

Stock Code: 2612

CHINESE MARITIME TRANSPORT LTD.

2024 Annual Shareholders' Meeting

Meeting Handbook

(Translation)

MEETING TIME: May 31, 2024

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**Chinese Maritime Transport Ltd.
Meeting Procedure of
The 2024 Annual Shareholders' Meeting**

1. Call the Meeting to Order
2. Chairperson's Remarks
3. Report Items
4. Proposed Resolutions
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Chinese Maritime Transport Ltd.
2024 Annual Shareholders' Meeting
Meeting Agenda

Convening Method: Entity Shareholders' Meeting

Time : 9 a.m., Friday, May 31, 2024

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 2023 Business report
 - 3.2 2023 Audit Committee's review report
 - 3.3 Summary of endorsement and guarantee
 - 3.4 Distribution of the 2023 compensation of employees and directors
 - 3.5 Distribution of the 2023 cash dividends
4. Proposed Resolutions
 - 4.1 To accept 2023 business report and financial statements
 - 4.2 To approve the proposal for distribution of 2023 profits
5. Extempore Motion(s)
6. Adjournment

Report Items

1. 2023 Business report

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

2. 2023 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\$ 4,462,332,000 as the end of December 2023.

4. Distribution of the 2023 compensation of employees and directors

Explanation: In pursuant to Article 26 of CMT's Articles of Incorporation, NT\$ 3,869,089 for employees' compensation and NT\$ 3,869,089 for directors' compensation were allocated, which will be distributed in cash.

5. Distribution of the 2023 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\$ 197,484,593 to shareholders from the accumulated distributable earnings up to the close of the current period, the cash dividends will be distributed at NT\$ 1 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 2023 business report and financial statements

Proposed by the Board of Directors

Explanation:

1.1 CMT's 2023 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 2023 profits

Proposed by the Board of Directors

Explanation:

CMT's 2023 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 2023		
<u>Item</u>		<u>Amount</u>
Unappropriated returned earnings of previous year		6,816,721,118
Add: 2023 net income	328,329,218	
Less: Losses on remeasurements of defined benefit plans	(1,407,200)	
10% Legal reserve appropriated	(32,692,202)	
2023 Earnings available for distribution		<u>294,229,816</u>
Earnings available for distribution		7,110,950,934
Less:		
2023 Earning distribution (cash dividend 1 per share)		<u>(197,484,593)</u>
Unappropriated returned earnings at the end of year		6,913,466,341

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:

Extempore Motion(s)

Adjournment

Attachment 1

Chinese Maritime Transport Ltd. 2023 Business Report

1. Operating Strategies

In 2023, the world faced rampant inflation and geopolitical conflict. With tensions escalating in the region, armed attacks on commercial ships in the Red Sea forced the shipping industry to reroute ships and the international community to form a protective escort coalition. Despite this and continued excess tonnage from the delivery of new vessels, the dry bulk market was able to return to a normal supply-and-demand cycle and higher trade volume boosted freight rates at the end of the year. We are closely monitoring China's demand for raw material imports, which has remained high through China's lackluster post-pandemic recovery. The Federal Reserve's cycle of interest rate hikes, meanwhile, is likely nearing an end and lower interest rates are expected in 2024.

China's high demand for raw materials in 2023 was somewhat surprising as its economic outlook remained murky and its real estate crisis remained unresolved. At the same time, the PRC government refrained from overly intervening in steel production and demand for iron ore imports increased for the first time in three years, growing over 6% year-on-year in 2023. Driven by strong exports from major mining countries, iron ore prices averaged US\$120 per ton for the year, reaching US\$136 per ton in Q4. Shipments of coal also increased as prices fell, with exports to China in particular rising substantially with the mending of relations between China and Australia.

With these developments, the time-charter equivalent (TCE) of Capesize ships fell to US\$2,000 early in the year before rebounding to US\$20,000 in Q2. The TCE dipped below US\$10,000 at the end of August due to excess supply, but surged again at the end of Q3 with lower shipping capacity in the Atlantic region and surging iron ore demand. By December, the TCE had surpassed US\$50,000. For the year, the Baltic Exchange Capesize Index (BCI) averaged 1,976 points with the TCE averaging US\$16,389.

We are in the process of upgrading our fleet, and will take delivery of our third and fourth 210,000-DWT, Energy Efficiency Design Index Phase III-compliant Newcastlemax bulk carriers from CSSC Qingdao Beihai Shipbuilding Co. Ltd. before Q3 2024. Coupled with ongoing retrofits to our existing fleet to improve fuel efficiency, our competitiveness in the shipping market continues to be a great advantage. The optimization of our ship management system focuses on our three core priorities of environmental protection, navigational safety, and information security management, while also encompassing professional and technical crew training. In trucking and warehouse logistics, optimization includes a long-term vehicle replacement plan, "informatizing" our operations to improve various processes, and improving service quality and operating efficiency.

While CMT is a profit-seeking business that strives to maximize shareholder value, we are at the same time deeply committed to environmental protection, social responsibility, and corporate governance (ESG). Apart from continuous equipment upgrades and professional training for employees, we closely monitor safety standards and operational efficiency across all business units while facilitating interdepartmental communication to integrate and implement energy-saving and environmental initiatives. Other ESG initiatives that have been implemented include resource integration, new digital information systems, and risk management and control policies that enhance performance and help us keep pace with

technological advancements. As our competitiveness and influence grow, we create maximum value for our employees and fulfill our corporate social responsibility to sustainability.

