



長榮海運股份有限公司
EVERGREEN MARINE CORP. (TAIWAN) LTD.

Stock Code : 2603

EVERGREEN MARINE CORP. (TAIWAN) LTD.

2022 Annual General Shareholders' Meeting

Meeting Handbook

May 30, 2022

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2022 ANNUAL SHAREHOLDERS' MEETING (THE "HANDBOOK") OF EVERGREEN MARINE CORP. (TAIWAN) LTD. (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE HANDBOOK SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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EVERGREEN MARINE CORP. (TAIWAN) LTD.

2022 Annual General Shareholders' Meeting

Meeting Time: 9:00 AM on May 30 (Monday), 2022

Meeting Location: Meeting Room on the 10th floor, International Convention Center of Chang Yung-Fa Foundation, No.11, Zhongshan S. Road, Taipei City, Taiwan (R.O.C.)

Attendance: There are _____ shares representing shareholders attending, reaching ____% of 5,291,050,204 shares total issued by the Company.

Chairman: Chang, Yen-I, the Chairman of the Board

I. Report the total number of shares represented at this AGM.

II. Chairman calls meeting to order and address.

III. Report Items:

A. Business Report of the year 2021 (Handbook pages 6-13).

B. Audit Committee's Review Report of the year 2021. (Handbook page 41)

C. 2021 Employees' Compensation and Directors' Remuneration Report: The Board of Directors appropriated NT\$1,303,465,685 as Employees' Compensation in cash and NT\$9,500,000 as Directors' Remuneration pursuant to the Articles of Incorporation.

D. Corporate Bond Report:

In order to obtain long-term operation capital and reinforce the financial structure of the Company, the Board Meeting held on March 22, 2021 resolved to issue the 4th Domestic Unsecured Convertible Bond. The Corporate Bond was issued with total amount of par value NT\$5,000,000,000, period of 5 years, and Coupon rate of 0%. The registration of Corporate Bond issuance has become effective after being approved by Financial Supervisory Commission R.O.C (Taiwan) dated May 18, 2021. As of April 1, 2022, the suspended conversion date of the Corporate Bond, the 4th Domestic Unsecured Convertible Bond amounts to NT\$19,000,000 has been converted into 202,835 common shares. The current conversion price is NT\$93.67.

IV. Ratification and Discussion Items :

Proposed by the Board of Directors

Proposal 1 : Ratification of the 2021 Business Report and Audited Financial Report. (Handbook pages 6-39) Please ratify.

Description: The 2021 Financial Report of the Company has been audited by Ms. Lee, Hsiu-Ling and Ms. Chou, Hsiao-Tzu, the CPA of PricewaterhouseCoopers, Taiwan.

Resolution:

Proposed by the Board of Directors

Proposal 2 : Ratification of 2021 earnings distribution. (Handbook page 40) Please ratify.

Description:

1. The Company is planning to distribute cash dividend NT\$18 per share. The total amount of cash dividends shall be NT\$95,238,884,466. The cash dividend distribution will be calculated to the nearest NT dollar, the remainder will be recognized as “Other Non-Operating Income” of the Company.
2. If the number of total shares outstanding changed, such that the cash dividends ratio per share should be adjusted, the Chairman of the Board of Directors is authorized to adjust the ratio and deal with relative matters.
3. Subject to the approval of the Annual General Shareholders’ meeting, the ex-dividend date and payment date for the cash dividend distributions would be decided by the Chairman of the Board.

Resolution:

Proposed by the Board of Directors

Proposal 3 : Discussion on approving Capital Reduction by returning share capital in cash. Please discuss.

Description:

1. To adjust its capital structure, the Company proposes to proceed with

the capital reduction by returning share capital in cash. (Handbook pages 42-43).

2. The Company proposes to reduce NT\$31,746,294,820 and cancel 3,174,629,482 shares correspondingly. On March 15, 2022, a total of 5,291,049,137 common shares has been issued. According to the aforesaid amount, the capital is estimated to be reduced by 60% to NT\$21,164,196,550 and 2,116,419,655 shares total shall be issued; however, the paid-in capital after capital reduction and the capital reduction ratio shall be calculated based on the total issued shares on the record date for capital reduction and stock conversion.
3. According to the total issued shares in the preceding paragraph, it is estimated that 600 shares are reduced per thousand shares (that is, 400 shares are converted per thousand share) and cash refund NT\$6,000. After capital reduction, shareholders may combine shares of common stock less than 1 share with the Company's Shareholder's Affairs Section before the book closure date. For fractional shares of common stock that are still less than 1 share after combination or has not been completed upon expiration, cash will be distributed at the closing price (rounded up to the nearest integer) on the last trading date at the stock exchange market before the record date for cash reduction and stock conversion; Chairman is authorized to appoint a specific party to subscribe to such fractional shares at the closing price.
4. Shares converted from the capital reduction will be the same rights and obligations with original shares
5. After this proposal is adopted at the shareholders' meeting, Chairman is authorized to set the record date for cash reduction and the record date for cash reduction and stock conversion separately and then report to and approve by the competent authority.
6. If the number of outstanding shares is changed due to the change in the Company's share capital, causing the adjustments in the cash reduction ratio and the amount of repayment per share, or the cash reduction needs adjustment due to amendments of laws, the regulator's order or other objective environmental changes, the Chairman is hereby authorized to deal with relative matters.

Resolution:

Proposal 4 : Proposal to amend the Company’s “Articles of Incorporation”. Amendments shown in a comparison table on the Handbook (pages 44-48). Please discuss.

Description: Highlights of the amendments are as below:

1. In order to engage repair ships activity, it is proposed to amend Article 2 and add subparagraph 5 “CD01070 Commercial Port Area Ship-repair”.
2. In order to increase the flexibility of the Company in convening shareholders’ meetings, Article 8 of the Company’s Articles of Incorporation is amended in accordance with Article 172-2 of the Company Act to add Paragraphs 2 and 3, which stipulate that the Company’s shareholders’ meetings can be held by means of a video conferencing network or other methods as promulgated by the central competent authority.
3. In order to enhance corporate governance, the Company will establish other functional committees in the future in accordance with operational needs. As a result, Article 22 of the Company’s Articles of Incorporation is amended to add Paragraph 2, which stipulates that the Company can establish various functional committees upon the resolution of the Board of Directors.
4. According to the Order No. Financial-Supervisory-Securities-Corporate-1090150022 issued by Financial Supervisory Commission (hereinafter referred to as “FSC”) on March 31, 2021, when a public company has a distributable surplus for the net value of other deductions from equity accrued from prior years, the same amount thereof shall be set aside for special surplus reserve from retained earnings accrued from prior years. If the special surplus reserve is still insufficient, the amount from the net income after taxes for the current period, plus the items, other than the net income after taxes for the current period, shall be included in the amount of retained earnings for the current period to be set aside for such a purpose, which shall also be stipulated in the dividend policy of the Company’s Articles of Incorporation.

Based on the principle of conservativeness and stability, it is proposed to add Paragraph 2 of Article 26-1 in accordance with the aforementioned Order; the original Paragraph 2 is adjusted to Paragraph 3, and the text is revised.

Resolution:

Proposal 5 : Proposal to amend the Company’s “Procedures for Acquiring and Disposing of Assets”. Amendments shown in a comparison table on the Handbook (pages 49-64). Please discuss.

Description: The amendments are made in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” promulgated on January 28, 2022 per Order No. Financial-Supervisory-Securities-Corporate-1110380465 of FSC.

Resolution:

V. Extraordinary Motions.

VI. Meeting Adjournment.

EVERGREEN MARINE CORP. (TAIWAN) LTD.

Business Report of the year 2021

The global economy recovery continues in 2021, but the momentum has weakened and potential turbulence increased due to the impact of the highly transmissible Delta variant. Pandemic outbreaks in Southeast Asia have resulted in the risk of supply disruptions as Southeast Asia plays a key role in the global industrial chain. On the other hand, due to the severe epidemic, we are facing greatest challenges in the global shipping system, such as port congestion, poor terminal operation performance, and significantly delays in sailing schedules that result in capacity and container shortage. Overall, global growth is expected to slow down in 2022 because the risk of supply chain disruption and consumer price inflation have increased, the global economic prospects have decelerated.

Although the epidemic has challenged the prospects for economic growth in various countries around the world, with the promotion of vaccinations, the global economic recovery shows signs of slowing down but positive growth is still expected. According to the latest report of the International Monetary Fund (IMF), the global economic growth rate reached 5.9%, and the growth of major countries and economies also made considerable progress, of which the United States increased by 5.6%, the euro area increased by 5.2%, China increased by 8.1%, and the ASEAN-5 countries increased by 3.1%. However, if the imbalance between supply and demand caused by the epidemic does not improve for a long time, huge negative impacts on consumer demand, business investment, income and employment are expected due to inflation pressures arising, and definitely will also limit the potential for global economic growth.

There is no boundary for virus, and the uncertainty of epidemics have brought unprecedented challenges, such as disruptions of supply chain and industries around the world. The most common situation in the industry is that a disruption in the production or transportation of components may lead to a halt in the industrial chain resulted in a serve shortage in the market, which also prompts governments to review the safety of their industrial chains and the stability of their supply chains policies. We will closely monitor the changes in the momentum of the cargo volume in the market, while adjusting the fleet deployment in a timely manner in order to achieve great performance.

The shipping industry will still face a highly uncertain operating environment in 2022, such as increasingly stringent environmental regulations, fluctuating fuel costs, e-

commerce intense competition, urgently to improve the efficiency of terminal operations and the integration of regional economies, therefore we need to work together to improve operational efficiency with a more advanced fleet and optimized route network, while accelerating the process of shipping digitalization and environmental protection and carbon reduction, so that we can provide quality customer service, and seize on the news opportunity resulted from these various challenges.

1. Container shipping market overview

(1) Cargo volume growth

According to the latest statistical analysis reports of Datamyne and Container Trades Statistics (CTS), the cargo volume of the world's main routes increased by about 7.24% in 2021 compared with that of 2020. Cargo volume from the Far East to North America increased by 16.97% (the US West Coast increased by 16.44%, and the US East Coast increased by 17.79%) ; The Far East to Europe increased by 10.14% and the Mediterranean region by 4.78% ; In the routes between Europe and North America segments, Europe to North America increased by 12.21%, and North America to Europe increased by 1.29%. Drewry's information also shows a 5.4% increase in routes within Asia.

(2) Capacity Supply

According to Alphaliner, published in March 2022, the total global container fleet growth of 4.5% in 2021 (about 24.97 million TEU).

New deliveries totaled 153 units of 1.08 million TEU in 2021. The new ship orders consisted of 52 units of 18 thousand TEU, 239 units of 10 thousand ~18 thousand TEU at, there are 291 large ships in total with a size of 10 thousand TEU and above, and the total capacity totaled 4.74 million TEU, accounting for 75% of the order-yet-undelivered global total capacity. The trend in the market for the new shipbuilding is moving toward Ultra Large Container Vessels (ULCV).

Idle capacity stood at 0.15 million TEU, 48 vessels, accounting for 0.6% of the global total. This is compared with 64 vessels at the end of 2020, totaling 0.23 million TEU, accounting for 1.0% of the global total at the time.

There were 146 ships over 18 thousand TEU and above in 2021, accounting for 12.2% of the global total capacity, 327 ships of 12.5 thousand ~18 thousand TEU, accounting for 18.7% of the global total capacity, 190 ships of 10 thousand ~12.5

thousand TEU, accounting for 8.3% of the global total capacity. There were total of 663 ships over 10 thousand TEU, accounting for 39.2% of the global total capacity.

(3) Freight Market Status

Affected by the epidemic, the major ports around the world are suffered shortage of labor force and container equipment, poor terminal operation efficiency and port congestion, resulting in the reduction of effective fleet capacity and an imbalance between supply and demand, thereby seriously impairing the global industrial and logistics supply chain

The statistics of Alphaliner show that global cargo volume rate increased by 6.7% in 2021, much higher than the negative growth rate of 1.0% in 2020. The global economy continued to recover, consumer spending increased, and strong demand was driven by manufacturers' eagerness to replenish inventory. However, due to port congestion, space supply and effective fleet space is reduced, while land logistics intermodal operations face challenges. This has increased the risk of supply chain disruption, leading to manufacturers become even more eager to replenish inventory, resulting in non-stop market demand. Alphaliner shows that the average profit level of the industry's airlines in the 1st quarter was 38.6% (2.6% in the same period of 2020), 44.8% in the 2nd quarter (8.5% in the same period of 2020), 55.6% in the 3rd quarter (14.8% in the same period of 2020), and the 4th quarter 57.1 % (24.5% in the same period of 2020).

2. Company Operational Strategy

In response to the rapid changes in the operating environment, the company timely adjusted its operating strategy to strengthen the company's core competitiveness. The operating strategy is summarized as follows:

- (1) Continue to strengthen OCEAN Alliance cooperation and rationalization of feeder network.
- (2) Enhance the competitiveness of each route by building advanced ships.
- (3) Planning environmental protection and carbon reduction strategies in response to international environmental protection regulations
- (4) Continue to control all cost items and optimize the ship deployment in every trade lane.
- (5) Actively develop e-commerce to enrich the customer digital service experience.

3. Results vs. Projections

In 2021, the estimated total consolidated operating income was TWD 230.18 billion and the actual consolidated operating income was TWD 489.41 billion, with an achievement rate of 213%.

4. Annual Accounts & Profitability Analysis

(1) Annual Accounts

In 2021, actual consolidated operating income totaled TWD 489.41 billion, an increase of TWD 282.33 billion compared to TWD 207.08 billion in 2020. In 2021, actual consolidated operating costs were TWD 187.41 billion, an increase of TWD 25.82 billion compared to TWD 161.59 billion in 2020.

(2) Profitability Analysis

ROA: 56.22%

ROE: 114.69 %

Net Profit Margin: 53.76 %

EPS: TWD 45.57 per share

5. Research & Development

(1) Green Fleet

Evergreen values sustainability and observes all international and local environmental protection conventions. We are committed to preventing pollution, saving energy and carbon reduction, and procedures are set for environmental protection and pollution prevention at sea.

Providing quality services to deliver goods safely and timely and achieving environmental protection, energy conservation, as well as greenhouse gas emissions and air pollution reduction have always been our goal. The Shipbuilding Dept. is responsible for the design of the new ships that stay ahead of international laws and conventions. Evergreen adopts advanced marine technology to optimize each ship type in order to maximize operational efficiency and energy conservation results. The Evergreen newly built vessel can meet company's demand for efficiency and sustainability. All environmental protection designs comply with relevant international regulations, such as using double-bottom oil tank to effectively reduce the risk of oil spills, and counteract air pollution along with consequence of climate change (for example, Montreal,

Kyoto and Paris agreements to reduce Global Warming Potential (GWP), Ozone Depletion Potential (ODP), SOx, NOx emissions, etc.) and mitigate biodiversity issue with ballast water treatment.

The new ships built and delivered by Evergreen in 2021, such as A, C, F, and O series vessels, have improved energy efficiency and reduced emissions of greenhouse gases, carbon, nitrogen sulfide, sulfur oxides, etc., and will help improve shipping schedule accuracy and competitiveness in the marketplace. The latest ship design improves propulsion efficiency, reduces fuel consumption, optimizes the shape of the bow and other key elements, and is equipped with a hybrid type SOx scrubber. The introduction of the new ship will reduce the unit carbon emissions significantly.

We have also obtained ISO 14001:2015 environmental certification to implement environmental protection management systems to prevent against accident.

(2) Maritime Training

Evergreen upholds the spirit and vision of sustainable development and maintains a firm commitment to professional maritime training. The Evergreen Seafarer Training Center has a comprehensive range of training equipment, and we run training courses to continuously improve the ability and skills of our crews so as to prevent maritime accidents and environmental pollution.

- (a) In order to ensure the continuation of training throughout the COVID-19 preventative lockdown of 2021, some training courses moved to a Webex remote video format, and used the Evergreen E-learning platform for post-course evaluations. The Evergreen Seafarer Training Center organized 133 training courses in 23 categories throughout the year, including 13 STCW international convention trainings and 120 company-organized trainings, with 1,087 total trainees.
- (b) In June 2021, the MOTC (Ministry of Transportation and Communications) bestowed several awards on Evergreen for the Excellence in Shipping, including the categories of "number of interns and internship days for cadets and students from domestic maritime college" and "number of teaching hours to support professional training for seafarers". Evergreen ranked first in both categories, as well as winning recognition for our project to "support the expansion of maritime training program".

- (c) In November 2021, the Evergreen Training Center successfully completed an ISO 9001:2015 Quality Management System annual audit by Class NK, and was designated an “Evaluation of Seafarer Training Organization” carried out by the MOTC’s MPB (Maritime and Port Bureau), in recognition of our high-quality seafarer training.
- (d) To expand the development of maritime professionals, Evergreen has been extending our partnership with National Kaohsiung University of Science and Technology. This starts with a post-bachelor program of engineering. In addition, we encourage non-maritime undergraduates to engage in maritime work. Evergreen also subsidizes full tuition and part of the accommodation cost for qualified students who are offered the opportunity to intern onboard the Evergreen fleet. Employment offers are extended to cadets with excellent performance.
- (e) Alongside the construction of new ship types, new types of main engine training equipment have been added. At the end of 2021, a new Win GD-X92B simulator equipment was added to the lineup, in addition to the original X92 and X62 main engine training courses. Now, training for all types of main engines in the WinGD fleet are covered.

