

CHINESE MARITIME TRANSPORT LTD.

2023 Annual Shareholders' Meeting

Meeting Agenda

(Summary Translation)

(In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail)

MEETING TIME: June 9, 2023

PLACE: Sheraton Grand Taipei Hotel
(No.12, Zhong Xiao East Road, Sec 1, Taipei, Taiwan, ROC).

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**Chinese Maritime Transport Ltd.
Meeting Procedure of the
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**Chinese Maritime Transport Ltd.
2023 Annual Shareholders' Meeting
Meeting Agenda**

Convening Method: Entity Shareholders' Meeting

Time : 9 a.m., Friday, June 9, 2023

Place : Sheraton Grand Taipei Hotel

(No.12, Zhong Xiao East Road, Section 1, Taipei, Taiwan, R.O.C.)

Meeting Procedure :

1. Call the Meeting to Order
2. Chairperson's Remarks
3. Report Items
 - 3.1 Business report of 2022
 - 3.2 Audit Committee's review report
 - 3.3 Summary of endorsement and guarantee
 - 3.4 Distribution of the 2022 compensation of employees, directors and supervisors
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6. Extempore Motion(s)
7. Adjournment

Report Items

1. To report the business of 2022

Explanation: Please refer to attachment 1 (page 7~10)

2. Audit Committee's review report

Explanation: Please refer to attachment 2 (page 11)

3. Summary of endorsement and guarantee

Explanation: The balance of endorsement guarantees by CMT to its subsidiaries was NT\$ 8,238,827,000 as the end of December 2022.

4. Distribution of the 2022 compensation of employees, directors and supervisors

Explanation: In pursuant to Article 26 of CMT's Articles of Incorporation, NT\$ 8,077,144 for employees' compensation and NT\$ 8,077,144 for directors and supervisor's compensation were allocated, which will be distributed in cash.

5. Distribution of the 2022 cash dividends

Explanation:

5.1 In pursuant to Article 26-1 of CMT's Articles of Incorporation, the Board of Directors is authorized to decide to distribute all or part of dividends to be distributed in cash.

5.2 CMT will distribute cash dividends of NT\$ 430,516,413 to shareholders from the accumulated distributable earnings up to the close of the current period, the cash dividends will be distributed at NT\$ 2.18 per share.

5.3 The calculation of cash dividend distribution is up to one NT dollar, and less than one dollar is rounded.

Proposed Resolutions

1. To accept 2022 business report and financial statements

Proposed by the Board of Directors

Explanation:

1.1 CMT's 2022 Financial Statements have been audited by KPMG, and an audited report has been issued on the record, together with the business report and financial statements, which have been reviewed by Audit Committee and approved by the Board of Directors, submit to the shareholders' meeting for acceptance.

1.2 Please refer to attachment 1 and attachment 3. (page 7~10 & 12~29)

Resolutions:

2. To approve the proposal for distribution of 2022 profits

Proposed by the Board of Directors

Explanation:

CMT's 2022 profit distribution proposal has been approved by the Board of Directors. The earnings distribution is as follows:

(unit: NTD)

Chinese Maritime Transport Ltd. Earning Distribution Table of 2022		
<u>Item</u>		<u>Amount</u>
Unappropriated returned earnings of previous year		5,970,597,436
Add: 2022 net income	766,083,083	
Less: Losses on remeasurements of defined benefit plans	13,204,800	
10% Legal reserve appropriated	(77,928,788)	
Special reserve appropriated	<u>575,281,000</u>	
2022 Earnings available for distribution		<u>1,276,640,095</u>
Earnings available for distribution		7,247,237,531
Less:		
2022 Earning distribution (cash dividend 2.18 per share)		<u>(430,516,413)</u>
Unappropriated returned earnings at the end of year		6,816,721,118

P.S. The calculation of cash dividend distribution is up to one NT dollar, and less than one dollar is rounded. The cash dividends less than one NT dollar shall be transferred to other income by the Company.

Resolutions:

Discussions

1. To amend the Articles of Incorporation

Proposed by the Board of Directors

Explanation:

1.1 In pursuant to Article 172-2 of the Company Act, a company may explicitly provide for in its Articles of Incorporation that its shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority, it is proposed to amend CMT's Articles of Incorporation.

1.2 Please refer to the amendment comparison table for the Articles of Incorporation as attachment 4. (page 30)

Resolutions:

2. To amend the Rules of Procedure for Shareholders' Meeting

Proposed by the Board of Directors

Explanation:

2.1 It is proposed to amend certain clauses of the Rules of Procedure for Shareholders' Meeting in line with the aforementioned amendments of CMT's Articles of Incorporation.

2.2 Please refer to the amendment comparison table for the Rules of Procedure for Shareholders' Meeting as attachment 5. (page 31)

Resolutions:

Extempore Motion(s)

Adjournment

Attachment 1

Chinese Maritime Transport Ltd. 2022 Business Report

1. Operating Strategies

2022 was the starting point of post-pandemic inflation. Covid-19 Pandemic gradually faded away and global seaborne trade has been returning to normal. Improvement of logistic gridlock together with newbuilding deliveries had suppressed freights. Interest rate hikes have increased borrowing costs for capital-intensive shipping companies but simultaneously generated additional interest income for CMT.

Under the shadow of PRC's zero-COVID policy and real estate crisis, demand for raw material and freight decreased while steel production and sales had also reduced last year. However, global iron ore trades had been relatively strong and Chinese import level remained stable. Iron ore prices reached US\$ 160 per ton in Q1/2022 before dropping sharply to US\$ 80 per ton due to decline in steel demand but still averaged US\$ 120 per ton for the calendar year. Long-haul coal shipments into European countries surged after the Ukraine-Russia war therefore the dry bulk sector as a whole benefited from the incremental demand therefrom.

Capesize 5TC average dropped to US\$ 5,826 in January 2022 but quickly rebounded to US\$ 20,000 level before end of Q1. Although spot rates had reached almost US\$ 40,000 per day in Q2, the rates could not manage to move up any further. For the entire 2022, BCI averaged 1,951 points with spot rate averaging US\$ 16,177 per day.

CMT contracted with CSSC Qingdao Beihai Shipbuilding Co., Ltd. to build four eco-Newcastlemax bulk carriers in 2021 and they will start being delivered from Q2 2023 as a part of its efforts to upgrade the fleet. In addition to strengthen crew training, the Company has also concentrating its efforts on the three pillars of environmental protection, navigational safety and IT security. The Company will continue to improve quality of service by replacing vintage tractors and machineries while optimizing group-wide digitalization and operating procedures.

Under the principles of ESG (Environmental, Social and Governance), CMT is committed to create greatest value for the shareholders while elevating equipment efficiency, employee proficiency and safety standards. For the mandates of safeguarding the environment, CMT actively promotes cross-functional collaboration in order to jointly execute energy-saving plans. The Company optimizes performance and adopts latest digital technology through integration of resources and proper policies of risk management. The goal of creating corporate competitiveness and influence will be achieved while generating greatest value for all stakeholders and realizing Company's social responsibilities.

2. Overview of Implementation

2.1 Shipping

Capesize 5TC average had returned to normal levels after reaching 10-year high in 2021 after PRC's zero-COVID and real estate crisis negatively affected demand for steel and commodities in 2022. The Chinese government's post-pandemic shift to favorable real estate policies will support the housing market and dry bulk freights. Going forward, the freight market will remain volatile while new environmental regulations will soon trigger scrapping of vintage vessels. There are about 70 capesize newbuildings scheduled for delivery in 2023 and net fleet growth rate should remain below 2.0%.

CMT's four Newcastlemax newbuildings will surely satisfy IMO's stringent requirement for the next twenty years and the retrofitting work on existing fleet to improve fuel efficiency will be completed soon. The fleet upgrading program vastly improves the CMT's competitive advantage and is a testament of its goal to fulfill corporate social responsibilities in the foreseeable future.