2. Overview of Implementation

2.1 Shipping

Capesize freight spot rates did not rise significantly in 2023 despite China's iron ore imports growing year-on-year, high steel output and exports, and strong raw material demand. Spot and forward freight rates for Capesize bulk carriers are affected by many factors, but the market is optimistic following the announcement of various bailout and pro-market measures in the real estate sector in multiple Chinese provinces and cities. Global iron ore trade volume is also expected to sustain freight rates at higher levels. The International Maritime Organization's (IMO) conventions and the European Union's carbon tax mechanism should result in Capesize deliveries declining year-on-year in the next three years.

The four newest additions to our fleet are all environmental, high-efficiency bulk carriers. CMT will become compliant with IMO standards for the next two decades ahead of schedule as we launch our new ships and complete retrofits to improve fuel efficiency and reduce operational carbon density. Our continuous efforts to improve the competitiveness of our fleet is part of our commitment to fulfilling our corporate social responsibility.

Looking ahead, regional threats will continue to affect the international community. Although the global dry bulk shipping industry enjoyed relative stability in 2023, geopolitical tension continues to escalate. Potential risk to maritime security stemming from the Russia-Ukraine and Israel-Hamas conflicts cannot be underestimated. Meanwhile, the world's major economies will continue coping with the negative impacts of a high-interest rate environment and energy price fluctuations even when the U.S.' interest rate hikes come to an end. The industry must stay vigilant and responsive to these geopolitical and economic factors, as well as human- and climate-related factors, to be able to quickly and effectively adjust mid- and long-term strategies. How China's real estate crisis plays out will have a major impact on the raw material market. Market volatility and unpredictability is one of the reasons CMT renegotiates freight rates with long-term customers on a quarterly basis. This strategy helps to mitigate unforeseen geopolitical risk and maximize profitability.

2.2 Inland Trucking

2023 was a difficult year for Taiwan's trucking industry and the transportation market as a whole due to both the internal and external environment and a decline in both import and export container traffic. Like other international shipping companies, we combated low cargo volume and rising costs. In the face of these challenges, we used digital cost management to streamline operations, and we are replacing older tractors with energy-efficient, EURO 6 compliant tractors and have added two EV (Electric Vehicle) to our fleet. As the market marches towards recovery in 2024, we will move forward with sustainability initiatives including the cost optimization of our fleet and the alignment of our energy and carbon reduction goals with Ocean Carrier. We will also track the carbon footprint during the transportation to help our customers better understand our sustainability efforts.

2.3 Logistics

Global inflation, destocking in the Europe and U.S., low water levels in the Panama Canal, and heightened geopolitical tension were among the factors affecting import and export warehouse logistics in 2023. We have established strong and stable customer relationships through the quality of our hardware and software services and the service experience we offer. We also minimize potential losses from incidents that could affect our bottom line through the reinforcement of cargo-handling and occupational safety awareness training. These endeavors combined with effective cost management allow us to maximize shareholder value.

2.4 Environmental, Social, and Governance

CMT is committed to ESG (environment, social responsibility and corporate governance) and sustainability, and it is very important to us that our development doesn't come at the cost of the opportunities future generations should enjoy. As part of our efforts to minimize our impact on climate change, we have established a Sustainable Development Committee. The committee oversees our ongoing greenhouse gas inventory while also evaluating risks and opportunities stemming from abnormal or extreme weather. We have various prevention, improvement, and reduction plans in place and the inventory will allow us to concretely implement these plans in a timely manner.

In shipping, we closely monitor our fleet's carbon emissions to ensure compliance with international conventions and EU regulations. We also conduct maritime research with classification societies and other organizations. Our ships run on low-sulfur fuel and we use meteorological navigation to optimize routes and reduce fuel consumption. We have also installed energy-saving and water filtration devices on our ships. When it comes time to replace a ship, we prioritize high-efficiency diesel models with energy-saving designs.

In trucking, we are transitioning to a low-carbon, EURO 6 compliant tractor fleet and have implemented ecodriving. Our fleet, which now includes electric vehicles, is outfitted with energy-saving devices to further reduce greenhouse gas emissions. In logistics side, we have replaced older machinery, introduced electric stackers, installed energy-saving equipment, switched to energy-saving LED lighting, and are reusing recycled waste. We closely monitor legal and regulatory changes in all of our businesses so we can make adjustments when necessary to meet our environmental protection goals.

We have a multi-pronged approach to corporate social responsibility. Our top priority is always occupational safety and health, with a management program that includes employee safety awareness. We have fire bureau instructors overseeing the fire prevention and safety training of our autonomous fire safety and prevention task force, which has designated representatives from every department. The prevention of unlawful infringement in the workplace, including bullying and sexual harassment, is extremely important to us. Employees of all levels undergo relevant education and training, and we have a prevention, correction, complaint and punishment system in place. CMT provides premium physical exams for employees, health consultations with medical professionals, and automated external defibrillators (AEDs) on site. We have a code of conduct for seafarers' rights and we regularly survey our crews on how well they feel their rights are being upheld. We also provide our crews with remote medical consultation services. Our longstanding participation in the RightShip Platform has entered a new phase as we

strengthen and improve our Code of Conduct. We work with major ship charter nations to promote occupational safety initiatives, including seafarer workshops and navigation audits. We have also constructed an occupational health and safety protection network for employees that ensures seafarer awareness, facilities, and environment are in line with top-tier shipping companies.

