EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

MARCH 31, 2021 AND 2020

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Evergreen Marine Corporation (Taiwan) Ltd. and subsidiaries (the "Group") as at March 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

As explained in Note 6(7), we did not review the financial statements of certain investments accounted for under the equity method, which statements reflect investments accounted for under the equity method of NT$2,868,187 thousand and NT$2,428,753 thousand, constituting 0.73% and 0.79% of the consolidated total assets as of March 31, 2021 and 2020, respectively, and comprehensive income and loss under the equity method of NT$68,058 thousand and NT$51,999 thousand, constituting 0.16% and (2.79%) of the consolidated total comprehensive income and loss for the three-month periods then ended. These amounts and the related information disclosed in Note 13 were based on the unreviewed financial statements of such investee companies.

Qualified conclusion

Based on our reviews and the reports of other independent auditors, except for the possible effects on the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain investments accounted for under the equity method and the related information disclosed in Note 13 been reviewed by independent auditors as explained in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Other matter – Review reports of other independent auditors

We did not review the financial statements of certain consolidated subsidiaries and investments accounted for under the equity method. Those financial statements were reviewed by other independent auditors, whose reports thereon have been furnished to us, and our report expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 13 was based solely on the review reports of other independent auditors. These consolidated subsidiaries reflect total assets of NT$60,027,381 thousand and NT$60,713,322 thousand, constituting 15.35% and 19.75% of the consolidated total assets as at March 31, 2021 and 2020, and total operating revenues of NT$13,562,673 thousand and NT$8,081,861 thousand, constituting 15.08% and 18.59% of the consolidated total operating revenues for the three-month periods then ended. The investments accounted for under the equity method amounted to NT$17,986,982 thousand and NT$16,683,591 thousand, constituting 4.60% and 5.43% of the consolidated total assets as at March 31, 2021 and 2020, and the comprehensive income and loss under equity method was NT$1,091,841 thousand and (NT$659,634) thousand, constituting 2.60% and 35.34% of the consolidated total comprehensive income and loss for the three-month periods then ended.

Lee, Hsiu-Ling

Chou, Hsiao-Tzu

For and on behalf of PricewaterhouseCoopers, Taiwan

May 7, 2021

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

	Assets	Notes	March 31, 2021		December 31, 2020		March 31, 2020	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 62,716,849	16	$ 44,096,485	13	$ 37,384,573	12
1110	Financial assets at fair value through profit or loss - current		290	-	4,289	-	-	-
1136	Current financial assets at amortised cost, net	6(3) and 8	16,321,547	4	6,768,603	2	706,653	-
1140	Current contract assets	6(22)	3,796,912	1	3,041,569	1	1,371,280	1
1150	Notes receivable, net	6(4)	147,023	-	113,313	-	115,435	-
1170	Accounts receivable, net	6(4)	27,797,973	7	20,955,878	6	13,478,001	4
1180	Accounts receivable, net - related parties	6(4) and 7	1,274,844	1	849,432	-	699,215	-
1200	Other receivables		136,308	-	239,653	-	314,980	-
1210	Other receivables - related parties	7	734,369	-	747,230	-	750,937	-
1220	Current income tax assets		208,096	-	205,171	-	399,911	-
130X	Inventories	6(5)	4,439,277	1	2,931,711	1	3,344,171	1
1410	Prepayments		1,708,513	1	1,562,365	1	1,470,766	1
1470	Other current assets	6(6) and 7	4,143,088	1	4,322,192	2	2,778,305	1
11XX	**Current assets**		123,425,089	32	85,837,891	26	62,814,227	20
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	1,785,252	1	1,657,983	-	1,452,117	1
1535	Non-current financial assets at amortised cost, net	6(3)	355,976	-	348,609	-	340,138	-
1550	Investments accounted for using equity method	6(7)	30,928,496	8	29,919,994	9	28,538,325	9
1600	Property, plant and equipment, net	6(8), 8 and 9	124,442,839	32	118,642,644	36	111,147,375	36
1755	Right-of-use assets	6(9)	86,740,560	22	76,189,187	23	82,255,432	27
1760	Investment property, net	6(11) and 8	5,196,660	1	5,171,512	2	5,432,571	2
1780	Intangible assets		1,508,564	-	1,552,438	-	1,873,250	1
1840	Deferred income tax assets	6(30)	656,293	-	664,194	-	994,459	-
1900	Other non-current assets	6(4)(12) and 8	16,029,282	4	14,236,388	4	12,625,562	4
15XX	**Non-current assets**		267,643,922	68	248,382,949	74	244,659,229	80
1XXX	**Total assets**		$ 391,069,011	100	$ 334,220,840	100	$ 307,473,456	100

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

	Liabilities and Equity	Notes	March 31, 2021 AMOUNT	%	December 31, 2020 AMOUNT	%	March 31, 2020 AMOUNT	%
	Current liabilities							
2126	Current financial liabilities for hedging	6(9) and 7	$ 917,321	-	$ 898,484	-	$ 1,934,757	1
2130	Current contract liabilities	6(22)	5,202,690	1	3,677,100	1	2,762,109	1
2150	Notes payable		20,004	-	3,973	-	-	-
2170	Accounts payable		24,845,409	7	20,327,030	6	13,889,081	5
2180	Accounts payable - related parties	7	381,085	-	236,204	-	279,644	-
2200	Other payables		8,267,547	2	5,455,869	2	4,463,287	1
2220	Other payables - related parties	7	123,655	-	130,767	-	701,326	-
2230	Current income tax liabilities		3,595,381	1	1,436,225	1	602,049	-
2280	Current lease liabilities	6(9) and 7	10,345,171	3	9,469,102	3	9,065,072	3
2300	Other current liabilities	6(13) and 7	31,192,663	8	30,856,051	9	29,387,922	10
21XX	**Current liabilities**		84,890,926	22	72,490,805	22	63,085,247	21
	Non-current liabilities							
2511	Non-current financial liabilities for hedging	6(9) and 7	9,885,495	2	9,971,891	3	17,846,103	6
2530	Corporate bonds payable	6(14)	6,344,606	2	12,779,043	4	10,000,000	3
2540	Long-term loans	6(15)	68,599,845	18	77,040,500	23	87,678,688	28
2550	Provisions for liabilities - noncurrent		-	-	-	-	-	-
2570	Deferred income tax liabilities	6(30)	3,923,247	1	2,872,242	1	1,908,802	1
2580	Non-current lease liabilities	6(9) and 7	63,740,252	16	53,831,455	16	52,198,720	17
2600	Other non-current liabilities	6(16)(17)	3,847,238	1	3,740,611	1	3,279,754	1
25XX	**Non-current liabilities**		156,340,683	40	160,235,742	48	172,912,067	56
2XXX	**Total liabilities**		241,231,609	62	232,726,547	70	235,997,314	77
	Equity attributable to owners of the parent							
	Capital	6(18)						
3110	Common stock		52,215,557	13	48,980,353	15	48,129,738	15
3130	Certificate of entitlement to new shares from convertible bond		493,803	-	-	-	-	-
	Capital surplus	6(19)						
3200	Capital surplus		15,132,876	4	12,433,364	4	11,407,992	4
	Retained earnings	6(20)						
3310	Legal reserve		5,714,940	2	5,714,940	2	5,714,940	2
3350	Unappropriated retained earnings		63,817,580	16	27,734,460	8	3,220,489	1
	Other equity interest	6(21)						
3400	Other equity interest		413,559	-	(581,406)	(1)	48,681	-
31XX	**Equity attributable to owners of the parent**		137,788,315	35	94,281,711	28	68,521,840	22
36XX	Non-controlling interest		12,049,087	3	7,212,582	2	2,954,302	1
3XXX	**Total equity**		149,837,402	38	101,494,293	30	71,476,142	23
	Significant Contingent Liabilities and Unrecognized Contract Commitments	9						
	Significant Events After the Balance Sheet Date	11						
3X2X	**Total liabilities and equity**		$ 391,069,011	100	$ 334,220,840	100	$ 307,473,456	100

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings (loss) per share)
(Reviewed, not audited)