Whilst global logistic operation has been returning to normal after the pandemic, the geo-political tension is still escalating around the world as imminent threats will always present new challenges. Major economies are facing the impact of inflation and rising energy prices which shall never be overlooked. Shipping market faces over-supplied tonnages but the supply chain disruption may return at any given time therefore it calls for a dynamic operating model through advanced planning. PRC government shall focus on stimulating the economy but the success will be predicated on the resurgence of real estate market going forward. As always, CMT will spread its charter renewals throughout each year in order to hedge against volatility and maximize revenue.

2.2 Inland Trucking

The Covid-19 Pandemic has triggered inflation across the world therefore supply chains are relatively unstable. Taiwan's import/export container market has been chaotic amid congestions in major ports which drastically minimizes operational efficiency. ATI continues to operate with diversity and optimism while enhancing sustainability. It prioritizes customers' satisfaction and shareholders' benefit while reducing carbon emissions by acquiring 6th generation environment-friendly tractors.

2.3 Logistics

Collaboration between Taipei Port and Evergreen Marine Corp. induced shippers to relocate cargoes to Taipei Port with below-cost rates. Despite of market challenges arising from such tactic, CMTL is dedicated to improve quality of service by reinforcing lateral communication upgrading IT system and strengthening employee training. By recognizing its competitive advantage in geographical locations and expertise, the Company will seize the opportunities to excel by increasing revenue and customer satisfaction.

2.4 Environmental, Social, and Governance

CMT dedicated its efforts to implement corporate governance, develop sustainable environment and achieve social welfare. The Company closely monitors the impact of environmental protection and climate changes on its operation. Through establishment of sustainability committee, the Company voluntarily records greenhouse gas data prior to government mandates, while actively evaluates risk and opportunities arising from extreme weather conditions in order to plan for prevention and improvement.

Guided by international conventions and EU regulations, we continue to collaborate with Class Societies to measure and reduce our capesize fleet's carbon emission through means of burning low sulfur fuel, applying weather routing services and installing energy saving devices. Ship management implements fleet renewal program to utilize high efficiency main engines and eco-design to achieve goals of environmental protection.

In trucking, we successfully reduce emissions by operating 6th generation tractors while introducing energy-saving technologies such as electric tractors and promoting eco-driving habits to reduce energy consumption. In logistics side, the Company also phased out old equipment and upgrade lighting with LED lights together with proper recycling in order to reduce CO2 emissions. We are always following latest regulations and enhance continuously to protect the environment.

CMT recognizes the responsibility of promoting social welfare through allocating additional emergency response team, training programs, and accident preventions under the labor safety and health management system. There is clear communication channel through which employees can file complaints directly. The Company has provided annual health exams and monthly consultation by medical staff from major hospitals. There is communication SOP for seamen rights and satisfaction survey, plus online medical consultation and ashore wellness services. The Company voluntarily joins forces with RightShip and other world-class shipping companies to launch Seafarers Code of Conduct and self-assessment to provide safe working environment for the crew.

Employees are the foundation of our success. We continue to focus our employee benefits by establishing employee welfare committee to subsidize annual trips and special bonuses. We encourage further education and training by supporting employees who seek higher degrees locally. There is adequate insurance coverage to protect the employees by minimizing their burden in the events of accidents. Furthermore, through flexible HR planning, the Company reduced the impact of the Covid-19 pandemic by following government's recommendation for epidemic prevention measures and budgeted several pandemic subsidies to boost morale.

The Company always ensures corporate compliance and internal control under its comprehensive supply chain management system. We carefully assess quality of suppliers and comply with sustainable management by mutually pledging to protect the environment and fair trades. We have also use questionnaires to evaluate quality of supplied items to ascertain the level of compliance with worldwide standards without which then such contractual relationship will be terminated immediately.

CMT's charitable foundation has been actively involved in philanthropy particularly focusing on young people's development and programs to help underprivileged members in the society. The foundation participates in public welfare activities locally and assists young students through the CMT Shipping Scholarship Fund to incubate shipping professionals in Taiwan.

CMT will always enhance corporate governance, risk management, IT security, communication with stakeholders, commercial integrity, and intellectual property management plan to achieve our corporate ESG blueprint.

3. Operating Result and Financial Performance

Consolidated revenue from shipping, inland trucking, and logistics reached NT\$ 4.41 billion, an increase of 24.09 percent over NT\$ 3.55378 billion in 2021. Total operating costs and expenses increased by 8.8% to NT\$ 3.4808 billion. Net operating income was NT\$ 929.20 million, an increase of 162.5 percent from 2021 level. CMT generated net non-operating loss of NT\$ 88.01 million. Net income reached NT\$ 766.08 million, a decrease of 26.38 percent from NT\$ 1.4060 billion in 2021. Diluted earnings per share were NT\$3.88.

Attachment 2

Audit Committee's Review Report

Chinese Maritime Transport Ltd.
2023 Annual General Meeting of Shareholders:

The Company's 2022 annual business report, parent company-only financial statements and consolidated financial statements, and earnings distribution statement were prepared by the Board of Directors, of which the financial statements have been audited and certified by KPMG accountants Samuel Au and Szu-Chuan Chien. The aforementioned statements, along with the business report and earnings distribution statement have been reviewed and found no discrepancies by the Audit Committee, and we hereby submit this report in accordance with relevant requirements of the Securities and Exchange Act and the Company Act.

Chinese Maritime Transport Ltd.
Audit Committee
Convener: Donald Kuo-Liang Chao

March 20, 2023

Attachment 3

Independent Auditors' Report

To the Board of Directors of CHINESE MARITIME TRANSPORT LTD.:

Opinion

We have audited the consolidated financial statements of CHINESE MARITIME TRANSPORT LTD. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretation developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Other Matter

We did not audit the financial statements of the investee which represented the investment accounted for using the equity method of the Group. Those statements were audited by another auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amount is based solely on the

report of other auditors. The investment accounted for using the equity method constituting 3.11% and 3.08% of total assets at December 31, 2022 and 2021, respectively. The related shares of profit of associates accounted for using the equity method constituted 1.91% and 1.96% of total profit before tax for the years ended December 31, 2022 and 2021, respectively.

CHINESE MARITIME TRANSPORT LTD. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2022 and 2021, on which we have issued an unmodified opinion with Emphasis of the Matter and an unmodified opinion, respectively, for reference.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters that should be communicated in the audit report are as follows:

Recognition of freight revenue—vessel chartering and container hauling

Please refer to Note(4)(o) for the accounting policy of “Revenue” and to Note (6) (q) for information details.

Description of key audit matters:

The main activities of the Group are bulk carrier operation through overseas subsidiaries, domestic container hauling and storage, and related business. Freight revenue vessel chartering and container hauling is one of the significant items in the consolidated financial statements, and the amounts and changes may affect the users’ understanding on the entire financial statements. Therefore, the testing over freight revenue—vessel chartering and container hauling recognition is considered a key matter in our audits.

Audit Procedures:

Our principal audit procedures included: testing the related controls over the sale and receipts cycle, conducting the confirmation process used to examine the accounts receivable and revenue of major customers, executing substantive analytical procedures of freight revenue—vessel chartering, and assessing the contract liabilities, as well as evaluating whether the Group’s timing of revenue recognition is accurate in accordance with the related accounting standards.