(3) E-Commerce

- (a) Evergreen Shipping Zero Contact Service-Electronic Delivery Order (e-DO)
In an era of digital shipping, Evergreen has launched the zero-contact e-DO project. This includes the complete cargo release procedure from payment to deport. Release can easily be completed online as long as the electronic voucher collection process has been completed.
- (b) Taishin Bank has joined SHIPLINK as its seventh strategic partner, adding to the ranks of the six existing bank partners (China Trust Bank, Taipei Fubon Bank, DBS Bank, Cathay Pacific Bank, Mega Bank, Wing Fung Bank).
- (c) To simplify trade processes and improve the efficiency of transportation operations, in addition to providing digital integration services such as "i-B/L", "Cloud Express" (i-Dispatch) and GreenX e-commerce platform to help cargo owners, Evergreen Shipping also actively participates in the Digital Container Shipping Association (DCSA), and cooperates with international

carriers to promote the digitization and standardization of container transportation information, making the information interaction between the shipping industry and related industries more efficient.

(4) Quality Recognition

Evergreen has been constantly improving the quality of service. In addition to retaining customers' trust and affirmation, we have also garnered recognition and certifications from international media and organizations:

- Target - 2020 Outstanding Partnership
- Port of Vancouver - 2020 Blue Circle Award
- Expeditors - Local Ocean Partner of the Year 2020
- The Protecting Blue Whales and Blue Skies program 2020 Gold Award
- MSCI ESG - 2021 MSCI ESG rating 「A」
- AFLAS – 2021 Best Shipping Line - Asia Africa
- Inbound Logistics - G75 Green Supply Chain Partners 2021
- CDP 2021 Score 「B-」
- 14th TCSA Corporate Sustainability Report Award 2021 - Bronze Award

6. Strengthen Corporate Governance and Corporate Sustainability

"Creating profits, caring for employees, and giving back to the society" is Evergreen's commitment to sustainability for stakeholders, and robust corporate governance is the cornerstone of that sustainability. Evergreen has built corporate sustainability into the company's daily operations. Considering the United Nations' Sustainable Development Goals (SDGs) as our vision, we have set various goals and taken actions to cooperate with stakeholders to create a roadmap for environmental protection, social inclusivity, and economic growth.

From "Corporate Social Responsibility (CSR)" to "Environment, Social, Governance (ESG)", our efforts have been affirmed by domestic and overseas evaluation agencies. In 2020 and 2021, We won an "A" rating in the MSCI ESG scheme, demonstrating how Evergreen has led the industry in managing the ESG.

(1) Environment

Facing the increasingly worse situation of climate change, we've not only complied with environmental regulations, but also voluntarily created "Task Force on Climate-

related Financial Disclosures (TCFD)" in 2020 to identify the risks and opportunities of climate change, as well as its financial impacts serve as an input into the company's business decisions.

(2) Social

The COVID-19 outbreak continues, and Evergreen has implemented a number of measures in response, and provided personal protective equipment and supplies to safeguard employees' health and safety.

Our charitable activities at home and abroad have also continued unabated. Domestic events included: "Earth Day - Evergreen Loves the Earth", "Reforestation – Sustainable Green Earth", "Bringing Warmth in Winter – Christmas With Love", and "Evergreen Marine Joins Chang Yung-Fa Foundation to Donate Computers to Charity"; We also held overseas activities such as: "Beach Cleanup in Panama", "Donation Boxes in Malaysia", "Distribution of Epidemic Prevention Materials in Vietnam", and "Sending Love to Orphanage at Christmas in Philippines", among others.

(3) Governance

In 2020, the Chairman signed the "Statement of Compliance with the Ethical Corporate Management Policy", and Evergreen also joined the "Maritime Anti-Corruption Network / MACN" platform in 2021 to demonstrate our determination to stop all forms of corruption in the maritime industry through collective action.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets		December 31, 2021		December 31, 2020	
		AMOUNT	%	AMOUNT	%
Current assets					
1100	Cash and cash equivalents	\$ 107,792,396	18	\$ 44,096,485	13
1110	Financial assets at fair value through profit or loss - current	44,999	-	4,289	-
1136	Current financial assets at amortised cost, net	93,229,679	15	6,768,603	2
1139	Current financial assets for hedging	23,026,075	4	-	-
1140	Current contract assets	4,525,961	1	3,041,569	1
1150	Notes receivable, net	357,461	-	113,313	-
1170	Accounts receivable, net	39,179,692	6	20,955,878	6
1180	Accounts receivable, net - related parties	2,000,706	-	849,432	-
1200	Other receivables	414,772	-	239,653	-
1210	Other receivables - related parties	716,166	-	747,230	-
1220	Current income tax assets	231,233	-	205,171	-
130X	Inventories	5,837,528	1	2,931,711	1
1410	Prepayments	1,503,356	-	1,562,365	1
1470	Other current assets	4,254,969	1	4,322,192	2
11XX	Current assets	<u>283,114,993</u>	<u>46</u>	<u>85,837,891</u>	<u>26</u>
Non-current assets					
1517	Non-current financial assets at fair value through other comprehensive income	2,123,381	1	1,657,983	-
1535	Non-current financial assets at amortised cost, net	387,519	-	348,609	-
1538	Non-current financial assets for hedging	1,488,664	-	-	-
1550	Investments accounted for using equity method	36,418,613	6	29,919,994	9
1600	Property, plant and equipment, net	153,902,875	25	118,642,644	36
1755	Right-of-use assets	101,109,020	17	76,189,187	23
1760	Investment property, net	5,771,084	1	5,171,512	2
1780	Intangible assets	1,271,120	-	1,552,438	-
1840	Deferred income tax assets	857,248	-	664,194	-
1900	Other non-current assets	24,581,603	4	14,236,388	4
15XX	Non-current assets	<u>327,911,127</u>	<u>54</u>	<u>248,382,949</u>	<u>74</u>
1XXX	Total assets	<u>\$ 611,026,120</u>	<u>100</u>	<u>\$ 334,220,840</u>	<u>100</u>

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		December 31, 2021		December 31, 2020	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2126	Current financial liabilities for hedging	\$ 1,031,678	-	\$ 898,484	-
2130	Current contract liabilities	13,530,256	2	3,677,100	1
2150	Notes payable	392	-	3,973	-
2170	Accounts payable	30,078,959	5	20,327,030	6
2180	Accounts payable - related parties	295,869	-	236,204	-
2200	Other payables	11,471,217	2	5,455,869	2
2220	Other payables - related parties	124,159	-	130,767	-
2230	Current income tax liabilities	12,362,320	2	1,436,225	1
2280	Current lease liabilities	16,238,751	3	9,469,102	3
2300	Other current liabilities	23,959,259	4	30,856,051	9
21XX	Current liabilities	<u>109,092,860</u>	<u>18</u>	<u>72,490,805</u>	<u>22</u>
Non-current liabilities					
2511	Non-current financial liabilities for hedging	10,477,195	2	9,971,891	3
2530	Corporate bonds payable	6,772,950	1	12,779,043	4
2540	Long-term loans	39,638,454	6	77,040,500	23
2570	Deferred income tax liabilities	11,676,126	2	2,872,242	1
2580	Non-current lease liabilities	71,200,494	12	53,831,455	16
2600	Other non-current liabilities	4,846,451	1	3,740,611	1
25XX	Non-current liabilities	<u>144,611,670</u>	<u>24</u>	<u>160,235,742</u>	<u>48</u>
2XXX	Total liabilities	<u>253,704,530</u>	<u>42</u>	<u>232,726,547</u>	<u>70</u>
Equity attributable to owners of the parent					
Capital					
3110	Common stock	52,908,484	9	48,980,353	15
Capital surplus					
3200	Capital surplus	15,762,185	2	12,433,364	4
Retained earnings					
3310	Legal reserve	8,122,482	1	5,714,940	2
3320	Special reserve	581,406	-	-	-
3350	Unappropriated retained earnings	250,555,749	41	27,734,460	8
Other equity interest					
3400	Other equity interest	(1,145,770)	-	(581,406)	(1)
31XX	Equity attributable to owners of the parent	<u>326,784,536</u>	<u>53</u>	<u>94,281,711</u>	<u>28</u>
36XX	Non-controlling interest	30,537,054	5	7,212,582	2
3XXX	Total equity	<u>357,321,590</u>	<u>58</u>	<u>101,494,293</u>	<u>30</u>
Significant Contingent Liabilities And Unrecognized Contract Commitments Significant Events After The Balance Sheet Date					
3X2X	Total liabilities and equity	<u>\$ 611,026,120</u>	<u>100</u>	<u>\$ 334,220,840</u>	<u>100</u>

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except earnings per share)

Items	Year ended December 31			
	2021		2020	
	AMOUNT	%	AMOUNT	%
4000 Operating revenue	\$ 489,406,832	100	\$ 207,077,912	100
5000 Operating costs	(187,412,073)	(38)	(161,590,726)	(78)
5900 Gross profit	301,994,759	62	45,487,186	22
5910 Unrealized profit from sales	(76,729)	-	(9,216)	-
5920 Realized profit on from sales	16,407	-	11,123	-
5950 Gross profit	301,934,437	62	45,489,093	22
Operating expenses				
6100 Selling expenses	(3,708,107)	(1)	(1,865,895)	(1)
6200 General and administrative expenses	(13,604,495)	(3)	(9,014,679)	(4)
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	2,073	-	5,405	-
6000 Operating expenses	(17,310,529)	(4)	(10,875,169)	(5)
6500 Other gains - net	238,289	-	53,940	-
6900 Operating profit	284,862,197	58	34,667,864	17
Other non-operating income and expenses				
7100 Interest income	386,629	-	341,671	-
7010 Other income	492,085	-	564,802	-
7020 Other gains and losses	3,619	-	350,685	-
7050 Finance costs	(3,237,000)	-	(4,536,522)	(2)
7060 Share of loss of associates and joint ventures accounted for using equity method	5,727,046	1	451,329	-
7000 Total non-operating income and expenses	3,372,379	1	(2,828,035)	(2)
7900 Profit before income tax	288,234,576	59	31,839,829	15
7950 Income tax expense	(25,124,517)	(5)	(3,072,519)	(1)
8200 Profit for the year	\$ 263,110,059	54	\$ 28,767,310	14

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except earnings per share)

Items	Year ended December 31			
	2021		2020	
	AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)				
Components of other comprehensive income that will not be reclassified to profit or loss				
8311 Losses on remeasurements of defined benefit plans	(\$ 128,164)	-	(\$ 444,282)	-
8316 Unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	472,414	-	(34,251)	-
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	1,670,196	1	542,861	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	28,237	-	103,559	-
8310 Components of other comprehensive income that will not be reclassified to profit or loss	2,042,683	1	167,887	-
Components of other comprehensive income that will be reclassified to profit or loss				
8361 Exchange differences on translating the financial statements of foreign operations	(2,715,044)	(1)	(3,497,612)	(1)
8368 Gains (losses) on hedging instruments	(42,909)	-	554,654	-
8370 Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	(302,135)	-	537,294	-
8399 Income tax relating to the components of other comprehensive income (loss)	26,054	-	(122,029)	-
8360 Components of other comprehensive income that will be reclassified to profit or loss	(3,034,034)	(1)	(2,527,693)	(1)
8300 Other comprehensive (loss) income for the year, net of income tax	(\$ 991,351)	-	(\$ 2,359,806)	(1)
8500 Total comprehensive income for the year	\$ 262,118,708	54	\$ 26,407,504	13
Profit attributable to:				
8610 Owners of the parent	\$ 239,014,860	49	\$ 24,364,926	12
8620 Non-controlling interest	\$ 24,095,199	5	\$ 4,402,384	2
Comprehensive income attributable to:				
8710 Owners of the parent	\$ 238,402,107	49	\$ 22,359,390	11
8720 Non-controlling interest	\$ 23,716,601	5	\$ 4,048,114	2
Basic earnings per share (in dollars)				
9750 Basic earnings per share	\$ 45.57		\$ 5.06	
9850 Diluted earnings per share	\$ 45.22		\$ 4.96	

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Equity attributable to owners of the parent										Non-controlling interest	Total equity
	Retained Earnings					Other equity interest						
	Common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on effective portion of cash flow hedges	Total			
Year 2020												
Balance at January 1, 2020	\$ 48,129,738	\$ 11,407,437	\$ 5,714,940	\$ -	\$ 3,659,042	(\$ 856,773)	\$ 1,411,638	\$ 579,757	\$ 70,045,779	\$ 3,549,067	\$ 73,594,846	
Profit for the year	-	-	-	-	24,364,926	-	-	-	24,364,926	4,402,384	28,767,310	
Other comprehensive income (loss) for the year	-	-	-	-	(291,317)	(3,471,571)	474,945	1,282,407	(2,005,536)	(354,270)	(2,359,806)	
Total comprehensive income (loss)	-	-	-	-	24,073,609	(3,471,571)	474,945	1,282,407	22,359,390	(4,048,114)	26,407,504	
Adjustments to share of changes in equity of associates and joint ventures	-	-	-	-	1,809	-	(1,809)	-	22,463	-	22,463	
Other changes in capital surplus	-	22,463	-	-	-	-	-	-	623	-	623	
Due to recognition equity component of euro-convertible bonds	-	-	-	-	-	-	-	-	379,915	-	379,915	
Conversion of convertible bonds	850,615	-	-	-	-	-	-	-	1,473,541	-	1,473,541	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(384,599)	(384,599)	
Balance at December 31, 2020	\$ 48,980,353	\$ 12,433,364	\$ 5,714,940	\$ -	\$ 27,734,460	(\$ 4,328,344)	\$ 1,884,774	\$ 1,862,164	\$ 94,281,711	\$ 7,212,582	\$ 101,494,293	
Year 2021												
Balance at January 1, 2021	\$ 48,980,353	\$ 12,433,364	\$ 5,714,940	\$ -	\$ 27,734,460	(\$ 4,328,344)	\$ 1,884,774	\$ 1,862,164	\$ 94,281,711	\$ 7,212,582	\$ 101,494,293	
Profit for the year	-	-	-	-	239,014,860	(2,404,662)	2,143,778	(260,957)	239,014,860	24,095,199	263,110,059	
Other comprehensive income (loss) for the year	-	-	-	-	(90,912)	(2,404,662)	2,143,778	(260,957)	(612,755)	(378,598)	(991,351)	
Total comprehensive income (loss)	-	-	-	-	238,923,948	(2,404,662)	2,143,778	(260,957)	238,402,107	(378,598)	262,118,708	
Adjustments to share of changes in equity of associates and joint ventures	-	-	-	-	42,523	-	(42,523)	-	153,764	-	153,764	
Appropriation of 2020 earnings	-	-	-	-	(2,407,542)	-	-	-	-	-	-	
Legal reserve	-	-	2,407,542	-	(581,406)	-	-	-	-	-	-	
Special reserve	-	-	-	581,406	-	-	-	-	-	-	-	
Cash dividends	-	-	-	(13,156,234)	-	-	-	-	(13,156,234)	-	(13,156,234)	
Other changes in capital surplus	-	(62)	-	-	-	-	-	-	62	-	62	
Due to recognition of equity component of convertible bonds	-	289,166	-	-	-	-	-	-	289,166	-	289,166	
Conversion of convertible bonds	3,928,131	2,885,953	-	-	-	-	-	-	6,814,084	-	6,814,084	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(392,129)	(392,129)	
Balance at December 31, 2021	\$ 52,908,484	\$ 15,762,185	\$ 8,122,482	\$ 581,406	\$ 250,555,749	(\$ 6,733,006)	\$ 3,986,029	\$ 1,601,207	\$ 326,784,536	\$ 30,537,054	\$ 357,321,590	

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	\$ 288,234,576	\$ 31,839,829
Adjustments		
Income and expenses having no effect on cash flows		
Financial assets and liabilities at fair value through profit or loss	(28,472)	(30,027)
Depreciation	22,323,687	20,759,698
Amortization	287,477	305,798
Expected credit gain	(2,073)	(5,405)
Rental expense	(1,115)	(3,026)
Other income	(404)	(863)
Interest income	(386,629)	(341,671)
Interest expense	3,237,000	4,536,522
Dividend income	(106,229)	(100,691)
Share of profit of associates and joint ventures accounted for using equity method	(5,727,046)	(451,329)
Gain from bargain purchase	(8,605)	(3,415)
Gains arising from lease modification	(7,266)	(2,033)
Net gain on disposal of property, plant and equipment	(238,289)	(53,940)
Net loss (gain) on disposal of right-of-use assets	735	(72,736)
Net gain on disposal of investments	(11,191)	(200)
Realized income with affiliated companies	(16,407)	(11,123)
Unrealized gain with affiliated companies	76,729	9,216
Unrealized foreign exchange gain	-	(381,555)
Changes in assets/liabilities relating to operating activities		
Changes in operating assets		
Current contract assets	(1,519,374)	(1,432,114)
Notes receivable, net	(234,827)	(11,711)
Accounts receivable, net	(18,560,765)	(7,660,610)
Accounts receivable, net - related parties	(1,151,883)	(113,135)
Other receivables	(178,309)	(24,767)
Other receivables - related parties	(19,149)	(46,476)
Inventories	(2,943,662)	(1,387,840)
Prepayments	42,438	(105,432)
Other current assets	34,158	(1,954,859)
Other non-current assets	(398,140)	(7,710)
Net changes in liabilities relating to operating activities		
Current contract liabilities	9,903,162	1,570,661
Notes payable	(3,519)	(3,973)
Accounts payable	9,962,679	4,838,613
Accounts payable - related parties	(62,924)	(153,829)
Other payables	4,004,329	878,762
Other payables - related parties	(100,254)	(15,481)
Other current liabilities	2,362,357	4,108,522
Other non-current liabilities	753,686	27,760
Cash inflow generated from operations	309,516,481	57,356,012
Interest received	386,629	341,671
Interest paid	(3,311,992)	(4,795,498)
Income tax paid	(5,532,794)	(1,044,140)
Net cash flows from operating activities	301,058,324	51,858,045