			Three-month periods ended March 31			
			2021		2020	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(22) and 7	$ 89,953,060	100	$ 43,475,255	100
5000	Operating costs	6(28)(29) and 7	(43,313,405)	(48)	(40,530,578)	(93)
5900	Gross profit		46,639,655	52	2,944,677	7
5910	Unrealized (profit) loss from sales		(26,841)	-	2,810	-
5920	Realized profit from sales		3,352	-	2,726	-
5950	Gross profit		46,616,166	52	2,950,213	7
	Operating expenses	6(28)(29) and 7				
6100	Selling expenses		(529,763)	(1)	(373,548)	(1)
6200	General and administrative expenses		(2,136,030)	(2)	(2,076,653)	(5)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9		(740)	-	2,776	-
6000	Operating expenses		(2,666,533)	(3)	(2,447,425)	(6)
6500	Other gains - net	6(23) and 7	34,964	-	(6,377)	-
6900	Operating profit		43,984,597	49	496,411	1
	Other non-operating income and expenses					
7100	Interest income	6(24)	62,213	-	138,079	-
7010	Other income	6(25)	117,941	-	125,836	-
7020	Other gains and losses	6(26)	(27,373)	-	87,099	-
7050	Finance costs	6(27) and 7	(883,368)	(1)	(1,324,561)	(3)
7060	Share of loss of associates and joint ventures accounted for using equity method		1,059,644	2	(140,504)	-
7000	Total non-operating income and expenses		329,057	1	(1,114,051)	(3)
7900	**Profit (loss) before income tax**		44,313,654	50	(617,640)	(2)
7950	Income tax expense	6(30)	(3,447,966)	(4)	(115,509)	-
8200	**Profit (loss) for the period**		$ 40,865,688	46	($ 733,149)	(2)

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings (loss) per share)
(Reviewed, not audited)

	Items	Notes	Three-month periods ended March 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss)					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(2)(21)	$ 121,462	-	($ 270,356)	(1)
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		149,838	-	(229,577)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)	(3,399)	-	6,723	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		267,901	-	(493,210)	(1)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translating the financial statements of foreign operations		1,159,854	1	(208,534)	-
8368	Gains (losses) on hedging instrument	6(9)(21)	(170,080)	-	(127,127)	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		(159,143)	-	(332,983)	(1)
8399	Income tax relating to the components of other comprehensive income	6(30)	42,675	-	28,568	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		873,306	1	(640,076)	(1)
8300	**Other comprehensive income (loss) for the period, net of income tax**		$ 1,141,207	1	($ 1,133,286)	(2)
8500	**Total comprehensive income (loss) for the period**		$ 42,006,895	47	($ 1,866,435)	(4)
	Profit (loss), attributable to:					
8610	Owners of the parent		$ 36,083,120	41	($ 441,577)	(1)
8620	Non-controlling interest		$ 4,782,568	5	($ 291,572)	(1)
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		$ 37,078,085	42	($ 1,524,494)	(3)
8720	Non-controlling interest		$ 4,928,810	5	($ 341,941)	(1)
	Basic earnings (loss) per share (in dollars)	6(31)				
9750	Basic earnings (loss) per share		$	7.04	($	0.09)
9850	Diluted earnings (loss) per share		$	7.01	($	0.09)

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

		Equity attributable to owners of the parent										
					Retained earnings		Other equity interest					
	Notes	Common stock	Certificate of entitlement to new shares from convertible bond	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on effective portion of cash flow hedges	Total	Non-controlling interest	Total equity
Three-month period ended March 31, 2020												
Balance at January 1, 2020	6(21)	$ 48,129,738	$ -	$ 11,407,437	$ 5,714,940	$ 3,659,042	($ 856,773)	$ 1,411,638	$ 579,757	$ 70,045,779	$ 3,549,067	$ 73,594,846
Profit for the period	6(20)	-	-	-	-	(441,577)	-	-	-	(441,577)	(291,572)	(733,149)
Other comprehensive income (loss) for the period	6(20)(21)	-	-	-	-	3,024	(130,118)	(498,138)	(457,685)	(1,082,917)	(50,369)	(1,133,286)
Total comprehensive loss		-	-	-	-	(438,553)	(130,118)	(498,138)	(457,685)	(1,524,494)	(341,941)	(1,866,435)
Adjustments to share of changes in equity of associates and joint ventures	6(19)	-	-	555	-	-	-	-	-	555	-	555
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(252,824)	(252,824)
Balance at March 31, 2020		$ 48,129,738	$ -	$ 11,407,992	$ 5,714,940	$ 3,220,489	($ 986,891)	$ 913,500	$ 122,072	$ 68,521,840	$ 2,954,302	$ 71,476,142
Three-month period ended March 31, 2021												
Balance at January 1, 2021	6(21)	$ 48,980,353	$ -	$ 12,433,364	$ 5,714,940	$ 27,734,460	($ 4,328,344)	$ 1,884,774	$ 1,862,164	$ 94,281,711	$ 7,212,582	$ 101,494,293
Profit for the period	6(20)	-	-	-	-	36,083,120	-	-	-	36,083,120	4,782,568	40,865,688
Other comprehensive income (loss) for the period	6(21)	-	-	-	-	-	1,077,715	267,901	(350,651)	994,965	146,242	1,141,207
Total comprehensive income (loss)		-	-	-	-	36,083,120	1,077,715	267,901	(350,651)	37,078,085	4,928,810	42,006,895
Adjustments to share of changes in equity of associates and joint ventures	6(19)	-	-	(38,640)	-	-	-	-	-	(38,640)	-	(38,640)
Other changes in capital surplus	6(19)	-	-	(3)	-	-	-	-	-	(3)	-	(3)
Conversion of Euro-convertible bonds	6(18)(19)	3,235,204	493,803	2,738,155	-	-	-	-	-	6,467,162	-	6,467,162
Changes in non-controlling interests	6(32)	-	-	-	-	-	-	-	-	-	(92,305)	(92,305)
Balance at March 31, 2021		$ 52,215,557	$ 493,803	$ 15,132,876	$ 5,714,940	$ 63,817,580	($ 3,250,629)	$ 2,152,675	$ 1,511,513	$ 137,788,315	$ 12,049,087	$ 149,837,402

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

	Notes	Three-month periods ended March 31 2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		$ 44,313,654	($ 617,640)
Adjustments			
Income and expenses having no effect on cash flows			
Financial assets and liabilities at fair value through profit or loss	6(26)	28,432	-
Depreciation	6(8)(9)(11)(26)(28)	5,179,276	5,264,307
Amortization	6(28)	72,406	77,006
Expected credit loss (gain)	12(2)	740	(2,776)
Rental expense	6(9)	(222)	-
Other income	6(9)	(132)	-
Interest income	6(24)	(62,213)	(138,079)
Interest expense	6(27)	883,368	1,324,561
Dividend income	6(25)	(21,274)	-
Share of (profit) loss of associates and joint ventures accounted for using equity method		(1,059,644)	140,504
Losses (gains) arising from lease modification	6(26)	559	(1)
Net (gain) loss on disposal of property, plant and equipment	6(23)	(34,964)	6,377
Net loss (gain) on disposal of right-of-use assets	6(26)	263	(15,001)
Net gain on disposal of investments	6(26)	(2,198)	(161)
Realized income with affiliated companies		(3,352)	(2,726)
Unrealized gain (loss) with affiliated companies		26,841	(2,810)
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Current contract assets		(723,620)	330,165
Notes receivable, net		(32,115)	14,874
Accounts receivable, net		(6,497,184)	586,294
Accounts receivable, net - related parties		(413,999)	85,456
Other receivables		106,317	(29,452)
Other receivables - related parties		7,197	(3,023)
Inventories		(1,473,663)	1,224,893
Prepayments		(127,672)	36,686
Other current assets		208,763	(390,606)
Other non-current assets		(6,316)	1,265
Net changes in liabilities relating to operating activities			
Current contract liabilities		1,480,793	538,654
Notes payable		15,975	-
Accounts payable		4,299,935	(2,354,816)
Accounts payable - related parties		141,891	(133,409)
Other payables		1,584,003	(208,214)
Other payables - related parties		(9,453)	(11,634)
Other current liabilities		(2,492,283)	(1,517,641)
Other non-current liabilities		(75,664)	(62,650)
Cash inflow generated from operations		45,314,445	4,140,403
Interest received		62,213	138,079
Interest paid		(895,201)	(1,374,566)
Income tax paid		(217,230)	(424,027)
Net cash flows from operating activities		44,264,227	2,479,889

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(Reviewed, not audited)