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 with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Yiu-Kwan Au and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)

March 20, 2023

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 3,989,154	20	3,057,048	16	2100	Short-term borrowings (note 6(j))	\$ 1,899,486	10	1,459,781	8
1110	Current financial assets at fair value through profit or loss (note 6(b))	314,678	2	480,371	3	2130	Current contract liabilities (note 6(q))	57,680	-	55,217	-
1150	Notes and accounts receivable, net (note 6(d))	279,731	1	331,386	2	2150	Notes and accounts payable	172,157	1	240,068	1
1180	Accounts receivable due from related parties, net (notes 6(d) and 7)	14,861	-	14,680	-	2200	Other payables	174,668	1	151,102	1
1470	Other current assets	99,450	-	88,003	-	2230	Current tax liabilities	60,255	-	35,571	-
1476	Other current financial assets (notes 6(i) and 8)	276,312	1	437,150	2	2280	Current lease liabilities (note 6(k))	45,849	-	51,286	-
		<u>4,974,186</u>	<u>24</u>	<u>4,408,638</u>	<u>23</u>	2300	Other current liabilities	3,727	-	2,608	-
Non-current assets:						2320	Long-term liabilities, current portion (note 6(j))	876,584	4	1,225,824	7
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	15,537	-	686,613	4			<u>3,290,406</u>	<u>16</u>	<u>3,221,457</u>	<u>17</u>
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) and 8)	669,355	4	776,107	4	Non-Current liabilities:					
1550	Investments accounted for using equity method, net (note 6(e))	635,606	3	587,583	3	2530	Bonds payable (note 6(j))	2,500,000	12	2,500,000	13
1600	Property, plant and equipment (notes 6(f) and 8)	13,875,442	68	12,261,063	65	2540	Long-term borrowings (note 6(j))	2,255,615	11	2,118,890	11
1755	Right-of-use assets (note 6(g))	165,403	1	215,315	1	2570	Deferred tax liabilities (note (n))	615,512	3	606,789	3
1760	Investment property, net (note 6(h))	34,847	-	33,849	-	2580	Non-current lease liabilities (note 6(k))	125,354	1	169,285	1
1780	Intangible assets	5,303	-	8,381	-	2640	Net defined benefit liabilities, non-current (note (m))	8,430	-	30,714	-
1840	Deferred tax assets (note (n))	11,923	-	13,646	-	2670	Other non-current liabilities, others	4,001	-	3,179	-
1900	Other non-current assets	39,952	-	64,755	-		Total liabilities	<u>8,799,318</u>	<u>43</u>	<u>8,650,314</u>	<u>45</u>
1980	Other non-current financial assets (notes 6(i) and 8)	23,414	-	22,461	-	Equity attributable to owners of parent (notes 6(o) and 12):					
		<u>15,476,782</u>	<u>76</u>	<u>14,669,773</u>	<u>77</u>	3100	Common stock	1,974,846	10	1,974,846	10
						3200	Capital surplus	53,411	-	53,411	-
						Retained earnings:					
						3310	Legal reserve	1,882,499	9	1,779,756	10
						3320	Special reserve	934,768	5	883,992	5
						3350	Unappropriated earnings	6,749,885	33	6,653,375	35
								<u>9,567,152</u>	<u>47</u>	<u>9,317,123</u>	<u>50</u>
						3400	Other equity interest	46,868	-	(934,768)	(5)
							Total equity attributable to owners of parent	<u>11,642,277</u>	<u>57</u>	<u>10,410,612</u>	<u>55</u>
						3610	Non-controlling interests	9,373	-	17,485	-
							Total equity	<u>11,651,650</u>	<u>57</u>	<u>10,428,097</u>	<u>55</u>
Total assets		<u>\$ 20,450,968</u>	<u>100</u>	<u>19,078,411</u>	<u>100</u>		Total liabilities and equity	<u>\$ 20,450,968</u>	<u>100</u>	<u>19,078,411</u>	<u>100</u>

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars, Except earnings per share)

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenues (notes 6(q), 7 and 14)				
4621	Freight revenue-vessel chartering	\$ 2,587,515	59	1,792,804	50
4622	Freight revenue-container hauling and logistics	1,767,859	40	1,732,374	49
4623	Freight revenue-airline agent and others	54,625	1	28,604	1
		<u>4,409,999</u>	<u>100</u>	<u>3,553,782</u>	<u>100</u>
5000	Operating costs (notes 6(m), (s) and 12)				
5621	Freight cost-vessel chartering	1,620,604	37	1,340,077	38
5622	Freight cost-container hauling and logistics	1,348,632	31	1,413,528	39
5623	Freight cost-airline agent and others	55,485	1	25,812	1
		<u>3,024,721</u>	<u>69</u>	<u>2,779,417</u>	<u>78</u>
5900	Gross profit	<u>1,385,278</u>	<u>31</u>	<u>774,365</u>	<u>22</u>
	Operating expenses:				
6000	Operating expenses (notes 6(m), (s), 7 and 12)	455,942	10	420,291	12
6450	Expected credit losses (reversal gains) (note 6(d))	133	-	87	-
		<u>456,075</u>	<u>10</u>	<u>420,378</u>	<u>12</u>
6900	Net operating income	<u>929,203</u>	<u>21</u>	<u>353,987</u>	<u>10</u>
	Non-operating income and expenses:				
7010	Other income (notes 6(b), (c) and (l))	161,055	4	50,778	1
7050	Finance costs (note 6(r))	(151,935)	(4)	(97,033)	(3)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (note 6(e))	16,060	-	21,814	1
7100	Interest income	47,502	1	8,211	-
7210	Gains (losses) on disposals of property, plant and equipment, net (note 6(f))	25,609	1	6,635	-
7230	Foreign exchange gains, net	28,014	1	3,684	-
7235	Gains (losses) on financial assets at fair value through profit or loss (note 6(b))	(212,462)	(5)	765,076	22
7590	Miscellaneous disbursements	(1,853)	-	(152)	-
		<u>(88,010)</u>	<u>(2)</u>	<u>759,013</u>	<u>21</u>
7900	Profit from continuing operation before tax	<u>841,193</u>	<u>19</u>	<u>1,113,000</u>	<u>31</u>
7950	Less: Income tax expenses (note 6(n))	83,222	2	81,992	2
	Profit	<u>757,971</u>	<u>17</u>	<u>1,031,008</u>	<u>29</u>
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	16,506	-	(3,316)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(c))	(110,261)	(2)	94,770	2
8349	Income tax related to items that may not be reclassified to profit or loss(note 6(n))	3,302	-	(663)	-
	Total other comprehensive income that may not be reclassified to profit or loss	<u>(97,057)</u>	<u>(2)</u>	<u>92,117</u>	<u>2</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	1,040,338	23	(141,122)	(4)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, items that may be reclassified to profit or loss (note 6(e))	51,559	1	(13,540)	-
8399	Income tax related to items that may be reclassified to profit or loss(note 6(n))	-	-	(993)	-
	Total other comprehensive income that may be reclassified subsequently to profit or loss	<u>1,091,897</u>	<u>24</u>	<u>(153,669)</u>	<u>(4)</u>
8300	Other comprehensive income	<u>994,840</u>	<u>22</u>	<u>(61,552)</u>	<u>(2)</u>
	Total comprehensive income	<u>\$ 1,752,811</u>	<u>39</u>	<u>969,456</u>	<u>27</u>
	Profit, attributable to:				
	Owners of parent	766,083	17	1,040,604	29
8615	Predecessors' interests under common control	-	-	(2,412)	-
	Non-controlling interests	(8,112)	-	(7,184)	-
		<u>\$ 757,971</u>	<u>17</u>	<u>1,031,008</u>	<u>29</u>
	Comprehensive income attributable to:				
	Owners of parent	1,760,923	39	979,052	27
	Predecessors' interests under common control	-	-	(2,412)	-
	Non-controlling interests	(8,112)	-	(7,184)	-
		<u>\$ 1,752,811</u>	<u>39</u>	<u>969,456</u>	<u>27</u>
	Earnings per share (notes 6(p) and 12)				
9750	Basic net income per share (NT Dollars)	<u>\$ 3.88</u>		<u>5.27</u>	
9850	Diluted net income per share (NT Dollars)	<u>\$ 3.87</u>		<u>5.26</u>	

