and six months ended June 30, 2026 and 2025

(expressed in thousands of New Taiwan Dollars, except for earnings per share)

		For the three months ended June 30,				For the six months ended June 30,			
		2026		2025		2026		2025	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (notes (6)(o) and (7))	\$ 2,387,647	100	1,992,561	100	4,373,408	100	4,001,624	100
5000	Operating costs (notes (6)(e), (7) and (12))	<u>2,247,245</u>	<u>94</u>	<u>1,859,583</u>	<u>93</u>	<u>4,086,639</u>	<u>93</u>	<u>3,732,903</u>	<u>93</u>
5900	Gross profit from operations	<u>140,402</u>	<u>6</u>	<u>132,978</u>	<u>7</u>	<u>286,769</u>	<u>7</u>	<u>268,721</u>	<u>7</u>
	Operating expenses (notes (7) and (12)):								
6100	Selling expenses	124,912	5	122,169	6	241,030	6	242,221	6
6200	Administrative expenses	186,663	8	196,214	10	392,484	9	409,544	10
6450	Expected credit losses (note (6)(c))	<u>4,973</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,780</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total operating expenses	<u>316,548</u>	<u>13</u>	<u>318,383</u>	<u>16</u>	<u>639,294</u>	<u>15</u>	<u>651,765</u>	<u>16</u>
6900	Net operating income	<u>(176,146)</u>	<u>(7)</u>	<u>(185,405)</u>	<u>(9)</u>	<u>(352,525)</u>	<u>(8)</u>	<u>(383,044)</u>	<u>(9)</u>
	Non-operating income and expenses:								
7010	Other income	15,347	1	5,125	-	21,208	-	11,290	-
7020	Other gains and losses, net (notes (6)(j) and (q))	(1,933)	-	(49,615)	(2)	5,924	-	(44,632)	(1)
7050	Finance costs (notes (6)(j) and (7))	(21,818)	(1)	(19,149)	(1)	(44,243)	(1)	(36,585)	(1)
7060	Shares of profit (loss) of associates and joint ventures accounted for using equity method, net (note (6)(f))	(360)	-	2,232	-	(1,261)	-	662	-
7100	Interest income	4,506	-	4,061	-	8,329	-	5,409	-
7130	Dividend income	26,257	1	44,600	2	26,257	1	44,600	1
7210	Gains on disposals of property, plant and equipment	312	-	13,002	1	1,665	-	12,743	-
7590	Miscellaneous disbursements	<u>(4,485)</u>	<u>-</u>	<u>(403)</u>	<u>-</u>	<u>(5,984)</u>	<u>-</u>	<u>(1,133)</u>	<u>-</u>
	Total non-operating income and expenses	<u>17,826</u>	<u>1</u>	<u>(147)</u>	<u>-</u>	<u>11,895</u>	<u>-</u>	<u>(7,646)</u>	<u>(1)</u>
7900	Profit (loss) before tax	(158,320)	(6)	(185,552)	(9)	(340,630)	(8)	(390,690)	(10)
7950	Less: Income tax expenses (note (6)(l))	<u>13,252</u>	<u>1</u>	<u>2,685</u>	<u>-</u>	<u>15,965</u>	<u>-</u>	<u>4,702</u>	<u>-</u>
8200	Profit (loss)	<u>(171,572)</u>	<u>(7)</u>	<u>(188,237)</u>	<u>(9)</u>	<u>(356,595)</u>	<u>(8)</u>	<u>(395,392)</u>	<u>(10)</u>
8300	Other comprehensive income:								
8310	Items that may not be reclassified subsequently to profit or loss:								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	116,699	5	(67,102)	(3)	239,234	5	(81,690)	(2)
8320	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss (note (6)(f))	1,982	-	(1,285)	-	4,353	-	(1,578)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note (6)(l))	<u>-</u>	<u>-</u>	<u>(4,027)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,902</u>	<u>-</u>
	Components of other comprehensive income that will not be reclassified to profit or loss	<u>118,681</u>	<u>5</u>	<u>(64,360)</u>	<u>(3)</u>	<u>243,587</u>	<u>5</u>	<u>(78,366)</u>	<u>(2)</u>
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of foreign financial statements	368	-	(56,796)	(3)	3,192	-	(47,574)	(1)
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss (note (6)(l))	<u>52</u>	<u>-</u>	<u>(6,560)</u>	<u>-</u>	<u>363</u>	<u>-</u>	<u>(5,468)</u>	<u>-</u>
		<u>316</u>	<u>-</u>	<u>(50,236)</u>	<u>(3)</u>	<u>2,829</u>	<u>-</u>	<u>(42,106)</u>	<u>(1)</u>
8300	Other comprehensive income (loss)	<u>118,997</u>	<u>5</u>	<u>(114,596)</u>	<u>(6)</u>	<u>246,416</u>	<u>5</u>	<u>(120,472)</u>	<u>(3)</u>
8500	Total comprehensive income (loss)	<u>\$ (52,575)</u>	<u>(2)</u>	<u>(302,833)</u>	<u>(15)</u>	<u>(110,179)</u>	<u>(3)</u>	<u>(515,864)</u>	<u>(13)</u>
	Profit, attributable to:								
8610	Owners of parent	\$ (171,916)	(7)	(189,762)	(9)	(357,692)	(8)	(399,698)	(10)
8620	Non-controlling interests	<u>344</u>	<u>-</u>	<u>1,525</u>	<u>-</u>	<u>1,097</u>	<u>-</u>	<u>4,306</u>	<u>-</u>
		<u>\$ (171,572)</u>	<u>(7)</u>	<u>(188,237)</u>	<u>(9)</u>	<u>(356,595)</u>	<u>(8)</u>	<u>(395,392)</u>	<u>(10)</u>
	Total comprehensive income attributable to:								
8710	Owners of parent	\$ (53,046)	(2)	(280,359)	(14)	(112,631)	(3)	(499,935)	(13)
8720	Non-controlling interests	<u>471</u>	<u>-</u>	<u>(22,474)</u>	<u>(1)</u>	<u>2,452</u>	<u>-</u>	<u>(15,929)</u>	<u>-</u>
		<u>\$ (52,575)</u>	<u>(2)</u>	<u>(302,833)</u>	<u>(15)</u>	<u>(110,179)</u>	<u>(3)</u>	<u>(515,864)</u>	<u>(13)</u>
	Earnings per share (note (6)(n))								
9750	Basic earnings per share	<u>\$ (1.26)</u>		<u>(1.40)</u>		<u>(2.63)</u>		<u>(2.94)</u>	
9850	Diluted earnings per share	<u>\$ (1.26)</u>		<u>(1.40)</u>		<u>(2.63)</u>		<u>(2.94)</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the six months ended June 30, 2026 and 2025

(expressed in thousands of New Taiwan Dollars)

Equity attributable to owners of parent												
					Other equity							
					Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income							
					Exchange differences on translation of foreign financial statements							
Retained earnings												
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total retained earnings			Total other equity	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on January 1, 2025	\$ 1,372,818	589,490	562,653	668,674	1,231,327	(13,864)	529,897	516,033	(31,863)	3,677,805	207,208	3,885,013
Profit (loss) for the six months ended June 30, 2025	-	-	-	(399,698)	(399,698)	-	-	-	-	(399,698)	4,306	(395,392)
Other comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	(21,871)	(78,366)	(100,237)	-	(100,237)	(20,235)	(120,472)
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	(399,698)	(399,698)	(21,871)	(78,366)	(100,237)	-	(499,935)	(15,929)	(515,864)
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary share	-	-	-	(41,185)	(41,185)	-	-	-	-	(41,185)	-	(41,185)
Balance on June 30, 2025	\$ 1,372,818	589,490	562,653	227,791	790,444	(35,735)	451,531	415,796	(31,863)	3,136,685	191,279	3,327,964
Balance on January 1, 2026	\$ 1,372,818	589,896	562,653	(262,150)	300,503	(31,472)	427,785	396,313	(31,863)	2,627,667	56,465	2,684,132
Profit (loss) for the six months ended June 30, 2026	-	-	-	(357,692)	(357,692)	-	-	-	-	(357,692)	1,097	(356,595)
Other comprehensive income (loss) for the six months ended June 30, 2026	-	-	-	-	-	1,474	243,587	245,061	-	245,061	1,355	246,416
Total comprehensive income (loss) for the six months ended June 30, 2026	-	-	-	(357,692)	(357,692)	1,474	243,587	245,061	-	(112,631)	2,452	(110,179)
Appropriation and distribution of retained earnings:												
Legal reserve used to offset accumulated deficits	-	-	(262,150)	262,150	-	-	-	-	-	-	-	-
Cash dividends from capital surplus	-	(41,185)	-	-	-	-	-	-	-	(41,185)	-	(41,185)
Balance on June 30, 2026	\$ 1,372,818	548,711	300,503	(357,692)	(57,189)	(29,998)	671,372	641,374	(31,863)	2,473,851	58,917	2,532,768

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES**Consolidated Statement of Cash Flows****For the six months ended June 30, 2026 and 2025****(expressed in thousands of New Taiwan Dollars)**