	Notes	Three-month periods ended March 31 2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) decrease in financial assets at amortised cost-current		($ 9,518,198)	$ 1,064,550
Decrease in other receivables - related parties		16,253	-
(Increase) decrease in financial assets at amortised cost - non current		(7,367)	10,583
Proceeds from disposal of investments accounted for using equity method		-	150,464
Acquisition of property, plant and equipment	6(34)	(1,061,665)	(1,906,646)
Proceeds from disposal of property, plant and equipment		40,153	774,731
Acquisition of right-of-use assets		-	(10,921)
Proceeds from disposal of right-of-use assets		-	26,245
Acquisition of intangible assets		(8,528)	(8,647)
Increase in guarantee deposits paid		(10,434)	(5,329)
Decrease in guarantee deposits paid		1,877	8,527
Increase in other non-current assets	6(34)	(6,369,029)	(6,025,226)
Effect of initial consolidation of subsidiaries		-	4,082
Cash dividend received		21,274	8,126
Net cash flows used in investing activities		(16,895,664)	(5,909,461)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans		1,342,458	1,954,763
Decrease in short-term loans		(1,342,458)	(1,954,763)
Increase in other payables - related parties		127	2,601
Increase in long-term loans	6(35)	2,581,532	11,356,296
Decrease in long-term loans	6(35)	(9,291,104)	(4,853,139)
Payments of lease liabilities	6(9)(35)	(2,896,527)	(3,107,066)
Net change in non-controlling interest	6(34)	(53,496)	(236,187)
Increase in guarantee deposits received	6(35)	141,597	118,373
Decrease in guarantee deposits received	6(35)	(89,269)	(151,556)
Other financing activities	6(19)	(3)	-
Net cash flows (used in) from financing activities		(9,607,143)	3,129,322
Effect of exchange rate changes		858,944	(187,066)
Net increase (decrease) in cash and cash equivalents		18,620,364	(487,316)
Cash and cash equivalents at beginning of period		44,096,485	37,871,889
Cash and cash equivalents at end of period		$ 62,716,849	$ 37,384,573

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. HISTORY AND ORGANISATION

Evergreen Marine Corporation (Taiwan) Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on September 25, 1968 and was established in the Republic of China. The Company and its subsidiaries (collectively referred herein as the “Group”) are mainly engaged in domestic and international marine transportation, shipping agency services, and the distribution of containers. The Company was approved by the Securities and Futures Bureau (SFB), Financial Supervisory Commission, Executive Yuan, R.O.C. to be a public company on November 2, 1982 and was further approved by the SFB to be a listed company on July 6, 1987. The Company’s shares have been publicly traded on the Taiwan Stock Exchange since September 21, 1987.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were reported to the Board of Directors on May 7, 2021.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2021 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 4, ‘Extension of the temporary exemption from applying IFRS 9’	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, ‘Interest Rate Benchmark Reform— Phase 2’	January 1, 2021
Amendment to IFRS 16, ‘Covid-19-related rent concessions beyond 30 June 2021’	April 1, 2021(Note)

Note：Earlier application from January 1, 2021 is allowed by FSC.

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, 'Interest Rate Benchmark Reform—Phase 2'

The amendments address issues that arise during the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one. Given the pervasive nature of IBOR-based contracts, the amendments provide accounting for changes in the basis for determining contractual cash flows as a result of IBOR reform, end date for Phase 1 relief for non contractually specified risk components in hedging relationships, additional temporary exceptions from applying specific hedge accounting requirements, and additional IFRS 7 disclosures related to IBOR reform.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 16, 'Property, plant and equipment:proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts—cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

A. Amendments to IFRS 3, 'Reference to the conceptual framework'

The amendments were made to IFRS 3, 'Business combinations' to update the references to the 2018 Conceptual Framework for Financial Reporting, in determining what constitutes an asset or a liability in a business combination. In addition, the amendments added an exception in IFRS 3 for the recognition of liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS

37, 'Provisions, Contingent Liabilities and Contingent Assets' or IFRIC 21, 'Levies', rather than the 2018 Conceptual Framework. The amendments also confirmed that contingent assets, as defined in IAS 37, should not be recognised by the acquirer at the acquisition date.

B. Amendment to IFRS 16, 'Covid-19-related rent concessions beyond 30 June 2021'

The amendment extends the application period of the practical expedient by one year to cover COVID-19-related rent concessions that reduce only lease payments originally due on or before June 30, 2022, provided that all specified conditions are met. The original amendment covered only lease payments originally due on or before June 30, 2021.

C. Amendments to IAS 1, 'Disclosure of accounting policies'

The amendments require an entity to disclose its material accounting policy information rather than its significant accounting policies. The amendments also explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material.

D. Amendments to IAS 8, 'Definition of accounting estimates'

The amendments clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The amendments also clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim Financial Reporting' as endorsed by the FSC.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

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

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) <u>Basis of consolidation</u>

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%) March 31, 2021	Ownership (%) December 31, 2020	Ownership (%) March 31, 2020	Description
The Company	TTSC	Cargo loading and discharging	55.00	55.00	55.00	
The Company	Peony	Investments in transport-related business	100.00	100.00	100.00	
The Company	ETS	Terminal Services	94.43	94.43	94.43	
The Company	EGH	Container shipping and agency services dealing with port formalities	79.00	79.00	79.00	
The Company	EIL	Agency services dealing with port formalities	59.00	59.00	59.00	
The Company	EMA	Container shipping	-	-	-	(f)
Peony	GMS	Container shipping	100.00	100.00	100.00	
Peony	Clove	Investments in container yards and port terminals	100.00	100.00	100.00	
Peony	EMU	Container shipping	51.00	51.00	51.00	
Peony	EHIC(M)	Manufacturing of dry steel containers and container parts	84.44	84.44	84.44	
Peony	Armand N.V.	Investments in container yards and port terminals	-	-	70.00	(b)
Peony	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	20.00	(e)
Peony	MBPI	Containers storage and inspections of containers at the customs house	95.03	95.03	95.03	
Peony	MBT	Inland transportation, repairs and cleaning of containers	17.39	17.39	17.39	(e)

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%) March 31, 2021	Ownership (%) December 31, 2020	Ownership (%) March 31, 2020	Description
Peony	EGK	Agency services dealing with port formalities	100.00	100.00	100.00	
Peony	EGT	Agency services dealing with port formalities	85.00	85.00	85.00	
Peony	EGI	Agency services dealing with port formalities	99.99	99.99	99.99	
Peony	EAU	Agency services dealing with port formalities	100.00	100.00	100.00	
Peony	EIT	Agency services dealing with port formalities	55.00	55.00	55.00	
Peony	EES	Agency services dealing with port formalities	100.00	100.00	100.00	
Peony	ERU	Agency services dealing with port formalities	51.00	51.00	51.00	
Peony	EEU	Agency services dealing with port formalities	100.00	100.00	100.00	
Peony	ESA	Agency services dealing with port formalities	55.00	55.00	55.00	
Peony	EGB	Real estate leasing	95.00	95.00	95.00	
Peony	EGM	Agency services dealing with port formalities	100.00	100.00	100.00	
Peony	EGH	Container shipping and agency services dealing with port formalities	1.00	1.00	1.00	(e)
Peony	EGV	Agency services dealing with port formalities	100.00	100.00	100.00	
EGH	Ever shine (Shanghai)	Management consultancy and self-owned property leasing	100.00	100.00	100.00	
EGH	Ever shine (Ningbo)	Management consultancy and self-owned property leasing	100.00	100.00	100.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%) March 31, 2021	December 31, 2020	March 31, 2020	Description
EGH	EKH	Agency services dealing with port formalities	100.00	100.00	100.00	
EGH	EPE	Agency services dealing with port formalities	60.00	60.00	60.00	
EGH	ECO	Agency services dealing with port formalities	75.00	75.00	75.00	
EGH	ECL	Agency services dealing with port formalities	60.00	60.00	60.00	
EGH	EMX	Agency services dealing with port formalities	60.00	60.00	60.00	
EGH	EGRC	Agency services dealing with port formalities	60.00	60.00	60.00	
EGH	Ever shine (Shenzhen)	Management consultancy and self-owned property leasing	100.00	100.00	100.00	
EGH	Ever shine (Qingdao)	Management consultancy and self-owned property leasing	100.00	100.00	100.00	
EGH	ECN	Agency services dealing with port formalities	65.00	65.00	52.00	(a)
EGH	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	20.00	(e)
EGH	EIL	Agency services dealing with port formalities	1.00	1.00	1.00	(e)
EGH	ELA	Management consultancy	100.00	100.00	100.00	
EGH	EBR	Agency services dealing with port formalities	60.00	60.00	60.00	
EGH	EGP	Agency services dealing with port formalities	100.00	100.00	-	(d)
EGH	EAR	Agency services dealing with port formalities	-	-	-	(g)

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%) March 31, 2021	December 31, 2020	March 31, 2020	Description
ETS	Whitney	Investments and leases of operating machinery and equipment of port terminals	100.00	100.00	100.00	
EMU	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	20.00	(e)
Clove	ETS	Terminal Services	5.57	5.57	5.57	(e)
Armand N.V.	Armand B.V.	Investments in container yards and port terminals	-	-	100.00	(c)
MBPI	MBT	Inland transportation, repairs and cleaning of containers	72.95	72.95	72.95	

(a) On June 24, 2020, the Board of Directors of the subsidiary, EGH, resolved to participate in the capital increase of the indirect subsidiary, ECN, as the original shareholder and subscribe to all shares in total amount of CNY 4,048. The shareholding ratio of EGH is 65% after the capital increase.