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest						
	Share capital		Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Equity attributable to predecessors' interests under common control	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total							
Balance at January 1, 2021 (Restated)	\$ 1,974,846	53,411	1,747,570	535,690	6,322,409	8,605,669	(1,154,720)	270,728	(883,992)	9,749,934	32,893	24,669	9,807,496
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	32,186	-	(32,186)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	348,302	(348,302)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(315,975)	(315,975)	-	-	-	(315,975)	-	-	(315,975)
	-	-	32,186	348,302	(696,463)	(315,975)	-	-	-	(315,975)	-	-	(315,975)
Net income for the year ended December 31, 2021	-	-	-	-	1,040,604	1,040,604	-	-	-	1,040,604	(2,412)	(7,184)	1,031,008
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	(10,776)	(10,776)	(153,669)	102,893	(50,776)	(61,552)	-	-	(61,552)
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	1,029,828	1,029,828	(153,669)	102,893	(50,776)	979,052	(2,412)	(7,184)	969,456
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(2,399)	(2,399)	-	-	-	(2,399)	2,399	-	-
Effect of reorganization	-	-	-	-	-	-	-	-	-	-	(32,880)	-	(32,880)
Balance at December 31, 2021 (Restated)	1,974,846	53,411	1,779,756	883,992	6,653,375	9,317,123	(1,308,389)	373,621	(934,768)	10,410,612	-	17,485	10,428,097
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	102,743	-	(102,743)	-	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	50,776	(50,776)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(529,259)	(529,259)	-	-	-	(529,259)	-	-	(529,259)
	-	-	102,743	50,776	(682,778)	(529,259)	-	-	-	(529,259)	-	-	(529,259)
Net income for the year ended December 31, 2022	-	-	-	-	766,083	766,083	-	-	-	766,083	-	(8,112)	757,971
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	13,205	13,205	1,091,897	(110,261)	981,636	994,841	-	-	994,841
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	779,288	779,288	1,091,897	(110,261)	981,636	1,760,924	-	(8,112)	1,752,812
Balance at December 31, 2022	\$ 1,974,846	53,411	1,882,499	934,768	6,749,885	9,567,152	(216,492)	263,360	46,868	11,642,277	-	9,373	11,651,650

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 841,193	1,113,000
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	982,650	889,244
Expected credit loss	133	87
Net loss (gain) on financial assets at fair value through profit or loss	212,462	(765,076)
Interest expense	151,935	97,033
Interest income	(47,502)	(8,211)
Dividend income	(126,711)	(33,974)
Share of profit of associates and joint ventures accounted for using equity method	(16,060)	(21,814)
Net gain on disposal of property, plant and equipment	(25,609)	(6,635)
Others	-	(261)
Total adjustments to reconcile profit (loss)	1,131,298	150,393
Changes in operating assets:		
(Decrease) Increase in notes and accounts receivable (including related parties)	51,341	(48,358)
Increase in other current assets	(25,617)	(93,426)
Decrease (increase) in other current financial assets	9,852	(9,913)
	35,576	(151,697)
Changes in operating liabilities:		
(Decrease) increase in notes and accounts payable	(67,911)	73,955
Increase in current contract liabilities	2,463	21,081
Increase in other current liabilities	6,844	22,839
Decrease in net defined benefit liabilities	(5,778)	(4,306)
	(64,382)	113,569
Total changes in operating assets and liabilities	(28,806)	(38,128)
Total adjustments	1,102,492	112,265
Cash inflow generated from operations	1,943,685	1,225,265
Interest received	38,881	9,048
Dividend received	146,307	60,287
Interest paid	(134,465)	(109,394)
Income taxes paid	(51,446)	(50,121)
Net cash flows from operating activities	1,942,962	1,135,085
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(3,509)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	507,139
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	1,271	3,608
Acquisition of financial assets at fair value through profit or loss	-	(37,039)
Proceeds from disposal of financial assets at fair value through profit or loss	623,036	475,128
Acquisition of property, plant and equipment	(1,394,414)	(1,070,040)
Proceeds from disposal of property, plant and equipment	53,734	11,641
Increase in other non-current assets	(32,992)	(28,837)
Acquisition of intangible assets	(68)	-
Decrease (increase) in other current financial assets	159,863	(95,847)
Increase in other non-current financial assets	(953)	(3,837)
Decrease in equity attributable to predecessors' interests under common control	-	(32,880)
Net cash flows used in investing activities	(594,032)	(270,964)
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	439,705	1,264,841
Repayments of bonds	(400,000)	(2,300,000)
Proceeds from long-term borrowings	447,735	712,172
Repayments of long-term borrowings	(578,813)	(902,517)
Payment of lease liabilities	(49,368)	(46,008)
Cash dividends paid	(529,259)	(315,975)
Others	822	2,511
Net cash flows used in financing activities	(669,178)	(1,584,976)
Effect of exchange rate changes on cash and cash equivalents	252,354	(36,112)
Net increase (decrease) in cash and cash equivalents	932,106	(756,967)
Cash and cash equivalents at beginning of period	3,057,048	3,814,015
Cash and cash equivalents at end of period	\$ 3,989,154	3,057,048

Independent Auditors' Report

To the Board of Directors of CHINESE MARITIME TRANSPORT LTD.:

Opinion

We have audited the financial statements of CHINESE MARITIME TRANSPORT LTD. (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and 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 report of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. Based on our audits and the report of another auditor, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of the investee which represented the investment in another entity accounted for using the equity method of the Company. Those statements were audited by another auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amount is based solely on the report of other auditors. The investment accounted for using the equity method constituting 3.82% and 3.88% of total assets at December 31, 2022 and 2021, respectively. The related shares of profit of associates accounted for using the equity method constituting 2.03% and 2.04% of total profit before tax for the years ended December 31, 2022 and 2021, respectively.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters that should be communicated in the audit report are as follows:

1. Recognition of freight revenue—container hauling

Please refer to Note 4(o) for the accounting policy of “Revenue” and to Note 6(n) “Revenue from contracts with customers” for information details.

Description of key audit matters:

The main activities of the Company are container hauling and related business. Freight revenue container hauling is one of the significant items in the financial statements, and the amounts and changes may affect the users’ understanding on the entire financial statements. Therefore, the testing over freight revenue container hauling recognition is considered a key matter in our audits.

Audit Procedures:

Our principal audit procedures included testing related controls over sale and receipts cycle, executing the confirmation process used to examine accounts receivable and revenue of major customers, and evaluating if the Company’s timing of revenue recognition is accurate in accordance with related accounting standards.

2. Freight revenue—vessel chartering, using equity method investment, subsidiary

Please refer to Note 4(h) for the accounting policy of “Investments in subsidiary”, and to Note 6(d) for “Investments accounted for using equity method”.

Description of key audit matters:

The main activity of some of the subsidiaries, accounted for using equity method investment, is operating bulk carrier. Freight revenue vessel chartering is one of the significant items in the financial statements, and the amounts and changes may affect the users’ understanding on the entire financial statements. Therefore, the testing over freight revenue vessel chartering recognition is considered a key matter in our audits.

Audit procedures:

Our principal audit procedures included testing related controls over sale and receipts cycle of those subsidiaries, which are investments using equity method, executing substantive analytical procedures of freight revenue-vessel

chartering, assessing contract liabilities, and evaluating if the timing of revenue recognition for freight revenue, vessel chartering, is accurate in accordance with related accounting standards.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation 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 the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the 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 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 investment subsidiary using equity method 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 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.