	For the six months ended June 30,	
	2026	2025
Cash flows from (used in) operating activities:		
Loss before tax	\$ (340,630)	(390,690)
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	211,748	237,472
Amortization expense	18,830	14,875
Expected credit losses	5,780	-
Interest expense	44,243	36,585
Interest income	(8,329)	(5,409)
Dividend income	(26,257)	(44,600)
Share of loss of associates accounted for using equity method	1,261	(662)
Gain on disposal of property, plant and equipment	(1,665)	(12,743)
Lease modification gains	(655)	(189)
Total adjustments to reconcile profit (loss)	244,956	225,329
Changes in operating assets and liabilities:		
Notes and accounts receivable	1,482	134,883
Inventories	7,496	(63,181)
Other current financial assets	(18,320)	(36,670)
Other current assets	(7,873)	8,404
Notes and accounts payable	(4,896)	16,835
Provisions	97	6,638
Other payables and other current liabilities	(13,782)	(62,104)
Net defined benefit liabilities	(2,382)	217
Contract liabilities	19,031	(44,495)
Total changes in operating assets and liabilities	(19,147)	(39,473)
Total adjustments	225,809	185,856
Cash outflow generated from (used in) operations	(114,821)	(204,834)
Dividends received	-	18,343
Interest paid	(44,243)	(36,585)
Interest received	8,329	5,409
Income taxes paid	(10,583)	(7,290)
Net cash flows from (used in) operating activities	(161,318)	(224,957)
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(44,342)	(86,611)
Proceeds from disposal of property, plant and equipment	7,163	46,590
(Increase) decrease in refundable deposits	(19,080)	28,846
Acquisition of intangible assets	-	(163)
(Increase) decrease in other financial assets	(310,550)	34,078
Increase in prepayments for business facilities	(150)	-
Net cash flows from (used in) investing activities	(366,959)	22,740
Cash flows from (used in) financing activities:		
Proceeds from long-term borrowings	4,450,000	1,700,000
Repayments of long-term borrowings	(4,650,000)	(1,675,000)
Decrease in guarantee deposits received	(293)	(941)
Payment of lease liabilities	(90,972)	(94,130)
Cash dividends paid	-	(16,461)
Net cash flows from (used in) financing activities	(291,265)	(86,532)
Effect of exchange rate changes on cash and cash equivalents	2,993	(47,048)
Net increase (decrease) in cash and cash equivalents	(816,549)	(335,797)
Cash and cash equivalents at beginning of period	1,655,633	1,142,051
Cash and cash equivalents at end of period	\$ 839,084	806,254

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2026 and 2025

(Expressed in thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Shan-Loong Transportation Co., Ltd. (the “Company”) was incorporated on April 6, 1976 as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company’s registered office is 1F, No. 1-2, Sec. 1, Minsheng Rd., Banqiao Dist., New Taipei City. The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”). The major business activities of the Group are gas station, freight transportation, container trucking, truck repair and maintenance, sale of truck, import and export agent and information service, etc. Furthermore, one of the Group entities engages in the investing activities.

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

These consolidated financial statements were authorized for issue by the Board of Directors on August 11, 2026.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2026:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2027, would not have a significant impact on its consolidated financial statements:

- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

In addition, the Group is still assessing the potential impact of the adoption of the following new amendments, effective for annual period beginning on January 1, 2028, on its consolidated financial statements. The results thereof will be disclosed when the Group completes its evaluation.

- IFRS 18 “Presentation and Disclosure in Financial Statements”

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- Amendments to IAS 28 “The Fair Value Option for Investments in Associates and Joint Ventures”

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 20 “Regulatory Assets and Regulatory Liabilities”

(4) Summary of material accounting policies:

- (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2025. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2025.

- (b) Basis of consolidation

- (i) List of subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
The Company	Shan Loong Investment Co., Ltd. (Shan-Loong Investment)	Investing activities	100 %	100 %	100 %	
The Company	Shan Loong International & Customs Broker Co., Ltd. (Shan Loong Customs Broker)	Import and export agent services	100 %	100 %	100 %	
The Company	Shan Loong Information Technology Co., Ltd. (Shan Loong Information)(Shan Loong Motors)	Information services	100 %	100 %	100 %	Note 3
The Company	Shan-Loong International Holding Co., Ltd. (Shan-Loong International)	Investing activities	100 %	100 %	100 %	
The Company	Shan-Loong Information Technology Vietnam Co., Ltd (Vietnam Information)	Information services	100 %	- %	- %	Note 1、2
Shan-Loong International	Long Yun Investment Holding Co, Ltd. (Long Yun)	Investing activities	100 %	100 %	100 %	
"	Loong De Investment Co., Ltd. (Loong De)	Investing activities	100 %	100 %	100 %	

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of investor	Name of subsidiary	Principal activity	Shareholding			Note
			June 30, 2026	December 31, 2025	June 30, 2025	
Long Yun	Shanghai Shan Tong Logistic Co., Ltd. (Shanghai Shan Tong)	Truck freight transportation and warehousing	60 %	60 %	60 %	Note 2
Loong De	Shan-Loong Logistics Co., Ltd.	Warehousing, freight transportation and related agent	51 %	51 %	51 %	

Note 1: In January 2026, the Company made an investment of USD100,000 in Shan-Loong Information Technology Vietnam Co., Ltd. and obtained 100% ownership of its shares.

Note 2: The financial statements for the six months ended June 30, 2026 and 2025 have not been reviewed.

Note 3: Shan Loong Motor Co., Ltd. changed its company name to Shan Loong Information Technology Co., Ltd. on June 25, 2026.

(ii) Unlisted subsidiaries in the consolidated financial statements: None

(c) Employee benefits

The pension cost under defined benefit plans in the interim period was calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, the significant market fluctuation, significant curtailment, settlement and others, subsequent to the reporting date and was adjusted together with.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2025.

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

	June 30, 2026	December 31, 2025	June 30, 2025
Cash on hand	\$ 140,413	162,018	36,884
Checking accounts and demand deposits	636,271	1,413,375	716,090
Time deposits	<u>62,400</u>	<u>80,240</u>	<u>53,280</u>
	<u>\$ 839,084</u>	<u>1,655,633</u>	<u>806,254</u>

Please refer to note (6)(q) for the exchange rate risk, interest rate risk, and sensitivity analysis of the financial assets of the Group.

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

	June 30, 2026	December 31, 2025	June 30, 2025
Equity investments at fair value through other comprehensive income:			
Stocks listed on domestic markets	\$ 1,248,687	1,009,453	1,026,957
Stocks unlisted on domestic markets	78,736	78,736	126,982
Stocks unlisted on foreign markets	<u>217,436</u>	<u>217,436</u>	<u>241,881</u>
	<u>\$ 1,544,859</u>	<u>1,305,625</u>	<u>1,395,820</u>

- (i) The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.
- (ii) There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments for the six months ended June 30, 2026 and 2025.
- (iii) For market risk of the Group, please refer to note (6)(q).
- (iv) For details regarding the pledge of the aforementioned financial assets, please refer to note (8).

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Notes and accounts receivable (including related parties)

	June 30, 2026	December 31, 2025	June 30, 2025
Notes receivable	\$ 4,008	3,881	2,652
Accounts receivable	512,827	514,436	322,742
Less: allowance for impairment	<u>(34,758)</u>	<u>(28,889)</u>	<u>(25,883)</u>
	<u>482,077</u>	<u>489,428</u>	<u>299,511</u>
Installment sales receivable	-	-	48,862
Less: Unearned interests	<u>-</u>	<u>-</u>	<u>(2,327)</u>
	-	-	46,535
Less: Allowance for impairment	<u>-</u>	<u>-</u>	<u>(17,666)</u>
	<u>-</u>	<u>-</u>	<u>28,869</u>
	<u>\$ 482,077</u>	<u>489,428</u>	<u>328,380</u>
Notes and accounts receivable, net	<u>\$ 316,534</u>	<u>304,750</u>	<u>99,009</u>
Notes and accounts receivable due from related parties, net	<u>\$ 165,543</u>	<u>184,678</u>	<u>229,371</u>

- (i) The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information, including the reasonable prediction of historical credit loss experience and the future economic situation. In addition, accounts receivable with risk characteristics differing from those of general customers are assessed individually.