(b) On March 18, 2020, the shareholders of the subsidiary, Armand N.V., during their meeting approved the accelerated liquidation. At the same day, the investment amount returned to the shareholder, Peony Investment S.A, and non-controlling interests amounted to $339,638 (approx. USD 11,237) and $145,909 (approx. USD 4,827), respectively, based on local regulations. The liquidation process of Armand N.V. was completed by June 30, 2020.

(c) On March 17, 2020, the shareholders of the subsidiary, Armand B.V., during their meeting approved the accelerated liquidation. At the same day, the investment amount returned to Armand N.V. amounted to $491,294 (approx. USD16,257) based on local regulations. The liquidation process of Armand B.V. was completed by June 25, 2020.

(d) On June 30, 2020, the Board of Directors of the subsidiary, EGH, resolved to make an equity transaction. EGH acquired 40% and 60% equity interests of EGP from the other related parties, Evergreen International S.A., and Evergreen Logistics Philippines Corp., respectively, and obtained the control over EGP. The transaction date was July 1, 2020 and the transaction amount was PHP 239,500 (approx. $141,760).

(e) This company was included in the consolidated financial statements, given the comprehensive shareholding ratio and the majority voting rights on the Board of Directors held by the Group, resulting in the Group obtaining control over the company.

(f) In order to strengthen the Company's operational competitiveness, the Company planned to establish a wholly-owned subsidiary, EMA, in Singapore with an investment amount of USD 50,000 as resolved by the Board of Directors on March 22, 2021. As of the financial statement issuance date, the entity has been incorporated, but the Company has not yet contributed the capital.

(g) On March 31, 2020, the Board of Directors of the Company and the subsidiary, EGH, resolved to establish a subsidiary, EAR, in Argentina. The capital for establishment is ARS 15,000, and the subsidiary is primarily engaged in container shipping and agency services dealing with port formalities. As of the financial statement issuance date, the entity has been incorporated, but the Company has not yet contributed the capital.

C. Subsidiary not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of March 31, 2021, December 31, 2020 and March 31, 2020, the non-controlling interest amounted to $12,049,087, $7,212,582 and $2,954,302, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest				
		March 31, 2021		December 31, 2020		
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)	Description
EMU	U.K.	$ 5,699,625	49%	$ 3,389,842	49%	
EGH	Hong Kong	5,718,751	20%	3,220,801	20%	

		Non-controlling interest		
		March 31, 2020		
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Description
EMU	U.K.	$ 455,202	49%	
EGH	Hong Kong	1,920,996	20%	

Summarised financial information of the subsidiaries:

Balance sheets

	EMU		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	$ 13,505,009	$ 10,080,373	$ 5,516,328
Non-current assets	40,841,375	41,255,545	45,766,652
Current liabilities	(21,870,791)	(16,936,620)	(15,138,349)
Non-current liabilities	(20,843,706)	(27,481,254)	(35,215,648)
Total net assets	$ 11,631,887	$ 6,918,044	$ 928,983

	EGH		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	$ 35,625,552	$ 23,082,438	$ 10,702,787
Non-current assets	46,357,104	36,325,520	32,437,040
Current liabilities	(23,322,032)	(20,688,802)	(12,271,581)
Non-current liabilities	(30,860,209)	(23,357,192)	(21,741,711)
Total net assets	$ 27,800,415	$ 15,361,964	$ 9,126,535

Statements of comprehensive income

	EMU	
	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Revenue	$ 14,521,920	$ 8,455,230
Profit (loss) before income tax	$ 4,556,698	($ 638,192)
Income tax expense	(6,797)	(7,193)
Profit (loss) for the period from continuing operations	4,549,901	(645,385)
Other comprehensive loss, net of tax	(700)	(1,449)
Total comprehensive income (loss) for the period	$ 4,549,201	($ 646,834)
Comprehensive income (loss) attributable to non- controlling interest	$ 2,229,108	($ 316,949)

	EGH	
	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Revenue	$ 22,341,868	$ 7,014,151
Profit (loss) before income tax	$ 12,536,979	($ 68,291)
Income tax expense	(487,122)	(44,180)
Profit (loss) for the period from continuing operations	12,049,857	(112,471)
Other comprehensive income (loss), net of tax	-	-
Total comprehensive income (loss) for the period	$ 12,049,857	($ 112,471)
Comprehensive income (loss) attributable to non- controlling interest	$ 2,409,971	($ 22,494)

Statements of cash flows

	EMU	
	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Net cash provided by (used in) operating activities	$ 7,239,076	($ 8,978)
Net cash used in investing activities	(25,912)	(385,948)
Net cash (used in) provided by financing activities	(4,517,995)	39,440
Effect of exchange rates on cash and cash equivalents	74,302	8,808
Increase (decrease) in cash and cash equivalents	2,769,471	(346,678)
Cash and cash equivalents, beginning of period	2,524,302	1,610,984
Cash and cash equivalents, end of period	$ 5,293,773	$ 1,264,306

	EGH	
	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Net cash provided by operating activities	$ 17,241,568	$ 1,782,952
Net cash used in investing activities	(3,900,766)	(1,521,057)
Net cash used in financing activities	(5,901,502)	(1,510,368)
Effect of exchange rates on cash and cash equivalents	220,857	23,459
Increase (decrease) in cash and cash equivalents	7,660,157	(1,225,014)
Cash and cash equivalents, beginning of period	7,876,051	4,542,951
Cash and cash equivalents, end of period	$ 15,536,208	$ 3,317,937

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise, except when deferred in other comprehensive income as qualifying cash flow hedges.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits with original maturities of three months or less that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

(a) The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as other income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognised in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

(9) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Notes, accounts and other receivables

A. Notes and account receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services. Receivables arising from transactions other than the sale of goods or service are classified as other receivables.

B. The short-term notes receivable, accounts receivable and other receivables without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortised cost including accounts receivable or contract assets that have a significant financing component at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows from the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Operating leases (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories refer to fuel inventories and steel inventories. Fuel inventories are physically measured by the crew of each ship and reported back to the Head Office through telegraph for recording purposes at balance sheet date. Valuation of inventories is based on the exchange rate prevailing at balance sheet date.

The perpetual inventory system is adopted for steel inventory recognition. Steel inventories are stated at cost. The cost is determined using the weighted-average method. At the end of period, inventories are evaluated at the lower of cost or net realisable value, and the individual item approach is used in the comparison of cost and net realisable value. The calculation of net realisable value should be based on the estimated selling price in the normal course of business, net of estimated costs of completion and estimated selling expenses.

(15) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group’s share of its associates’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group’s share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate’s equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Group’s ownership percentage of the associate, the Group recognises the Group’s share of change in equity of the associate in ‘capital surplus’ in proportion to its ownership.

D. Unrealised gains and loss on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it still retains significant influence over this associate, then the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings (Including repairments)	5 ~ 135 years
Loading and unloading equipment	5 ~ 20 years
Ships (Except for docking repair and scrubber)	18 ~ 25 years
Ships (Docking repair)	2.6 ~ 5 years
Ships (Scrubber)	10 years
Transportation equipment	6 ~ 10 years
Other equipment	2 ~ 20 years

The above docking repair and scrubber pertain to the significant components of ships.

(17) Leasing arrangements (lessee)－right-of-use assets/ lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate.

Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable;

(b) Variable lease payments that depend on an index or a rate; and

(c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option.

The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognise the difference between remeasured lease liability in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 ~ 60 years.

(19) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 2~5 years.

B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

C. Customer relationship

Customer relationship arises from the business combination is measured initially at their fair values at the acquisition date. Customer relationship has a finite useful life and are amortised on a straight-line basis over their estimated useful lives of 2 to 10 years.

(20) Impairment of non-financial assets

A.The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

(21) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(22) Accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges or financial liabilities at fair value through profit or loss. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss at initial recognition:

(a) Hybrid (combined) contracts; or

(b) They eliminate or significantly reduce a measurement or recognition inconsistency; or

(c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(24) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(25) Convertible bonds payable (Compound financial instruments)

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options and put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus—share options'.

(26) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(27) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(28) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Group designates the hedging relationship as follows:

Cash flow hedge:

A hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

C. Cash flow hedges

(a)The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):

i. the cumulative gain or loss on the hedging instrument from inception of the hedge; and

ii. the cumulative change in fair value of the hedged item from inception of the hedge.

(b)The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.