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31	
	2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Increase in financial assets at amortised cost-current	(\$ 86,499,863)	(\$ 5,013,782)
Increase in financial assets for hedging	(28,524,567)	-
Decrease in financial assets for hedging	3,691,280	-
Decrease (Increase) in other receivables - related parties	38,391	(4,440)
(Increase) decrease in financial assets at amortised cost - non current	(38,910)	2,112
Acquisition of investments accounted for using equity method	-	(305,000)
Proceeds from disposal of investments accounted for using equity method	-	147,053
Acquisition of property, plant and equipment	(14,944,080)	(5,470,690)
Proceeds from disposal of property, plant and equipment	270,764	850,630
Acquisition of right-of-use assets	-	(10,920)
Proceeds from disposal of right-of-use assets	-	101,335
Acquisition of intangible assets	(24,209)	(30,340)
Increase in guarantee deposits paid	(51,118)	(72,853)
Decrease in guarantee deposits paid	8,099	54,102
Increase in other non-current assets	(41,055,298)	(24,114,411)
Effect of initial consolidation of subsidiaries	320,435	271,438
Cash dividend received	653,270	710,876
Net cash flows used in investing activities	<u>(166,155,806)</u>	<u>(32,884,890)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase in short-term loans	1,338,273	3,869,120
Decrease in short-term loans	(1,338,273)	(3,869,120)
Decrease in other payables - related parties	(239)	(515,494)
Increase in long-term loans	32,951,536	29,654,664
Decrease in long-term loans	(78,397,311)	(36,751,848)
Increase in corporate bonds payable	5,043,721	8,635,118
Decrease in corporate bonds payable	(4,000,000)	-
Payments of lease liabilities	(11,608,880)	(11,728,475)
Increase in guarantee deposits received	654,446	509,290
Decrease in guarantee deposits received	(499,185)	(524,271)
Cash dividends paid	(13,156,234)	-
Other financing activities	(62)	623
Net change in non-controlling interest	<u>(395,750)</u>	<u>(371,710)</u>
Net cash flows used in financing activities	<u>(69,407,958)</u>	<u>(11,092,103)</u>
Effect of exchange rate changes	<u>(1,798,649)</u>	<u>(1,656,456)</u>
Net increase in cash and cash equivalents	63,695,911	6,224,596
Cash and cash equivalents at beginning of year	44,096,485	37,871,889
Cash and cash equivalents at end of year	<u>\$ 107,792,396</u>	<u>\$ 44,096,485</u>

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Evergreen Marine Corporation (Taiwan) Ltd.

Introduction

We have audited the accompanying consolidated balance sheets of Evergreen Marine Corporation (Taiwan) Ltd. (the“ Company”) and its subsidiaries (collectively referred herein as the “Group”) as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent auditors (please refer to Other Matter section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2021 and 2020, and its financial performance and cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2021 consolidated financial statements are stated as follows:

Accuracy and cut-off of freight revenue

Description

Please refer to Note 4(32) for accounting policies on revenue recognition, Note 5(2) for uncertainty of accounting estimates and assumptions applied on revenue recognition, and Note 6(23) for details of sales revenue.

Evergreen Marine Corporation (Taiwan) Ltd. primarily engages in global container shipping service covering ocean-going and near-sea shipping line, shipping agency business as well as container freight station business. In 2021, freight revenue from contracts with customers was NT\$ 462,580,634 thousand, representing 94.52% of operating revenue. Since ocean-going shipping often lasts for several days, voyages are sometimes completed after the balance sheet date. Also, demand for freight services is consistently sent by forwarders during voyage. Due to the factors mentioned above, freight revenue is recognized under the percentage-of-completion method for each vessel of which the service has been provided during the reporting period.

Despite the Group conducting business worldwide, its transactions are all in small amounts, whereas the freight rate is subject to fluctuation caused by cargo loading rate as well as market competition. Worldwide shipping agencies use a system to record the transactions by entering data including shipping departure, destination, counterparty, transit time, shipping amounts, and freight price for the Group. Therefore, the management could recognize freight revenue in accordance with the data on bill of lading reports generated from the system, accompanied by estimation made from past experience and current cargo loading conditions the revenue that would flow in, and calculate the revenue under the percentage-of-completion method. As the process of recording transactions, communicating with agencies, and maintaining the system are done manually, and the estimation of freight revenue are subject to management's judgement, therefore freight revenue involves high uncertainty and is material to the financial statements. Given the conditions mentioned above, we consider the accuracy of freight revenue and the appropriate use of cut-off by the Group and its investee companies as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above key audit matter included the following:

1. Obtained an understanding of the operation and industry of the Group to assess the reasonableness of policies and procedures on revenue recognition, and confirmed whether it is appropriate to the financial statements.
2. Obtained an understanding of the procedures of revenue recognition from booking, picking, billing to receiving. Assessed and tested relevant internal controls, including checking freight items and amounts of delivery information against the approved contracts and booking list. In addition, recalculated the accuracy of freight revenue, and ensured its consistency with the bill of lading report.
3. Obtained the estimated freight income report for vessels underway as of balance sheet date, and inquired with management for the reasonableness of judgement. In addition, checked historical freight revenue for total voyage under each individual vessel, along with comparing with current cargo loading condition as well as actual revenue received after period end to ensure the reasonableness of revenue assumptions.
4. Confirmed the completeness of vessels underway for the reporting period, including tracking the movements of shipments on the internet to ensure the vessels that depart before period end have been taken into consideration in the freight revenue calculation.
5. Verified accuracy of data used in calculating percentage of completion under each voyage, including selecting samples and checking whether the total shipping days shown on the Company's website are in agreement with cruise timetable, considering the number of days delayed in shipping routes due to port congestion as well as recalculating the shipping days (days between departure and balance sheet date), in order to examine the reasonableness of percentage applied.

Other matter – Reference to the reports of other independent auditors

We did not audit the financial statements of all the consolidated subsidiaries. Those statements and the information disclosed in Note 13 were audited by other independent auditors whose reports thereon have been furnished to us, and our audit expressed herein is based solely on the reports of the other independent auditors. The statements reflect that total assets in these subsidiaries amounted to NT\$ 53,617,263 thousand and NT\$ 62,069,621 thousand, constituting 8.77% and 18.57% of the total consolidated assets as of December 31, 2021, and 2020, respectively. Net operating revenues in the subsidiaries amounted to NT\$ 37,865,608 thousand and NT\$ 40,599,878 thousand, constituting 7.74% and 19.61% of the total consolidated net operating revenues of 2021 and 2020 for the years then ended. In addition, we did not audit the financial statements of all the investee companies accounted for using equity method. Those statements and the information disclosed in Note 13 were audited by other independent auditors whose reports thereon have been furnished to us, and our audit expressed herein, insofar as it relates to the amounts included for those investee companies accounted for using equity method and information disclosed in Note 13 related to these long-term equity investments, is based solely on the reports of the other independent auditors. Long-term equity investments in these investee companies amounted to NT\$ 22,983,239 thousand and NT\$ 18,591,003 thousand, constituting 3.76% and 5.56% of the total consolidated assets as of December 31, 2021 and 2020, respectively, and comprehensive income (including share of profit or loss and share of other comprehensive income of associates and joint ventures accounted for using equity method) was NT\$ 4,955,989 thousand and NT\$ 958,072 thousand, constituting 1.89% and 3.63% of the consolidated total comprehensive income and loss for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited the parent company only financial statement of Evergreen Marine Corporation (Taiwan) Ltd. as of and for the years ended December 31, 2021 and 2020 on which we have issued an unqualified opinion with explanatory paragraph thereon.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditors’ responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

Lee, Hsiu-Ling

Chou, Hsiao-Tzu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 15, 2022

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

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	December 31, 2021		December 31, 2020	
	AMOUNT	%	AMOUNT	%
Current assets				
Cash and cash equivalents	\$ 19,310,785	5	\$ 20,562,990	12
Financial assets at fair value through profit or loss - current	44,999	-	4,289	-
Current financial assets at amortised cost	20,500,935	5	4,171,210	2
Current financial assets for hedging	23,026,075	6	-	-
Current contract assets	988,691	-	802,464	1
Notes receivable - net	136	-	29	-
Accounts receivable - net	6,089,641	1	3,275,730	2
Accounts receivable, net - related parties	98,507	-	69,048	-
Other receivables	86,517	-	28,463	-
Other receivables - related parties	45,212	-	80,695	-
Current income tax assets	29,012	-	-	-
Inventories	916,874	-	523,326	-
Prepayments	261,555	-	249,781	-
Other current assets	2,252,589	1	3,011,234	2
Current Assets	73,651,528	18	32,779,259	19
Non-current assets				
Non-current financial assets at fair value through other comprehensive income	1,625,940	-	1,312,358	1
Non-current financial assets at amortised cost	261,315	-	289,651	-
Non-current financial assets for hedging	1,488,664	-	-	-
Investments accounted for using equity method	262,139,567	64	76,818,995	44
Property, plant and equipment - net	43,790,376	11	37,425,681	22
Right-of-use assets	18,829,781	5	19,596,656	11
Investment property - net	1,810,503	1	1,829,556	1
Intangible assets	8,810	-	16,247	-
Deferred income tax assets	450,314	-	290,095	-
Other non-current assets	5,862,948	1	2,817,347	2
Non-current assets	336,268,218	82	140,396,586	81
Total assets	\$ 409,919,746	100	\$ 173,175,845	100

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity	December 31, 2021		December 31, 2020	
	AMOUNT	%	AMOUNT	%
Current liabilities				
Current financial liabilities for hedging	\$ 1,031,678	-	\$ 898,484	1
Current contract liabilities	3,304,976	1	494,792	-
Accounts payable	5,641,233	1	4,929,925	3
Accounts payable - related parties	149,973	-	310,788	-
Other payables	4,640,530	1	1,314,986	1
Other payables - related parties	28,687	-	11,006	-
Current income tax liabilities	8,136,437	2	340,338	-
Current lease liabilities	1,109,676	-	1,484,357	1
Other current liabilities	10,186,929	3	11,897,010	7
Current Liabilities	34,230,119	8	21,681,686	13
Non-current liabilities				
Non-current financial liabilities for hedging	10,477,195	3	9,971,891	6
Corporate bonds payable	6,772,950	2	12,779,043	7
Long-term loans	14,008,465	3	25,346,223	15
Non-current provisions	4,839	-	-	-
Deferred income tax liabilities	10,593,057	3	1,738,565	1
Non-current lease liabilities	4,931,430	1	6,057,307	3
Other non-current liabilities	2,117,155	-	1,319,419	1
Non-current liabilities	48,905,091	12	57,212,448	33
Total Liabilities	83,135,210	20	78,894,134	46
Equity				
Capital				
Common stock	52,908,484	13	48,980,353	28
Capital surplus				
Capital surplus	15,762,185	4	12,433,364	7
Retained earnings				
Legal reserve	8,122,482	2	5,714,940	3
Special reserve	581,406	-	-	-
Unappropriated retained earnings	250,555,749	61	27,734,460	16
Other equity interest				
Other equity interest	(1,145,770)	-	(581,406)	-
Total equity	326,784,536	80	94,281,711	54
Significant Contingent Liabilities And Unrecognised Contract Commitments Significant Events After The Balance Sheet Date				
Total liabilities and equity	\$ 409,919,746	100	\$ 173,175,845	100

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Year ended December 31			
	2021		2020	
	AMOUNT	%	AMOUNT	%
Operating revenue	\$ 93,885,535	100	\$ 51,623,123	100
Operating costs	(43,137,123)	(46)	(42,970,912)	(83)
Gross profit	50,748,412	54	8,652,211	17
Operating expenses				
Selling expenses	(1,984,683)	(2)	(592,712)	(1)
General and administrative expenses	(7,230,364)	(8)	(2,900,971)	(6)
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	126	-	875	-
Total operating expenses	(9,214,921)	(10)	(3,492,808)	(7)
Other gains - net	(1,837)	-	3,170	-
Operating profit	41,531,654	44	5,162,573	10
Non-operating income and expenses				
Interest income	115,507	-	134,800	-
Other income	292,399	-	362,255	-
Other gains and losses	(42,476)	-	431,762	1
Finance costs	(789,354)	(1)	(1,186,369)	(2)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	218,272,441	233	21,204,957	41
Total non-operating income and expenses	217,848,517	232	20,947,405	40
Profit before income tax	259,380,171	276	26,109,978	50
Income tax expense	(20,365,311)	(21)	(1,745,052)	(3)
Profit for the year	\$ 239,014,860	255	\$ 24,364,926	47
Other comprehensive income (loss)				
Components of other comprehensive income that will not be reclassified to profit or loss				
Losses on remeasurements of defined benefit plans	(\$ 69,115)	-	(\$ 111,752)	-
Unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	313,582	-	156,060	-
Share of other comprehensive loss of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	1,792,720	2	122,110	-
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	15,679	-	18,700	-
Components of other comprehensive loss that will not be reclassified to profit or loss	2,052,866	2	185,118	-
Components of other comprehensive income that will be reclassified to profit or loss				
Other comprehensive loss, before tax, exchange differences on translation	(2,346,629)	(3)	(3,160,573)	(6)
Gains (losses) on hedging instrument	(42,909)	-	554,654	1
Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(283,838)	-	521,607	1
Income tax relating to the components of other comprehensive income	7,757	-	(106,342)	-
Components of other comprehensive loss that will be reclassified to profit or loss	(2,665,619)	(3)	(2,190,654)	(4)
Other comprehensive loss for the year	(\$ 612,753)	(1)	(\$ 2,005,536)	(4)
Total comprehensive income for the year	\$ 238,402,107	254	\$ 22,359,390	43
Basic earnings per share (in dollars)				
Basic earnings per share	\$ 45.57		\$ 5.06	
Diluted earnings per share	\$ 45.22		\$ 4.96	

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Retained Earnings				Other equity interest		Total equity	
	Common stock	Capital surplus	Legal reserve	Special reserve	Exchange differences on translating the financial statements of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income		Gains (losses) on hedging instruments
Year 2020								
Balance at January 1, 2020	\$ 48,129,738	\$ 11,407,437	\$ 5,714,940	\$ -	(\$ 856,773)	\$ 1,411,638	\$ 579,757	\$ 70,045,779
Profit for the year	-	-	-	-	-	-	-	24,364,926
Other comprehensive income (loss)	-	-	-	-	(3,471,571)	474,945	1,282,407	(2,005,536)
Total comprehensive income (loss)	-	-	-	-	(3,471,571)	474,945	1,282,407	22,359,390
Adjustments to share of changes in equity of subsidiaries, associates and joint ventures	-	22,463	-	-	-	(1,809)	-	22,463
Other changes in capital surplus	-	623	-	-	-	-	-	623
Due to recognition of equity component of Euro-Convertible Bonds	-	379,915	-	-	-	-	-	379,915
Conversion of Euro-Convertible Bonds	850,615	622,926	-	-	-	-	-	1,473,541
Balance at December 31, 2020	<u>\$ 48,980,353</u>	<u>\$ 12,433,364</u>	<u>\$ 5,714,940</u>	<u>\$ -</u>	<u>(\$ 4,328,344)</u>	<u>\$ 1,884,774</u>	<u>\$ 1,862,164</u>	<u>\$ 94,281,711</u>
Year 2021								
Balance at January 1, 2021	\$ 48,980,353	\$ 12,433,364	\$ 5,714,940	\$ -	(\$ 4,328,344)	\$ 1,884,774	\$ 1,862,164	\$ 94,281,711
Profit for the year	-	-	-	-	-	-	-	239,014,860
Other comprehensive income (loss)	-	-	-	-	(2,404,662)	2,143,778	(260,957)	(612,753)
Total comprehensive income	-	-	-	-	(2,404,662)	2,143,778	(260,957)	(373,832)
Appropriation of 2020 earnings	-	-	-	-	(238,923,948)	-	-	(238,923,948)
Legal reserve	-	-	2,407,542	-	-	-	-	-
Special reserve	-	-	-	581,406	-	-	-	-
Cash dividends	-	-	-	-	(13,156,234)	-	-	(13,156,234)
Adjustments to share of changes in equity of subsidiaries, associates and joint ventures	-	153,764	-	-	-	(42,523)	-	111,241
Other changes in capital surplus	-	(62)	-	-	-	-	-	(62)
Due to recognition of equity component of Convertible Bonds	-	289,166	-	-	-	-	-	289,166
Conversion of Convertible Bonds	3,928,131	2,885,953	-	-	-	-	-	6,814,084
Balance at December 31, 2021	<u>\$ 52,908,484</u>	<u>\$ 15,762,185</u>	<u>\$ 8,122,482</u>	<u>\$ 581,406</u>	<u>(\$ 6,733,006)</u>	<u>\$ 3,986,029</u>	<u>\$ 1,601,207</u>	<u>\$ 326,784,536</u>