Our people-oriented, employee-centric approach emphasizes employee welfare and we have an employee welfare committee overseeing relevant matters. Our employees enjoy perks including an allowance for annual trip, holiday bonuses, gifts, and more. As part of our sustainability and corporate social responsibility efforts, we provide employees with educational, childbirth and childcare subsidies to lessen their economic burden and foster a stable, worker-friendly environment. We see value in continuing education and professional training, and offer financial assistance and incentives for degree programs. Our employees are protected by group insurance policies that cover out-of-pocket medical and accident-related expenses. We maintain the highest employee health standards and follow government guidelines for COVID-19 and influenza prevention includes vaccination leave.

Our comprehensive supplier selection process and management system ensures we only partner with suppliers that are committed to sustainability. Our suppliers are required to sign environmental protection and fair trade commitments, and we periodically evaluate them to ensure they are compliant with their local laws, Taiwan (ROC)'s laws, and international standards and specifications. We reserve the right to terminate or dissolve contracts with companies we find to be in violation of these policies.

Externally, we are active in philanthropy, particularly in the areas of youth development and assistance for the disadvantaged. Our group is committed to giving back to society and we are a long-term supporter of Weici Charity Foundation, a social welfare organization that assists underprivileged families and individuals through outreach and charitable programs. CMT also has a scholarship program. Chinese Maritime Transport Scholarships helps reduce the economic burden on families while allowing students to dedicate themselves to their studies. The program plays a crucial role in cultivating the next generation of talent in the shipping industry.

On the governance front, our initiatives for sound corporate governance include the establishment of a risk management team, as well as cybersecurity management, stakeholder engagement, ethical corporate management, and intellectual property management policies. All of the above contribute to sustainable operations.

3. Implementation of Operating Plan and Achievements; Operating Income and Expenditure; and Profitability

The primary sources of our operating income are shipping, inland trucking and logistics. In 2023, consolidated revenues totaled NT\$4.015 billion, a decline of 8.96% from NT\$4.41 billion in 2022. Consolidated operating costs and expenses in 2023 totaled NT\$3.64062 billion, up 4.59% from 2022. Consolidated net operating income, meanwhile, fell 59.72% from 2022 to NT\$374.27 million in 2023.

Consolidated net non-operating income in 2023 was NT\$58.29 million. For the year 2023, net income attributable to the parent company was NT\$328.33 million, down 57.14% from NT\$766.08 million in 2022. Earnings per share in 2023 was NT\$1.66.

Attachment 2

2023 Audit Committee's Review Report

Chinese Maritime Transport Ltd.

2024 Annual General Meeting of Shareholders:

The Company's 2023 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 Yiu-Kwan 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 14, 2024

Attachment 3

2023 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 sheet as of December 31, 2023 and 2022, the consolidated statement 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 material 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

We draw attention to note 6(a) of the financial statements, according to the IFRSs Q&A updated by the Financial Supervisory Commission, Securities and Futures

Bureau, the repatriated offshore funds account balance amounted to \$77,218 and \$196,469 on December 31, 2022 and January 1, 2022, respectively, was reclassified from other current financial assets to cash and cash equivalents, and the financial statements were restated retrospectively. Our opinion is not modified in respect of this matter.

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 2.81% and 3.11% of total assets at December 31, 2023 and 2022, respectively. The related shares of profit of associates accounted for using the equity method constituted 8.51% and 1.91% of total profit before tax for the years ended December 31, 2023 and 2022, respectively.

CHINESE MARITIME TRANSPORT LTD. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion with Emphasis of the Matter and Other Matter, 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)(p) for the accounting policy of “Revenue” and to Note (6)(r) 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 Au, Yiu-Kwan and Chien, Szu-Chuan.

KPMG

Taipei, Taiwan (Republic of China)