As of June 30, 2026, December 31 and June 30, 2025, the loss allowance provisions were determined as follows:

	June 30, 2026				
	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Loss allowance provision
Notes and accounts receivable					
Aging under 60 days	\$ 4,008	471,532	-%	-%	-
Aging 61~90 days	-	414	1%	1%	4
Aging 91~120 days	-	2,082	5%	60%	1,249
Aging 121~150 days	-	-	10%	60%	-
Aging 151~180 days	-	189	10%	80%	151
Aging 181~365 days	-	1,955	10%	90%	1,760
Aging over 365 days	-	26,532	100%	100%	26,532
Accounts receivable assessed on an individual basis					
Aging over 365 days	<u>-</u>	<u>10,123</u>	-	50%	<u>5,062</u>
	<u>\$ 4,008</u>	<u>512,827</u>			<u>34,758</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2025					
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Loss allowance provision</u>
Notes and accounts receivable					
Aging under 60 days	\$ 3,881	472,934	-%	-%	159
Aging 61~90 days	-	1,420	1%	1%	14
Aging 91~120 days	-	1,150	5%	60%	690
Aging 121~150 days	-	1,031	10%	60%	619
Aging 151~180 days	-	1,072	10%	80%	857
Aging 181~365 days	-	5,734	10%	90%	5,160
Aging over 365 days	-	21,390	100%	100%	21,390
Accounts receivable assessed on an individual basis					
Aging over 365 days	-	9,705	-	-	-
	<u>\$ 3,881</u>	<u>514,436</u>			<u>28,889</u>
June 30, 2025					
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Loss allowance provision</u>
Installment sales receivable	\$ -	48,862	-	-	17,666
Notes and accounts receivable					
Aging under 60 days	2,652	284,960	-%	-%	-
Aging 61~90 days	-	3,018	1%	1%	30
Aging 91~120 days	-	2	5%	60%	1
Aging 121~150 days	-	-	10%	60%	-
Aging 151~180 days	-	39	10%	80%	31
Aging 181~365 days	-	709	10%	90%	638
Aging over 365 days	-	25,183	100%	100%	25,183
Accounts receivable assessed on an individual basis					
Aging over 365 days	-	8,831	-	-	-
	<u>\$ 2,652</u>	<u>371,604</u>			<u>43,549</u>

As of June 30, 2026, December 31 and June 30, 2025, certain accounts receivable assessed on an individual basis primarily resulted from a shareholding dispute involving the Group, who proactively notified its related parties to temporarily suspend the collection of receivables and will continue to reassess their recoverability and estimate the expected credit losses using the individual assessment approach.

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

	For the six months ended June 30,	
	2026	2025
Balance on January 1	\$ 28,889	43,549
Impairment losses recognized	5,780	-
Foreign exchange gain	89	-
Balance on June 30	<u>\$ 34,758</u>	<u>43,549</u>

(iii) As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge any notes and accounts receivable as collateral for its borrowings.

(d) Other current financial assets

	June 30, 2026	December 31, 2025	June 30, 2025
Other receivables (including related parties)	\$ 50,021	31,701	68,568
Dividends receivable	26,257	-	26,257
Less: loss allowance	<u>(13,100)</u>	<u>(13,100)</u>	<u>(13,100)</u>
	63,178	18,601	81,725
Restricted deposits	-	-	362,134
Time deposits with maturities over three months	<u>310,550</u>	<u>-</u>	<u>-</u>
	<u>\$ 373,728</u>	<u>18,601</u>	<u>443,859</u>

For further credit risk information, please refer to note (6)(q).

(e) Inventories

	June 30, 2026	December 31, 2025	June 30, 2025
Premium Diesel	\$ 46,141	44,111	56,556
Unleaded Gasoline #92	29,160	30,204	38,378
Unleaded Gasoline #95	35,404	46,103	54,583
Unleaded Gasoline #98	25,970	22,974	25,598
By-product and other	24,425	25,204	26,284
Merchandise Inventory	<u>37,167</u>	<u>37,167</u>	<u>50,897</u>
	<u>\$ 198,267</u>	<u>205,763</u>	<u>252,296</u>

The Group recognized as cost of sales amounted to \$1,998,472, \$1,512,088, \$3,577,870 and \$3,050,403, respectively, for the three months and six months ended June 30, 2026 and 2025. Additionally, the cost of goods sold recognized due to the write-downs of inventory to net realizable value were \$779, \$0, \$779 and \$0, respectively.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The gain on physical inventory amounted to \$6,754, \$7,027, \$13,238 and \$15,315, respectively, which was recorded as cost of sales for the three months and six months ended June 30, 2026 and 2025.

As of June 30, 2026, December 31 and June 30, 2025, the Group did not pledge any inventories as collateral for its borrowings.

(f) Investments accounted for using the equity method

The components of investments accounted for using the equity method at the reporting date were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Associates	\$ <u><u>60,240</u></u>	<u><u>57,148</u></u>	<u><u>58,186</u></u>

(i) The Group's financial information on investments accounted for using the equity method that are individually insignificant was as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Attributable to the Group:				
Profit (loss)	\$ (360)	2,232	(1,261)	662
Other comprehensive income (loss)	<u>1,982</u>	<u>(1,285)</u>	<u>4,353</u>	<u>(1,578)</u>
Total comprehensive income (loss)	<u><u>\$ 1,622</u></u>	<u><u>947</u></u>	<u><u>3,092</u></u>	<u><u>(916)</u></u>

(ii) As of June 30, 2026, December 31 and June 30, 2025, the investments were accounted for using the equity method, and the share of profit or loss and other comprehensive income of those investments was calculated based on the financial statements that have not been reviewed.

(iii) As of June 30, 2026, December 31 and June 30, 2025, the Group did not provide any investment accounted for using the equity method as collateral for its loans.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Gasoline equipment</u>	<u>Transportation equipment</u>	<u>Miscellaneous equipment</u>	<u>Unfinished construction and equipment under installation</u>	<u>Total</u>
Carrying amounts:							
Balance on January 1, 2026	\$ <u>2,009,271</u>	<u>503,377</u>	<u>228,307</u>	<u>670,316</u>	<u>176,830</u>	<u>17,688</u>	<u>3,605,789</u>
Balance on June 30, 2026	\$ <u>2,009,271</u>	<u>500,767</u>	<u>225,230</u>	<u>621,932</u>	<u>150,091</u>	<u>17,733</u>	<u>3,525,024</u>
Balance on January 1, 2025	\$ <u>2,009,271</u>	<u>520,703</u>	<u>263,792</u>	<u>823,683</u>	<u>190,574</u>	<u>25,576</u>	<u>3,833,599</u>
Balance on June 30, 2025	\$ <u>2,009,271</u>	<u>516,294</u>	<u>262,274</u>	<u>734,446</u>	<u>207,747</u>	<u>13,677</u>	<u>3,743,709</u>

- (i) There was no significant change for property, plant and equipment for the six months ended June 30, 2026 and 2025. For the depreciation amount for the current period, please refer to note (12). For the related information, please refer to the consolidated financial statements for the year ended December 31, 2025.
- (ii) The Group is restricted by the law and cannot acquire any agricultural land in the name of the Group; therefore, the agricultural land located in Mailiao and Taoyuan is registered in the name of the Chairman of the Company. As of June 30, 2026, December 31 and June 30, 2025, the carrying value of the above land was both \$215,304. The Group has either "Other rights certificate" of the land or an agreement with both parties to verify that the Group is the actual owner of the land.
- (iii) As of June 30, 2026, December 31 and June 30, 2025, the portion of property, plant and equipment of the Group had been pledged as collateral for its credit lines of the bank, please refer to note (8).

(h) Right-of-use assets

	<u>Land</u>	<u>Buildings</u>	<u>Others</u>	<u>Total</u>
Carrying amount:				
Balance on January 1, 2026	\$ <u>163,191</u>	<u>501,152</u>	<u>518</u>	<u>664,861</u>
Balance on June 30, 2026	\$ <u>157,827</u>	<u>490,186</u>	<u>436</u>	<u>648,449</u>
Balance on January 1, 2025	\$ <u>171,969</u>	<u>579,541</u>	<u>684</u>	<u>752,194</u>
Balance on June 30, 2025	\$ <u>177,041</u>	<u>541,105</u>	<u>603</u>	<u>718,749</u>

There was no significant change for right-of-use assets for the three months ended June 30, 2026 and 2025. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2025.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Long-term borrowings

	June 30, 2026	December 31, 2025	June 30, 2025
Unsecured bank loans	\$ 2,258,400	2,458,400	-
Secured bank loans	1,061,600	1,061,600	2,875,000
Less: current portion	<u>2,570,000</u>	<u>1,770,000</u>	<u>1,775,000</u>
	<u>\$ 750,000</u>	<u>1,750,000</u>	<u>1,100,000</u>
Unused long-term credit lines	<u>\$ 1,690,000</u>	<u>1,270,000</u>	<u>1,740,000</u>
Range of interest rates	<u>2.00%~2.60%</u>	<u>1.88%~2.38%</u>	<u>1.88%~2.28%</u>
Maturity year	2026~2029	2026~2029	2025~2030

(i) Issuance and repayment of the loans

The Group's additional amounts in loans for the six months ended June 30, 2026 and 2025, were \$4,450,000 and \$1,700,000, respectively; and the repayments, including prepaying the loans, were \$4,650,000 and \$1,675,000, respectively.

(ii) As of June 30, 2026, the repayment schedule for the long-term borrowings was as follows:

<u>Period</u>	<u>Amount</u>
2026.7.1~2027.6.30	\$ 2,570,000
2027.7.1~2028.6.30	400,000
2028.7.1~2029.6.30	200,000
2029.7.1~2029.12.31	<u>150,000</u>
	<u>\$ 3,320,000</u>

(iii) Some of the Group's borrowings are classified based on their original contractual maturity dates, and are therefore listed as liabilities due within one year on the balance sheet. However, these borrowings are mostly extendable in nature, and based on historical practices and stable relationships with financial institutions, the company expect to complete the extensions throughout the year 2026, thus assessing no significant liquidity risk. Additionally, the Group holds highly liquid securities and possesses real estate that can be pledged, serving as backup sources for fund allocation and financing to ensure short-term debt repayment capability and overall financial stability. Please refer to note (6)(q) for the interest rate risk and liquidity risk information of the Group.