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Year ended December 31	
	2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before tax	\$ 259,380,171	\$ 26,109,978
Adjustments		
Adjustments to reconcile profit (loss)		
Financial assets and liabilities at fair value through profit or loss	(28,472)	(30,027)
Depreciation	5,378,873	5,341,866
Amortization	22,051	17,266
Expected credit gain	(126)	(875)
Interest expense	789,354	1,186,369
Interest income	(115,507)	(134,800)
Dividend income	(69,198)	(50,516)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(218,272,441)	(21,204,957)
Loss on disposal of investments	(11,191)	(99)
(Gains) losses arising from lease modification	(3,802)	259
Net loss (gain) on disposal of property, plant and equipment	1,837	(3,170)
Unrealized foreign exchange gain	-	(381,555)
Changes in operating assets and liabilities		
Changes in operating assets		
Current contract assets	(186,214)	(429,873)
Notes receivable	(107)	138
Accounts receivable	(2,813,798)	(397,695)
Accounts receivable - related parties	(29,457)	43,126
Other receivables	(39,825)	11,530
Other receivables - related parties	16,417	(56,469)
Inventories	(393,548)	449,213
Prepayments	(11,774)	(3,390)
Other current assets	758,645	(605,983)
Changes in operating liabilities		
Current contract liabilities	2,810,183	(41,982)
Accounts payable	711,308	1,559,902
Accounts payable - related parties	(160,815)	27,589
Other payables	1,154,994	114,789
Other payables - related parties	4,351	1,895
Other current liabilities	(915,692)	617,549
Other non-current liabilities	732,912	(94,655)
Cash inflow generated from operations	48,709,129	12,045,423
Interest received	97,278	163,909
Interest paid	(823,825)	(1,200,849)
Income tax paid	(3,864,698)	(13,911)
Net cash flows from operating activities	44,117,884	10,994,572

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Year ended December 31	
	2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Decrease in financial assets at amortised cost	(\$ 16,329,725)	(\$ 2,769,353)
Decrease (Increase) in financial assets at amortised cost-non-current	28,336	(2,711)
Increase in financial assets for hedging	(28,524,568)	-
Decrease in financial assets for hedging	3,691,280	-
Acquisition of investments accounted for using equity method	(1,385,000)	(657,123)
Proceeds from disposal of investments accounted for using equity	-	3,457
Acquisition of property, plant and equipment	(3,526,200)	(2,408,766)
Proceeds from disposal of property, plant and equipment	6,300	533
Acquisition of intangible assets	(10,230)	(13,914)
Increase in other non-current assets	(6,399,396)	(2,152,974)
Increase in guarantee deposits paid	(1,528)	(1,348)
Decrease in guarantee deposits paid	1,870	1,740
Cash dividends received	33,744,954	468,212
Net cash flows used in investing activities	(18,703,907)	(7,532,247)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase in long-term loans	3,688,406	7,890,285
Decrease in long-term loans	(15,820,554)	(15,360,586)
Increase in corporate bonds payable	5,043,721	8,635,118
Decrease in corporate bonds payable	(4,000,000)	-
Payments of lease liabilities	(2,422,007)	(2,832,683)
Increase in guarantee deposits received	1,391	60
Decrease in guarantee deposits received	(843)	-
Cash dividends paid	(13,156,234)	-
Other financing activities	(62)	623
Net cash flows used in financing activities	(26,666,182)	(1,667,183)
Net (decrease) increase in cash and cash equivalents	(1,252,205)	1,795,142
Cash and cash equivalents at beginning of year	20,562,990	18,767,848
Cash and cash equivalents at end of year	\$ 19,310,785	\$ 20,562,990

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Evergreen Marine Corporation (Taiwan) Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Evergreen Marine Corporation (Taiwan) Ltd. (the "Company") as of December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent auditors (please refer to Other Matter section of our report), the accompanying financial statements present fairly, in all material respects, the financial position of Evergreen Marine Corporation (Taiwan) Ltd. as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers" .

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained along with the report of other independent auditors are sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters of the parent company only financial statements for the year ended December 31, 2021 are as follows:

Accuracy of freight revenue and appropriate use of cut-off

Description

Please refer to Note 4(31) for accounting policy on revenue recognition, Note 5(2) for uncertainty of accounting estimates and assumptions applied on revenue recognition, and Note 6(23) for details of sales revenue, Note 6(8) for details of investments accounted for using equity method, and Table 7 for information on investees accounted for using equity method.

The Company, the Company's directly held subsidiary, Peony Investment S.A. and Evergreen Marine (Asia) Pte. Ltd., which are recognised in investments accounted for using equity method, and the subsidiary, Evergreen Marine (Hong Kong) Ltd., which is directly and indirectly held an 80% equity interest by the Company, primarily engages in global container shipping service covering ocean-going and near-sea shipping line, shipping agency business as well as container freight station business. Since ocean-going shipping often lasts for several days, voyages are sometimes completed after the balance sheet date. Also, demand for freight services is consistently sent by forwarders during voyage. Due to the factors mentioned above, freight revenue is recognized under the percentage-of-completion method for each vessel of which the service has been provided during the reporting period.

Despite the Company and its investee companies conducting business worldwide, its transactions are all in small amounts, whereas the freight rate is subject to fluctuation caused by cargo loading rate as well as market competition. Worldwide shipping agencies use a system to record the transactions by entering data including shipping departure, destination, counterparty, transit time, shipping amounts, and freight price for the Company. Therefore, the management could recognise freight revenue in accordance with the data on bill of lading reports generated from the system, accompanied by estimations made from past experience and current cargo loading conditions the revenue that would flow in, and calculate the revenue under percentage-of-completion method. As the process of recording transactions, communicating with agencies, maintaining the system are done manually, and the estimation of freight revenue is subject to management's judgement, therefore freight revenue involves high uncertainty and is material to the financial statements. Given the conditions as described above, we consider the accuracy of freight revenue and the appropriate use of cut-off by the Company and its investee companies as a key audit matter.

How our audit addressed the matter

We and other auditors performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the operation and industry of the Company and its investee companies to assess the reasonableness of policies and procedures on revenue recognition, and confirmed whether it is appropriate to the financial statements.
2. Obtained an understanding of the procedures of revenue recognition from booking, picking, billing to receiving. Assessed and tested relevant internal controls, including checking freight items and amounts of delivery information against the approved contracts and booking list. In addition, recalculated the accuracy of freight revenue, and ensured its consistency with the bill of lading report.
3. Obtained the estimated freight income report for vessels underway as of balance sheet date, and inquired with management for the reasonableness of judgment. In addition, checked historical freight revenue for total voyage under each individual vessel, along with comparing with current cargo loading condition as well as actual revenue received after period end to ensure the reasonableness of revenue assumptions.
4. Confirmed the completeness of vessels underway for the reporting period, including tracking the movements of shipments on the internet to ensure the vessels that depart before period end have been taken into consideration in the freight revenue calculation.
5. Verified accuracy of data used in calculating percentage of completion under each voyage, including selecting samples and checking whether the total shipping days shown on the Company's website are in agreement with cruises timetable, considering the number of days delayed in shipping routes due to port congestion as well as recalculating the shipping days (days between departure and balance sheet date), in order to examine the reasonableness of percentage applied.

Other matter – Reference to the reports of other independent auditors

We did not audit the financial statements of all the investee companies accounted for using equity method. Those statements were audited by other independent auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for those investee companies accounted for using equity method and information disclosed in Note 13 relating to these long-term equity investments, is based solely on the reports of the other independent auditors. Long-term equity investments in these investee companies amounted to NT\$ 39,219,549 thousand and NT\$ 27,602,691 thousand, constituting 9.57% and 15.94% of the total assets as of December 31, 2021 and

2020, respectively, and comprehensive income (loss) (including share of profit or loss and share of other comprehensive income of associates and joint ventures accounted for using equity method) was NT\$ 14,169,123 thousand and NT\$ 4,543,410 thousand, constituting 5.94% and 20.32% of the total comprehensive income (loss) as of December 31, 2021 and 2020, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the “Regulations Governing the Preparations of Financial Reports by Securities Issuers” and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including supervisors, are responsible for overseeing the Company’s financial reporting process.

Auditors’ responsibilities for the audit of the parent company only financial statements

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

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

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

Lee, Hsiu-Ling

Chou, Hsiao-Tzu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 15, 2022

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

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

EVERGREEN MARINE CORP. (TAIWAN) LTD.

2021 PROFIT ALLOCATION PROPOSAL

Unit : NT\$

Item	Amount	
Unappropriated Retained Earnings of Previous Years	\$11,589,277,797	
Add : Net Income of 2021	239,014,859,784	
Subtract : Adjustment for Retained Earnings	(48,388,713)	
Subtract : Special Reserve	(564,364,012)	
Subtract : Legal Reserve	(23,896,647,107) 214,505,459,952	
Retained Earnings in 2021 Available for Distribution	226,094,737,749	
Distribution Item :		
Shareholders' Dividends	95,238,884,466	
Unappropriated Retained Earnings	\$130,855,853,283	

Audit Committee's Review Report

TO : 2022 Annual General Meeting of Shareholders

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

The Board of Directors has prepared the Company's 2021 business report, financial report, and proposal for distribution of earnings. The CPA firm of PricewaterhouseCoopers, Taiwan has audited the financial report and issued the audit report.

The above business report, financial report, and proposal for distribution of earnings have been reviewed and determined to be correct and accurate by the Audit Committee members of EVERGREEN MARINE CORPORATION (TAIWAN) LTD. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Convener of the Audit Committee: Li, Chang-Chou

March 15, 2022

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Supplementary Instructions for Cash Reduction in 2022

I. Reasons, necessity and rationality for the capital reduction

Faced with fluctuating fuel costs, increasingly stringent environmental regulations, uncertain business environment, the trend of e-commerce, and the integration of regional economic, the Company issued the 1st Overseas Unsecured Euro Convertible Bonds in 2020 for the relevant expenditure of investment plans and the operation needs. Affected by the COVID-19 epidemic in 2021, the global economy has suffered a tremendous impact. The Company issued the 4th Domestic Unsecured Convertible Bonds again to ensure the sustainable business momentum. Among these, the expenditure of 1st Overseas Unsecured Euro Convertible Bonds have implemented as planned, and the 4th Domestic Unsecured Convertible Bonds have been used up in the fourth quarter of 2021.

Due to the impact of the epidemic and the changes in the global political and economic situation recently, the shipping industry has benefited from the high freight rates. The Company's revenue and profit in 2021 hit record high, our net profit after tax was NTD 239 billion, accumulated retained earnings was NTD 259.3 billion, operating income rose to NTD 174 billion, and the debt ratio dropped significantly to 41.52%. The Company's overall financial structure is strong and the cash flow is quite abundant.

The cumulative revenue from the first three months of this year (2022) has reached NTD 170.8 billion, and increased about 90% above the corresponding period of last year, which represents the overall operating outlook is good. On the premise of sufficient accumulated surplus and working capital, the Company would still have ample funds for follow-up investments and development after capital reduction. Therefore, The Board of Directors of the Company resolved to conduct capital reduction for 60% on March 15, 2022 to lighten the share capital, which is beneficial to enhance shareholders' equity.

II. The funds for the capital reduction, and the impact of the capital reduction on the Company's finance, operation, and the stability of the capital structure

The funds for the capital reduction are all from the Company's equity funds. The reason is that the Company's revenue and profits performed well last year (2021), and after actively repaying bank loans, as of the end of 2021, the cash position still exceeded NTD 200 billion, which was able to cover the funds needs for the capital reduction plan.

In recent years, the Company has continued to promote various investment plans to add momentum into future operation. So far, the Company's fleet capacity ranks seventh of the world, with total 201 vessels and 61 undelivered new vessels (including long-term charter vessels). In the future, the overall operation scale is still expected to expand. In addition, the Company has also leased five terminals of Seventh Container Center Kaohsiung Port at Kaohsiung Port from the Taiwan International Ports Corporation, Ltd. for a rental period of 50 years. In the future, the Company will invest in the newest machinery and equipment to build new smart terminals, and actively enhance the competitiveness and to maintain the hub position of Kaohsiung Port.

After the completion of the capital reduction and dividends distribution, it's estimated that the residual cash as of the end of 2022 will be approximately NTD 263.9 billion which is from the cash flow analysis for the coming year according to the regulation. The Company will still have sufficient funds for the above investment plans, so the capital reduction will not affect the plans of future operation and investment. In addition, the Company has no plans of fundraising or issuance of new shares as stock dividends in the near future.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Comparison Table for the Article of Articles of Incorporation

After amendment	Before amendment	Reason for amendment
<p><u>Article 2</u></p> <p>The Company may engage in the following activities:</p> <ol style="list-style-type: none"> 1. G301011 Ship Transportation; 2. G401011 Shipping Agency Services; 3. G404011 Container Distributing Center Business; 4. I701011 Occupation Services; 5. <u>CD01070</u> <u>Commercial Port Area Ship-repair</u>; 6. <u>ZZ99999</u> All business items that are not prohibited or restricted by law, except those that are subject to special approval. 	<p><u>Article 2</u></p> <p>The Company may engage in the following activities:</p> <ol style="list-style-type: none"> 1. G301011 Ship Transportation; 2. G401011 Shipping Agency Services; 3. G404011 Container Distributing Center Business; 4. I701011 Occupation Services; 5. <u>ZZ99999</u> All business items that are not prohibited or restricted by law, except those that are subject to special approval. 	<ol style="list-style-type: none"> 1. In order to engage repair ships activity, subparagraph 5 “CD01070 Commercial Port Area Ship-repair” are added. 2. The order of subparagraphs is rearranged.
<p><u>Article 8</u></p> <p>The Shareholders’ Meeting of the Company consists of two categories; the Annual General and Extraordinary Meetings;</p> <ol style="list-style-type: none"> 1. The Annual General Meeting shall be duly held within six (6) months after the end of each fiscal year of the Company; 	<p><u>Article 8</u></p> <p>The Shareholders’ Meeting of the Company consists of two categories; the Annual General and Extraordinary Meetings;</p> <ol style="list-style-type: none"> 1. The Annual General Meeting shall be duly held within six (6) months after the end of each fiscal year of the Company; 	<p>In order to increase the flexibility of the Company in convening shareholders’ meetings, the Article is amended in accordance with Article 172-2 of the Company Act:</p> <ol style="list-style-type: none"> 1. Paragraph 2 is added to the Article, which stipulates that the Company’s shareholders’

After amendment	Before amendment	Reason for amendment
<p>2.The Extraordinary Meeting of the Company may be duly held if necessary.</p> <p><u>The Company’s shareholders’ meetings can be held by means of video conferencing network or other methods as promulgated by the central competent authority.</u></p> <p><u>In the case where a shareholders’ meeting is convened via a video conferencing network, the shareholders taking part in such a video conference meeting shall be deemed to have attended the meeting in person.</u></p>	<p>2. The Extraordinary Meeting of the Company may be duly held if necessary.</p>	<p>meetings can be held by means of a video conferencing network or other methods as promulgated by the central competent authority.</p> <p>2. Paragraph 3 is added to the Article, which stipulates that the shareholders taking part in such a shareholders’ meeting convened via video conferencing network shall be deemed to have attended the meeting in person.</p>
<p><u>Article 17</u></p> <p>When the number of vacancies of Directors reaches one-third of the total number of Directors, the Board of Directors shall convene a Shareholders’ Meeting for supplementary election within 60 days from the date on which the situation arose. Its term of office shall only be limited to full replenishment of the original term of office.</p> <p>When the dismissal of Independent Directors(s) result in the number of Independent Directors less than the number providing in the paragraph 1 of the Article 15-1, the Company</p>	<p><u>Article 17</u></p> <p><u>When the dismissal of Director(s) results in the number of directors less than five (5), the Company shall hold supplementary election for Director at the next following Shareholders’ Meeting.</u> When the number of vacancies of Directors reaches one-third of the total number of Directors, the Board of Directors shall convene a Shareholders’ Meeting for supplementary election within 60 days from the date on which the situation arose. Its term of office shall only be limited to</p>	<p>In case where the Company’s board has seven directors, the number of directors is less than five, and the vacancy of directors will reach one-third of the total number of directors. However, the current provision in Paragraph 1 and its proviso stipulate different periods of time within which a supplementary election of directors should be held under the same circumstances. To avoid misunderstanding, the provision in Paragraph 1 is deleted.</p>

After amendment	Before amendment	Reason for amendment
<p>shall hold supplementary election for Independent Director(s) at the next following Shareholders' Meeting. When all Independent Directors have been dismissed, the Board of Directors shall convene a Shareholders' Meeting for electing Independent Directors within 60 days from the date on which the situation arose.</p>	<p>full replenishment of the original term of office.</p> <p>When the dismissal of Independent Directors(s) result in the number of Independent Directors less than the number providing in the paragraph 1 of the Article 15-1, the Company shall hold supplementary election for Independent Director(s) at the next following Shareholders' Meeting. When all Independent Directors have been dismissed, the Board of Directors shall convene a Shareholders' Meeting for electing Independent Directors within 60 days from the date on which the situation arose.</p>	
<p><u>Article 22</u></p> <p>The Company shall establish the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The exercise of power and others of the Audit Committee and its members shall be in accordance with the Securities and Exchange Act and the relevant laws and regulations.</p> <p>The Board of Directors may set up functional committees in accordance with regulations or business needs. Their Charters shall be made by the Board of Directors.</p>	<p><u>Article 22</u></p> <p>The Company shall establish the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The exercise of power and others of the Audit Committee and its members shall be in accordance with the Securities and Exchange Act and the relevant laws and regulations.</p>	<p>In order to enhance corporate governance, the Company will establish other functional committees in the future in accordance with operational needs. As a result, this Article is amended to add Paragraph 2 which stipulates that the Company may establish various functional committees upon the resolution of the Board of Directors.</p>