March 14, 2024

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets		December 31, 2023		December 31, 2022 (Adjusted)		January 1, 2022 (Adjusted)		Liabilities and Equity		December 31, 2023		December 31, 2022 (Adjusted)		January 1, 2022 (Adjusted)	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (note 6(a))	\$ 3,946,557	17	4,066,372	20	3,253,517	17	2100	Short-term borrowings (note 6(k))	\$ 3,019,696	13	1,899,486	10	1,459,781	8
1110	Current financial assets at fair value through profit or loss (notes 6(b) and 8)	584,528	2	314,678	2	480,371	3	2130	Current contract liabilities (note 6(r))	42,014	-	57,680	-	55,217	-
1150	Notes and accounts receivable, net (note 6(d))	274,723	2	279,731	1	331,386	2	2150	Notes and accounts payable	174,767	1	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	157,122	1	174,668	1	151,102	1
1301	Merchandise inventory (note 6(e))	60,079	-	-	-	-	-	2230	Current tax liabilities	90,859	-	60,255	-	35,571	-
1470	Other current assets	93,286	-	99,450	-	88,003	-	2280	Current lease liabilities (note 6(l))	52,839	-	45,849	-	51,286	-
1476	Other current financial assets (notes 6(j) and 8)	319,657	2	199,094	1	240,681	1	2300	Other current liabilities	2,814	-	3,727	-	2,608	-
		<u>5,278,830</u>	<u>23</u>	<u>4,974,186</u>	<u>24</u>	<u>4,408,638</u>	<u>23</u>	2320	Long-term liabilities, current portion (note 6(k))	743,438	3	876,584	4	1,225,824	7
										<u>4,283,549</u>	<u>18</u>	<u>3,290,406</u>	<u>16</u>	<u>3,221,457</u>	<u>17</u>
Non-current assets:								Non-current liabilities:							
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	22,453	-	15,537	-	686,613	4	2530	Bonds payable (note 6(k))	2,500,000	11	2,500,000	12	2,500,000	13
1517	Non-current financial assets at fair value through other comprehensive income (notes 6(c) and 8)	1,253,522	5	669,355	4	776,107	4	2540	Long-term borrowings (note 6(k))	4,249,826	18	2,255,615	11	2,118,890	11
1550	Investments accounted for using equity method, net (note 6(f))	657,814	3	635,606	3	587,583	3	2570	Deferred tax liabilities (note 6(o))	607,743	4	615,512	3	606,789	3
1600	Property, plant and equipment (notes 6(g), 7 and 8)	15,963,261	68	13,875,442	68	12,261,063	65	2580	Non-current lease liabilities (note 6(l))	108,261	-	125,354	1	169,285	1
1755	Right-of-use assets (note 6(h))	155,255	1	165,403	1	215,315	1	2640	Net defined benefit liabilities, non-current (note 6(n))	11,072	-	8,430	-	30,714	-
1760	Investment property, net (note 6(i))	34,330	-	34,847	-	33,849	-	2670	Other non-current liabilities, others	3,834	-	4,001	-	3,179	-
1780	Intangible assets	4,188	-	5,303	-	8,381	-			<u>7,480,736</u>	<u>33</u>	<u>5,508,912</u>	<u>27</u>	<u>5,428,857</u>	<u>28</u>
1840	Deferred tax assets (note 6(o))	9,442	-	11,923	-	13,646	-		Total liabilities	<u>11,764,285</u>	<u>51</u>	<u>8,799,318</u>	<u>43</u>	<u>8,650,314</u>	<u>45</u>
1900	Other non-current assets	9,477	-	39,952	-	64,755	-	Equity attributable to owners of parent (note 6(p)):							
1975	Net defined benefit asset, non-current (notes (n) and 8)	2,002	-	-	-	-	-	3100	Common stock	1,974,846	8	1,974,846	10	1,974,846	10
1980	Other non-current financial assets (notes 6(j) and 8)	23,094	-	23,414	-	22,461	-	3200	Capital surplus	53,411	-	53,411	-	53,411	-
		<u>18,134,838</u>	<u>77</u>	<u>15,476,782</u>	<u>76</u>	<u>14,669,773</u>	<u>77</u>		Retained earnings:						
Total assets		<u>\$ 23,413,668</u>	<u>100</u>	<u>20,450,968</u>	<u>100</u>	<u>19,078,411</u>	<u>100</u>	3310	Legal reserve	1,960,427	8	1,882,499	9	1,779,756	10
								3320	Special reserve	359,487	2	934,768	5	883,992	5
								3350	Unappropriated earnings	7,143,644	31	6,749,885	33	6,653,375	35
										<u>9,463,558</u>	<u>41</u>	<u>9,567,152</u>	<u>47</u>	<u>9,317,123</u>	<u>50</u>
								3400	Other equity interest	92,656	-	46,868	-	(934,768)	(5)
									Total equity attributable to owners of parent	<u>11,584,471</u>	<u>49</u>	<u>11,642,277</u>	<u>57</u>	<u>10,410,612</u>	<u>55</u>
								3610	Non-controlling interests	64,912	-	9,373	-	17,485	-
									Total equity	<u>11,649,383</u>	<u>49</u>	<u>11,651,650</u>	<u>57</u>	<u>10,428,097</u>	<u>55</u>
									Total liabilities and equity	<u>\$ 23,413,668</u>	<u>100</u>	<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, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars, Except earnings per share)