(iv) The Group's long-term borrowings are jointly and severally guaranteed by key management personnel. Please refer to note (7).

(v) Please refer to note (8) for the collateral for the long-term borrowings.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Lease liabilities

The lease liabilities of the Group were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Current	\$ <u>174,785</u>	<u>174,918</u>	<u>187,813</u>
Non-current	\$ <u>479,563</u>	<u>495,618</u>	<u>546,489</u>

For the maturity analysis, please refer to note (6)(q).

	For the six months ended June 30,	
	2026	2025
The amounts recognized in profit or loss were as follows:		
Interest on lease liabilities	\$ <u>5,450</u>	<u>5,922</u>
Expenses relating to short-term leases	\$ <u>4,623</u>	<u>8,024</u>
Lease modification gains (recorded as other gains and losses)	\$ <u>655</u>	<u>189</u>

The amount recognized in the statement of cash flows for the Group was as follows:

	For the six months ended June 30,	
	2026	2025
Total cash outflow for leases	\$ <u>101,045</u>	<u>108,076</u>

(i) Leases of land and buildings

The Group leases a number of office space, gas stations, warehouses and land. These leases typically run for a period of 2 to 27 years.

(ii) Other leases

The Group leases a number of stackers with short-term contract terms. The Group has chosen not to recognize right-of-use assets and lease liabilities for these leases.

(k) Employee benefits

(i) Defined benefit plans

The management believes there was no material volatility of the market and no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Operating cost and operating expenses	\$ <u>267</u>	<u>267</u>	<u>534</u>	<u>534</u>
(ii) Defined contribution plans				
	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Operating cost and operating expenses	\$ <u>4,442</u>	<u>8,078</u>	<u>11,858</u>	<u>16,167</u>
(iii) Overseas subsidiaries apply defined contribution retirement plans in accordance with local regulations. Pension costs recognized for the three months and six months ended June 30, 2026 and 2025, were \$411, \$413, \$822 and \$863, respectively.				

(l) Income taxes

(i) The amounts of income tax expenses were as follows:

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Current income tax expenses				
Current period	\$ 2,494	2,485	5,207	4,502
Adjustment for prior periods	<u>5,801</u>	<u>-</u>	<u>5,801</u>	<u>-</u>
	<u>8,295</u>	<u>2,485</u>	<u>11,008</u>	<u>4,502</u>
Deferred income tax expenses				
Origination and reversal of temporary differences	<u>4,957</u>	<u>200</u>	<u>4,957</u>	<u>200</u>
	<u>\$ 13,252</u>	<u>2,685</u>	<u>15,965</u>	<u>4,702</u>

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

- (ii) The amounts of income tax recognized directly in other comprehensive income were as follows:

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains (losses) on equity instruments at fair value through other comprehensive income	\$ -	(4,027)	-	(4,902)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign financial statements	\$ (52)	(6,560)	(363)	(5,468)

- (iii) As of June 30, 2026 and 2025, The Group did not recognize any income tax expenses in equity.

- (iv) Assessment of tax

The tax returns of the Company, Shan Loong Customs Broker, Shan Loong Investment and Shan Loong Information for the years through 2024 were assessed by the Taipei National Tax Administration.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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(m) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the periods from January 1 to June 30, 2026 and 2025. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2025.

(i) Ordinary shares

As of June 30, 2026, December 31 and June 30, 2025, the number of authorized ordinary shares were both \$1,800,000 with a par value of \$10 per share, and of which \$1,372,818 were issued. All issued shares were paid up upon issuance.

(ii) Capital surplus

The balances of capital surplus were as follows:

	June 30, 2026	December 31, 2025	June 30, 2025
Additional paid-in capital	\$ 479,021	520,206	520,206
Treasury share transactions	68,449	68,449	68,043
Other	1,241	1,241	1,241
	\$ 548,711	589,896	589,490

The Company's shareholders, at the annual general meeting held on June 18, 2026, approved a cash distribution from capital surplus of \$41,185 (\$0.3 per share) from capital reserves. Relevant information is available on the Market Observation Post System (MOPS).

(iii) Retain earnings-earnings distribution and dividend policy

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

A portion of current period earnings and undistributed prior period earnings shall be reclassified as a special earnings reserve during earnings distribution. The amount to be reclassified should equal to the current-period total net reduction of other shareholders' equity. The amount to be reclassified to special reserve shall be a portion of current-period earnings plus other line items in the retained earnings movements and undistributed prior-period earnings. A portion of undistributed prior-period earnings shall be reclassified as special earnings reserve (and does not qualify for earnings distribution) to account for cumulative changes to other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) Retain earnings-earnings distribution and dividend policy

Based on the Company's article of incorporation, if there is any profit after tax after closing of books in a given year, the Company shall first offset the accumulated deficits, if any, and set aside 10% of it as legal reserve. The legal reserve shall be based on after tax net income for the period and other profit items adjusted to the current year's undistributed earnings other than after-tax net income for the period. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. Moreover, the Company shall set aside or reserve a special reserve in accordance with laws and regulations. And then any remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

The abovementioned distribution shall be declared more than 30% to shareholders. The cash dividends shall not be lower than 10% of the total cash and stock dividends. However, stock dividends instead of cash dividends are declared if the cash dividends per share are less than NT\$0.1 (dollars). When there is a deduction from shareholders' equity, an amount equal to the deduction item is set aside as a special reserve (which does not qualify for earnings distribution). If the dividends per share are less than NT\$0.5 (dollars), they can be decided not to distribute.

On June 18, 2025, the Company's annual stockholders' meeting resolved to appropriate the 2024 earnings. These earnings was approved, as follows:

	2024	
	<u>Amount</u>	<u>Total</u>
	<u>per share</u>	<u>amount</u>
Dividends distributed to ordinary shareholders:		
Cash	0.30	<u><u>41,185</u></u>

On March 12, 2026, the Company's Board of Directors resolved not to distribute cash dividends or stock dividends as the 2025 earnings distribution plan.

(iv) Treasury shares

In accordance with Securities and Exchange Act requirements, the number of shares repurchased should not exceed 10% of all shares outstanding. Also, the value of the repurchased shares should not exceed the sum of the Company's retained earnings, share premium, and realized capital reserves.

In accordance with the requirements of Securities and Exchange Act, treasury shares held by the Company should not be pledged, and do not hold any shareholder rights before their transfer.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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As of June 30, 2026, December 31 and June 30, 2025, Shan-Loong Investment held a number of the ordinary shares of the Company, the Group accounted it under the treasury stock. The total shares and amounts were as follows:

	<u>June 30, 2026</u>		<u>December 31, 2025</u>		<u>June 30, 2025</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
	<u>(thousands)</u>		<u>(thousands)</u>		<u>(thousands)</u>	
Shan-Loong Investment	<u>1,353</u>	<u>\$ 31,863</u>	<u>1,353</u>	<u>31,863</u>	<u>1,353</u>	<u>31,863</u>
Fair value		<u>\$ 18,069</u>		<u>19,625</u>		<u>19,963</u>

For the year ended December 31, 2025, Shan-Loong Investment, received the cash dividend which was distributed by the Company, amounting to \$406, which was recorded as capital surplus - treasury share transactions.

(v) Other equity

	<u>Exchange</u>	<u>Unrealized gains</u>	
	<u>differences on</u>	<u>(losses) from</u>	
	<u>translation of</u>	<u>financial assets</u>	
	<u>foreign financial</u>	<u>measured at fair</u>	
	<u>statements</u>	<u>value through</u>	
		<u>other</u>	
		<u>comprehensive</u>	
		<u>income</u>	<u>Total</u>
Balance on January 1, 2026	\$ (31,472)	427,785	396,313
Exchange differences on foreign operations	1,474	-	1,474
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	243,587	243,587
Balance on June 30, 2026	<u>\$ (29,998)</u>	<u>671,372</u>	<u>641,374</u>
Balance on January 1, 2025	\$ (13,864)	529,897	516,033
Exchange differences on foreign operations	(21,871)	-	(21,871)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	-	(78,366)	(78,366)
Balance on June 30, 2025	<u>\$ (35,735)</u>	<u>451,531</u>	<u>415,796</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(n) Earnings per share

The Group's basic earnings per share was calculated as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2026	2025	2026	2025
Basic earnings per share:				
Loss attributable to ordinary shareholders of the Company	\$ <u>(171,916)</u>	<u>(189,762)</u>	<u>(357,692)</u>	<u>(399,698)</u>
Weighted average number of outstanding ordinary shares (thousands of shares)	<u>135,928</u>	<u>135,928</u>	<u>135,928</u>	<u>135,928</u>
Basic earnings per share (dollars)	\$ <u>(1.26)</u>	<u>(1.40)</u>	<u>(2.63)</u>	<u>(2.94)</u>
Diluted earnings per share:				
Loss attributable to ordinary shareholders of the Company (after adjustment the influence of potential ordinary shares)	\$ <u>(171,916)</u>	<u>(189,762)</u>	<u>(357,692)</u>	<u>(399,698)</u>
Weighted average number of outstanding ordinary shares (thousands of shares)	<u>135,928</u>	<u>135,928</u>	<u>135,928</u>	<u>135,928</u>
Diluted earnings per share (dollars)	\$ <u>(1.26)</u>	<u>(1.40)</u>	<u>(2.63)</u>	<u>(2.94)</u>