After amendment	Before amendment	Reason for amendment
<p><u>Article 26-1</u></p> <p>If the Company reports a surplus at the year end, after clearing taxes, the Company shall first offset losses from previous years (if any), then set aside 10% of the balance as the statutory surplus reserve, and set aside or reverse special surplus reserve per the provisions. After that, the Board of Directors shall propose a surplus distribution plan of the balance plus the retained earnings accrued from prior years, submit the distribution plan to the shareholders' meeting for approval, and then distribute it. The dividends shall be distributed in the combination of cash and stocks, provided that cash dividends shall not be less than 10% of the total amount of dividends.</p> <p><u>Where the special surplus reserve set aside in the preceding paragraph belongs to a part not fully set aside accrued from prior years, the same amount thereof shall be set aside for the special surplus reserve from the retained earnings accrued from prior years. If the special surplus reserve is still insufficient, the amount from the net income</u></p>	<p><u>Article 26-1</u></p> <p>If the Company reports a surplus at the year end, after clearing taxes, the Company shall first offset losses from previous years (if any), then set aside 10% of the balance as the statutory surplus reserve, and set aside or reverse special surplus reserve per the provisions. After that, the Board of Directors shall propose a surplus distribution plan of the balance plus the retained earnings accrued from prior years, submit the distribution plan to the shareholders' meeting for approval, and then distribute it. The dividends shall be distributed in the combination of cash and stocks, provided that cash dividends shall not be less than 10% of the total amount of dividends.</p>	<p>1. According to the Order No. Financial-Supervisory-Securities-Corporate-1090150022 issued by the Financial Supervisory Commission on March 31, 2021 stating that: "...When a public company has a distributable surplus, it shall set aside the special surplus reserve without distribution of the surplus in accordance with the following methods: ...2. For the net value of other deductions from equity accrued from prior years, the special surplus reserve shall be set aside without distribution of the surplus by selecting one of the following methods: ... (2) The same amount thereof shall be set aside for the special surplus reserve from the retained earnings from prior years. If the special surplus reserve is still insufficient, the amount from the net income after taxes for the current period, plus the items, other than the net income after taxes for the current period, shall be included in the amount of the retained earnings for</p>

After amendment	Before amendment	Reason for amendment
<p><u>after taxes for the current period plus the items other than the net income after taxes for the current period shall be included in the amount of the retained earnings for the current period to be set aside for such a purpose.</u></p> <p>The dividends <u>may</u> be distributed <u>either in full in cash, or in the combination of cash and stocks, however</u> the cash dividends shall not be less than 10% of the total amount of dividends.</p>		<p>the current period to be set aside for such a purpose, which shall also be stipulated in the dividend policy of the Company's "Articles of Incorporation."; it is to add Paragraph 2 of this article in consideration of the foregoing interpretive order.</p> <p>2. The order of paragraphs is rearranged and text revisions.</p>
<p><u>Article 29</u></p> <p>These Articles where originally established on September 3, 1968;</p> <p>The 44th amendment <u>was</u> made on June 24, 2020; <u>and</u> <u>The 45th amendment is made on May 30, 2022.</u></p>	<p><u>Article 29</u></p> <p>These Articles where originally established on March 31, 1989;</p> <p>The 44th amendment <u>is</u> made on June 24, 2020.</p>	<p>Add the amended date.</p>

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Comparison Table for the Article of Procedures for Acquiring and Disposing of Assets

After amendment	Before amendment	Reason for amendment
<p><u>Article 4</u> As for any appraisal report, or any written opinion issued and made available by certified public accountant (“CPA”), lawyer or securities underwriter to the Company, such professional appraiser and its appraisal personnel, CPA, lawyer or securities underwriter shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since 	<p><u>Article 4</u> As for any appraisal report, or any written opinion issued and made available by certified public accountant (“CPA”), lawyer or securities underwriter to the Company, such professional appraiser and its appraisal personnel, CPA, lawyer or securities underwriter shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of 	<ol style="list-style-type: none"> 1. Financial Supervisory Commission (hereinafter referred to as the FSC) amended and announced the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" (hereinafter referred to as The Regulations) by order of No. Financial-Supervisory-Securities-Corporate- 1110380465 dated January 28, 2022. 2. Considering that the associations of external experts have set relevant regulations for related businesses, and in order to clarify the procedures and responsibilities that external experts should follow. The FSC amended the Paragraphs 2 of Article 5 of The Regulations to specify that the appraisal reports or opinions issued by external experts shall not only be handled in accordance with current Paragraph 2, but also shall comply with the self-regulatory rules of the associations. In

After amendment	Before amendment	Reason for amendment
<p>expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>2. May not be a related party or de facto related party of any party to the transaction.</p> <p>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules of associations and the following matters</u>:</p> <p>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>2. When <u>executing</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion</p>	<p>a suspended sentence, or since a pardon was received.</p> <p>2. May not be a related party or de facto related party of any party to the transaction.</p> <p>3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>2. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and</p>	<p>addition, the texts of Subparagraphs 2-4 of Paragraph 2 were revised.</p> <p>3. Paragraph 2 is amended in accordance with Paragraph 2 of Article 5 of The Regulations.</p>

After amendment	Before amendment	Reason for amendment
<p>shall be fully and accurately specified in the case working papers.</p> <p>3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	<p>accurately specified in the case working papers.</p> <p>3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>5. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>reasonable and accurate,</u> and that they have complied with applicable laws and regulations.</p>	
<p><u>Article 7</u> Upon acquiring or disposing of any real estates, equipment, or right-of-use assets thereof, unless in the case of dealing with a domestic government agency, commissioning others to make construction on self-owned or leased land, acquiring or disposing of the equipment or right-of-use assets thereof for business use, if the transaction amount thereof is equal to or more than</p>	<p><u>Article 7</u> Upon acquiring or disposing of any real estates, equipment, or right-of-use assets thereof, unless in the case of dealing with a domestic government agency, commissioning others to make construction on self-owned or leased land, acquiring or disposing of the equipment or right-of-use assets thereof for business use, if the transaction amount thereof is equal to or more than</p>	<p>1. In according to Paragraph 2 of Article 5 of The Regulations, when issuing appraisal reports or opinions, the external experts should follow the regulations set by associations, which have covered the procedures for CPA to issue opinions. The FSC amended Subparagraph 3 of Paragraph 1 of Article 9, Article 10 and Article</p>

After amendment	Before amendment	Reason for amendment
<p>20% of the Company's paid-in capital or NT\$300,000,000, it must obtain an appraisal report issued by a professional appraiser before the date of occurrence, and the following requirements shall be additionally met:</p> <ol style="list-style-type: none"> 1. If a limited price, specified price or special price is taken as the reference of trading price due to any special reasons, the transaction concerned shall be first submitted to the Audit Committee for approval and then to the Board of Directors for resolution. When the terms and conditions of this transaction are changed in the future, the aforesaid procedures shall apply. 2. If the transaction amount is NT\$1,000,000,000 or more, at least two professional appraisers shall be retained to conduct the appraisal. 3. When the appraisal made by the professional appraiser results in any of the following circumstances, except that the appraisal amount of acquiring assets are more than the transaction amount or the appraisal amount of disposing assets are less than the transaction amount, a CPA shall be retained to 	<p>20% of the Company's paid-in capital or NT\$300,000,000, it must obtain an appraisal report issued by a professional appraiser before the date of occurrence, and the following requirements shall be additionally met:</p> <ol style="list-style-type: none"> 1. If a limited price, specified price or special price is taken as the reference of trading price due to any special reasons, the transaction concerned shall be first submitted to the Audit Committee for approval and then to the Board of Directors for resolution. When the terms and conditions of this transaction are changed in the future, the aforesaid procedures shall apply. 2. If the transaction amount is NT\$1,000,000,000 or more, at least two professional appraisers shall be retained to conduct the appraisal. 3. When the appraisal made by the professional appraiser results in any of the following circumstances, except that the appraisal amount of acquiring assets are more than the transaction amount or the appraisal amount of disposing assets are less than the transaction amount, a CPA shall be retained to 	<p>11 of The Regulations to delete the relevant words that CPA shall follow the provisions of the Statement of Auditing Standards No. 20.</p> <p>2. In accordance with Subparagraph 3 of Paragraph 1 of Article 9 of The Regulations, delete the relevant words in Subparagraph 3 of Paragraph 1 that CPA shall follow the provisions of the Statement of Auditing Standards No. 20.</p>

After amendment	Before amendment	Reason for amendment
<p>give specific opinion on the cause of difference and whether the transaction price is justified:</p> <p>(1) The appraisal amount differs from the transaction amount by 20% or more of the latter.</p> <p>(2) The appraisal amount of one professional appraiser differs from that of another by 10% or more of the transaction amount.</p> <p>4. The date of a professional appraisal report shall not exceed three (3) months from the date of contract. However, in case the declared value of same period shall apply, and the appraisal has been made for no more than six (6) months, then the original professional appraiser may issue a written opinion.</p>	<p>give specific opinion on the cause of difference and whether the transaction price is justified <u>in accordance with the Statement of Auditing Standards No. 20 as published by the Accounting Research and Development Foundation (ARDF):</u></p> <p>(1) The appraisal amount differs from the transaction amount by 20% or more of the latter.</p> <p>(2) The appraisal amount of one professional appraiser differs from that of another by 10% or more of the transaction amount.</p> <p>4. The date of a professional appraisal report shall not exceed three (3) months from the date of contract. However, in case the declared value of same period shall apply, and the appraisal has been made for no more than six (6) months, then the original professional appraiser may issue a written opinion.</p>	
<p><u>Article 8</u></p> <p>Before the occurrence date of acquiring or disposing of valuable securities, the Company shall first review the</p>	<p><u>Article 8</u></p> <p>Before the occurrence date of acquiring or disposing of valuable securities, the Company shall first review the</p>	<p>In accordance with Article 10 of The Regulations, delete the relevant words that CPA shall follow the provisions of the Statement</p>

After amendment	Before amendment	Reason for amendment
<p>latest audited financial statement of the targeted company as the reference of evaluating transaction price, and if the transaction amount is equal to or more than 20% of the Company's paid-in capital or NT\$300,000,000, a CPA shall be retained to issue the opinion on the trading price before the date of occurrence except under the circumstance that there is a public quoted price on that securities in an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>latest audited financial statement of the targeted company as the reference of evaluating transaction price, and if the transaction amount is equal to or more than 20% of the Company's paid-in capital or NT\$300,000,000, a CPA shall be retained to issue the opinion on the trading price before the date of occurrence except under the circumstance that there is a public quoted price on that securities in an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC). <u>For a CPA who adopts the professional reports shall conduct in accordance with the Statement of Auditing Standards No. 20 as published by the ARDF.</u></p>	<p>of Auditing Standards No. 20.</p>
<p><u>Article 9</u> Before the occurrence date of acquiring or disposing of any intangible assets or right-of-use assets thereof or memberships with an amount being equal or more than 20% of the Company's paid-in capital or NT\$300,000,000, except in transacting with a domestic government agency, a CPA shall be retained to issue the opinion on the trading price.</p>	<p><u>Article 9</u> Before the occurrence date of acquiring or disposing of any intangible assets or right-of-use assets thereof or memberships with an amount being equal or more than 20% of the Company's paid-in capital or NT\$300,000,000, except in transacting with a domestic government agency, a CPA shall be retained to issue the opinion on the trading price <u>in accordance with the</u></p>	<p>In accordance with Article 11 of The Regulations, delete the relevant words that CPA shall follow the provisions of the Statement of Auditing Standards No. 20.</p>

After amendment	Before amendment	Reason for amendment
	<u>Statement of Auditing Standards No. 20 as published by the ARDF.</u>	
<p><u>Article 13</u> The Company acquiring or disposing of real estate or right-of-use assets thereof with a related party, or acquiring or disposing of other assets, except in trading of domestic governments bonds or bonds with a call or put option, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, which transaction amount is equal to or more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300,000,000 with a related party may sign the contract and make payment only if the following data and information have been submitted first to the Audit Committee and then to the Board of Directors for resolution:</p> <ol style="list-style-type: none"> 1. Purpose, necessity and expected economic efficiency of acquiring or disposing of assets. 2. Reason of choosing the related party as the trading counter party. 3. The relevant data and information to be used for evaluating the trading terms 	<p><u>Article 13</u> The Company acquiring or disposing of real estate or right-of-use assets thereof with a related party, or acquiring or disposing of other assets, except in trading of domestic governments bonds or bonds with a call or put option, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, which transaction amount is equal to or more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300,000,000 with a related party may sign the contract and make payment only if the following data and information have been submitted first to the Audit Committee and then to the Board of Directors for resolution:</p> <ol style="list-style-type: none"> 1. Purpose, necessity and expected economic efficiency of acquiring or disposing of assets. 2. Reason of choosing the related party as the trading counter party. 3. The relevant data and information to be used for evaluating the trading terms 	<ol style="list-style-type: none"> 1. In order to strengthen the management of related party transactions and protect the rights of minority shareholders to express their opinions on related party transactions, the FSC amended Paragraph 5 of Article 15 of The Regulations to regulate the public companies and their subsidiaries that are not domestic public companies when acquiring or disposing of assets with related parties, and the transaction amount is more than 10% of the total assets of the public company, relevant materials shall be submitted to the public company's shareholders' meeting for approval. However, transactions between the public company and its parent company, subsidiaries, or its subsidiaries are not required to submit to shareholders' meeting. 2. In accordance with Article 15 of The Regulations, amended as follows: (1) Original Paragraph 2 is

After amendment	Before amendment	Reason for amendment
<p>as provided for in Articles 14 and 15 hereof when acquiring any real estate or right-of-use assets thereof from a related party.</p> <p>4. Acquisition date, acquisition price, and trading counter party of the related party, and the relationship of such counter party with the Company and the related party.</p> <p>5. Monthly forecast of cash income & expenditure for a period of 12 months commencing from the month of expected contract signing, and evaluation in regard to the necessity of the transaction and justification of funds utilization.</p> <p>6. Obtain an appraisal report issued by a professional appraiser or CPA's opinions in accordance with the provisions of the preceding Article.</p> <p>7. Restrictions and other important matters agreed upon in the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent company or subsidiaries, or between its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or authorized capital, it is approved by</p>	<p>as provided for in Articles 14 and 15 hereof when acquiring any real estate or right-of-use assets thereof from a related party.</p> <p>4. Acquisition date, acquisition price, and trading counter party of the related party, and the relationship of such counter party with the Company and the related party.</p> <p>5. Monthly forecast of cash income & expenditure for a period of 12 months commencing from the month of expected contract signing, and evaluation in regard to the necessity of the transaction and justification of funds utilization.</p> <p>6. Obtain an appraisal report issued by a professional appraiser or CPA's opinions in accordance with the provisions of the preceding Article.</p> <p>7. Restrictions and other important matters agreed upon in the transaction.</p> <p>The transaction amount referred in the preceding paragraph shall be computed in accordance with the provisions of Paragraph 2 of Article 25 except under the circumstance that has been submitted for resolution approved by the</p>	<p>moved to Paragraph 4, and original Paragraph 3 is moved to item 2.</p> <p>(2) Paragraph 3 is added to specify that if the Company or the subsidiaries that are not domestic public companies when acquiring or disposing of assets with related parties, and the transaction amount is more than 10% of the total assets of the Company, the Company shall submit the documents to the shareholders' meeting for approval before signing the transaction contract and making payment, provided that where the transaction between the public company and the parent company, subsidiaries, or subsidiaries, this restriction shall not apply.</p> <p>(3) In accordance with the amendment of Paragraph 3, amended Paragraph 4 to include the calculation of transaction amount submitted to the shareholders' meeting for approval.</p>

After amendment	Before amendment	Reason for amendment
<p>Chairman of the Board of Directors, where empowered by the Board of Directors to acquire or dispose of assets within a specific limit, for subsequent submission to and ratification by the next Audit Committee meeting and Board Meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real estate right-of-use assets held for business use. <p><u>If the Company or the subsidiaries that are not domestic public companies has the transaction mentioned in Paragraph 1, and the transaction amount is more than 10% of the Company's total assets, the Company shall submit the documents listed in the Paragraph 1 to the shareholders' meeting for approval before signing the transaction contract and making payment, provided that where the transaction between the Company and the parent company, subsidiaries, or subsidiaries, this restriction shall not apply.</u></p> <p>The transaction amount referred in <u>Parapragh1</u> and the preceding paragraph shall be computed in accordance with</p>	<p>Audit Committee and then passed by the Board of Directors in accordance with these regulations. And the term "within the period of one (1) year" shall mean the period of one (1) year retroactive from the occurrence date of trading concerned.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent company or subsidiaries, or between its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or authorized capital, it <u>may be</u> approved by Chairman of the Board of Directors, where empowered by the Board of Directors to acquire or dispose of assets within a specific limit, for subsequent submission to and ratification by the next Audit Committee meeting and Board Meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real estate right-of-use assets held for business use. 	