(c)The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:

i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.

ii. For cash flow hedges other than those covered by item i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.

iii. If that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

(d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(29) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

iv. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense as it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees’ compensation and directors’ remuneration

Employees’ compensation and directors’ remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(30) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

G. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

H. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

(31) Dividends

Dividends are recorded in the Company’s financial statements in the period in which they are resolved by the Company’s shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(32) Revenue recognition

A. Sales of services

Revenue from delivering services is recognised under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed. If the outcome of a service contract cannot be estimated reliably, contract revenue should be recognised only to the extent that contract costs incurred are likely to be recoverable. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

B. Rental revenue

The Group leases ships and shipping spaces under IFRS 16, ‘Leases’. Lease assets are classified as finance leases or operating leases based on the transferred proportion of the risks and rewards incidental to ownership of the leased asset, and recognised in revenue over the lease term.

(33) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(34) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(35) Operating segments

The Group's operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Lease term

In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option, including the expected changes of all fact and situation for the period from the commencement date of lease to the execution date of options. Also, the Group took into consideration the main factors, such as the contract terms and conditions during the option covered period and the importance to lessee's operation if the significant lease improvement and underlying assets incurred during the contract terms. When significant events or significant changes occur within the Group's control, the lease term will be re-estimated.

(2) Critical accounting estimates and assumptions

Revenue recognition

The Group primarily engages in global container shipping service covering ocean-going and near-sea shipping line. Despite the Group conducting business worldwide, its transactions are all in small amounts, whereas the freight rate is subject to fluctuation caused by cargo loading rate as well as market competition. Worldwide shipping agencies use a system to record the transactions by entering data including shipping departure, destination, counterparty, transit time, shipping amounts, and freight price for the Group. Therefore, the Group could recognize freight revenue in accordance with the data on bill of lading reports generated from the system, accompanied by estimation made from past experience and current cargo loading conditions the revenue that would flow in. Since ocean-going shipping often lasts for several days, voyages are sometimes completed after the balance sheet date. Also, demands for freight are consistently sent by forwarders during voyage. Due to the factors mentioned above, freight revenue is recognized under the percentage-of-completion method for each vessel during the reporting period. As the process of recording transactions, communicating with agencies, and maintaining the system are done manually, and the estimation of freight revenue are subject to management's judgement, therefore freight revenue involves high uncertainty. Given the conditions mentioned above, this may result in adjustments to the estimation amounts.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2021	December 31, 2020	March 31, 2020
Cash on hand and petty cash	$ 17,660	$ 20,206	$ 41,580
Checking accounts and demand deposits	15,465,114	11,183,079	7,640,822
Time deposits	47,234,075	32,893,200	29,702,171
	$ 62,716,849	$ 44,096,485	$ 37,384,573

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has no cash and cash equivalents pledged to others.

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

Items	March 31, 2021	December 31, 2020	March 31, 2020
Non-current items:			
Equity instruments			
Listed (TSE) stocks	$ 490,801	$ 490,801	$ 490,801
Unlisted stocks	203,067	201,532	209,256
	693,868	692,333	700,057
Valuation adjustment	1,091,384	965,650	752,060
	$ 1,785,252	$ 1,657,983	$ 1,452,117

A. The Group has elected to classify these investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $1,785,252, $1,657,983 and $1,452,117 as at March 31, 2021, December 31, 2020 and March 31, 2020, respectively.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ 121,462	($ 270,356)
Income tax recognised in other comprehensive income	($ 3,399)	$ 6,882
Dividend income recognised in profit or loss - Held at end of period	$ 21,274	$ -

C. Information relating to fair value of financial assets at fair value through other comprehensive income is provided in Note 12(3).

(3) Financial assets at amortised cost

Items	March 31, 2021	December 31, 2020	March 31, 2020
Current items:			
Time deposits exceeding 3 months	$ 16,321,545	$ 6,768,601	$ 706,652
Restricted reserve account	2	2	1
	$ 16,321,547	$ 6,768,603	$ 706,653
Non-current items:			
Financial bonds	$ 100,000	$ 100,000	$ 100,000
Pledged time deposits	255,976	248,609	240,138
	$ 355,976	$ 348,609	$ 340,138

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Interest income	$ 18,686	$ 18,486

B. As at March 31, 2021, December 31, 2020 and March 31, 2020, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was $16,677,523, $7,117,212 and 1,046,791, respectively.

C. Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

(4) Notes and accounts receivable

	March 31, 2021	December 31, 2020	March 31, 2020
Notes receivable	$ 147,023	$ 113,314	$ 115,438
Less: Allowance for bad debts	-	(1)	(3)
	$ 147,023	$ 113,313	$ 115,435
Accounts receivable (including related parties)	$ 29,080,513	$ 21,812,052	$ 14,186,605
Less: Allowance for bad debts	(7,696)	(6,742)	(9,389)
	$ 29,072,817	$ 21,805,310	$ 14,177,216
Overdue receivables (recorded as other non-current assets)	$ -	$ -	$ 271,059
Less: Allowance for bad debts	-	-	(271,059)
	$ -	$ -	$ -

A. The ageing analysis of accounts receivable and notes receivable are as follows:

	March 31, 2021		December 31, 2020	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 24,632,897	$ 147,023	$ 17,859,541	$ 113,314
Up to 30 days	4,306,658	-	3,758,485	-
31 to 180 days	140,958	-	194,026	-
	$ 29,080,513	$ 147,023	$ 21,812,052	$ 113,314

	March 31, 2020	
	Accounts receivable	Notes receivable
Not past due	$ 11,409,983	$ 115,438
Up to 30 days	2,458,169	-
31 to 180 days	318,453	-
Over180 days	271,059	-
	$ 14,457,664	$ 115,438

The above ageing analysis was based on past due date.

B. As of March 31, 2021, December 31, 2020, March 31, 2020 and January 1, 2020, the balances of receivables (including notes receivable) from contracts with customers amounted to $29,219,840, $21,918,623, $14,292,257 and $14,888,818, respectively.

C. The Group has no notes and accounts receivable held by the Group pledged to others.

D. As at March 31, 2021, December 31, 2020 and March 31, 2020, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group’s notes receivable were $147,023, $113,313 and $115,435, respectively; and the amount that best represents the Group’s accounts receivable were $29,072,817, $21,805,310 and $14,177,216, respectively.

E. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2).

(5) Inventories

	March 31, 2021		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 4,043,235	$ -	$ 4,043,235
Steel and others	396,042	-	396,042
	$ 4,439,277	$ -	$ 4,439,277

	December 31, 2020		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 2,546,614	$ -	$ 2,546,614
Steel and others	385,097	-	385,097
	$ 2,931,711	$ -	$ 2,931,711

	March 31, 2020		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 3,049,018	$ -	$ 3,049,018
Steel and others	295,153	-	295,153
	$ 3,344,171	$ -	$ 3,344,171

(6) Other current assets

	March 31, 2021	December 31, 2020	March 31, 2020
Shipowner's accounts	$ 486,225	$ 626,782	$ 33,609
Agency accounts	2,771,280	2,802,786	1,909,901
Temporary debits	885,583	892,624	834,795
	$ 4,143,088	$ 4,322,192	$ 2,778,305

A. Shipowner’s accounts:

Temporary accounts, between Evergreen Line, constituted by the Group, Evergreen International S.A., Italia Marittima S.p.A., and Evergreen Marine (Singapore) Pte. Ltd., and Gaining Enterprise S.A. incurred due to foreign port formalities and pier rental expenses.

B. Agency accounts:

The Group entered into agency agreements with its related parties, whereby the related parties act as the Group's agents to deal with domestic and foreign port formalities, such as arrival and departure of the Group's ships, cargo stevedoring and forwarding, freight collection, and payment of expenses incurred in domestic and foreign ports.

C. Temporary debits are mainly subject to the account of settlements between other carriers and the OCEAN Alliance, which Evergreen Line formed in response to market competition and enhancement of global transportation network to provide better logistics services to customers with Cosco Container Lines Co., Ltd., CMA CGM, Ltd., and the Orient Overseas Container Line, Ltd. on March 31, 2017 for trading of shipping space.