The engagement partners on the audit resulting in this independent auditors' report are Yiu-Kwan Au and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)

March 20, 2023

CHINESE MARITIME TRANSPORT LTD.
Balance Sheets
December 31, 2022 and 2021
(Expressed in thousands of New Taiwan Dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(a))	\$ 270,165	2	358,345	3	2100	Short-term borrowings (note 6(h))	\$ 1,869,486	11	1,399,795	9
1150	Notes and accounts receivable, net (note 6(c))	102,608	1	124,259	1	2150	Notes and accounts payable	1,135	-	3,108	-
1470	Other current assets	13,837	-	15,436	-	2181	Accounts payable to related parties (note 7)	161,178	1	113,901	1
1476	Other current financial assets (note 6(g))	77,502	-	196,859	1	2220	Other payables to related parties (note 7)	145,000	1	-	-
		464,112	3	694,899	5	2300	Other current liabilities (note 7)	78,641	-	69,056	-
Non-current assets:						2322	Long-term borrowings, current portion (note 6(h))	-	-	400,000	3
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	15,537	-	580,093	4			2,255,440	13	1,985,860	13
1550	Investments accounted for using equity method, net (note 6(d))	15,509,885	93	13,222,238	87	Non-Current liabilities:					
1600	Property, plant and equipment (notes 6(e) and 8)	609,011	4	538,019	4	2530	Bonds payable (note 6(h))	2,500,000	15	2,500,000	17
1760	Investment property, net (note 6(f))	19,953	-	20,030	-	2570	Deferred tax liabilities (note 6(k))	237,839	2	230,136	1
1780	Intangible assets	5,248	-	8,381	-	2640	Net defined benefit liabilities, non-current (note 6(j))	-	-	1,877	-
1840	Deferred tax assets (note 6(k))	4,370	-	2,353	-	2670	Other non-current liabilities, others	889	-	408	-
1900	Other non-current assets	842	-	57,424	-			2,738,728	17	2,732,421	18
1975	Net defined benefit asset, non-current (note (j))	1,776	-	-	-	Total liabilities		4,994,168	30	4,718,281	31
1980	Other non-current financial assets (notes 6(g) and 8)	5,711	-	5,456	-	Equity (note 6(l)):					
		16,172,333	97	14,433,994	95	3100	Common stock	1,974,846	12	1,974,846	13
						3200	Capital surplus	53,411	-	53,411	-
						Retained earnings:					
						3310	Legal reserve	1,882,499	11	1,779,756	12
						3320	Special reserve	934,768	6	883,992	6
						3350	Unappropriated earnings	6,749,885	41	6,653,375	44
								9,567,152	58	9,317,123	62
						3400	Other equity interest	46,868	-	(934,768)	(6)
						Total equity attributable to owners of parent:		11,642,277	70	10,410,612	69
						Total equity		11,642,277	70	10,410,612	69
Total assets		\$ 16,636,445	100	15,128,893	100	Total liabilities and equity		\$ 16,636,445	100	15,128,893	100

CHINESE MARITIME TRANSPORT LTD.

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

		<u>2022</u>		<u>2021</u>	
		Amount	%	Amount	%
4000	Operating Revenues (notes 6(n) and 7))				
4621	Freight revenue-vessel chartering	\$ 87,987	11	60,933	10
4622	Freight revenue-container hauling and logistics	641,607	82	553,605	86
4623	Freight revenue-airline agent and others	50,445	7	26,445	4
		<u>780,039</u>	<u>100</u>	<u>640,983</u>	<u>100</u>
5000	Total operating costs (notes 7 and 12)	647,724	83	542,974	85
5900	Gross profit	132,315	17	98,009	15
	Operating expenses:				
6000	Operating expenses (notes 6(j), (p), 7 and 12)	191,428	24	177,692	27
6900	Net operating loss	(59,113)	(7)	(79,683)	(12)
	Non-operating income and expenses:				
7010	Other income (notes 6(b) and (i))	76,943	10	19,579	3
7050	Finance costs-interest expense (note 6(o))	(54,944)	(7)	(55,214)	(9)
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net (note 6(d))	888,867	114	746,218	116
7100	Interest income	3,824	-	905	-
7210	Gains on disposal of property, plant and equipment (note 6(e))	-	-	19	-
7235	Gains (losses) on financial assets at fair value through profit or loss (note 6(b))	(64,017)	(8)	439,642	69
7590	Miscellaneous disbursements	-	-	(81)	-
	Total non-operating income and expenses	<u>850,673</u>	<u>109</u>	<u>1,151,068</u>	<u>179</u>
7900	Profit from continuing operation before tax	791,560	102	1,071,385	167
7950	Less: Income tax expenses (note 6(k))	25,477	3	30,781	5
	Profit	<u>766,083</u>	<u>99</u>	<u>1,040,604</u>	<u>162</u>
8300	Other comprehensive income:				
8310	Items that may not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (note 6(j))	3,578	-	(398)	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	-	-	(8,123)	(1)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, items that may not be reclassified to profit or loss	(99,919)	(13)	100,559	16
8349	Income tax related to items that will not be reclassified to profit or loss (note 6(k))	716	-	(79)	-
		<u>(97,057)</u>	<u>(13)</u>	<u>92,117</u>	<u>15</u>
8360	Items that may be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	1,040,338	133	(141,122)	(22)
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, items that will be reclassified to profit or loss	51,559	7	(13,540)	(2)
8399	Income tax related to items that will be reclassified to profit or loss (note 6(k))	-	-	(993)	-
	Items that may be reclassified to profit or loss	<u>1,091,897</u>	<u>140</u>	<u>(153,669)</u>	<u>(24)</u>
8300	Other comprehensive income	994,840	127	(61,552)	(9)
8500	Total comprehensive income	<u>\$ 1,760,923</u>	<u>226</u>	<u>979,052</u>	<u>153</u>
	Earnings per share (note 6(m))				
9750	Basic net income per share (NT dollars)	<u>\$ 3.88</u>		<u>5.27</u>	
9850	Diluted net income per share (NT dollars)	<u>\$ 3.87</u>		<u>5.26</u>	

CHINESE MARITIME TRANSPORT LTD.
Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of parent						Total other equity interest					
	Share capital		Retained earnings				Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Equity attributable to predecessors' interests under common control	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total						
Balance at January 1, 2021(Restated)	\$ 1,974,846	53,411	1,747,570	535,690	6,322,409	8,605,669	(1,154,720)	270,728	(883,992)	9,749,934	32,893	9,782,827
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	32,186	-	(32,186)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	348,302	(348,302)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(315,975)	(315,975)	-	-	-	(315,975)	-	(315,975)
	-	-	32,186	348,302	(696,463)	(315,975)	-	-	-	(315,975)	-	(315,975)
Net income for the year ended December 31, 2021	-	-	-	-	1,040,604	1,040,604	-	-	-	1,040,604	(2,412)	1,038,192
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	(10,776)	(10,776)	(153,669)	102,893	(50,776)	(61,552)	-	(61,552)
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	1,029,828	1,029,828	(153,669)	102,893	(50,776)	979,052	(2,412)	976,640
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(2,399)	(2,399)	-	-	-	(2,399)	2,399	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(32,880)	(32,880)
Balance at December 31, 2021	1,974,846	53,411	1,779,756	883,992	6,653,375	9,317,123	(1,308,389)	373,621	(934,768)	10,410,612	-	10,410,612
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	102,743	-	(102,743)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	50,776	(50,776)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(529,259)	(529,259)	-	-	-	(529,259)	-	(529,259)
	-	-	102,743	50,776	(682,778)	(529,259)	-	-	-	(529,259)	-	(529,259)
Net income for the year ended December 31, 2022	-	-	-	-	766,083	766,083	-	-	-	766,083	-	766,083
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	13,205	13,205	1,091,897	(110,261)	981,636	994,841	-	994,841
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	779,288	779,288	1,091,897	(110,261)	981,636	1,760,924	-	1,760,924
Balance at December 31, 2022	\$ 1,974,846	53,411	1,882,499	934,768	6,749,885	9,567,152	(216,492)	263,360	46,868	11,642,277	-	11,642,277

CHINESE MARITIME TRANSPORT LTD.
Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in thousands of New Taiwan dollars)