		<u>2023</u>		<u>2022</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenues (notes 6(r), 7 and 14)				
4621	Freight revenue-vessel chartering	\$ 2,381,878	59	2,587,515	59
4622	Freight revenue-container hauling and logistics	1,567,155	39	1,767,859	40
4623	Freight revenue-airline agent and others	65,859	2	54,625	1
		<u>4,014,892</u>	<u>100</u>	<u>4,409,999</u>	<u>100</u>
5000	Operating costs (notes 6(n) and 12)				
5621	Freight cost-vessel chartering	1,918,483	48	1,620,604	37
5622	Freight cost-container hauling and logistics	1,191,289	30	1,348,632	31
5623	Freight cost-airline agent and others	47,745	1	55,485	1
		<u>3,157,517</u>	<u>79</u>	<u>3,024,721</u>	<u>69</u>
5900	Gross profit	<u>857,375</u>	<u>21</u>	<u>1,385,278</u>	<u>31</u>
	Operating expenses:				
6000	Operating expenses (notes 6(n), (t), 7 and 12)	483,182	12	455,942	10
6450	Expected credit losses (reversal gains) (note 6(d))	(81)	-	133	-
		<u>483,101</u>	<u>12</u>	<u>456,075</u>	<u>10</u>
6900	Net operating income	<u>374,274</u>	<u>9</u>	<u>929,203</u>	<u>21</u>
	Non-operating income and expenses:				
7010	Other income (notes 6(b), (c) and (m))	145,801	4	161,055	4
7050	Finance costs (note 6(s))	(367,944)	(9)	(151,935)	(4)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (note 6(f))	36,819	1	16,060	-
7100	Interest income	151,616	4	47,502	1
7210	Gains on disposals of property, plant and equipment, net (notes 6(g) and 7)	11,556	-	25,609	1
7230	Foreign exchange (losses) gains, net	(1,700)	-	28,014	1
7235	Gains (losses) on financial assets at fair value through profit or loss (note 6(b))	83,154	2	(212,462)	(5)
7590	Miscellaneous disbursements	(1,013)	-	(1,853)	-
		<u>58,289</u>	<u>2</u>	<u>(88,010)</u>	<u>(2)</u>
7900	Profit from continuing operation before tax	<u>432,563</u>	<u>11</u>	<u>841,193</u>	<u>19</u>
7950	Less: Income tax expenses (note 6(o))	108,695	3	83,222	2
	Profit	<u>323,868</u>	<u>8</u>	<u>757,971</u>	<u>17</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	(1,759)	-	16,506	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(c))	50,291	1	(110,261)	(3)
8349	Income tax related to items that may not be reclassified to profit or loss (note 6(o))	(352)	-	3,302	-
	Items that may not be reclassified to profit or loss	<u>48,884</u>	<u>1</u>	<u>(97,057)</u>	<u>(3)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(4,312)	-	1,040,338	24
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(f))	(191)	-	51,559	1
	Items that may be reclassified subsequently to profit or loss	<u>(4,503)</u>	<u>-</u>	<u>1,091,897</u>	<u>25</u>
8300	Other comprehensive income	<u>44,381</u>	<u>1</u>	<u>994,840</u>	<u>22</u>
	Total comprehensive income	<u>\$ 368,249</u>	<u>9</u>	<u>1,752,811</u>	<u>39</u>
	Profit, attributable to:				
	Owners of parent	\$ 328,329	8	766,083	17
	Non-controlling interests	(4,461)	-	(8,112)	-
		<u>\$ 323,868</u>	<u>8</u>	<u>757,971</u>	<u>17</u>
	Comprehensive income attributable to:				
	Owners of parent	\$ 372,710	9	1,760,923	39
	Non-controlling interests	(4,461)	-	(8,112)	-
		<u>\$ 368,249</u>	<u>9</u>	<u>1,752,811</u>	<u>39</u>
	Earnings per share (note 6(q))				
9750	Basic net income per share (NT Dollars)	<u>\$ 1.66</u>		<u>3.88</u>	
9850	Diluted net income per share (NT Dollars)	<u>\$ 1.66</u>		<u>3.87</u>	

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

**Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent						Total other equity interest			Total equity attributable to owners of parent	Non-controlling interests	Total equity
	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			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total						
Balance at January 1, 2022	\$ 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
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	77,928	-	(77,928)	-	-	-	-	-	-	-
Special reserve reversed	-	-	-	(575,281)	575,281	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(430,516)	(430,516)	-	-	-	(430,516)	-	(430,516)
	-	-	77,928	(575,281)	66,837	(430,516)	-	-	-	(430,516)	-	(430,516)
Net income for the year ended December 31, 2023	-	-	-	-	328,329	328,329	-	-	-	328,329	(4,461)	323,868
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	(1,407)	(1,407)	(4,503)	50,291	45,788	44,381	-	44,381
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	326,922	326,922	(4,503)	50,291	45,788	372,710	(4,461)	368,249
Changes in non-controlling interests-capital injection of subsidiary by cash	-	-	-	-	-	-	-	-	-	-	60,000	60,000
Balance at December 31, 2023	\$ 1,974,846	53,411	1,960,427	359,487	7,143,644	9,463,558	(220,995)	313,651	92,656	11,584,471	64,912	11,649,383