(7) Investments accounted for using equity method

A. Details of long-term equity investments accounted for using equity method are set forth below:

	March 31, 2021	December 31, 2020	March 31, 2020
Evergreen International Storage and Transport Corporation	$ 9,547,468	$ 9,315,382	$ 8,933,096
EVA Airways Corporation	10,913,808	11,327,144	10,878,633
Taipei Port Container Terminal Corporation	1,556,522	1,523,550	1,451,870
Charng Yang Development Co., Ltd.	575,283	557,549	570,626
Ningbo Victory Container Co., Ltd.	336,458	328,607	321,419
Ever Ecove Corporation	303,844	305,965	-
Luanta Investment (Netherlands) N.V.	1,564,866	1,485,739	1,895,463
Balsam Investment (Netherlands) N.V.	2,058,596	1,177,162	326,692
Colon Container Terminal S.A.	3,038,956	2,981,754	3,213,656
Others	1,032,695	917,142	946,870
	$ 30,928,496	$ 29,919,994	$ 28,538,325

B. Associates

(a) The basic information of the associates that are material to the Group is as follows:

Company name	Principal place of business	Ownership(%)			Nature of relationship	Methods of measurement
		March 31, 2021	December 31, 2020	March 31, 2020		
Evergreen International Storage and Transport Corporation	TW	40.36%	40.36%	40.36%	With a right over 20% to vote	Equity method
EVA Airways Corporation	TW	15.77%	16.00%	16.00%	Have a right to vote in the Board of Directors	Equity method

(b) The summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

	Evergreen International Storage and Transport Corporation		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	$ 7,170,968	$ 6,947,311	$ 5,866,194
Non-current assets	28,727,754	28,124,463	28,304,528
Current liabilities	(2,448,937)	(3,517,476)	(2,625,941)
Non-current liabilities	(9,467,445)	(8,204,681)	(9,149,313)
Total net assets	$ 23,982,340	$ 23,349,617	$ 22,395,468
Share in associate's net assets	$ 9,629,143	$ 9,373,779	$ 8,988,689
Unrealized income with affiliated companies	(81,675)	(58,397)	(55,593)
Carrying amount of the associate	$ 9,547,468	$ 9,315,382	$ 8,933,096

	EVA Airways Corporation		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	$ 56,978,568	$ 55,932,512	$ 60,091,044
Non-current assets	268,850,550	273,634,743	279,266,626
Current liabilities	(46,469,783)	(45,433,155)	(70,158,049)
Non-current liabilities	(203,902,456)	(207,474,571)	(195,404,541)
Total net assets	$ 75,456,879	$ 76,659,529	$ 73,795,080
Share in associate's net assets	$ 10,913,808	$ 11,327,144	$ 10,878,633

Statement of comprehensive income

	Evergreen International Storage and Transport Corporation	
	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Revenue	$ 1,697,437	$ 1,788,799
Profit for the period	$ 162,913	$ 160,750
Other comprehensive income (loss), net of tax	469,999	(438,166)
Total comprehensive income (loss)	$ 632,912	($ 277,416)
Dividends received from associates	$ -	$ -

	EVA Airways Corporation	
	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Revenue	$ 19,678,810	$ 30,233,098
Loss for the period	($ 2,199,185)	($ 1,094,582)
Other comprehensive loss, net of tax	(145,709)	(2,038,962)
Total comprehensive loss	($ 2,344,894)	($ 3,133,544)

(c) The carrying amount of the Group’s interests in all individually immaterial associates and the Group’s share of the operating results are summarised below:

As of March 31, 2021, December 31, 2020 and March 31, 2020, the carrying amount of the Group’s individually immaterial associates amounted to $10,467,220, $9,277,468 and $8,726,596, respectively.

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Profit for the period	$ 2,830,408	$ 43,501
Other comprehensive loss, net of tax	(353,420)	(127,711)
Total comprehensive income (loss)	$ 2,476,988	($ 84,210)

C. Above stated investments accounted for using equity method are based on the financial statements of associates which were audited by independent auditors.

D. The fair value of the Group's associates which have quoted market price was as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Evergreen International Storage and Transport Corporation	$ 7,967,805	$ 8,721,517	$ 4,952,960
EVA Airways Corporation	12,191,695	10,211,516	6,903,450
	$ 20,159,500	$ 18,933,033	$ 11,856,410

E. To integrate the investment structure, on November 13, 2019, the shareholders of the subsidiary, Armand B.V., during their meeting approved to dispose 9.73% equity interests of Taipei Port Container Terminal Corporation. On February 7, 2020, the Company acquired 6.82% equity interests at par value of NT$9.941 per share, consisting of 35,421 thousand shares, the transaction amounting to $352,123. Additionally, other related party, EIS, also acquired 2.91% equity interests at par value of NT$9.941 per share, consisting of 15,181 thousand shares, the transaction amounting to $150,464. After the transaction, the shareholding ratio of the Group to Taipei Port Container Terminal Corporation decreased from 30.76% to 27.85%, and the investment is still valued using equity method.

F. As the Company decided to go green and was optimistic about the renewable resource industry, the Board of Directors of the Company during its meeting on August 13, 2018 adopted a resolution to participate in the capital increase raised by Ever Ecove Corporation amounting to 30,500 thousand shares, with a subscription price of NT$10 (in dollars) per share, and a total price of $305,000. In addition, the effective date was set on December 1, 2020 and after the acquisition, the Company's share interest was 19.06%. Ever Ecove Corporation was accounted for using equity method as the Company has influence over its Board of Directors.

G. The Company's share interest in EVA Airways Corporation decreased to 15.77% as of March 31, 2021 due to the conversions from corporate bonds to stocks during the three-month period ended March 31, 2021.

H. The Company is the single largest shareholder of EITC with a 40.36% equity interest. Given that the main source of economic profits of EITC is generated from Evergreen Line, the percentage of operating volume of the Group in Evergreen Line is equivalent to other related parties' and there is no agreement between other related parties and the Company to make decisions in consultation or collectively; however, in order to maintain the equity balance between the Group and other related parties, the Company governs EITC with other related parties to maintain mutual and other shareholders' best interests; apart from independent directors, the number of seats held by the Company on the Board are the same as other related parties', which indicates that the Group has no current ability to direct the relevant activities of EITC, thus, the Group has no control, but only has significant influence, over the investee.

I. The Company is the single largest shareholder of EVA with a 15.77% equity interest. Given that the other top ten large shareholders (including other related parties and non-related parties) hold more shares than the Company, and there is no agreement between the shareholders to make decisions in consultation or collectively as they make decisions independently, which indicates that the Company has no current ability to direct the relevant decisions of EVA, thus, the Company has no control, but only has significant influence, over the investee.

J. The Company is the single largest shareholder of TPCT with a 27.85% equity interest. Given that the other two large shareholders (non-related parties) also operate transportation business and hold more shares than the Company, and there is no agreement between the shareholders to make decisions in consultation or collectively as they make decisions independently, which indicates that the Company has no current ability to direct the relevant decisions of TPCT, thus, the Company has no control, but only has significant influence, over the investee.

(8) Property, plant and equipment, net

	2021										
	Land	Buildings	Machinery equipment	Loading and unloading equipment	Computer and communication equipment	Transportation equipment	Ships	Office equipment	Leasehold improvements	Others	Total
At January 1											
Cost	$ 879,897	$ 7,580,724	$ 622,262	$ 11,248,877	$ 1,394,412	$ 31,782,360	$ 128,201,003	$ 613,930	$ 2,251,169	$ 94,162	$ 184,668,796
Accumulated depreciation	-	(1,586,336)	(507,880)	(8,416,514)	(1,022,422)	(11,740,650)	(41,508,113)	(481,708)	(746,601)	(15,928)	(66,026,152)
	$ 879,897	$ 5,994,388	$ 114,382	$ 2,832,363	$ 371,990	$ 20,041,710	$ 86,692,890	$ 132,222	$ 1,504,568	$ 78,234	$ 118,642,644
Opening net book amount as at January 1	$ 879,897	$ 5,994,388	$ 114,382	$ 2,832,363	$ 371,990	$ 20,041,710	$ 86,692,890	$ 132,222	$ 1,504,568	$ 78,234	$ 118,642,644
Additions	-	268	16	117,087	46,575	2,161,665	11,006	4,410	1,364	87	2,342,478
Disposals	-	-	(332)	-	(69)	(4,991)	-	(6)	-	-	(5,398)
Reclassifications	-	-	(29)	6,341	6,000	(15,761)	4,662,422	12,291	1,851	(10)	4,673,105
Depreciation	-	(45,521)	(3,503)	(99,467)	(71,719)	(681,069)	(1,355,747)	(11,320)	(54,691)	(1,215)	(2,324,252)
Net exchange differences	(5,729)	73,798	(1,818)	19,500	2,038	209,268	801,509	(1,461)	17,308	(151)	1,114,262
Closing net book amount as at March 31	$ 874,168	$ 6,022,933	$ 108,716	$ 2,875,824	$ 354,815	$ 21,710,822	$ 90,812,080	$ 136,136	$ 1,470,400	$ 76,945	$ 124,442,839
At March 31											
Cost	$ 874,168	$ 7,644,632	$ 608,645	$ 11,472,451	$ 1,458,721	$ 34,209,376	$ 134,151,843	$ 634,134	$ 2,274,279	$ 94,088	$ 193,422,337
Accumulated depreciation	-	(1,621,699)	(499,929)	(8,596,627)	(1,103,906)	(12,498,554)	(43,339,763)	(497,998)	(803,879)	(17,143)	(68,979,498)
	$ 874,168	$ 6,022,933	$ 108,716	$ 2,875,824	$ 354,815	$ 21,710,822	$ 90,812,080	$ 136,136	$ 1,470,400	$ 76,945	$ 124,442,839