(o) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended June 30, 2026			
	Transportation segment	Gasoline station segment	Other segment	Total
Primary geographical markets:				
Taiwan	\$ 110,889	2,053,064	92,614	2,256,567
Vietnam	<u>131,080</u>	<u>-</u>	<u>-</u>	<u>131,080</u>
	\$ <u>241,969</u>	<u>2,053,064</u>	<u>92,614</u>	<u>2,387,647</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months ended June 30, 2025				
	Transportation segment	Gasoline station segment	Other segment	Total
Primary geographical markets:				
Taiwan	\$ 104,397	1,625,815	144,604	1,874,816
Vietnam	117,745	-	-	117,745
	<u>\$ 222,142</u>	<u>1,625,815</u>	<u>144,604</u>	<u>1,992,561</u>

For the six months ended June 30, 2026				
	Transportation segment	Gasoline station segment	Other segment	Total
Primary geographical markets:				
Taiwan	\$ 208,589	3,746,268	183,079	4,137,936
Vietnam	235,472	-	-	235,472
	<u>\$ 444,061</u>	<u>3,746,268</u>	<u>183,079</u>	<u>4,373,408</u>

For the six months ended June 30, 2025				
	Transportation segment	Gasoline station segment	Other segment	Total
Primary geographical markets:				
Taiwan	\$ 218,329	3,268,265	290,447	3,777,041
Vietnam	224,583	-	-	224,583
	<u>\$ 442,912</u>	<u>3,268,265</u>	<u>290,447</u>	<u>4,001,624</u>

(ii) Contract balances

	June 30, 2026	December 31, 2025	June 30, 2025
Notes and accounts receivable	\$ 516,835	518,317	374,256
Less: Allowance for impairment	(34,758)	(28,889)	(43,549)
Unearned interests	-	-	(2,327)
	<u>\$ 482,077</u>	<u>489,428</u>	<u>328,380</u>
Contract liabilities – Unearned revenue	<u>\$ 235,039</u>	<u>216,008</u>	<u>63,743</u>

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

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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The major change in the balance of contract assets and liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(p) Employee compensation and directors' remuneration

Based on the Company's articles of incorporation, if the Company has any pre-tax earnings, no less than 1% shall be allocated as employee compensation based on the pre-tax earnings before the amount of employee compensation to be distributed is deducted. If there are any pre-tax earnings in the current year, the Company shall allocate no less than 1% to adjust the salaries or distribute compensation for grassroots employees. The aforementioned grassroots employees are non-managers with salary levels below the definition of grassroots employee salary levels as per the "SME Employee Salary Increase Expense Deduction and Addition Measures." But if the Company still has an accumulated loss, it shall reserve the recovery amount in advance. Employee compensation can be paid in stocks or cash, and the payment recipients may include employees of controlling or affiliated companies that meet certain conditions. The payment method and rate of employee remuneration shall be determined by the Board of Directors based on a resolution approved by more than two-thirds of the Directors present and more than half of the attending Directors, and shall be reported to the Shareholders' Meeting. If the employees' remuneration mentioned in the preceding paragraph is distributed in shares and resolved by the Board of Directors, a resolution may be resolved to issue new shares or buy back the Company's shares in the same meeting.

The Group incurred a pre-tax net loss for the six months ended June 30, 2026 and 2025, therefore, no remunerations to employees and directors were accrued. If there is a difference between the actual distribution amount and the accrued amount in the following year, the difference will be treated as a change in accounting estimate and will be recognized in profit or loss in the following year.

The Group's remuneration to employees and directors both amounted to \$0 for the years ended December 31, 2025 and 2024. The remunerations above are identical to those of the actual distributions. The information is available on the Market Observation Post System website.

(q) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2025.

(i) Credit risk

For credit risk exposure of notes and accounts receivable, please refer to note (6)(c). Other financial assets measured at amortized cost include other receivables, please refer to note (6)(d).

The abovementioned other receivables are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note (4)(g) for the year ended December 31, 2025.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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The loss allowance provision of other receivables was determined as follows:

	For the six months ended June 30,	
	2026	2025
	\$ <u>13,100</u>	<u>13,100</u>
Balance on January 1 (same as balance on June 30)		

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flows	Within a year	1~2 years	Over 2 years
June 30, 2026					
Non-derivative financial liabilities					
Notes and accounts payable \$	774,471	(774,471)	(774,471)	-	-
Other payables	330,054	(330,054)	(330,054)	-	-
Dividends payable	41,185	(41,185)	(41,185)	-	-
Lease liabilities	654,348	(689,512)	(184,098)	(131,011)	(374,403)
Long-term borrowings	3,320,000	(3,387,199)	(2,618,087)	(411,146)	(357,966)
Guarantee deposits received	<u>7,209</u>	<u>(7,209)</u>	<u>(7,209)</u>	<u>-</u>	<u>-</u>
	\$ <u>5,127,267</u>	<u>(5,229,630)</u>	<u>(3,955,104)</u>	<u>(542,157)</u>	<u>(732,369)</u>
December 31, 2025					
Non-derivative financial liabilities					
Notes and accounts payable \$	779,367	(779,367)	(779,367)	-	-
Other payables	340,921	(340,921)	(340,921)	-	-
Lease liabilities	670,536	(705,215)	(184,637)	(142,480)	(378,098)
Long-term borrowings	3,520,000	(3,607,847)	(1,819,843)	(1,426,402)	(361,602)
Guarantee deposits received	<u>7,502</u>	<u>(7,502)</u>	<u>(7,502)</u>	<u>-</u>	<u>-</u>
	\$ <u>5,318,326</u>	<u>(5,440,852)</u>	<u>(3,132,270)</u>	<u>(1,568,882)</u>	<u>(739,700)</u>
June 30, 2025					
Non-derivative financial liabilities					
Notes and accounts payable \$	756,630	(756,630)	(756,630)	-	-
Other payables	188,631	(188,631)	(188,631)	-	-
Dividends payable	41,185	(41,185)	(41,185)	-	-
Lease liabilities	734,302	(770,897)	(197,623)	(165,782)	(407,492)
Long-term borrowings	2,875,000	(2,946,696)	(1,809,264)	(772,193)	(365,239)
Guarantee deposits received	<u>6,528</u>	<u>(6,528)</u>	<u>-</u>	<u>-</u>	<u>(6,528)</u>
	\$ <u>4,602,276</u>	<u>(4,710,567)</u>	<u>(2,993,333)</u>	<u>(937,975)</u>	<u>(779,259)</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts, please refer to note (6)(i).

(iii) Currency risk

1) Exposure to foreign currency risk

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

	June 30, 2026			December 31, 2025			June 30, 2025			
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	
Financial assets										
Monetary items										
USD	\$	13,352	31.850	425,261	19,093	31.430	600,093	13,036	29.3	381,955
Non-Monetary items										
CNY		46,362	4.690	217,436	48,362	4.496	217,436	59,125	4.091	241,881

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents and financial assets at fair value through other comprehensive income. A strengthening (weakening) of 5% of the TWD against the USD and CNY for the six months ended June 30, 2026 and 2025, would have decreased or increased the loss before tax by \$21,263 and \$19,098 and would have decreased or increased the other comprehensive income by \$10,872 and \$19,653. The analysis is performed on the same basis for both periods.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the six months ended June 30, 2026 and 2025, the foreign exchange gains (losses) (including both realized and unrealized) were as follows:

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Foreign exchange gain (loss)				
(recorded as other gains and losses)	\$			
	<u>(1,933)</u>	<u>(49,615)</u>	<u>5,269</u>	<u>(44,821)</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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(iv) Interest rate analysis

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

	June 30, 2026	December 31, 2025	June 30, 2025
Variable rate instruments (Carrying amount):			
Financial assets	\$ 536,915	1,326,610	1,021,088
Financial liabilities	3,320,000	3,520,000	2,875,000

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding assets and liabilities with variable interest rates, the analysis is based on the assumption that the amount of assets and liabilities outstanding at the reporting date were outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents the Group's management's assessment of the reasonably possible interest rate change.

If the interest rate had increased or decreased by 0.25%, the Group's net loss before tax would have increased or decreased by \$3,479 and \$2,318, respectively, for the six months ended June 30, 2026 and 2025, which would be mainly resulted from the bank deposits and bank loans.