After amendment	Before amendment	Reason for amendment
<p>the provisions of Paragraph 2 of Article 25 except under the circumstance that has been submitted for resolution approved by the Audit Committee and then passed by the shareholders' meeting and the Board of Directors in accordance with these regulations. And the term "within the period of one (1) year" shall mean the period of one (1) year retroactive from the occurrence date of trading concerned.</p> <p>The transaction amount referred in <u>Parapragh1</u> and the preceding paragraph shall be computed in accordance with the provisions of Paragraph 2 of Article 25 except under the circumstance that has been submitted for resolution approved by the Audit Committee and then passed by the shareholders' meeting and the Board of Directors in accordance with these regulations. And the term "within the period of one (1) year" shall mean the period of one (1) year retroactive from the occurrence date of trading concerned.</p>		
<p><u>Article 25</u> If the asset acquired or disposed of by the Company falls within one of the following circumstances, relevant information shall be</p>	<p><u>Article 25</u> If the asset acquired or disposed of by the Company falls within one of the following circumstances, relevant information shall be</p>	<p>In accordance with Item 1&2 of Subparagraph 7 of Paragraph 1of Article 31 of The Regulations, FSC allowed public companies to purchase and sale foreign</p>

After amendment	Before amendment	Reason for amendment
<p>publicly announced and reported, in the specified form by its nature, on the website designated by the FSC within two (2) days from the occurrence date:</p> <ol style="list-style-type: none"> 1. Acquiring or disposing of real estate or right-of-use assets thereof with a related party, or acquiring or disposing of other assets with a related party which transaction amount is equal to or more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300,000,000; provided, this shall not apply to trading of domestic government bonds or bonds with a call or put option, subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises. 2. Merger, Split, acquisition or stock transfer. 3. Loss on the transaction of derivative products has reached the ceiling for any individual or all contracts as stipulated in the procedures governing the transactions thereof. 4. Assets acquired or disposed of are the equipment or right-of-use assets thereof 	<p>publicly announced and reported, in the specified form by its nature, on the website designated by the FSC within two (2) days from the occurrence date:</p> <ol style="list-style-type: none"> 1. Acquiring or disposing of real estate or right-of-use assets thereof with a related party, or acquiring or disposing of other assets with a related party which transaction amount is equal to or more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300,000,000; provided, this shall not apply to trading of domestic government bonds or bonds with a call or put option, subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises. 2. Merger, Split, acquisition or stock transfer. 3. Loss on the transaction of derivative products has reached the ceiling for any individual or all contracts as stipulated in the procedures governing the transactions thereof. 4. Assets acquired or disposed of are the equipment or right-of-use assets thereof 	<p>government bonds with a credit rating not lower than Taiwan sovereign rating, and allowed professional investors to subscribe for foreign government bonds, subscribe or redeem index investment securities, without making announcements and declarations.</p> <p>In accordance with the above regulations, Item 1 & 2 of Subparagraph 7 of Paragraph 1 are amended to add the items exempted from announcement.</p>

After amendment	Before amendment	Reason for amendment
<p>for business purpose, for which the seller or buyer is not a related party, and the transaction amount is equal to or more than NT\$1,000,000,000.</p> <p>5. Real estates or right-of-use assets thereof acquired or disposed of for construction purpose due to the fact that the Company engages in construction business, for which the seller or buyer is not the related party, and the transaction amount is equal to or more than NT\$500,000,000. However, if the Company disposes of real estate from a completed construction project which is constructed by the Company and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1,000,000,000 or more.</p> <p>6. Real estates acquired by construction on self-owned or leased land, sharing under joint construction, sharing profits under joint construction, or selling separately under joint construction, and furthermore the transaction counterparty is not a related party, for which the</p>	<p>for business purpose, for which the seller or buyer is not a related party, and the transaction amount is equal to or more than NT\$1,000,000,000.</p> <p>5. Real estates or right-of-use assets thereof acquired or disposed of for construction purpose due to the fact that the Company engages in construction business, for which the seller or buyer is not the related party, and the transaction amount is equal to or more than NT\$500,000,000. However, if the Company disposes of real estate from a completed construction project which is constructed by the Company and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1,000,000,000 or more.</p> <p>6. Real estates acquired by construction on self-owned or leased land, sharing under joint construction, sharing profits under joint construction, or selling separately under joint construction, and furthermore the transaction counterparty is not a related party, for which the</p>	

After amendment	Before amendment	Reason for amendment
<p>expected transaction amount of the Company is equal to or more than NT\$500,000,000.</p> <p>7. For other assets transactions than those referred to in the preceding six subparagraphs, the disposal of obligatory rights by the financial institution or investments in China, the transaction amount is equal to or more than 20% of the Company's paid-in capital or more than NT\$300,000,000, with the exceptions as follows:</p> <p>(1) Purchase and sale of domestic government bonds <u>or foreign government bonds with a credit rating not lower than Taiwan sovereign rating.</u></p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary</u></p>	<p>expected transaction amount of the Company is equal to or more than NT\$500,000,000.</p> <p>7. For other assets transactions than those referred to in the preceding six subparagraphs, the disposal of obligatory rights by the financial institution or investments in China, the transaction amount is equal to or more than 20% of the Company's paid-in capital or more than NT\$300,000,000, with the exceptions as follows:</p> <p>(1) Purchase and sale of domestic government bonds.</p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds.</p>	

After amendment	Before amendment	Reason for amendment
<p>market, or subscription or redemption of securities investment trust funds or futures trust funds <u>or to subscribe or redeem index investment securities.</u></p> <p>(3) Purchase and sale of bonds with a call or put option, subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>Transaction amount referred in preceding paragraph shall be computed as follows:</p> <ol style="list-style-type: none"> 1. Amount of each transaction. 2. Accumulated amount of transactions with the same trading counter party for acquiring or disposing of subject matters of same kind within one (1) year. 3. Accumulated amount in regard to acquisitions or disposal of real estates or right-of-use assets thereof under the same development project within one (1) year (acquisitions and disposals to be accumulated separately.) 4. Accumulated amount in regard to acquisitions or 	<p>(3) Purchase and sale of bonds with a call or put option, subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>Transaction amount referred in preceding paragraph shall be computed as follows:</p> <ol style="list-style-type: none"> 1. Amount of each transaction. 2. Accumulated amount of transactions with same trading counter party for acquiring or disposing of subject matters of same kind within one (1) year. 3. Accumulated amount in regard to acquisitions or disposal of real estates or right-of-use assets thereof under the same development project within one (1) year (acquisitions and disposals to be accumulated separately.) 4. Accumulated amount in regard to acquisitions or disposal of the same securities within one (1) year (acquisitions and disposals to be accumulated separately.) <p>The term “within one (1) year” as referred to in preceding paragraph shall mean the</p>	

After amendment	Before amendment	Reason for amendment
<p>disposal of the same securities within one (1) year (acquisitions and disposals to be accumulated separately.)</p> <p>The term “within one (1) year” as referred to in preceding paragraph shall mean the period of one (1) year computed retroactively from the occurrence date of the transaction concerned; and any portion already publicly announced according to these Procedures may not be re-counted in.</p> <p>On or before the tenth day of each month the Company shall, in the specified form, input the information of transactions for derivative products made by it and its subsidiaries of non-domestic public company as of the end of previous month to the information reporting website designated by the FSC.</p> <p>For the particulars to be publicly announced as required, if there are any errors or omissions needing to be corrected upon public announcement, all these particulars shall be publicly announced and reported again within two (2) days of its acknowledgement.</p>	<p>period of one (1) year computed retroactively from the occurrence date of the transaction concerned; and any portion already publicly announced according to these Procedures may not be re-counted in.</p> <p>On or before the tenth day of each month the Company shall, in the specified form, input the information of transactions for derivative products made by it and its subsidiaries of non-domestic public company as of the end of previous month to the information reporting website designated by the FSC.</p> <p>For the particulars to be publicly announced as required, if there are any errors or omissions needing to be corrected upon public announcement, all these particulars shall be publicly announced and reported again within two (2) days of its acknowledgement.</p> <p>As for any assets acquired or disposed of by the Company, the relevant contracts, minutes of proceedings, filing books, appraisal reports, written opinions of CPA, lawyer or securities underwriter shall be kept in the Company. Unless otherwise provided for in other</p>	

After amendment	Before amendment	Reason for amendment
<p>As for any assets acquired or disposed of by the Company, the relevant contracts, minutes of proceedings, filing books, appraisal reports, written opinions of CPA, lawyer or securities underwriter shall be kept in the Company. Unless otherwise provided for in other laws, these documents shall be kept for at least five (5) years.</p>	<p>laws, these documents shall be kept for at least five (5) years.</p>	

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Articles of Incorporation

Chapter 1 General Provisions

Article 1

This Company is incorporated pursuant to the provisions governing a company limited by Shares of the Company Act of Republic of China with the name of 長榮海運股份有限公司 in Chinese and EVERGREEN MARINE CORPORATION (TAIWAN) LTD. in English.

Article 2

The Company may engage in the following activities:

1. G301011 Ship Transportation;
2. G401011 Shipping Agency Services;
3. G404011 Container Distributing Center Business;
4. I701011 Occupation Services;
5. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The office of the Company is located at Taipei, Taiwan, where necessary, the Company may have branches or offices established within or outside the Republic of China as decided by resolution adopted by the Board of Directors.

Article 4

The total amount of investment by the Company shall not be subject to the restriction of 40 percent of the paid-up capital of the Company pursuant to Article 13 of the Company Act.

The Company may render external guarantees.

Chapter 2 Shares

Article 5

The total authorized capital of the Company shall be NT\$70,000,000,000 divided into 7,000,000,000 shares at NT\$10 each. The Board of Directors is hereby authorized to issue

the unissued shares in installments.

Article 6

The shares issued by the Company shall be registered in the Securities Central Depository Business Institution.

Article 7

Registration of share transfer, within sixty (60) days before the date of Annual General Meeting of the Shareholders, thirty (30) days before the date of Extraordinary Meeting of Shareholders, or five (5) days before the date fixed by the Company for distribution of dividends, bonus or other benefits, shall not be conducted.

Chapter 3 Shareholders' Meeting

Article 8

The Shareholders' Meeting of the Company consists of two categories; the Annual General and Extraordinary Meetings;

1. The Annual General Meeting shall be duly held within six (6) months after the end of each fiscal year of the Company;
2. The Extraordinary Meeting of the Company may be duly held if necessary.

Article 9

Notices to convene the Annual General Meeting shall be given to each shareholder thirty (30) days in advance, and the one to convene the Extraordinary Meeting shall be given fifteen (15) days in advance. Notices of the Shareholders' Meeting shall specify the time and place of the meeting and the particulars of the business to be transacted, and shall be given to all the Shareholders.

Article 10

The shareholders of the Company shall have one voting right for each share, except the shares which set forth in Article 179 of the Company Act are no voting right.

Article 11

A shareholder who is unable to attend a Shareholders' Meeting may duly authorize another person as his proxy to attend and vote on his behalf pursuant to a power of attorney printed and distributed by the Company duly issued by the Shareholder stating the ambit of the proxy's authority.

Article 12

Unless otherwise provided under the Company Act and related regulations, the quorum for a Shareholders' Meeting shall be duly adopted by a majority in the meeting attended by Shareholders who represent a majority of the total issued shares.

Article 13

When Shareholders' Meeting is convened by the Board of Director, its chairman shall be processed in accordance with the provision in Article 208 of the Company Act. When the meeting is convened by other party with right of summons other than the Board of Directors, the Chairman shall be undertaken by that party with right of summons. When there are two and more parties with right of summons, one party will be elected among these parties.

Article 14

The resolutions adopted by the Shareholders' Meeting shall be reported in the minutes. The content, distribution and other essentials of the minutes shall be made in accordance with the provision of Article 183 of the Company Act.

Chapter 4 Directors And Managers

Article 15

The Company shall have seven to nine (7~9) Directors.

The election of the Directors shall adopt the candidate nomination system provided in the Article 192-1 of the Company Act. The shareholders shall elect the Directors from the list of candidates announced by the Company. The following matters shall be processed according to the relevant regulations.

The total number of shares that should be held by all preceding Directors shall be subject to the provision established by the Securities Management Institution.

Article 15-1

The number of the Directors set forth in the preceding article shall include three (3) Independent Directors.

The independent and non-independent directors shall be elected at the same time, but the number of votes shall be calculated separately.

The professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination and election, and other matters for compliance with respect to Independent Directors shall be subject to the Securities

and Exchange Act and other relevant regulations.

Article 16

The Directors shall be elected at the Shareholders' Meeting and they are selected due to their competence and disposing capacity. They shall each have a three-year term of office and are eligible for re-election. The Directors may, according to Article 199 of the Company Act, be discharged at any time by a resolution passed at a Shareholders' Meeting.

Article 17

When the dismissal of Director(s) results in the number of directors less than five(5), the Company shall hold supplementary election for Director at the next following Shareholders' Meeting. When the number of vacancies of Directors reaches one-third of the total number of Directors, the Board of Directors shall convene a Shareholders' Meeting for supplementary election within 60 days from the date on which the situation arose. Its term of office shall only be limited to full replenishment of the original term of office.

When the dismissal of Independent Directors(s) result in the number of Independent Directors less than the number providing in the paragraph 1 of the Article 15-1, the Company shall hold supplementary election for Independent Director(s) at the next following Shareholders' Meeting. When all Independent Directors have been dismissed, the Board of Directors shall convene a Shareholders' Meeting for electing Independent Directors within 60 days from the date on which the situation arose.

Article 18

The Directors shall constitute the Board. The Chairman shall be elected at a meeting attended by at least two-thirds (2/3) of the Directors and by a simple majority vote of the Directors present at the meeting and may also elect a Vice Chairman in the same manner. The Chairman of the Board of Directors shall internally preside at the Meetings of Shareholders and Board Meetings, and shall externally represent the Company. When the Chairman is on leave of absence or cannot exercise its job for any cause, agency of his/her job shall be handled in accordance with Article 208 of the Company Act.

Article 19

For execution of business of the Company, apart from items that are separately specified in related laws or the Articles of Incorporation to be resolved at the Shareholders' Meeting, all items shall be resolved by the Board of Directors.

Article 20

Notices of the Board Meeting shall be dispatched to each of the Directors seven (7) days prior to convening such meeting. Nevertheless, in case of emergency, the said meeting may be convened anytime.

The notice set forth in the preceding paragraph may be conducted in the form of writing or by way of e-mail or fax.

Where a Director is unable to attend a Board Meeting, he may authorize another Director to attend on his behalf by issuing a power of attorney in the latter's favor specifying the business to be conducted thereat and the scope of the authority to be granted.

Article 21

Unless otherwise provided under related regulations or the Articles of Incorporation, resolutions of the Board Meeting shall be adopted by a majority of the Directors at a meeting attended by a majority of the Directors.

Article 22

The Company shall establish the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The exercise of power and others of the Audit Committee and its members shall be in accordance with the Securities and Exchange Act and the relevant laws and regulations.

Article 23

The compensation of the Directors (the "compensation") to be resolved by the Board of the Directors authorized herein will be based on the level of each one's participation in and the value of individual's contribution to the Company's operation as well as the ordinary standard of the competitors' compensation.

In order to cover the loss causing from liabilities of the Directors and to raise awareness of corporate governance, the Company may take out liability insurance for all Directors and the representatives who are designated by the Company to its investing companies to act as Director or Supervisor during their terms of offices.

Article 24

The company may have managers. Its appointment, discharge and remuneration shall be handled in accordance with the provision of Article 29 of the Company Act.

Chapter 5 Accounting

Article 25

After the end of each fiscal year of the Company, the Board of Directors shall prepare and submit the following reports to the Annual General Meeting of the Shareholders for approval according to legal procedures:

1. Business report.
2. Financial statements.
3. Proposal for allocation of surplus profit or making up loss.

Article 26

If the Company makes profit in a fiscal year, employees' compensation, no less than 0.5% of the profit, and directors' remuneration, no more than 2% of the profit, shall be set aside. However, in case the Company has accumulated losses, the Company shall reserve an amount to offset accumulated losses beforehand. The employees' compensation and directors' remuneration shall be set aside afterwards according to the principles mentioned above.

The employees' compensation shall be distributed in the form of stock or cash; while the directors' remuneration shall be distributed only in the form of cash.

The profit in item 1 refers to profit before tax without deducting employees' compensation and directors' remuneration

The amount of employees' compensation and directors' remuneration as well as the payment method of employees' compensation shall be determined by a resolution adopted by a majority vote at a board of directors' meeting attended by two-thirds or more of the directors and be reported at a shareholders' meeting.

Article 26-1

If the Company reports a surplus at the year end, after clearing taxes, the Company shall first offset losses from previous years (if any), then set aside 10% of the balance as the statutory surplus reserve, and set aside or reverse special surplus reserve per the provisions. After that, the Board of Directors shall propose a surplus distribution plan of the balance plus the retained earnings accrued from prior years, submit the distribution plan to the shareholders' meeting for approval, and then distribute it.

The dividends shall be distributed in the combination of cash and stocks, provided that cash dividends shall not be less than 10% of the total amount of dividends.

Chapter 6 Miscellaneous

Article 27

The rules and regulations of the Company and various operation procedures shall be

separately stipulated by the Board of Directors.