CHINESE MARITIME TRANSPORT LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022 (Adjusted)
Cash flows from (used in) operating activities:		
Profit before tax	\$ 432,563	841,193
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	1,174,674	982,650
Expected credit loss	(81)	133
Net (gain) loss on financial assets at fair value through profit or loss	(83,154)	212,462
Interest expense	367,944	151,935
Interest income	(151,616)	(47,502)
Dividend income	(126,063)	(126,711)
Share of profit of associates and joint ventures accounted for using equity method	(36,819)	(16,060)
Net gain on disposal of property, plant and equipment	(11,556)	(25,609)
Total adjustments to reconcile profit (loss)	<u>1,133,329</u>	<u>1,131,298</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in financial assets at fair value through profit or loss	4,059	-
Decrease in notes and accounts receivable (including related parties)	19,950	51,341
Increase in inventories	(60,079)	-
Decrease (increase) in other current assets	6,163	(25,617)
Increase in net defined benefit asset, non-current	(2,002)	-
Increase in other current financial assets	(57,854)	(109,399)
	<u>(89,763)</u>	<u>(83,675)</u>
Changes in operating liabilities:		
Increase (decrease) in notes and accounts payable	2,610	(67,911)
(Decrease) increase in current contract liabilities	(15,666)	2,463
(Decrease) increase in other current liabilities	(22,370)	6,844
Increase (decrease) in net defined benefit liabilities	2,642	(5,778)
	<u>(32,784)</u>	<u>(64,382)</u>
Total changes in operating assets and liabilities	<u>(122,547)</u>	<u>(148,057)</u>
Total adjustments	<u>1,010,782</u>	<u>983,241</u>
Cash inflow generated from operations	1,443,345	1,824,434
Interest received	149,231	38,881
Dividend received	140,483	146,307
Interest paid	(361,969)	(134,465)
Income taxes paid	(97,821)	(51,446)
Net cash flows from operating activities	<u>1,273,269</u>	<u>1,823,711</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(533,877)	(3,509)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,924	1,271
Acquisition of financial assets at fair value through profit or loss	(484,319)	-
Proceeds from disposal of financial assets at fair value through profit or loss	294,046	623,036
Acquisition of property, plant and equipment	(3,177,039)	(1,394,414)
Proceeds from disposal of property, plant and equipment	23,787	53,734
Acquisition of intangible assets	(1,872)	(68)
(Increase) decrease in other current financial assets	(60,345)	159,863
Increase in other non-current assets	(47,132)	(32,992)
Decrease (increase) in other non-current financial assets	320	(953)
Net cash flows used in investing activities	<u>(3,983,507)</u>	<u>(594,032)</u>
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term borrowings	1,120,210	439,705
Repayments of bonds	-	(400,000)
Proceeds from long-term borrowings	2,550,902	447,735
Repayments of long-term borrowings	(660,712)	(578,813)
Payment of lease liabilities	(50,557)	(49,368)
Cash dividends paid	(430,516)	(529,259)
Changes in non-controlling interests-subsidary cash capital increase	60,000	-
Others	(167)	822
Net cash flows from (used in) financing activities	<u>2,589,160</u>	<u>(669,178)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,263</u>	<u>252,354</u>
Net increase (decrease) in cash and cash equivalents	<u>(119,815)</u>	<u>812,855</u>
Cash and cash equivalents at beginning of period	<u>4,066,372</u>	<u>3,253,517</u>
Cash and cash equivalents at end of period	<u>\$ 3,946,557</u>	<u>4,066,372</u>

2023 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 sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of 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 Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

We draw attention to note 6(a) of the financial statements, according to the IFRSs Q&A updated by the Financial Supervisory Commission, Securities and Futures Bureau, the repatriated offshore funds account balance amounted to \$77,218 and \$196,469 on December 31, 2022 and January 1, 2022, respectively, was reclassified from other current financial assets to cash and cash equivalents, and the financial statements were restated retrospectively. Our opinion is not modified in respect of this matter.

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 3.78% and 3.82% of total assets at December 31, 2023 and 2022, respectively. The related shares of profit of associates accounted for using the equity method constituting 9.71% and 2.03% of total profit before tax for the years ended December 31, 2023 and 2022, 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 14, 2024

CHINESE MARITIME TRANSPORT LTD.
Balance Sheets
December 31, 2023 and 2022
(Expressed in thousands of New Taiwan Dollars)

Assets		December 31, 2023		December 31, 2022 (Adjusted)		January 1, 2022 (Adjusted)		Liabilities and Equity		December 31, 2023		December 31, 2022 (Adjusted)		January 1, 2022 (Adjusted)	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:															
1100	Cash and cash equivalents (note 6(a))	\$ 562,259	3	347,383	2	554,814	4	2100	Short-term borrowings (note 6(h))	\$ 2,759,743	17	1,869,486	11	1,399,795	9
1150	Notes and accounts receivable, net (note 6(c))	82,154	-	102,608	1	124,259	1	2150	Notes and accounts payable	512	-	1,135	-	3,108	-
1470	Other current assets	14,821	-	13,837	-	15,436	-	2181	Accounts payable to related parties (note 7)	106,505	1	161,178	1	113,901	1
1476	Other current financial assets (note 6(g))	2,019	-	284	-	390	-	2220	Other payables to related parties (note 7)	85,000	-	145,000	1	-	-
		<u>661,253</u>	<u>3</u>	<u>464,112</u>	<u>3</u>	<u>694,899</u>	<u>5</u>	2300	Other current liabilities (note 7)	118,615	1	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))	22,453	-	15,537	-	580,093	4			<u>3,070,375</u>	<u>19</u>	<u>2,255,440</u>	<u>13</u>	<u>1,985,860</u>	<u>13</u>
1550	Investments accounted for using equity method, net (note 6(d))	16,073,414	93	15,509,885	93	13,222,238	87	2530	Bonds payable (note 6(h))	2,500,000	14	2,500,000	15	2,500,000	17
1600	Property, plant and equipment (notes 6(e) and 8)	591,596	4	609,011	4	538,019	4	2570	Deferred tax liabilities (note 6(k))	229,560	1	237,839	2	230,136	1
1760	Investment property, net (note 6(f))	19,876	-	19,953	-	20,030	-	2640	Net defined benefit liabilities, non-current	-	-	-	-	1,877	-
1780	Intangible assets	3,550	-	5,248	-	8,381	-	2670	Other non-current liabilities, others	735	-	889	-	408	-
1840	Deferred tax assets (note 6(k))	2,035	-	4,370	-	2,353	-			<u>2,730,295</u>	<u>15</u>	<u>2,738,728</u>	<u>17</u>	<u>2,732,421</u>	<u>18</u>
1900	Other non-current assets	3,177	-	842	-	57,424	-			<u>5,800,670</u>	<u>34</u>	<u>4,994,168</u>	<u>30</u>	<u>4,718,281</u>	<u>31</u>
1975	Net defined benefit asset, non-current (note (j))	2,002	-	1,776	-	-	-		Total liabilities						
1980	Other non-current financial assets (notes 6(g) and 8)	5,785	-	5,711	-	5,456	-		Equity (note 6(l)):						
		<u>16,723,888</u>	<u>97</u>	<u>16,172,333</u>	<u>97</u>	<u>14,433,994</u>	<u>95</u>	3100	Common stock	1,974,846	11	1,974,846	12	1,974,846	13
Total assets		<u>\$ 17,385,141</u>	<u>100</u>	<u>16,636,445</u>	<u>100</u>	<u>15,128,893</u>	<u>100</u>	3200	Capital surplus	53,411	-	53,411	-	53,411	-
									Retained earnings:						
								3310	Legal reserve	1,960,427	11	1,882,499	11	1,779,756	12
								3320	Special reserve	359,487	2	934,768	6	883,992	6
								3350	Unappropriated earnings	7,143,644	41	6,749,885	41	6,653,375	44
										<u>9,463,558</u>	<u>54</u>	<u>9,567,152</u>	<u>58</u>	<u>9,317,123</u>	<u>62</u>
								3400	Other equity interest	92,656	1	46,868	-	(934,768)	(6)
										<u>11,584,471</u>	<u>66</u>	<u>11,642,277</u>	<u>70</u>	<u>10,410,612</u>	<u>69</u>
									Total equity						
									Total liabilities and equity	<u>\$ 17,385,141</u>	<u>100</u>	<u>16,636,445</u>	<u>100</u>	<u>15,128,893</u>	<u>100</u>