	2020										
	Land	Buildings	Machinery equipment	Loading and unloading equipment	Computer and communication equipment	Transportation equipment	Ships	Office equipment	Leasehold improvements	Others	Total
At January 1											
Cost	$ 823,377	$ 7,589,613	$ 653,005	$ 11,587,972	$ 1,317,804	$ 28,726,237	$ 122,361,439	$ 581,306	$ 852,610	$ 221,576	$ 174,714,939
Accumulated depreciation	-	(1,420,875)	(518,595)	(8,182,213)	(807,079)	(9,328,119)	(45,014,883)	(454,356)	(583,950)	(11,358)	(66,321,428)
	$ 823,377	$ 6,168,738	$ 134,410	$ 3,405,759	$ 510,725	$ 19,398,118	$ 77,346,556	$ 126,950	$ 268,660	$ 210,218	$ 108,393,511
Opening net book amount as at January 1	$ 823,377	$ 6,168,738	$ 134,410	$ 3,405,759	$ 510,725	$ 19,398,118	$ 77,346,556	$ 126,950	$ 268,660	$ 210,218	$ 108,393,511
Additions	-	109	6	-	88,902	1,428,639	228,470	8,375	322,750	12,440	2,089,691
Disposals	-	-	-	-	(14)	(7,303)	(773,868)	(204)	-	-	(781,389)
Reclassifications	3,469	532	-	-	2,605	119,179	3,154,891	1,289	701	(52)	3,282,614
Depreciation	-	(38,659)	(3,641)	(130,883)	(64,954)	(654,168)	(1,221,752)	(11,119)	(35,414)	(1,111)	(2,161,701)
Net exchange differences	(29,884)	661	(6,268)	7,407	21	85,850	277,083	(6,549)	437	(4,109)	324,649
Closing net book amount as at March 31	$ 796,962	$ 6,131,381	$ 124,507	$ 3,282,283	$ 537,285	$ 20,370,315	$ 79,011,380	$ 118,742	$ 557,134	$ 217,386	$ 111,147,375
At March 31											
Cost	$ 796,962	$ 7,564,061	$ 622,097	$ 11,608,999	$ 1,407,770	$ 30,363,544	$ 119,060,275	$ 567,712	$ 1,175,870	$ 229,855	$ 173,397,145
Accumulated depreciation	-	(1,432,680)	(497,590)	(8,326,716)	(870,485)	(9,993,229)	(40,048,895)	(448,970)	(618,736)	(12,469)	(62,249,770)
	$ 796,962	$ 6,131,381	$ 124,507	$ 3,282,283	$ 537,285	$ 20,370,315	$ 79,011,380	$ 118,742	$ 557,134	$ 217,386	$ 111,147,375

A. The Group has issued a negative pledge to granting banks for drawing borrowings within the credit line to purchase the above transportation equipment.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(9) Leasing arrangements—lessee/ Financial liabilities for hedging

A. The Group leases various assets including land, buildings, loading and unloading equipment, transportation equipment, ships, and business vehicles. Rental contracts are typically made for periods of 1 to 90 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise of buildings and ships. Low-value assets comprise of office equipment and other equipment.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
	Carrying amount	Carrying amount	Carrying amount
Land	$ 9,482,262	$ 9,833,608	$ 11,804,479
Buildings	772,865	696,077	810,100
Loading and unloading equipment	78,965	103,825	76,570
Transportation equipment	857,953	885,275	1,930,882
Ships	75,494,403	64,607,963	67,580,664
Office equipment	44,752	51,878	35,390
Other equipment	9,360	10,561	17,347
	$ 86,740,560	$ 76,189,187	$ 82,255,432

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
	Depreciation charge	Depreciation charge
Land	$ 462,891	$ 478,119
Buildings	69,518	72,264
Loading and unloading equipment	25,938	25,458
Transportation equipment	39,660	182,738
Ships	2,211,679	2,294,552
Office equipment	5,748	4,453
Other equipment	1,326	5,738
	$ 2,816,760	$ 3,063,322

D. For the three-month periods ended March 31, 2021 and 2020, the additions to right-of-use assets were $12,460,863 and $2,362,062, respectively.

E. For the three-month periods ended March 31, 2021 and 2020, the disposals to right-of-use assets were $263 and $11,245, respectively.

F. The information on income and expense accounts relating to lease contracts is as follows:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Items affecting profit or loss		
Interest expense on lease liabilities	$ 586,806	$ 768,638
Expense on short-term lease contracts	1,093,848	1,338,290
Expense on leases of low-value assets	4,323	4,134
Expense on variable lease payments	20	1,117
Losses (gains) arising from lease modifications	(559)	1

G. For the three-month periods ended March 31, 2021 and 2020, the Group's total cash outflow for leases amounted to $4,581,524 and $5,219,245, respectively.

H. As of March 31, 2021, the Group had entered into lease agreements that contained non-lease service component. Based on the fair value of the lease and non-lease component, the future commitment payment allocated to service component amounted to $18,209,145.

I. The Group has applied the practical expedient to "Covid-19-related rent concessions", and recognised the gain from changes in lease payments arising from the rent concessions amounting to $354 by decreasing rent expense in $222 and increasing other income in $132 for the three-month period ended March 31, 2021.

J. To hedge the impact of expected variable exchange rate risk arising from US dollar denominated lease liabilities payable, the Company designated lease liabilities of US dollar denominated lease contracts as the hedging instruments for hedging the highly probable foreign exchange variation of future US dollar denominated marine freight income and adopted cash flow hedge accounting. Moreover, the effective portion with respect to the changes in the hedging instruments caused by exchange rate risk is deferred to recognise in gains (loss) on hedging instruments, which is under other equity interest, and will be reclassified to the marine freight income when the hedged items are occurred. Details of relevant transactions are as follows:

	March 31, 2021		
Hedged items	Designated as hedging instruments	Contract period	Book value
Expected US dollar denominated marine freight income transaction	US dollar denominated lease liabilities	2019.1.1~2034.8.15	$ 10,802,816

	December 31, 2020		
Hedged items	Designated as hedging instruments	Contract period	Book value
Expected US dollar denominated marine freight income transaction	US dollar denominated lease liabilities	2019.1.1~2034.8.15	$ 10,870,375

	March 31, 2020		
Hedged items	Designated as hedging instruments	Contract period	Book value
Expected US dollar denominated marine freight income transaction	US dollar denominated lease liabilities	2019.1.1~2034.8.15	$ 19,780,860

(a) Lease liabilities designated as hedges (recorded as financial liabilities for hedging)

	March 31, 2021	December 31, 2020	March 31, 2020
Cash flow hedges：			
Exchange rate risk			
Lease liability contracts designated as hedges			
Current liabilities	$ 917,321	$ 898,484	$ 1,934,757
Non-current liabilities	9,885,495	9,971,891	17,846,103
	$ 10,802,816	$ 10,870,375	$ 19,780,860

(b) Other equity - cash flow hedge reserve

	2021	2020
At January 1	$ 1,014,792	$ 460,138
Add : Reclassified to freight revenue as the hedged item has affected profit or loss	(19,629)	(8,540)
Less : Losss on hedge effectiveness -amount recognised in other comprehensive income	(150,451)	(118,587)
At March 31	$ 844,712	$ 333,011

(c) As of March 31, 2021, December 31, 2020 and March 31, 2020, there were no ineffective portion to be recognised in profit or loss for the unwritten-off cash flow hedge transactions.

(d) Information relating to the fair values of abovementioned hedging financial liabilities is provided in Note 12(3).

K. The amounts of lease liabilities (net of the lease liabilities designated as hedges) of the Group on March 31, 2021, December 31, 2020 and March 31, 2020 are as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Current lease liabilities	$ 9,819,058	$ 8,730,653	$ 8,478,981
Current lease liabilities - related parties	526,113	738,449	586,091
Non-current lease liabilities	63,530,878	53,612,107	51,659,913
Non-current lease liabilities - related parties	209,374	219,348	538,807
	$ 74,085,423	$ 63,300,557	$ 61,263,792

(10) Leasing arrangements – lessor

A. For the three-month periods ended March 31, 2021 and 2020, the Group recognised rent income in the amounts of $111,317 and $81,836, respectively, based on the operating lease agreement, which does not include variable lease payments.