Article 28

Any matter not provided for by these Articles shall be subject to the Company Act and related regulations.

Article 29

These Articles were originally established on September 3, 1968;

The 1st amendment was made on November 12, 1970;

The 2nd amendment was made on July 27, 1974;

The 3rd amendment was made on December 6, 1974;

The 4th amendment was made on July 15, 1975;

The 5th amendment was made on September 2, 1976;

The 6th amendment was made on September 9, 1978;

The 7th amendment was made on December 8, 1978;

The 8th amendment was made on August 11, 1979;

The 9th amendment was made on November 15, 1980;

The 10th amendment was made on May 23, 1981;

The 11th amendment was made on April 20, 1982;

The 12th amendment was made on June 11, 1983;

The 13th amendment was made on September 10, 1983;

The 14th amendment was made on December 1, 1983;

The 15th amendment was made on April 27, 1984;

The 16th amendment was made on December 27, 1984;

The 17th amendment was made on March 30, 1985;

The 18th amendment was made on April 26, 1986;

The 19th amendment was made on August 21, 1986;

The 20th amendment was made on March 16, 1987;

The 21st amendment was made on April 14, 1987;

The 22nd amendment was made on March 25, 1988;

The 23rd amendment was made on April 17, 1989;

The 24th amendment was made on May 11, 1991;

The 25th amendment was made on May 9, 1992;

The 26th amendment was made on May 8, 1993;

The 27th amendment was made on April 20, 1996;
The 28th amendment was made on May 16, 1998;
The 29th amendment was made on June 22, 1999;
The 30th amendment was made on 20 June, 2000;
The 31st amendment was made on June 20, 2001;
The 32nd amendment was made on June 21, 2002;
The 33rd amendment was made on June 20, 2003;
The 34th amendment was made on June 24, 2004;
The 35th amendment was made on June 23, 2005;
The 36th amendment was made on June 23, 2006;
The 37th amendment was made on June 27, 2007;
The 38th amendment was made on June 19, 2009;
The 39th amendment was made on June 24, 2011, but the article 15-1 and the paragraph 2 of the article 17 will not effective until the Shareholders' Meeting of the Company elects Independent Directors;
The 40th amendment was made on June 15, 2012;
The 41st amendment was made on June 14, 2013;
The 42nd amendment was made on June 22, 2016;
The 43rd amendment was made on June 22, 2017;
The 44th amendment was made on June 24, 2020.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Chairman Chang, Yen-I

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

Rules and Procedures of Shareholders' Meeting

Article 1

Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures. Any matter not provided in these Rules and Procedures shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 2

Shareholders in these Rules refer to shareholders themselves or their designated proxies attending the Meeting.

The number of representatives appointed by any juristic person shareholders attending the shareholders' meeting shall not exceed the total number of the Company's directors of the current term.

Any legal entity designated as proxy by shareholders to be present at the Meeting may appoint only one representative to attend the Meeting.

Article 3

Shareholders attending the Meeting shall bring an attendance card and identification document, and submit it for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.

The attendance of the Meeting shall be calculated based on shares.

The Company shall announce the number of non-voting shares, the number of shares in attendance and other relevant information.

Article 4

The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.

Article 5

Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the majority at the time scheduled for the Meeting, the chairman may postpone the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two

postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act.

If before the end of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman shall submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.

Article 6

The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors.

If the Meeting is convened by any other person entitled to convene the Meeting, such person shall be the chairman to preside at the Meeting. If there are more than two persons convening the Meeting, they should select one person to be the chairman.

Article 7

The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.

The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting.

Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the items (including special motions) listed in the agenda are resolved. In the event that the Chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as chairman to continue the Meeting.

The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned.

Article 7-1

In accordance with Article 172-1 of the Company Act, the shareholders who hold one percent (1%) or more of the total number of outstanding shares of the Company may submit proposal in written form for discussion at the annual general meeting of shareholders.

The proposals submitted by shareholders violating Article 172-1 of the Company Act shall not be included in the agenda of the Meeting and the minute of the Meeting, but the

cause of exclusion of such proposals shall be listed in the appendix of the handbook for shareholders' meeting proceedings of the Company.

The shareholders' proposals complying with the Article 172-1 of the Company Act, which are classified into the same category of the proposal submitted by the Board of Directors, shall be deemed as the amendment of the proposal submitted by the Board of Directors, and the Chairman may combine them into one proposal to deal with.

Article 8

When a shareholder attending the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of the Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman.

If any shareholder presenting at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail.

Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders; otherwise the chairman shall stop such interruption.

Article 9

If a juristic person shareholder designates two or more representatives to attend the Meeting, only one representative is entitled to speak for each discussion item.

When reporting the topic, speech for each shareholder is limited to once, and the speech shall not exceed five minutes for all reporting items.

Unless otherwise permitted by the chairman, each shareholder shall not speak more than two times concerning each motion and each proposition shall not exceed 5 minutes with regard to each proposal listed in ratification and discussion items listed on the agenda, proposals collected during special motion procedure.

When a shareholder speaks with regard to non-proposal matters and expresses other opinions during the special motion session, the provisions in the preceding paragraph regarding speaking time and number of speaking times shall be applied.

In case the speech of any shareholder violates the proceeding four provisions, exceeds the scope of the discussion item, or disturbs the order of the meeting, the chairman is entitled to stop the speech of such shareholder.

Article 10

The Company may ask its lawyer, certified public accountant or related person to attend the Meeting. After a shareholder speaks, chairman may answer the question personally or designate the related person to answer the question.

Article 11

Unless otherwise required by the Company Act or the Articles of Incorporation, a resolution of a shareholders' meeting shall be adopted by a majority of the votes represented by the Shareholders present at the Meeting.

Article 12

The resolution shall be voted on by casting ballots, and the chairman shall decide all voting (including the election votes) to be conducted separately or at the meantime.

Article 13

If there is an amendment to or a substitute for a proposal of a discussion topic, the chairman shall decide the sequence of voting for the amendment or the substitute, together with the original proposal. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

Article 14

Where the chairman believes that the proposal discussed may be resolved, he/she may announce the ending of the discussion, and propose that votes be made and arrange adequate voting time.

Article 15

During the Meeting, the chairman may, at his/her discretion, set time for intermission.

Article 16

The election of directors at a shareholders meeting shall be held in accordance with "Regulations for Electing Directors" of the Company.

Article 17

The personnel supervising and calculating the votes for the proposals shall be designated by the chairman, but the supervising personnel shall be a shareholder.

The result of the votes shall be announced on the spot and recorded.

Article 18

The process of the meeting shall be fully recorded via audio or video recording, and retained for at least one (1) year. However, if any shareholder files a lawsuit pursuant to Article 189 of the Company Act, the audio or video recording shall be retained until the final conclusion of the lawsuit.

Article 19

Logistics staff and disciplinary personnel (including security guards) assisting the Meeting shall wear badge or armband for identification purpose.

The chairman may command the disciplinary personnel (or security guards) to help safeguard the order of the meeting site.

Shareholders who violate these Rules and Procedures and defy the chairman's correction, or obstruct the proceeding of the meeting and refuse to stop, the chairman may direct the disciplinary personnel (including security guards) to escort the shareholder off the meeting.

Article 20

These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

The History of "Rules and Procedures of Shareholders' Meeting"

1. These Regulations were enacted on March 16, 1987.
2. The 1st amendment was made on April 20, 1996.
3. The 2nd amendment was made on May 16, 1998.
4. The 3rd amendment was made on June 21, 2002.
5. The 4th amendment was made on June 23, 2006.
6. The 5th amendment was made on June 19, 2009.
7. The 6th amendment was made on June 15, 2012.
8. The 7th amendment was made on July 21, 2021.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.

PROCEDURES FOR ACQUIRING AND DISPOSING OF ASSETS

Chapter 1: General

Article 1

These Procedures shall apply whenever the Company acquires or disposes of assets.

Article 2

The term “assets” as used herein shall apply to:

1. Investments in stocks, government bonds, corporate bonds, bank debentures, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial securities, asset-based securities, etc.;
2. Real estates (including land, houses and buildings, investment property, and inventory of a construction company) and equipment;
3. Membership cards;
4. Intangible assets, such as patents, copyrights, trademarks, franchises, etc.;
5. Right-of-use assets;
6. Obligatory rights of financial institutions (including the receivables, discounts on exchange, loans, and dishonored receivables);
7. Derivative products;
8. Assets to be acquired or disposed of by mergers, splits, acquisitions or stock transfer according to the laws; and
9. Other important assets.

Article 3

The following expressions shall be respectively defined as below:

1. Derivative products: Any forward contracts, option contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.
The term “forward contracts” as used herein shall not include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts and long-term purchase (sales) contracts.
2. Assets to be acquired or disposed of by mergers, splits, acquisition or stock transfer

according to the laws: Any assets acquired or disposed of by mergers, splits or acquisitions according to the Enterprises' Acquisition and Merger Law, the Financial Holding Company Act, the Law Governing Merger of Financial Institutions, or other applicable laws; or the stocks of another company acquired by the issuance of new shares in accordance with the provision of Article 156-3 of the Company Act (hereinafter referred as the "stock transfer".)

3. Related party and Subsidiary: As specified in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Real estate appraiser or any other one who may be engaged by law in the business of appraising real estates and equipment.
5. Occurrence date: Being the date of contract, date of payment, date of transaction, date of transfer, date of resolution by the Board of Directors, or other date sufficiently confirming the counterpart and trading amount, whichever is earlier. However, if it is an investment requiring the approval by the competent authority, then the occurrence date will be one of the aforesaid dates or the date of such approval, whichever is earlier.
6. Investments in Mainland China: Those investments made in Mainland China according to the provisions set forth in the "Approval Guidelines for Engagement in Investments or Technological Cooperation in Mainland China" as promulgated by the Investment Commission, Ministry of Economic Affairs.
7. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
8. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
9. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Article 4

As for any appraisal report, or any written opinion issued and made available by certified public accountant ("CPA"), lawyer or securities underwriter to the Company, such professional appraiser and its appraisal personnel, CPA, lawyer or securities underwriter shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for

1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act of the Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.

2. May not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.

Article 5

When the Company intends to acquire or dispose of any asset, a report to the effect shall be made and submitted by the department in charge to the department of general affairs, department of finance, and other relevant departments for risk & economic efficiency evaluation or value appraisal. Then, evaluation or appraisal report shall, together with relevant data, be submitted to the Board of Directors or other competent authority for resolution in accordance with the contents of the “Table of Authority Limit of Acquiring and Disposing of Assets & other Financial Matters” approved by the Board of Directors before proceeding with the transaction concerned.

Price of the aforesaid asset shall be determined by either market price, net value per share, price enquiry, price competition, price negotiation, or public bid. In the case of real estate or right-of-use assets thereof, then declared value, assessed value, and actual transaction

price of adjacent area real estates shall also be used as the reference of price determination.

Chapter 2: Procedures

Section 1:

Acquiring or Disposing of Assets and Engaging in Transactions of Derivative Products

Article 6

The Company may acquire real estates and right-of-use assets thereof for non-business use, but the accumulated acquisition amount indisposed shall not exceed 50% of equity as stated in the latest parent company only financial statement of the Company. As for any of its subsidiaries, it shall not exceed 50% of equity as stated in the latest parent company only financial statement of the Company less the total amount of real estates and right-of-use assets thereof acquired by the Company and other subsidiaries for non-business use.

Total amount of investment made by the Company in valuable securities shall not exceed the total of equity and non-current liabilities as stated in the latest parent company only financial statement of the Company. As for any of its subsidiaries, it shall not exceed the total of equity and non-current liabilities as stated in the latest parent company only financial statement of the Company less the total amount of investment made by the Company and other subsidiaries in valuable securities.

Total amount of investment made by the Company in any individual valuable security shall not exceed 50% of equity as stated in the latest parent company only financial statement of the Company. As for any of its subsidiaries, it shall not exceed 50% of equity as stated in the latest parent company only financial statement of the Company less the total amount of investment made by the Company and that subsidiary in such an individual valuable security.

Article 7

Upon acquiring or disposing of any real estates, equipment, or right-of-use assets thereof, unless in the case of dealing with a domestic government agency, commissioning others to make construction on self-owned or leased land, acquiring or disposing of the equipment or right-of-use assets thereof for business use, if the transaction amount thereof is equal to or more than 20% of the Company's paid-in capital or NT\$300,000,000, it must obtain an appraisal report issued by a professional appraiser before the date of occurrence, and the following requirements shall be additionally met:

1. If a limited price, specified price or special price is taken as the reference of trading

price due to any special reasons, the transaction concerned shall be first submitted to the Audit Committee for approval and then to the Board of Directors for resolution. When the terms and conditions of this transaction are changed in the future, the aforesaid procedures shall apply.

2. If the transaction amount is NT\$1,000,000,000 or more, at least two professional appraisers shall be retained to conduct the appraisal.
3. When the appraisal made by the professional appraiser results in any of the following circumstances, except that the appraisal amount of acquiring assets are more than the transaction amount or the appraisal amount of disposing assets are less than the transaction amount, a CPA shall be retained to give specific opinion on the cause of difference and whether the transaction price is justified in accordance with the Statement of Auditing Standards No. 20 as published by the Accounting Research and Development Foundation (ARDF):
 - (1) The appraisal amount differs from the transaction amount by 20% or more of the latter.
 - (2) The appraisal amount of one professional appraiser differs from that of another by 10% or more of the transaction amount.
4. The date of a professional appraisal report shall not exceed three (3) months from the date of contract. However, in case the declared value of same period shall apply, and the appraisal has been made for no more than six (6) months, then the original professional appraiser may issue a written opinion.

Article 8

Before the occurrence date of acquiring or disposing of valuable securities, the Company shall first review the latest audited financial statement of the targeted company as the reference of evaluating transaction price, and if the transaction amount is equal to or more than 20% of the Company's paid-in capital or NT\$300,000,000, a CPA shall be retained to issue the opinion on the trading price before the date of occurrence except under the circumstance that there is a public quoted price on that securities in an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC). For a CPA who adopts the professional reports shall conduct in accordance with the Statement of Auditing Standards No. 20 as published by the ARDF.

Article 9

Before the occurrence date of acquiring or disposing of any intangible assets or right-of-use assets thereof or memberships with an amount being equal or more than 20% of the Company's paid-in capital or NT\$300,000,000 except in transacting with a domestic

government agency, a CPA shall be retained to issue the opinion on the trading price in accordance with the Statement of Auditing Standards No. 20 as published by the ARDF.

Article 9-1

The transaction amount referred in the preceding three articles shall be computed in accordance with Paragraph 2 of Article 25 except under the circumstance that it has obtained appraisal reports issued by a professional appraiser or CPA's opinions in accordance with these regulations. And the term "within the period of one (1) year" shall mean the period of one (1) year retroactive from the occurrence date of trading concerned.

Article 10

For any assets acquired or disposed of by the Company through the auction by court, certificate issued by the court to the effect can be used to substitute for the appraisal report or CPA's written opinion.

Article 11

Any transaction of derivative products to be made by the Company shall be subject to the "Procedures for Transaction of Derivative Products" as set forth by the Company.

Section 2:

Related Party Transactions

Article 12

If the Company acquires or disposes of assets with a related party, the relevant resolutions and trading terms evaluation, etc. shall be made. Besides, the transaction amount thereof is equal to or more than 10% of the Company's total assets, it must obtain an appraisal report issued by a professional appraiser or CPA's opinions in accordance with the preceding section.

The transaction amount referred in the preceding paragraph shall be computed in accordance with Paragraph 1 of Article 9-1.

In judging whether the trading counter party is a related party, the substantial relationship shall be taken into account, in addition to the legal relationship.

Article 13

The Company acquiring or disposing of real estate or right-of-use assets thereof with a

related party, or acquiring or disposing of other assets, except in trading of domestic governments bonds or bonds with a call or put option, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, which transaction amount is equal to or more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300,000,000 with a related party may sign the contract and make payment only if the following data and information have been submitted first to the Audit Committee and then to the Board of Directors for resolution:

1. Purpose, necessity and expected economic efficiency of acquiring or disposing of assets.
2. Reason of choosing the related party as the trading counter party.
3. The relevant data and information to be used for evaluating the trading terms as provided for in Articles 14 and 15 hereof when acquiring any real estate or right-of-use assets thereof from a related party.
4. Acquisition date, acquisition price, and trading counter party of the related party, and the relationship of such counter party with the Company and the related party.
5. Monthly forecast of cash income & expenditure for a period of 12 months commencing from the month of expected contract signing, and evaluation in regard to the necessity of the transaction and justification of funds utilization.
6. Obtain an appraisal report issued by a professional appraiser or CPA's opinions in accordance with the provisions of the preceding Article.
7. Restrictions and other important matters agreed upon in the transaction.

The transaction amount referred in the preceding paragraph shall be computed in accordance with the provisions of Paragraph 2 of Article 25 except under the circumstance that has been submitted for resolution approved by the Audit Committee and then passed by the Board of Directors in accordance with these regulations. And the term "within the period of one (1) year" shall mean the period of one (1) year retroactive from the occurrence date of trading concerned.

With respect to the types of transactions listed below, when to be conducted between the Company and its parent company or subsidiaries, or between its subsidiaries in which the Company directly or indirectly holds 100% of the issued shares or authorized capital, it may be approved by Chairman of the Board of Directors, where empowered by the Board of Directors to acquire or dispose of assets within a specific limit, for subsequent submission to and ratification by the next Audit Committee meeting and Board Meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real estate right-of-use assets held for business use.