CHINESE MARITIME TRANSPORT LTD.
Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars , Except earnings per share)

	2023		2022	
	Amount	%	Amount	%
4000 Operating Revenues (notes 6(n) and 7))				
4621 Freight revenue-vessel chartering	\$ 79,092	13	87,987	11
4622 Freight revenue-container hauling and logistics	507,035	83	641,607	82
4623 Freight revenue-airline agent and others	21,482	4	50,445	7
	<u>607,609</u>	<u>100</u>	<u>780,039</u>	<u>100</u>
5000 Total operating costs (notes 7 and 12)	<u>497,317</u>	<u>82</u>	<u>647,724</u>	<u>83</u>
5900 Gross profit	110,292	18	132,315	17
Operating expenses:				
6000 Operating expenses (notes 6(j), (p), 7 and 12)	<u>202,654</u>	<u>33</u>	<u>191,428</u>	<u>24</u>
6900 Net operating loss	<u>(92,362)</u>	<u>(15)</u>	<u>(59,113)</u>	<u>(7)</u>
Non-operating income and expenses:				
7010 Other income (notes 6(b) and (i))	14,510	2	76,943	10
7050 Finance costs-interest expense (note 6(o))	(77,091)	(13)	(54,944)	(7)
7070 Share of profit (loss) of associates and joint ventures accounted for using equity method, net (note 6(d))	510,183	84	888,867	114
7100 Interest income	15,579	3	3,824	-
7210 Losses on disposal of property, plant and equipment (note 6(e))	(1,488)	-	-	-
7235 Gains (losses) on financial assets at fair value through profit or loss (note 6(b))	9,840	2	(64,017)	(8)
	<u>471,533</u>	<u>78</u>	<u>850,673</u>	<u>109</u>
7900 Profit from continuing operation before tax	379,171	63	791,560	102
7950 Less: Income tax expenses (note 6(k))	<u>50,842</u>	<u>8</u>	<u>25,477</u>	<u>3</u>
Profit	<u>328,329</u>	<u>55</u>	<u>766,083</u>	<u>99</u>
8300 Other comprehensive income:				
8310 Items that may not be reclassified to profit or loss				
8311 Gains on remeasurements of defined benefit plans (note 6(j))	80	-	3,578	-
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	48,820	8	(99,919)	(13)
8349 Income tax related to items that will not be reclassified to profit or loss (note 6(k))	16	-	716	-
	<u>48,884</u>	<u>8</u>	<u>(97,057)</u>	<u>(13)</u>
8360 Items that may be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(4,312)	(1)	1,040,338	133
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	(191)	-	51,559	7
8399 Income tax related to items that will be reclassified to profit or loss (note 6(k))	-	-	-	-
	<u>(4,503)</u>	<u>(1)</u>	<u>1,091,897</u>	<u>140</u>
8300 Other comprehensive income	<u>44,381</u>	<u>7</u>	<u>994,840</u>	<u>127</u>
8500 Total comprehensive income	<u>\$ 372,710</u>	<u>62</u>	<u>1,760,923</u>	<u>226</u>
Earnings per share (note 6(m))				
9750 Basic net income per share (NT dollars)	<u>\$ 1.66</u>		<u>3.88</u>	
9850 Diluted net income per share (NT dollars)	<u>\$ 1.66</u>		<u>3.87</u>	