	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 791,560	1,071,385
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	21,222	14,633
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	64,017	(439,642)
Interest expense	54,944	55,214
Interest income	(3,824)	(905)
Dividend income	(31,761)	(2,984)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(888,867)	(746,218)
Gain on disposal of property, plant and equipment, net	-	(19)
Total adjustments to reconcile profit (loss)	<u>(784,269)</u>	<u>(1,119,921)</u>
Changes in operating assets:		
Decrease (increase) in notes and accounts receivable (including related parties)	21,651	(35,769)
Increase in other current assets	(54,984)	(14,111)
Decrease in other current financial assets	79	18,567
	<u>(33,254)</u>	<u>(31,313)</u>
Changes in operating liabilities:		
Increase in notes and accounts payable (including related parties)	45,304	58,579
Decrease in net defined benefit liabilities	(73)	(20)
(Decrease) increase in other current liabilities	(8,911)	10,790
Increase in other non-current liabilities	481	-
	<u>36,801</u>	<u>69,349</u>
Total changes in operating assets and liabilities	<u>3,547</u>	<u>38,036</u>
Total adjustments	<u>(780,722)</u>	<u>(1,081,885)</u>
Cash inflow from (used in) operations	10,838	(10,500)
Interest received	3,851	1,084
Dividends received	435,148	746,479
Interest paid	(57,916)	(66,502)
Income taxes refund (paid)	960	(29,387)
Net cash flows from operating activities	<u>392,881</u>	<u>641,174</u>
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	507,139
Proceeds from capital reduction of financial assets at fair value through profit or loss	1,271	3,608
Proceeds from disposal of financial assets at fair value through profit or loss	499,268	-
Acquisition of investments accounted for using equity method	(815,130)	(709,272)
Increase in other non-current financial assets	(255)	-
Proceeds from capital reduction of investments accounted for using equity method	4,941	285,000
Acquisition of property, plant and equipment (including prepayment for equipment)	(32,421)	(19,133)
Proceeds from disposal of property, plant and equipment	-	19
Increase in other non-current assets	56,582	(29,056)
Decrease (increase) in other current financial assets	119,251	(128,813)
Decrease in equity attributable to predecessors' interests under common control	-	(32,880)
Net cash flows used in investing activities	<u>(166,493)</u>	<u>(123,388)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	469,691	1,399,795
Repayments of long-term bonds	(400,000)	(2,300,000)
Increase in other payables to related parties	145,000	-
Cash dividends paid	(529,259)	(315,975)
Net cash flows used in financing activities	<u>(314,568)</u>	<u>(1,216,180)</u>
Net decrease in cash and cash equivalents	<u>(88,180)</u>	<u>(698,394)</u>
Cash and cash equivalents at beginning of period	<u>358,345</u>	<u>1,056,739</u>
Cash and cash equivalents at end of period	<u>\$ 270,165</u>	<u>358,345</u>

Attachment 4

Amendment comparison table for the Articles of Incorporation

After Amendment	Before Amendment
Section III – Shareholders’ Meetings	Section III – Shareholders’ Meetings
<p>Article 10</p> <p>Shareholders’ meetings of the Corporation are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened, at least once a year, and within six (6) months after the close of each fiscal year. A notice to convene a regular meeting by the board of directors shall be given to all shareholders no later than thirty days prior to the scheduled meeting date. Special meetings shall be convened whenever necessary according to the laws and regulations.</p> <p><u>Shareholders’ meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.</u></p>	<p>Article 10</p> <p>Shareholders’ meetings of the Corporation are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened, at least once a year, and within six (6) months after the close of each fiscal year. A notice to convene a regular meeting by the board of directors shall be given to all shareholders no later than thirty days prior to the scheduled meeting date. Special meetings shall be convened whenever necessary according to the laws and regulations.</p>
<p>Article 28</p> <p>These Articles of Incorporation were enacted on January 30, 1978. The first amendment on February 25, 1979, the second amendment on June 8, 1981,..... ,</p> <p>the forty-fifth amendment on May 12, 2022, <u>the forty-sixth amendment on June 12, 2022.</u></p>	<p>Article 28</p> <p>These Articles of Incorporation were enacted on January 30, 1978. The first amendment on February 25, 1979, the second amendment on June 8, 1981,..... ,</p> <p>the forty-fifth amendment on May 12, 2022.</p>

Attachment 5

Amendment comparison table for the Rules of Procedure for Shareholders' Meeting

After Amendment	Before Amendment
<p>Article 4 The venue for the Meeting shall be the premises of the Corporation or at any other appropriate place that easily accessible to shareholders and suitable for holding of the said Meeting. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m. <u>The aforementioned restrictions on the place of the Meeting shall not apply when the Corporation convenes a virtual-only shareholders meeting.</u></p>	<p>Article 4 The venue for the Meeting shall be the premises of the Corporation or at any other appropriate place that easily accessible to shareholders and suitable for holding of the said Meeting. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.</p>
<p>Article 13 After a shareholder present has spoken, the chair may respond in person or direct relevant personnel to respond. <u>Where a virtual Meeting is convened, shareholders attending the virtual Meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the Meeting commences until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in Article 10 to Article 12 do not apply.</u></p>	<p>Article 13 After a shareholder present has spoken, the chair may respond in person or direct relevant personnel to respond.</p>
<p>Article 21 In regards to all matters not provided for in these Rules of Procedure for Shareholders' Meeting, <u>the Corporation's articles of incorporation, the Company Act and other relevant laws and regulations shall govern.</u></p>	<p>Article 21 In regards to all matters not provided for in these Rules of Procedure for Shareholders' Meeting, the Company Act and Corporation's articles of incorporation shall govern.</p>

Appendix 1

Chinese Maritime Transport Ltd.

Rules of Procedure for Shareholders' Meeting

Amended and approved by the Regular Shareholder's Meeting on 2022/5/12

- Article 1: The Shareholders' Meeting (the "Meeting") of Chinese Maritime Transport Ltd.(the Corporation) shall be proceeded and conducted in accordance with these Rules and Procedures.
- Article 2: The Corporation shall specify the registration time, place for attendance, and other matters for attention in its Meeting notices. The registration time shall be at least 30 minutes prior to the Meeting commences.
- The Corporation may furnish an attendance book for shareholders to sign in, or the attending shareholders may hand in the attendance card in lieu of signing in.
- The number of shares in attendance shall be calculated in accordance with the shares indicated on the attendance book or attendance cards submitted plus the number of shares whose voting power are exercised by way of correspondence or electronic transmission.
- Article 3: Attendance and voting at Meeting shall be calculated based on numbers of shares, except the shares are deemed non-voting power under Article 179 of the Company Act.
- Article 4: The venue for the Meeting shall be the premises of the Corporation or at any other appropriate place that easily accessible to shareholders and suitable for holding of the said Meeting. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
- Article 5: If the Meeting is convened by the board of directors, it shall be held in accordance with the Article 208, paragraph 3 of the Company Act. When a director serves as chair of a Meeting, shall be the one who has held that position for six (6) months or more and who understands the financial and business status of the Corporation. If the Meeting is convened by a party with the convening right other than the board of directors, the convening party shall preside the Meeting. When there are two or more such convening parties, they shall select a chair among themselves.
- Article 6: The Corporation may appoint designated counsels, certified public accountants, or other related persons to attend the Meeting. Staff handling administrative affairs of the Meeting shall wear identification cards or armbands/badges.
- Article 7: The Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the Meeting, and the voting and vote counting procedures, which shall be retained for at least 1 year. If,

however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 8: The chair shall call the meeting to order at the appointed meeting time. However, when the shareholders present do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the shareholders present still represent more than one third of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act.

When, prior to conclusion of the Meeting, the shareholders present represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the Meeting pursuant to Article 174 of the Company Act.

Article 9: If the Meeting is convened by the board of directors, the Meeting agenda shall be set by the board of directors. According to Article 172-1 of the Company Act, a shareholder may submit to the Corporation a written proposal for discussion, for the same type proposal, will be combined to one agenda item. The Corporation shall, prior to preparing and delivering the Meeting notice, inform, by a notice, all the proposal submitting shareholders of the proposal screening results, and shall list in the Meeting notice the proposals conforming to the requirements set out in Article 172-1 of the Company Act. With regard to the proposals submitted by shareholders but not included in the agenda of the Meeting, the cause of exclusion of such proposals and explanation shall be made by the board of directors at the Meeting to be convened.