Article 14

Acquiring a real estate or right-of-use assets thereof from the related party, the Company shall evaluate whether the transaction cost is justified pursuant to one of the following methods:

1. By the transaction price of the related party plus the necessary capital interest cost, and the cost to be borne by the buyer in law. The “necessary capital interest cost” shall be computed at the weighted average interest rate prevailing in the year that the Company borrowed money for buying the real estate concerned, but such an interest rate shall not be higher than the ceiling of loan interest rate for non-banking institutions as published by the Ministry of Finance.
2. By the total assessed value for loan made by a banking institution if the related party has created a mortgage of the real estate to the banking institution for a loan; provided that the actual aggregate loan made by the banking institution is equal or more than 70% of the assessed value of the real estate, and the loan period has lasted for more than one (1) year. Nevertheless, if the banking institution is related with either of the trading parties, then this shall not apply.

If the land and building within the real estate are purchased or leased at the same time, then transaction costs of land and building may be separately evaluated according to either of the aforesaid methods.

Acquiring real estate or right-of-use assets thereof from a related party, the Company shall, in addition to evaluating the cost of real estate or right-of-use assets thereof in accordance with the provisions set forth in the preceding two paragraphs, retain a CPA to review such cost evaluation and express detailed opinion thereon.

Where the Company acquires real estate or right-of-use assets thereof from a related party under any of the following circumstances, it shall be subject to the preceding article hereof, and the preceding three paragraphs shall not apply:

1. The real estate or right-of-use assets thereof has been acquired by the related party due to inheritance or donation.
2. The time when the related party signed to acquire the real estate or right-of-use assets thereof has been more than five (5) years away from the date of contract for this transaction.
3. The real estate is acquired as the result of a joint construction contract, between the Company and the related party, or through commissioning a related party to build real estate, either on the self-owned land or on leased land.
4. The real estate right-of-use assets for business use are acquired by the Company from its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital.

Article 15

After evaluations made by the Company as per the paragraphs 1 and 2 of the preceding Article, if the respective results thereof are less than the transaction price, Article 16 shall apply provided that the objective evidence as well as opinions issued by professional real estate appraiser and CPA to support the same shall have been obtained under any of the following circumstances:

1. The related party is acquiring or leasing a piece of undeveloped land for construction, and has made available proofs to meet any of the following requirements:
 - (1) With the undeveloped land price being evaluated according to the methods referred to in the preceding article, and building price computed on basis of the construction cost of the related party plus reasonable construction profit, total amount thereof is higher than the actual transaction price. The “reasonable construction profit” referred to above shall be subject to the average gross profit rate posted by the construction department of the related party for the past 3 years or the latest gross profit rate for construction industry as published by the Ministry of Finance, whichever is lower.
 - (2) Considering the completed transactions made by other non-related parties for other floors with the similar area on the same real estate or in the adjacent area within the period of one (1) year, the trading terms are deemed comparable after reasonable evaluation about the price difference between floors or locations in accordance with real estate transaction or lease practices.
2. The Company has proved that the trading terms for purchasing real estate or obtaining real estate right-of-use assets through leasing from the related party are comparable to those of other completed transactions of similar area made by other non-related parties in the adjacent area within the period of one (1) year.

The completed transactions in the adjacent area referred to above shall, in general, mean those completed transactions of real estates located at the same or nearby street with a distance of less than 500 meters from the real estate concerned, or with approximate declared values. The term “the similar area” shall, in principle, mean the area of completed transaction made by any non-related party which is no less than 50% of the area for the real estate concerned. The term “within the period of one (1) year” shall mean the period of one (1) year retroactive from the occurrence date of acquiring the real estate or right-of-use assets thereof concerned.

Article 16

For any real estate or right-of-use assets thereof acquired from the related party, if the respective results of evaluations made by the Company as per the preceding two articles hereof are less than the transaction price, then:

1. The difference between transaction price and evaluated price of the real estate or right-of-use assets thereof concerned shall be set aside as special reserve according to paragraph 1, Article 41 of the Securities and Exchange Act, and shall not be distributed as cash or stock dividends. If the investor who evaluates its investment in the Company by equity method is a public company, it shall also set aside as a special reserve in proportion to its shareholding in the Company as provided for in paragraph 1, Article 41 of the Securities and Exchange Act.
2. The Independent Directors of the Audit Committee shall perform the duties pursuant to the provisions set forth in Article 218 of the Company Act in which Paragraph 4 of Article 14-4 of Securities and Exchange Act is mutatis mutandis.
3. The actions taken as required in the preceding two subparagraphs hereof shall be reported to the shareholders' meeting, and details of the transaction concerned shall be disclosed in the annual report and prospectus, respectively.

As to the special reserve set aside under the provisions set forth in the preceding paragraph, it shall not be used until the devaluation loss on the asset purchased or leased at high price has been set aside, or a disposal been made, or the leasing contract has been terminated, or proper compensation been given, or a restoration to the original status been completed, or there are other evidences proving it is justified, and the FSC has approved the use of such reserve.

In case there are other evidences showing the transaction of acquiring real estate or right-of-use assets thereof by the Company from the related party is abnormal, the provisions set for in the preceding two paragraphs shall apply.

Section 3:

Mergers, Splits, Acquisitions and Stock Transfer Companies

Article 17

Upon carrying out any merger, split, acquisition, or stock transfer, the Company shall, before the deliberation of the acquisition or/and merger by the Audit Committee and the Board of Directors, retain a CPA, lawyer, securities underwriter, or other independent experts to express their opinions about the ratio of share-for-share exchange, tender offer price, or the cash or other properties to be allocated to the shareholders. The opinions shall be submitted to the Audit Committee for approval and the Board of Directors for resolution. However, for the merger of subsidiaries in which the Company directly or indirectly possesses one hundred percent of the issued shares or capital or merger between subsidiaries in which the Company directly or indirectly possesses one hundred percent of the issued shares or capital, the aforementioned rational opinions provided by

the experts may be exempted.

Article 18

Upon participating in any merger, split or acquisition, unless otherwise stipulated in other laws that it may not convene the shareholders' meeting, the Company shall prepare an open letter addressed to the shareholders specifying key points and other matters relating to the merger, split or acquisition, and including the experts' opinions and the resolution of the Audit Committee provided in Paragraph 1 of the proceeding Article before the shareholders' meeting, and such open letter shall be, together with the notice of shareholders' meeting, sent to the shareholders as the reference of voting for or against the same.

Among the companies participating in the merger, split, or acquisition, if any of them can't convene its shareholders' meeting for resolution due to insufficient quorum or voting shares, or other legal restrictions, or the resolution relating to such merger, split, or acquisition is rejected in the shareholders' meeting, then those participating companies shall promptly make a public announcement stating the reasons thereof, the follow-up measures to be taken, and the date expected to convene their respective shareholders' meetings.

Article 19

Unless otherwise provided for in other laws or a prior approval has been obtained from the FSC due to special reasons, the companies participating in the merger, split, or acquisition shall convene their respective Board Meetings and shareholders' meeting at the same day to resolve on the matters of such merger, split, or acquisition.

Unless otherwise provided for in other laws or a prior approval has been obtained from the FSC due to special reasons, the companies participating in the stock transfer shall convene their respective Board Meetings at the same day.

When participating in a merger, split, acquisition, or stock transfer, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for five years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in case foreign nationals) of all persons involved in the planning or implementation of any merger, split, acquisition, or stock transfer prior to disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or memorandum

of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of the Board Meeting.

3. Important documents and minutes: Including merger, split, acquisition, and stock transfer plans, any letter of intent or memorandum, material contracts, and minutes of Board Meetings.

When participating in a merger, split, acquisition, or stock transfer, a company that is listed on an exchange or has its shares traded on an OTC market shall, within two (2) days of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

Where any of the companies participating in a merger, split, acquisition, or stock transfer is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the letter is required to abide by the provisions of paragraphs 3 and 4.

Article 20

Anyone, who has participated in or been made known about the companies' merger, split, acquisition or stock transfer plan, shall sign a written non-disclosure agreement undertaking that he/she will not divulge any content of such plan externally before public disclosure of relevant information, nor will he/she buy or sell in his/her own or another one's name any shares or other valuable securities with equity nature of any company in relation with such merger, split, acquisition or stock transfer.

Article 21

When the Company participates in any merger, split, acquisition or stock transfer, the ratio of share-for-share exchange or tender offer price shall not be arbitrarily changed, and conditions of change shall be prescribed in the contract of merger, split, acquisition or stock transfer, except for any of the following circumstances:

1. Capital increase by cash, issuance of convertible bonds, stock dividend distribution, issuance of bonds with warrants, preferred shares with warrants, subscription warrants, and other valuable equity securities.
2. Any acts significantly affecting the company's finance situation and business operations, such as disposal of major assets.
3. There occurs any major disaster, major technical change, etc. that would significantly affect the shareholders' interest or securities price of the company.

4. Adjustments in treasury stocks legally repurchased by any of the companies that have participate in the merger, split, acquisition or stock transfer.
5. Changes in the companies participating in the merger, split, acquisition or stock transfer, or increase/decrease in the number of the participants.
6. Other conditions under which a change may be made as stipulated in the contract concerned and publicly disclosed.

Article 22

When the Company participates in any merger, split, acquisition or stock transfer, the contract thereof shall specify the rights and obligations of any participating companies. Also, the following matters shall be specified in that contract:

1. Measures to deal a default.
2. Measures to deal the treasury stocks or the valuable equity securities issued by the extinguished or split company prior to the merger.
3. Number of treasury stocks that any participating company may repurchase in accordance with laws after the based date for computing the ratio of share-for-share exchange, and measures to deal with the same.
4. Measures to deal with the changes in the companies participating in the merger, split, acquisition or stock transfer, or increase/decrease in the number of the participants.
5. Expected progress schedule and expected completion date.
6. Expected date for convening a shareholders' meeting according to the law, and other related procedures in case it fails to complete as scheduled.

Article 23

After the information about merger, split, acquisition or stock transfer have been disclosed, if any of the participating companies intends to carry out a further merger, split, acquisition or stock transfer with a third party company, then the procedures or legal acts already completed by all original participating companies shall be redone, unless their respective shareholders' meeting has previously passed a resolution authorizing the Board of Directors to make such changes without another resolution passed in the shareholders' meeting.

Article 24

If there is a non-public company among the companies participating in the merger, split, acquisition or stock transfer, the Company shall sign an agreement with it and proceed

pursuant to the provisions set forth in Articles 19, 20 and 23 hereof.

Chapter 3: Disclosure of Information

Article 25

If the asset acquired or disposed of by the Company falls within one of the following circumstances, relevant information shall be publicly announced and reported, in the specified form by its nature, on the website designated by the FSC within two (2) days from the occurrence date:

1. Acquiring or disposing of real estate or right-of-use assets thereof with a related party, or acquiring or disposing of other assets with a related party which transaction amount is equal to or more than 20% of the Company's paid-in capital, 10% of the Company's total assets or NT\$300,000,000; provided, this shall not apply to trading of domestic government bonds or bonds with a call or put option, subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises.
2. Merger, split, acquisition or stock transfer.
3. Loss on the transaction of derivative products has reached the ceiling for any individual or all contracts as stipulated in the procedures governing the transactions thereof.
4. Assets acquired or disposed of are the equipment or right-of-use assets thereof for business purpose, for which the seller or buyer is not a related party, and the transaction amount is equal to or more than NT\$1,000,000,000.
5. Real estates or right-of-use assets thereof acquired or disposed of for construction purpose due to the fact that the Company engages in construction business, for which the seller or buyer is not the related party, and the transaction amount is equal to or more than NT\$500,000,000. However, if the Company disposes of real estate from a completed construction project which is constructed by the Company and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1,000,000,000 or more.
6. Real estates acquired by construction on self-owned or leased land, sharing under joint construction, sharing profits under joint construction, or selling separately under joint construction, and furthermore the transaction counterparty is not a related party, for which the expected transaction amount of the Company is equal to or more than NT\$500,000,000.
7. For other assets transactions than those referred to in the preceding six subparagraphs, the disposal of obligatory rights by the financial institution or investments in China, the transaction amount is equal to or more than 20% of the Company's paid-in capital or NT\$300,000,000, with the exceptions as follows:
 - (1) Purchase and sale of domestic government bonds.
 - (2) Where done by professional investors— securities trading on securities exchanges or

OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds.

- (3) Purchase and sale of bonds with a call or put option, subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

Transaction amount referred in preceding paragraph shall be computed as follows:

1. Amount of each transaction.
2. Accumulated amount of transactions with the same trading counter party for acquiring or disposing of subject matters of same kind within one (1) year.
3. Accumulated amount in regard to acquisitions or disposal of real estates or right-of-use assets thereof under the same development project within one (1) year (acquisitions and disposals to be accumulated separately.)
4. Accumulated amount in regard to acquisitions or disposal of the same securities within one (1) year (acquisitions and disposals to be accumulated separately.)

The term “within one (1) year” as referred to in preceding paragraph shall mean the period of one (1) year computed retroactively from the occurrence date of the transaction concerned; and any portion already publicly announced according to these Procedures may not be re-counted in.

On or before the tenth day of each month the Company shall, in the specified form, input the information of transactions for derivative products made by it and its subsidiaries of non-domestic public company as of the end of previous month to the information reporting website designated by the FSC.

For the particulars to be publicly announced as required, if there are any errors or omissions needing to be corrected upon public announcement, all these particulars shall be publicly announced and reported again within two (2) days of its acknowledgement.

As for any assets acquired or disposed of by the Company, the relevant contracts, minutes of proceedings, filing books, appraisal reports, written opinions of CPA, lawyer or securities underwriter shall be kept in the Company. Unless otherwise provided for in other laws, these documents shall be kept for at least five (5) years.

Article 26

After any transaction has been publicly announced and reported pursuant the provisions set forth in the preceding article, if there is any of the following circumstances, relevant information shall be publicly announced and reported in the website designated by the FSC within two (2) days from the occurrence date thereof:

1. Contract relating to the transaction has been changed, terminated or canceled.

2. Failure to complete the merger, split, acquisition or stock transfer on the expected date as shown in the contract concerned.
3. The contents originally presented in public disclosure have been changed.

Chapter 4: Miscellaneous

Article 27

Procedures for the Company to control the acquisitions or disposals of assets by its subsidiaries are as follows:

1. To procure its subsidiary to set up its own “Procedures for Acquiring and Disposing of Assets” in accordance with relevant guidelines, and carry out auditing in compliance with such relevant guidelines.
2. To procure its subsidiary shall follow the Procedures set up by itself when acquiring or disposing of any assets.
3. Internal auditors of the Company shall review the auditing report made by the subsidiary.
4. If the assets acquired or disposed of by a subsidiary that is not a domestic public company have reached the standards of public announcement and report, the Company shall do so for its subsidiary. The aforementioned subsidiary applies to the term “the company’s paid-in capital or total assets” as referred in the standards of public announcement and report in accordance with the provisions of Paragraph 1 of Article 25 based on the paid-in capital or total assets of the Company.

Article 27-1

For the calculation of 10% of total assets under these Procedures, the total assets stated in the latest parent company only financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.

Article 28

Where anyone in the Company has committed in violation of these Procedures, then the Personnel Dept. will take a discipline action against him/her according to the severity of circumstance.

Article 29

Upon the adoption or amendment of these Procedures, it shall be approved first by the Audit Committee and then be resolved by the Board of Directors; then, these Procedures

shall enter into effectiveness after ratification of the shareholders' meeting.

Article 30

Based on the regulation of this procedure, all matters that shall obtain the approval of the Audit Committee shall be approved by at least one-half of the members of the Audit Committee.

In the event that the preceding does not obtain at least one-half of the approval of the Audit Committee, it shall then ask for the approval of at least two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board's Meeting.

The members of the Audit Committee and all Directors mentioned in the preceding paragraphs refer to the members in office.

When a matter is submitted for discussion to the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes.

The History of "PROCEDURES FOR ACQUIRING AND DISPOSING OF ASSETS"

1. These Procedures shall become effective on June 20, 2003.
2. The 1st amendment was made on June 27, 2007.
3. The 2nd amendment was made on June 15, 2012.
4. The 3rd amendment was made on June 14, 2013.
5. The 4th amendment was made on June 18, 2014.
6. The 5th amendment was made on June 22, 2017.
7. The 6th amendment was made on June 21, 2019.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.**Shareholdings of Directors**

Title	Name	Shares held
Chairman	HUI Corporation Representative: Chang, Yen-I	1,000,000
Director	HUI Corporation Representative: Tai, Jiin-Chyuan	
Director	Chang, Kuo-Hwa	159,846,157
Director	Evergreen International S.A. Representative: Ko, Lee-Ching	391,786,816
Director	Evergreen International S.A. Representative: Hsieh, Huey-Chuan	
Director	Evergreen Steel Corp. Representative: Wu, Kuang-Hui	38,261,703
Independent Director	Yu, Fang-Lai	0
Independent Director	Li, Chang-Chou	
Independent Director	Chang, Chia-Chee	
Total		590,894,676

Notes:

1. As of April 1, 2022, the stock stop transferring date for the Company's shareholders' meeting, the total number of shares already issued is 5,291,050,204 shares.
2. All directors' minimum shareholding number is 120,000,000 shares.