CHINESE MARITIME TRANSPORT LTD.
Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of parent						Total other equity interest			Total equity
	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	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total				
Balance at January 1, 2022	\$ 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
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)
	-	-	102,743	50,776	(682,778)	(529,259)	-	-	-	(529,259)
Net income for the year ended December 31, 2022	-	-	-	-	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
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	779,288	779,288	1,091,897	(110,261)	981,636	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
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	77,928	-	(77,928)	-	-	-	-	-
Special reserve appropriated	-	-	-	(575,281)	575,281	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(430,516)	(430,516)	-	-	-	(430,516)
	-	-	77,928	(575,281)	66,837	(430,516)	-	-	-	(430,516)
Net income for the year ended December 31, 2023	-	-	-	-	328,329	328,329	-	-	-	328,329
Other comprehensive income for the year ended December 31, 2023	-	-	-	-	(1,407)	(1,407)	(4,503)	50,291	45,788	44,381
Total comprehensive income for the year ended December 31, 2023	-	-	-	-	326,922	326,922	(4,503)	50,291	45,788	372,710
Balance at December 31, 2023	\$ 1,974,846	53,411	1,960,427	359,487	7,143,644	9,463,558	(220,995)	313,651	92,656	11,584,471

CHINESE MARITIME TRANSPORT LTD.
Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars)

	<u>2023</u>	<u>2022</u> (Adjusted)
Cash flows from (used in) operating activities:		
Profit before tax	\$ 379,171	791,560
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	24,264	21,222
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(9,840)	64,017
Interest expense	77,091	54,944
Interest income	(15,579)	(3,824)
Dividend income	(545)	(31,761)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(510,183)	(888,867)
Loss on disposal of property, plant and equipment, net	1,488	-
Total adjustments to reconcile profit (loss)	<u>(433,304)</u>	<u>(784,269)</u>
Changes in operating assets:		
Decrease in notes and accounts receivable (including related parties)	20,454	21,651
Increase in other current assets	(984)	(54,984)
Decrease (increase) in other current financial assets	(82)	79
	<u>19,388</u>	<u>(33,254)</u>
Changes in operating liabilities:		
(Decrease) increase in notes and accounts payable (including related parties)	(55,296)	45,304
Increase (decrease) in net defined benefit liabilities	80	(73)
(Decrease) increase in other current liabilities	(4,570)	(8,911)
(Decrease) increase in other non-current liabilities	(154)	481
	<u>(59,940)</u>	<u>36,801</u>
Total changes in operating assets and liabilities	<u>(40,552)</u>	<u>3,547</u>
Total adjustments	<u>(473,856)</u>	<u>(780,722)</u>
Cash inflow (used in) from operations	(94,685)	10,838
Interest received	13,926	3,851
Dividends received	390,516	435,148
Interest paid	(76,439)	(57,916)
Income taxes (paid) refund	(13,136)	960
Net cash flows from operating activities	<u>220,182</u>	<u>392,881</u>
Cash flows used in investing activities:		
Proceeds from capital reduction of financial assets at fair value through profit or loss	2,924	1,271
Proceeds from disposal of financial assets at fair value through profit or loss	-	499,268
Acquisition of investments accounted for using equity method	(399,000)	(815,130)
Increase in other non-current financial assets	(74)	(255)
Proceeds from capital reduction of investments accounted for using equity method	-	4,941
Acquisition of property, plant and equipment (including prepayment for equipment)	(5,289)	(32,421)
(Increase) decrease in other non-current assets	(3,608)	56,582
Net cash flows used in investing activities	<u>(405,047)</u>	<u>(285,744)</u>
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	890,257	469,691
Repayments of long-term bonds	-	(400,000)
(Decrease) increase in other payables to related parties	(60,000)	145,000
Cash dividends paid	(430,516)	(529,259)
Net cash flows used in (from) financing activities	<u>399,741</u>	<u>(314,568)</u>
Net increase (decrease) in cash and cash equivalents	214,876	(207,431)
Cash and cash equivalents at beginning of period	347,383	554,814
Cash and cash equivalents at end of period	<u>\$ 562,259</u>	<u>347,383</u>

Appendix 1

Chinese Maritime Transport Ltd.

Rules of Procedure for Shareholders' Meeting

Amended and approved by the Regular Shareholders' Meeting on June 9, 2023

- 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.
- The aforementioned restrictions on the place of the Meeting shall not apply when the Corporation convenes a virtual-only shareholders meeting.
- 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.

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.

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 Corporation's articles of incorporation, the Company Act and other relevant laws and regulations 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 Shareholders' Meeting on June 9, 2023

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.

Shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

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 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-fifth amendment on May 12, 2022, the forty-sixth amendment on June 9, 2023.

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 2024 Shareholders' Meeting (April 2, 2024) are detailed in the following table.

Title	Name	Shareholding on the book closure data	Representative
Chair	William Peng	54,019,522	AGCMT Group Ltd.
Director	John Y.K. Peng	54,019,522	
Director	James S.C. Tai	54,019,522	
Director	Charlie Mei	54,019,522	
Director	Telvin Ju	54,019,522	
Director	David Hsu	54,019,522	
Independent Director	Donald Kuo-Liang Chao	0	
Independent Director	Paul Shih-Sheng Lai	0	
Independent Director	Roger YI-HUNG HSU	0	
Total		54,019,522	