The Meeting shall be proceeded in accordance with the said agenda which may not be changed without a resolution of the Meeting. The proceedings shall apply mutatis mutandis to a Meeting convened by a party with the convening right other than the board of directors.

The chair shall not adjourn the Meeting without resolution adopted by shareholders if the motions (including extempore motion(s)) covered in the proceedings so arranged in the above two paragraphs not have been resolved.

After the said Meeting is adjourned, the shareholders may not designate another person as chair and continue the meeting in the original location or at a different location.

Article 9-1: During the Meeting, if the chair announces adjournment in violation of the Rules of Procedure for Shareholders' Meeting, another person designated could serve as chair by majority votes of shareholders present in the Meeting and continue the Meeting.

Article 10: When a shareholder present wishes to speak, a speech note should be filled out with summary of the speech, the shareholder's account number(or the number of attendance card) and the account name. The chair shall determine the sequence of shareholders' speeches.

If any shareholder present submits a speech note but does not actually speak shall be deemed to have not spoken. 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 chair and speaking shareholder, no shareholder shall interrupt the speech of the speaking shareholder, otherwise the chair shall stop such interruption.

Article 11: A shareholder shall not speak more than two times for one motion, unless he/she has obtained the prior consent from the chair, and each speech shall not exceed 5 minutes. The chair may stop the speech of any shareholder who violates the above provision or exceeds the scope of the agenda item or motion.

Article 12: When a juristic person/corporate shareholder is appointed to attend as proxy, it may designate only one person to represent it in the Meeting. When a juristic person/corporate shareholder appoints two or more representatives to attend the Meeting, only one of the representatives may speak on the same proposal.

Article 13: After a shareholder present has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 14: The chair may announce the end of discussion on a proposed resolution and proceed with voting when the chair is of the opinion that there has been sufficient discussion.

Article 15: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Corporation. Vote counting for Meeting proposals or elections shall be conducted in public at the place of the Meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the Meeting, and a record made of the vote. The voting results of the election of directors at Meeting shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

Article 16: (Deleted)

Article 17: Except as otherwise provided in the Company Act and in the Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting power of the shareholders present. When voting, the chair or the designated person shall announce the total number of voting power of the shareholders present on a case-by-case basis, and then the shareholders shall vote on a case-by-case basis.

Article 18: When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 19: The chair may direct the proctors or security personnel to help maintain order at the Meeting place. When proctors or security personnel help maintain order at the Meeting place, they shall wear an identification card or armband bearing the word "Proctor."

Article 20: During the Meeting, the chair may announce a break based on time consideration. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in a view of the circumstances, the Meeting will be resumed.

Article 21: In regards to all matters not provided for in these Rules of Procedure for Shareholders' Meeting, the Company Act and Corporation's articles of incorporation shall govern.

Article 22: The Rules of Procedure for Shareholders' Meeting, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

Appendix 2

ARTICLES OF INCORPORATION OF CHINESE MARITIME TRANSPORT LTD.

Amended and approved by the Regular Shareholder's Meeting on 2022/5/12

Section I - General Provisions

- Article 1: The Corporation shall be incorporated under the Company Act of Republic of China, and its name shall be 中國航運股份有限公司 in the Chinese language, and 「CHINESE MARITIME TRANSPORT LTD.」 in the English language (the Corporation).
- Article 2: The Corporation is engaged in the following businesses:
- G101081 Automobile Container Transport.
 - G501020 Civil Aviation Agency.
 - G801010 Warehousing and Storage.
 - IZ06010 Cargoes Packaging.
 - JA01010 Automotive Repair and Maintenance.
 - JA02990 Other Repair Shops
 - CD01990 Other Transportation Equipment and Parts Manufacturing.
 - G401011 Shipping Agency Services.
 - F112010 Wholesale of Gasoline and Diesel Fuel.
 - I101120 Shipbuilding Industry Consultancy.
 - ZZ99999 All businesses that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Corporation shall have its head office in Taipei City, and may set up branch offices at various locations within and without the territory of the Republic of China that the Board of Directors may deem necessary by resolution.
- Article 4: The aggregate amount of the Corporation's re-investment in other entities may exceed forty (40) percent of the Company's paid-in capital.

Section II – Capital Stock

- Article 5: The total capital stock of the Corporation shall be in the amount of 3,600,000,000 New Taiwan Dollars, divided into 360,000,000 shares, at a par value of Ten New Taiwan Dollars each. For the un-issued shares, the board of directors is authorized to issue these shares in installments.
- Article 6: The Corporation may provide endorsement and guarantee and act as a guarantor.
- Article 7: Shares issued by the Corporation shall be exempted from printing of shares certificate(s). Nevertheless, the stocks of the Corporation shall be registered with the centralized securities depository enterprise (Taiwan Depository & Clearing Corporation (TDCC)).

Article 8: The Corporation shall handle its stock affairs for shareholders in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 9: Registration for transfer of shares shall be suspended for a period of sixty (60) days immediately before the convening date of regular shareholders' meeting, thirty (30) days before the convening date of any special shareholders' meeting, or within five (5) days before the target date on which dividends, bonus or any other benefit are scheduled to be paid by the Corporation.

Section III –Shareholders' Meeting

Article 10: Shareholders' meetings of the Corporation are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened, at least once a year, and within six (6) months after the close of each fiscal year. A notice to convene a regular meeting by the board of directors shall be given to all shareholders no later than thirty days prior to the scheduled meeting date. Special meetings shall be convened whenever necessary according to the laws and regulations.

Article 11: In case a shareholder is unable to attend the shareholders' meeting, the proxy shall be made in accordance with Article 177 of the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 12: If the shareholders' meeting is convened by the board of directors, it shall be held in accordance with the Article 208, paragraph 3 of the Company Act. If the meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall select a chair among themselves.

Article 13: Each shareholder is entitled to one vote for each share held. However, those shares in accordance with the Article 179 of the Company Act are without voting right.

Article 13-1: The shareholders could exercise their voting power in writing or by way of electronic transmission when the Corporation convenes the shareholders' meeting,

Article 14: Resolutions at a shareholders' meeting shall, unless specified otherwise by the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total issued shares are present.

Article 15: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes, which shall be affixed with the signature or seal of the chair of meeting, and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting. The distribution of the minutes of shareholders' meeting may be effected by means of a public notice. The minutes of shareholders' meeting shall be recorded in accordance with Article 183, paragraph 4 of the Company Act, and shall be kept persistently

throughout the life of the Corporation. The preservation period for the sign-in book of attending shareholders, and proxy forms shall be subject to the related regulations and laws.

Section IV – Directors and Audit Committee

Article 16: The Corporation shall have five (5) to nine (9) directors. The aforesaid board of directors must have at least three (3) independent directors, and shall not be less than one-fifth of the number of directors.

Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 and 216-1 of the Company Act. The shareholders shall elect the directors from among the nominees listed in the roster. The term of office of a director shall be three (3) years, and all are eligible for re-election. The aggregate number of the registered shares held by the all directors shall be subject to the regulations made by the competent securities authority.

The Corporation may obtain liability insurance for directors, including the proxies in the Corporation's investment entities, with respect to legal liabilities for compensation resulting from acting within the scope of exercising their duties during their terms of occupancy.

The board of directors is authorized to determine the remuneration for chairman, directors taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry.

Article 16-1: In accordance with Article 14-4 of the Securities and Exchange Act, the Company has established an audit committee, which is composed of all independent directors and is responsible for implementing the functions and powers of supervisors stipulated by the Company Act, the Securities and Exchange Act, and other laws and regulations.