(v) Other market price risk

For the six months ended June 30, 2026 and 2025, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	For the six months ended June 30, 2026		For the six months ended June 30, 2025	
Prices of securities at the reporting date	Other comprehensive income before tax	Profit before tax	Other comprehensive income before tax	Profit before tax
Increasing 5%	\$ <u>77,243</u>	<u>-</u>	<u>69,791</u>	<u>-</u>
Decreasing 5%	\$ <u>(77,243)</u>	<u>-</u>	<u>(69,791)</u>	<u>-</u>

(vi) Fair value of financial instruments

1) Procedure of valuation and Fair value hierarchy

The Group's accounting policies and disclosure include fair value method on financial assets and financial liabilities. The Group's management is responsible in performing independent test on fair value by using independent source of information to obtain the fair value which is close to the market status. The management also confirms the independence, reliability and matching of the information source, and regularly test the valuation model, update the input and other information, and make necessary adjustment to ensure the output of valuation is reasonable.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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The Group uses observable market data to evaluate its assets and liabilities when it is possible. The different inputs of levels of fair value hierarchy in determining the fair value are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

2) The categories and the fair value of financial instruments

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

		June 30, 2026				
		Carrying amount	Fair Value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Stock listed on domestic markets	\$	1,248,687	1,248,687	-	-	1,248,687
Unquoted equity instruments		<u>296,172</u>	-	-	296,172	296,172
	\$	<u><u>1,544,859</u></u>				
		December 31, 2025				
		Carrying amount	Fair Value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Stock listed on domestic markets	\$	1,009,453	1,009,453	-	-	1,009,453
Unquoted equity instruments		<u>296,172</u>	-	-	296,172	296,172
	\$	<u><u>1,305,625</u></u>				

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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	June 30, 2025				
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Stock listed on domestic markets	\$ 1,026,957	1,026,957	-	-	1,026,957
Unquoted equity instruments	<u>368,863</u>	-	-	368,863	368,863
	<u>\$ 1,395,820</u>				

3) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

Unquoted liability instruments and financial liabilities measured at amortized cost: If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

4) Valuation techniques for financial instruments measured at fair value

Non-derivative financial instruments

Financial instruments traded in active markets is based on quoted market prices. The quoted price of a financial instrument obtained from main exchanges and on-the-run bonds from Taipei Exchange can be used as a base to determine the fair value of the listed companies' equity instrument and debt instrument of the quoted price in an active market.

If a quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument is not in accord with the definition mentioned above, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of a non-active market.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments or other valuation technique including a model using observable market data at the reporting date.

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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The measurement of fair value of a non-active market financial equity instruments held by the Group which do not have quoted market prices are based on the comparable market approach, with the use of key assumptions of EV/EBIT or price-to-book ratio of comparable listed companies as its basic measurement. These assumptions have been adjusted for the effect of discount for lack of marketability of the equity securities.

- 5) There were no transfers from one level to another of the Group for the six months ended June 30, 2026 and 2025.
- 6) Reconciliation of Level 3 fair values

	Financial assets at fair value through other comprehensive income
	Unquoted equity instruments
Balance on January 1, 2026	\$ 296,172
Total gains and losses recognized:	
In other comprehensive income	-
Balance on June 30, 2026	\$ 296,172
Balance on January 1, 2025	\$ 368,863
Total gains and losses recognized:	
In other comprehensive income	-
Balance on June 30, 2025	\$ 368,863

- 7) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include "fair value through other comprehensive income – equity investments".

Most of fair value measurements of the Group which are categorized as equity investment instruments into level 3 have several significant unobservable inputs. Significant unobservable inputs of equity instruments without quoted price are independent of each other.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
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Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income — unquoted equity instruments	Comparable transaction method	· Lack-of-Marketability discount rate (20%~47%, 20%~47% and 20%~35%, respectively, on June 30, 2026, December 31 and June 30, 2025)	· The higher the Lack-of-Marketability discount rate is, the lower the fair value will be.
"	"	· Price-Book ratio (0.58~0.77, 0.58~0.77 and 0.49~2.77, respectively, on June 30, 2026, December 31 and June 30, 2025)	· The higher the multiple is, the higher the fair value will be.
"	"	· EV/SALES (0.98~1.27, 0.98~1.27 and 1.15~1.28, respectively, on June 30, 2026, December 31 and June 30, 2025)	"
"	"	· EV/EBITDA (12.11~17.30, 12.11~17.30 and 11.92~12.11, respectively, on June 30, 2026, December 31 and June 30, 2025)	· The higher the EBITDA multiple is, the higher the fair value will be.

8) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The Group's fair value measurement on financial instruments is reasonable. However, the measurement would be different if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, if the valuation parameters changed, the impacts on other comprehensive income or loss are as follows:

			Other comprehensive income	
	Input	Move up or down	Favorable change	Unfavorable change
June 30, 2026				
Financial assets at fair value through other comprehensive income	Lack-of-Marketability discount rate	5%	\$ <u>3,149</u>	<u>(3,155)</u>
"	Price-to-Book Ratio	5%	\$ <u>2,318</u>	<u>(2,311)</u>
"	EV/SALES	5%	\$ <u>312</u>	<u>(315)</u>
"	EV/EBITDA	5%	\$ <u>7,161</u>	<u>(7,152)</u>

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

			Other comprehensive income	
	Input	Move up or down	Favorable change	Unfavorable change
December 31, 2025				
Financial assets at fair value through other comprehensive income	Lack-of-Marketability discount rate	5%	\$ <u>3,149</u>	<u>(3,155)</u>
"	Price-to-Book Ratio	5%	\$ <u>2,318</u>	<u>(2,311)</u>
"	EV/SALES	5%	\$ <u>312</u>	<u>(315)</u>
"	EV/EBITDA	5%	\$ <u>7,161</u>	<u>(7,152)</u>
June 30, 2025				
Financial assets at fair value through other comprehensive income	Lack-of-Marketability discount rate	5%	\$ <u>4,858</u>	<u>(4,844)</u>
"	Price-to-Book Ratio	5%	\$ <u>3,753</u>	<u>(3,737)</u>
"	EV/SALES	5%	\$ <u>350</u>	<u>(349)</u>
"	EV/EBITDA	5%	\$ <u>7,876</u>	<u>(7,860)</u>

The favorable and unfavorable impacts reflect the movement of the fair value, in which the fair value is calculated by using the significant unobservable inputs in the valuation technique. The table above shows the effects of one unobservable input, without considering the inter-relationships with another unobservable input for financial instrument, if there are one or more unobservable inputs.

(r) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in the consolidated financial statements for the year ended December 31, 2025.

(s) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2025. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2025. Please refer to the consolidated financial statements for the year ended December 31, 2025 for further details.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(t) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the six months ended June 30, 2026 and 2025, were as follows:

(i) The acquisition of right-of-use assets by lease, please refer to notes (6)(h) and (6)(j).

(ii) Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2026	Cash flows	Non-cash changes Changes in lease payments and others	June 30, 2026
Long-term borrowings	\$ 3,520,000	(200,000)	-	3,320,000
Guarantee deposits	7,502	(293)	-	7,209
Lease liabilities	670,536	(90,972)	74,784	654,348
Total liabilities from financing activities	<u>\$ 4,198,038</u>	<u>(291,265)</u>	<u>74,784</u>	<u>3,981,557</u>

	January 1, 2025	Cash flows	Non-cash changes Changes in lease payments and others	June 30, 2025
Long-term borrowings	\$ 2,850,000	25,000	-	2,875,000
Guarantee deposits	7,469	(941)	-	6,528
Lease liabilities	766,723	(94,130)	61,709	734,302
Total liabilities from financing activities	<u>\$ 3,624,192</u>	<u>(70,071)</u>	<u>61,709</u>	<u>3,615,830</u>

(7) Related-party transactions:

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in consolidated financial statements:

Name of related party	Relationship with the Group
Cheng Loong Corporation (Cheng Loong)	This Company is the corporate director of the Company
Shine Far Construction Co., Ltd.	This Company is the corporate director of the Company
Shine Far Property Co., Ltd.	Its parent company is the corporate director of the Company

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of related party	Relationship with the Group
Shine Far Electromechanical Co., Ltd.	Its parent company is the corporate director of the Company
Gemtech Optoelectronics Corp.	The relationship between the chairman of the Company and of this Company is within second degree of kinship
Ko Loong Industry Co., Ltd.	The associate of the Company
Zhong Loong International Co., Ltd.(Zhong Loong)	substantive related parties (other related parties) (Note 1)
Jie Loong Traffic Enterprise Co., Ltd.(Jie Loong)	substantive related parties (other related parties) (Note 1)
Sun Favorite Co., Ltd.	Half of the directors of this company are the directors of the Company
Shanghai Chung Hao Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
ChengDu ChengLoong Packing Products Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Suzhou Cheng Loong Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Shan Fu Paper (Kunsan) Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Cheng Loong (Gwangtung) Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Dongguan Ming Loong Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Zhangzhou Cheng Loong Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Qingdao Chung Loong Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Cheng Loong (Hangzhou) Investment Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Chung Ming International Limited Taiwan Branch	Its ultimate parent company is the corporate director of the Company
Chung Ming Global Business Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Wen Gin Development Co., Ltd. (Wen Gin Development)	The relationship between the chairman of the Company and of this company is within second degree of kinship
Cheng Loong Binh Duong Container Co., Ltd.	Its ultimate parent company is the corporate director of the Company

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

<u>Name of related party</u>	<u>Relationship with the Group</u>
Cheng Loong Long An Container Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Cheng Loong Binh Duong Paper Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Cheng Loong Bac Giang Company Limited	Its ultimate parent company is the corporate director of the Company
Cheng Loong Ben Cat Company Limited	Its ultimate parent company is the corporate director of the Company
Vina Tawana Container Co., Ltd.	Its ultimate parent company is the corporate director of the Company
Phu Kieu Vietnam Company Limited	Its ultimate parent company is the corporate director of the Company
Jen-Hong Cheng	The Company's key management personnel

Note 1: The group discloses these companies as other related parties, please refer to notes (12)(b).