The exercise of powers by audit committee and other matters to be followed shall be handled in accordance with relevant laws and regulations, and its charter shall be formulated by the Board of Directors.

Article 17: When one-third of the directors or all independent directors have vacated their offices, a special shareholders' meeting shall be convened by the board of directors within sixty (60) days to elect new directors or independent directors to fill the vacancies. The term of office of the newly elected director or independent director shall be the same as the remaining term of the predecessor.

Article 18: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of outgoing directors shall be extended until the time new directors have been elected and assumed their office.

Article 19: The board of directors shall be formed by directors. The directors shall elect a chairman of the board of directors from among the directors by a majority vote at a meeting attended by over two-thirds of the directors, and may also

elect in the same manner a vice chairman of the board. The chairman and vice chairman shall conduct the business of the Corporation in accordance with applicable laws and regulations, the Articles of Incorporation of the Corporation, the resolutions adopted at shareholders' meetings and the resolutions adopted by the board of directors.

Except the first meeting of each term of board of directors shall be convened in accordance with Article 203 of the Company Act, meetings of board of directors shall be convened by the chairman of board of directors who shall also be the chairman of the meeting. In case the chairman of the board of directors is on leave or unable to exercise his powers and authority for any cause, the chairman may designate a proxy in accordance with Article 208 of the Company Act. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 19-1: Various functional committees may be set up under the board of directors of the Corporation, and the functional committee of each type shall enact the rules governing the exercise of its duties. These rules shall be effective upon approval of the board of directors.

Article 20: Unless otherwise provided in the Company Act, business policy of the Corporation and other important matters shall be decided by resolutions adopted by the board of directors.

- (1) Amendment of Articles of Incorporation of the Corporation.
- (2) Establishment or dissolution of branch office.
- (3) Approval/resolution of annual budget/statements and records, including implementation of annual business plans.
- (4) The hiring/dismissal of a certified public accountant.
- (5) Apply for credit line/guarantee/finance from banking institutions.
- (6) Any matters shall be submitted to the board of directors for approval by resolution such as important contracts or other material or adoption or amendment of handling procedures for acquisition/disposal of assets, loans to others, endorsements and guarantees for others.
- (7) To perform the resolutions adopted by shareholders' meeting.

Article 21: The notice of meeting of board of directors may be made in writing, or by email, facsimile. Unless otherwise provided in the Company Act, the meeting of board of directors shall be subject to Rules and Procedures of Board of Directors Meeting of the Corporation. A meeting of board of directors at which a resolution is adopted shall be attended by a majority of the directors and a majority of those present shall vote in favor of such a resolution. If a director cannot attend the meeting, he/she shall appoint another director by a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. The proxy may accept the appointment of one director only.

Article 22: Resolutions adopted at the meeting of the board of directors shall be recorded in the minutes which shall be affixed with signature or seal by the chairman of the meeting. The provision of Article 183 of the Company Act shall apply mutatis mutandis to the aforesaid minutes.

Article 23: (Deleted)

Section V – Officers

Article 24: The Corporation may appoint several officers. The appointment and discharge of the officers shall be approved by a majority in a meeting of the board of directors attended by a majority of the directors.

Section VI – Finalization of Accounts

Article 25: At the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to audit committee for their auditing, not later than thirty (30) days before the convention of the regular shareholders' meeting, and such documents shall be submitted to the regular shareholders' meeting for acceptance.

- (1) the business report
- (2) the financial statements
- (3) the surplus earning distribution or loss off-setting proposals

Article 26: If the Corporation makes profits for the current year, the board of directors shall resolve on the allocation of 0.5%~2% as the employee compensation and no more than 2% as the compensation for directors. If the Corporation has cumulative losses, the amount equivalent to such losses shall be reserved prior to the allocation.

The calculation of the employee/directors compensation shall be made base on the amount of profit before tax (excluding employee/directors compensation).

The Corporation may have the profit distribution as employee compensation in the form of shares or in cash, shall be adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and report such distribution to the shareholders' meeting.

Article 26-1: The Corporation shall allocate the earnings for each fiscal year in the following order:

- (1) Paying tax
- (2) Making up losses for preceding years
- (3) Setting aside a legal reserve of 10% of the earnings
- (4) Setting aside or reversing a special reserve
- (5) After deducting the aforesaid four items, the balance together with the retained earnings as of the beginning of the fiscal year, will be considered in regards to the surplus earnings distribution, which shall be proposed by

the board of directors. When in the form of new shares to be issued, it should be submitted to the shareholders' meeting for resolving. The distributable dividends may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of cash distribution shall be submitted to the shareholders' meeting.

The earnings distribution of the Corporation may be by cash or shares, where the proportion of cash dividends may not be below 10% of total dividends.

Section VII – Supplementary Provisions

Article 27: In regards to all matters not provided for in these Articles of Incorporation, the Company Act and other laws and regulations shall govern.

Article 28: These Articles of Incorporation were enacted on January 30, 1978. The first amendment on February 25, 1979, the second amendment on June 8, 1981, the third amendment on July 23, 1981, the fourth amendment on February 4, 1982, the fifth amendment on March 7, 1984, the sixth amendment on June 5, 1984, the seventh amendment on April 28, 1985, the eighth amendment on October 7, 1985, the ninth amendment on June 7, 1986, the tenth amendment on February 13, 1987, the eleventh amendment on June 18, 1988, the twelfth amendment on March 27, 1989, the thirteenth amendment on January 13, 1990, the fourteenth amendment on June 19, 1990, the fifteenth amendment on December 22, 1990, the sixteenth amendment on September 6, 1991, the seventeenth amendment on March 12, 1992, the eighteenth amendment on November 5, 1992, the nineteenth amendment on April 15, 1993, the twentieth amendment on October 6, 1993, the twenty-first amendment on April 1, 1994, the twenty-second amendment on March 27, 1995, the twenty-third amendment on June 17, 1996, the twenty-fourth amendment on May 21, 1997, the twenty-fifth amendment on May 14, 1998, the twenty-sixth amendment on June 21, 2000, the twenty-seventh amendment on June 7, 2001, the twenty-eighth amendment on June 11, 2002, the twenty-ninth amendment on June 24, 2003, the thirtieth amendment on May 27, 2004, the thirty-first amendment on June 24, 2005, the thirty-second amendment on June 14, 2006, the thirty-third amendment on June 28, 2007, the thirty-fourth amendment on June 28, 2007, the thirty-fifth amendment on June 24, 2008, the thirty-sixth amendment on May 27, 2009, the thirty-seventh amendment on April 16, 2010, the thirty-eighth amendment on June 9, 2011, the thirty-ninth amendment on December 15, 2011, the fortieth amendment on June 22, 2012, the forty-first amendment on June 16, 2014, the forty-second amendment on June 28, 2016, the forty-third amendment on May 13, 2020, the forty-fourth amendment on August 31, 2021, the forty-fourth amendment on August 31, 2021, the forty-fifth amendment on May 12, 2022.

Appendix 3

Chinese Maritime Transport Ltd. Shareholdings of All Directors

1. The paid up capital of the Company is NT\$1,974,845,930 and total issued shares of the Company is 197,484,593 shares.
2. According to Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the total shareholdings of all the Directors shall not be less than 11,849,075 shares.
3. According to the roster of shareholders on the book closure data of 2023 Shareholders' Meeting (April 11) are detailed in the following table.

Title	Name	Shareholding on the book closure data	Representative
Chair	William Peng	46,455,297	AGCMT Group Ltd.
Director	John Y.K. Peng	46,455,297	
Director	James S.C. Tai	46,455,297	
Director	Char-Lie Mei	46,455,297	
Director	Telvin Ju	46,455,297	
Director	David Hsu	46,455,297	
Independent Director	Donald Kuo-Liang Chao	0	
Independent Director	Paul Shih-Sheng Lai	0	
Independent Director	Roger YI-HUNG HSU	0	
Total		46,455,297	