(b) Significant transactions with related parties

(i) Sales

The amounts of significant sales transactions between the Group and related parties were as followings:

	Sales			
	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Other related parties- Cheng Loong	\$ 129,071	176,129	261,049	363,109
Other related parties	153,871	140,749	283,146	270,190
Associates	163	286	286	761
	\$ 283,105	317,164	544,481	634,060

Sales prices and other transaction terms for related parties were similar to those of the third-party customers.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Receivables from related parties

The receivables from related parties were as follows:

Account	Related-party categories	June 30, 2026	December 31, 2025	June 30, 2025
Accounts receivables	Other related parties -Cheng Loong	\$ 91,498	118,113	101,813
"	Other related parties -Zhong Loong	-	-	1,887
"	Other related parties	74,045	66,548	96,737
"	Associates	-	17	65
Installment sales receivable, net (recorded as notes and accounts receivable due from related parties, net)	Other related parties -Zhong Loong	-	-	28,869
"	Other related parties -Jie Loong	-	-	17,666
"	Other related parties -Allowance for loss-Jie Loong	-	-	(17,666)
		<u>\$ 165,543</u>	<u>184,678</u>	<u>229,371</u>
Account	Related-party categories	June 30, 2026	December 31, 2025	June 30, 2025
Other receivables (recorded as other current financial assets)	Other related parties -Cheng Loong	\$ 201	-	-
"	Other related parties -Zhong Loong	-	-	17
"	Other related parties	-	21	313
"	Associates	38	-	16
		<u>\$ 239</u>	<u>21</u>	<u>346</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) The costs and expenses paid to related parties

The costs and expenses paid to related parties were as follows:

<u>Account</u>	<u>Relationship</u>	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
		<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Operating costs and operating expenses	Other related parties	\$ 11,867	4,136	16,936	5,537
	" Associates	10,477	2,442	19,673	4,229
		<u>\$ 22,344</u>	<u>6,578</u>	<u>36,609</u>	<u>9,766</u>

(iv) Property transactions

1) Purchases of property, plant and equipment

The Group purchased the transportation equipment from the related parties and engaged related parties to engineer the facilities at the gas stations. The total price was as follows:

	<u>Total price</u>			
	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Associates	\$ <u>9,798</u>	<u>-</u>	<u>18,787</u>	<u>90</u>

- 2) The associates provided system integration development services to the Group. Since the development project has not been fully completed, the prepayments for business facilities of \$8,687, \$8,687 and \$14,234 as of June 30, 2026, December 31 and June 30, 2025, respectively, had been recognized as other non-current assets.

(v) Payable to related parties

The payables to related parties resulting from the above transactions were as follows:

<u>Account</u>	<u>Relationship</u>	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Accounts payable	Other related parties	\$ -	6,452	6,452
	-Zhong Loong			
"	Other related parties	-	827	827
	-Jie Loong			
"	Other related parties	480	983	1,037
"	Associates	-	-	610
		<u>\$ 480</u>	<u>8,262</u>	<u>8,926</u>

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

<u>Account</u>	<u>Relationship</u>	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>
Other payables	Other related parties	\$ 1,106	87	1,054
"	Associates	2,003	1,590	-
		<u>\$ 3,109</u>	<u>1,677</u>	<u>1,054</u>

(vi) Lease

1) Lessee

The Group rented several office spaces and lands from Cheng Loong. The rental fee is determined based on nearly office rental rates. The details of the above lease transactions are as follows:

	<u>Lease liabilities</u>			<u>Interest expense</u>			
	<u>June 30, 2026</u>	<u>December 31, 2025</u>	<u>June 30, 2025</u>	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
				<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Other related parties- Cheng Loong	\$ <u>15,528</u>	<u>21,097</u>	<u>23,853</u>	<u>82</u>	<u>121</u>	<u>177</u>	<u>196</u>

(vii) Provide guarantees

The Group's Short-term and Long-term borrowings is jointly and severally guaranteed by the Chairman of the Company.

(c) Key management personnel compensation

(i) Key management personnel compensation comprised:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
Short-term employee benefits	\$ 8,701	10,264	16,000	19,801
Post-employment benefits	112	-	216	159
	<u>\$ 8,813</u>	<u>10,264</u>	<u>16,216</u>	<u>19,960</u>

(ii) Guarantees

As of June 30, 2026 and 2025, the Group's Long-term borrowings is jointly and severally guaranteed by the Key management personnel.

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	June 30, 2026	December 31, 2025	June 30, 2025
Financial assets at fair value through other comprehensive income	Long-term borrowings	\$ 1,248,687	1,009,453	-
Property, plant and equipment — land	"	90,562	90,562	90,562
Property, plant and equipment — buildings	"	7,894	8,402	8,910
Refundable deposits (deposit certificate, recorded as other non-current assets)	Deposits for performance guarantee	41,456	41,456	46,220
		<u>\$ 1,388,599</u>	<u>1,149,873</u>	<u>145,692</u>

(9) Significant commitments and contingencies:

- (a) As of June 30, 2026, December 31 and June 30, 2025, the Group's unrecognized contractual commitments for gas station engineering, office renovation and computer information system amounted to \$61,449, \$76,287 and \$86,788, respectively.
- (b) As of June 30, 2026, December 31 and June 30, 2025, the Group had outstanding stand-by letters of credit provided by the banks totaling \$1,930,000, \$1,880,000 and \$2,180,000, respectively, for purposes of gasoline purchase, transportation and customs guarantee, etc.

(10) Losses due to major disasters: None

(11) Subsequent events: None

(12) Others:

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

By item	By funtion	For the three months ended June 30,					
		2026			2025		
		Operating cost	Operating Expense	Total	Operating cost	Operating Expense	Total
Employee benefits							
Salary		32,353	131,726	164,079	31,722	125,318	157,040
Labor and health insurance		2,688	12,218	14,906	3,035	14,796	17,831
Pension		1,387	3,733	5,120	1,460	6,885	8,345
Others		204	3,854	4,058	206	3,955	4,161
Depreciation		21,570	83,073	104,643	25,403	91,717	117,120
Amortization		-	9,375	9,375	1,156	6,359	7,515

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the six months ended June 30,					
	2026			2025		
	Operating cost	Operating Expenses	Total	Operating cost	Operating Expenses	Total
By item						
Employee benefits						
Salary	64,629	265,952	330,581	67,493	263,639	331,132
Labor and health insurance	5,542	25,916	31,458	6,274	30,367	36,641
Pension	2,870	10,344	13,214	3,038	13,663	16,701
Others	420	7,582	8,002	471	7,448	7,919
Depreciation	43,305	168,443	211,748	52,761	184,711	237,472
Amortization	-	18,830	18,830	2,266	12,609	14,875

- (b) On February 20, 2025, investigative authorities conducted a search and seizure on the Company, requesting cooperation from its Chairman, Jen-Hong Cheng (the Chairman), and others for investigation. According to news reports on February 21, 2025, after questioning, the prosecutor charged the Chairman with irregular transactions under the Securities Exchange Act and violations of the Business Accounting Act, setting bail at \$3,000. Eight company executives were also granted bail ranging from \$50 to \$150. As of August 11, 2026, the investigation has yet to be concluded.

To protect its shareholder profits, the Company conducted an internal review and discovered that certain vendors had management personnel holding shares and safeguarding financial seals, classifying them as substantive related parties (please refer to note (7)). Transactions with these vendors have been disclosed as related party transactions and prior financial statements have been corrected accordingly. Due to the confidentiality of the investigation, this handling may not be final. The Company will take appropriate actions following judicial clarification.

Additionally, news reports mentioned that the personnel involved may have engaged in irregular transactions, embezzlement, and breach of trust. As the Company lacks judicial investigative authority and due to the confidentiality of the investigation, the facts and legal responsibilities will be clarified by investigative and judicial authorities before the Company takes corresponding measures.

The Company will fully cooperate with the investigation and plans to commission external experts to assist the matter, such as analyzing the reasonableness of related party procurement prices to protect shareholder profits. Currently, the Company's finances and operations remain normal, and the investigation has not significantly impacted the Company's operations.

- (c) Seasonality of operations

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

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Additional disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports” for the Group for the six months ended June 30, 2026.

(i) Loans to other parties: None

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
1	Shan-Loong Investment	The Company	Note 3	1,484,311	400,000	400,000	400,000	400,000	16.17 %	1,484,311	-	Y	-
2	Shan-Loong Customs Broker	The Company	Note 3	1,484,311	100,000	100,000	-	100,000	4.04 %	1,484,311	-	Y	-
3	ShanLoong International Holdings Co.Ltd	The Company	Note 3	1,484,311	319,950	318,500	-	318,500	12.93 %	1,484,311	-	Y	-

Note 1: Subsidiaries are sorted in a numerical order starting from 1.

Note 2: The total amount of endorsements shall not exceed 150% of the Company's net assets, and the endorsements for a single company shall not exceed 60% of the Company's net assets.

Note 3: Subsidiary whose over 50% common stock is directly or indirectly owned.

(iii) Material securities held as of June 30, 2026 (excluding investment in subsidiaries, associates and joint ventures):

(In thousands of shares)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Stock: Cheng Loong Corporation	Other related parties	Non current financial assets at fair value through other comprehensive income	19,376	414,650	1.75%	414,650	
"	Gemtech Optoelectronics Corp.	Other related parties	"	182	11,001	19.29%	11,001	
"	Cheng Loong Investment Co., Ltd.	-	"	600	17,731	4.62%	17,731	
"	Yueh Loong Co., Ltd.	-	"	323	5,227	10.78%	5,227	
"	Shine Far Co., Ltd.	-	"	270	8,891	0.87%	8,891	
Shan Loong Investment Co., Ltd.	Stocks: Cheng Loong Corporation	-	Non-current financial assets at fair value through other comprehensive income	31,819	680,920	2.87%	680,920	
"	Shan Loong Transportation Co., Ltd.	Parent company	"	1,353	18,069	0.99%	18,069	

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SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
"	Cheng Loong Investment Co., Ltd.	-	"	1,200	35,424	9.23%	35,424	
"	Yueh Loong Co., Ltd.	-	"	29	462	0.95%	462	
Shan Loong Customs Broker	Stocks: Cheng Loong Corporation	-	Non-current financial assets at fair value through other comprehensive income	7,155	153,117	0.65%	153,117	
Shan-Loong International	Chung Loong Paper Holdings Limited	-	"	1,339	217,436	5.00%	217,436	

- (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Trade receivables (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/trade receivables (payable)	
The Company	Cheng Loong	Cheng Loong is the corporate director of the Company	Freight and gas revenue	(246,565)	(6.12)%	20-80 days	There is no difference to those of the third-party	No difference	Accounts receivable 84,009	20.89%	

- (v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:None

- (vi) Business relationships and significant intercompany transactions:

No. (Note1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions (Note 3)			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	Shan Loong Information	The Company	2	Operating revenue	2,164	The selling price and payment conditions are not significantly different from other customers	0.06%
1	Shan Loong Information	The Company	2	Accounts receivable	2,398	The selling price and payment conditions are not significantly different from other customers	0.03%

Note 1: The numbers filled in as follows:

1. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Relationship with the transactions labeled as follows:

1. represents the transactions from the parent company to its subsidiaries.
2. represents the transactions from the subsidiaries to its parent company.
3. represents the transactions between subsidiaries.

Note 3: The transactions above have been eliminated in the consolidated financial statement.

(Continued)

SHAN-LOONG TRANSPORTATION CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees (excluding information on investees in Mainland China):

(In thousands of shares)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of ending of the period			Net income (losses) of investee (Note 2)	Share of profits / losses of investee (Note 2)	Note
				June 30, 2026 (Note 1)	December 31, 2025 (Note 1)	Shares	Percentage of ownership	Carrying value (Note 1)			
The Company	Shan-Loong Investment	New Taipei City	Investing activities	400,000	400,000	40,000	100.00%	758,585	14,067	14,067	Subsidiary company
"	Shan Loong Customs Broker	Keelung	Import and export agent services	131,000	131,000	13,100	100.00%	285,082	11,563	11,562	"
"	Shan-Loong International	British Virgin Islands	Investing activities	319,997 (USD10,047 thousand)	319,997 (USD10,047 thousand)	10,047	100.00%	732,350	9,445	9,445	"
"	Shan Loong Information	New Taipei City	Information services	270,000	270,000	27,000	100.00%	186,128	(13,648)	(12,650)	"
"	Shan-Loong Information Technology Vietnam Co., Ltd.	Vietnam	Information services	3,185 (USD100 thousand)	-	-	100.00%	3,185	-	-	"
"	Ko Loong Industry	New Taipei City	Synthetic resin and plastic manufacturing	31,265	31,265	2,134	20.92%	60,240	(6,025)	(1,261)	Associates
Shan-Loong International	Long Yun	Samoa	Investing activities	26,149 (USD821 thousand)	26,149 (USD821 thousand)	821	100.00%	32,046	(1,351)	Investment gains and losses recognized by its parent company	Subsidiary company
"	Loong De	Samoa	Investing activities	32,487 (USD1,020 thousand)	32,487 (USD1,020 thousand)	1,020	100.00%	108,695	2,925	"	"
Loong De	Shan-Loong Logistics Co., Ltd.	Vietnam	Warehousing, freight transportation and related agent	32,487 (USD1,020 thousand)	32,487 (USD1,020 thousand)	-	51.00%	39,627	4,254	"	"

Note 1: The amounts of New Taiwan Dollars were exchanged by the closing rates on the reporting date.

Note 2: The amounts of New Taiwan Dollars were exchanged by the average rates on the reporting date.

(c) Information on investment in mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

Name of investee	Main businesses and products	Total amount of capital surplus	Method of investment	Accumulated outflow of investment from Taiwan as of beginning of the period	Investment flows		Accumulated outflow of investment from Taiwan as of ending of the period	Percentage of ownership	Net income (losses) of the investee	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Shanghai Shan Tong	Warehousing, freight transportation and related agent	23,450 (RMB5,000 thousand) (Note 3)	(Note1)	45,560 (USD812 thousand and RMB4,200 thousand)	-	-	45,560 (USD812 thousand and RMB4,200 thousand)	60.00%	(2,469)	(1,482)	31,267	-

Note1: Indirectly investment in Mainland China through companies registered in the third region.

Note2: The amounts of New Taiwan Dollars were exchanged by the rates at the reporting date.

Note3: Shanghai Shan Tong performed capital reduction RMB32,000 thousand in 2018, and Shan Loong International received capital reduction RMB19,200 thousand. As of the reporting date, the funds have not come back to Taiwan yet.

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(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2026	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
45,560 (USD812 thousand and RMB4,200 thousand)	45,560 (USD812 thousand and RMB4,200 thousand)	1,484,311

(iii) Significant transactions: None

(14) Segment information:

(a) Information about reportable segments and their measurement and reconciliation

The Group's operation segment information and reconciliation are as follows:

For the three months ended June 30, 2026					
	Freight segment	Gas station segment	Others	Reconciliation and elimination	Total
Revenues:					
Revenues from external customers	\$ 241,969	2,053,064	92,614	-	2,387,647
Intersegment revenues	-	86,962	185	(87,147)	-
Total revenues	<u>\$ 241,969</u>	<u>2,140,026</u>	<u>92,799</u>	<u>(87,147)</u>	<u>2,387,647</u>
Reportable segment profit (loss)	<u>\$ (12,321)</u>	<u>(69,654)</u>	<u>19,670</u>	<u>(96,015)</u>	<u>(158,320)</u>
For the three months ended June 30, 2025					
	Freight segment	Gas station segment	Others	Reconciliation and elimination	Total
Revenues:					
Revenues from external customers	\$ 222,142	1,625,815	144,604	-	1,992,561
Intersegment revenues	-	91,427	17,417	(108,844)	-
Total revenues	<u>\$ 222,142</u>	<u>1,717,242</u>	<u>162,021</u>	<u>(108,844)</u>	<u>1,992,561</u>
Reportable segment profit (loss)	<u>\$ (36,711)</u>	<u>(54,400)</u>	<u>19,507</u>	<u>(113,948)</u>	<u>(185,552)</u>
For the six months ended June 30, 2026					
	Freight segment	Gas station segment	Others	Reconciliation and elimination	Total
Revenues:					
Revenues from external customers	\$ 444,061	3,746,268	183,079	-	4,373,408
Intersegment revenues	-	165,740	3,267	(169,007)	-
Total revenues	<u>\$ 444,061</u>	<u>3,912,008</u>	<u>186,346</u>	<u>(169,007)</u>	<u>4,373,408</u>
Reportable segment profit (loss)	<u>\$ (12,017)</u>	<u>(117,840)</u>	<u>19,830</u>	<u>(230,603)</u>	<u>(340,630)</u>

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	For the six months ended June 30, 2025				
	Freight segment	Gas station segment	Others	Reconciliation and elimination	Total
Revenues:					
Revenues from external customers	\$ 442,912	3,268,265	290,447	-	4,001,624
Intersegment revenues	-	181,005	37,063	(218,068)	-
Total revenues	<u>\$ 442,912</u>	<u>3,449,270</u>	<u>327,510</u>	<u>(218,068)</u>	<u>4,001,624</u>
Reportable segment profit (loss)	<u>\$ (51,897)</u>	<u>(121,145)</u>	<u>16,091</u>	<u>(233,739)</u>	<u>(390,690)</u>