B. The maturity analysis of the lease payments under the operating leases is as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Within 1 year	$ 441,099	$ 335,930	$ 279,887
1-2 years	251,054	202,020	181,104
2-3 years	54,743	54,161	72,439
3-4 years	54,538	53,747	54,526
4-5 years	54,538	53,726	54,323
After 5 years	127,256	138,792	181,075
	$ 983,228	$ 838,376	$ 823,354

(11) Investment property, net

	2021		
	Land	Buildings	Total
At January 1			
Cost	$ 1,396,755	$ 4,674,765	$ 6,071,520
Accumulated depreciation	-	(900,008)	(900,008)
	$ 1,396,755	$ 3,774,757	$ 5,171,512
Opening net book amount as at January 1	$ 1,396,755	$ 3,774,757	$ 5,171,512
Depreciation	-	(38,264)	(38,264)
Net exchange differences	13	63,399	63,412
Closing net book amount as at March 31	$ 1,396,768	$ 3,799,892	$ 5,196,660
At March 31			
Cost	$ 1,396,768	$ 4,745,917	$ 6,142,685
Accumulated depreciation	-	(946,025)	(946,025)
	$ 1,396,768	$ 3,799,892	$ 5,196,660

	2020		
	Land	Buildings	Total
At January 1			
Cost	$ 1,415,029	$ 4,788,141	$ 6,203,170
Accumulated depreciation	-	(748,100)	(748,100)
	$ 1,415,029	$ 4,040,041	$ 5,455,070
Opening net book amount as at January 1	$ 1,415,029	$ 4,040,041	$ 5,455,070
Reclassifications	(3,469)	26,949	23,480
Depreciation	-	(39,284)	(39,284)
Net exchange differences	5	(6,700)	(6,695)
Closing net book amount as at March 31	$ 1,411,565	$ 4,021,006	$ 5,432,571
At March 31			
Cost	$ 1,411,565	$ 4,801,192	$ 6,212,757
Accumulated depreciation	-	(780,186)	(780,186)
	$ 1,411,565	$ 4,021,006	$ 5,432,571

A. Rental income from the investment property and direct operating expenses arising from the investment property are shown below:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Rental revenue from the lease of the investment property	$ 53,225	$ 55,645
Direct operating expenses arising from the investment property that generated rental income in the period	$ 23,008	$ 39,425
Direct operating expenses arising from the investment property that did not generate rental income in the period	$ 109	$ 317

B. The fair value of the investment property held by the Group as at March 31, 2021, December 31, 2020 and March 31, 2020 was $7,162,138, $7,100,979 and $6,952,138, respectively. The fair value measurements were based on the market prices of recently sold properties in the immediate vicinity of a certain property and were classified as Level 2.

C. Information about the investment property that were pledged to others as collaterals is provided in Note 8.

(12) Other non-current assets

	March 31, 2021	December 31, 2020	March 31, 2020
Prepayments for equipment	$ 15,703,026	$ 13,923,670	$ 12,327,397
Refundable deposits	242,881	236,729	225,261
Others	83,375	75,989	72,904
	$ 16,029,282	$ 14,236,388	$ 12,625,562

Movement analysis of prepayments for equipment are as follows:

	2021	2020
At January 1	$ 13,923,670	$ 9,308,236
Additions	6,232,683	6,117,970
Reclassification to property, plant and equipment	(4,673,105)	(3,159,434)
Reclassification to intangible assets	-	(1,781)
Net exchange differences	219,778	62,406
At March 31	$ 15,703,026	$ 12,327,397

Amount of borrowing costs capitalised as part of prepayment for equipment and the range of the interest rates for such capitalisation are as follows:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Amount capitalised	$ 43,618	$ 69,530
Interest rate	0.86%~2.06%	0.86%~3.70%

(13) Other current liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
Receipt in advance	$ 4,278	$ 4,147	$ 9,789
Long-term liabilities - current portion	20,837,886	18,201,548	25,929,958
Corporate bonds - current portion	4,000,000	4,000,000	-
Shipowner's accounts	3,193,466	5,180,333	1,717,731
Agency accounts	3,046,996	3,279,919	1,693,274
Others	110,037	190,104	37,170
	$ 31,192,663	$ 30,856,051	$ 29,387,922

(14) Corporate bonds payable

	March 31, 2021	December 31, 2020	March 31, 2020
Domestic secured corporate bonds	$ 10,000,000	$ 10,000,000	$ 10,000,000
Euro-Convertible Bond	362,388	7,149,181	-
Less: Discount on bonds payable	(17,782)	(370,138)	-
Less: Current portion or exercise of put options	(4,000,000)	(4,000,000)	-
	$ 6,344,606	$ 12,779,043	$ 10,000,000

A. On April 25, 2017, the Company issued its thirteenth domestic secured corporate bonds (referred herein as the "Thirteenth Bonds"), totaling $8,000,000. The Thirteenth Bonds are categorized into Bond A, B, C, D, E, F and G, depending on the guarantee institution. Bond A totals $2,000,000, and the rest total $6,000,000, with each par value of $1,000,000. The major terms of the issuance are set forth below:

(a) Period: 5 years (April 25, 2017 to April 25, 2022)

(b) Coupon rate: 1.05% fixed per annum

(c) Principal repayment and interest payment

Repayments for the Thirteenth Bonds are paid annually on coupon rate, starting a year from the issuing date. For each category of the bonds mentioned above, half the principal must be paid at the end of the fourth year, and another half at the maturity date.

(d) Collaterals

The Thirteenth Bonds are secured. Bond A is guaranteed by Hua Nan Bank, Bond B is guaranteed by First Bank, Bond C is guaranteed by Mega International Commercial Bank, Bond D is guaranteed by Land Bank of Taiwan, Bond E is guaranteed by Chang Hwa Bank, Bond F is guaranteed by Taiwan Cooperative Bank, and Bond G is guaranteed by Bank SinoPac.

B. On June 27, 2018, the Company issued its fourteenth domestic secured corporate bonds (referred herein as the “Fourteenth Bonds”), totaling $2,000,000 at face value. The major terms of the issuance are set forth below:

(a) Period: 5 years (June 27, 2018 to June 27, 2023)

(b) Coupon rate: 0.86% fixed per annum

(c) Principal repayment and interest payment

Repayments for the Fourteenth Bonds are paid annually at coupon rate, starting a year from the issuing date. The principal of the Fourteenth Bonds shall be repaid in lump sum at maturity.

(d) Collaterals

The Fourteenth Bonds are secured and are guaranteed by First Commercial Bank.

C. On September 29, 2020, the Company issued the first unsecured overseas convertible bonds (the “First Overseas Convertible Bonds”), totaling USD300,000 at the face value. The major terms of the issuance are set forth below:

(a) Period: 5 years (September 29, 2020 to September 29, 2025)

(b) Coupon rate: 0% fixed per annum

(c) Principal repayment:

Except for the First Overseas Convertible Bonds previously redeemed, repurchased and retired by the Company, or converted by the bondholders of the First Overseas Convertible Bonds (the “bondholders”), the Company will redeem the First Overseas Convertible Bonds in USD on the maturity date at the price of the face value plus 0.0% gross yield per annum of the face value, calculated semi-annually.

(d) Conversion period:

Except for the First Overseas Convertible Bonds previously redeemed or repurchased, or the stop transfer period as specified in the terms of the bond indenture for the First Overseas Convertible Bonds (the “bond indenture”) or the laws/regulations, the bondholders have the right to ask for the conversion of the First Overseas Convertible Bonds into the common stocks newly issued by the Company during the period from the date after 90 days of the issuance of the First Overseas Convertible Bonds to (1) 10 days before the maturity date, or (2) 5 business days before the date on which the bondholders exercise the put options or the Company exercise the early redemption (excluding the maturity date).

(e) Conversion price:

The conversion price of the First Overseas Convertible Bonds is NT$18.2 (in dollars), 115.19% of the reference price. The reference price refers to the closing price of the Company’s common stocks on the Taiwan Stock Exchange on the pricing date, which was NT$15.80 (in dollars), translated using the exchange rate of US$1 to NT$28.991.

(f) Put options:

The bondholders have no right to require the Company to redeem the First Overseas Convertible Bonds, in whole or in part, unless the following events occur:

i. Except for the First Overseas Convertible Bonds previously redeemed, repurchased and retired, or converted, the bondholders have the right to require the Company to redeem the First Overseas Convertible Bonds, in whole or in part, on the date three years after the issuance at the price of the face value plus 0.0% per annum of the face value (calculated semi-annually) as the interests (the “early redemption amount”).

ii. The bondholders have the right to require the Company to redeem the First Overseas Convertible Bonds, in whole or in part, at the early redemption amount if the Company’s common stocks are unlisted from the Taiwan Stock Exchange or ceased trading over 30 consecutive business days.

iii. The bondholders have the right to require the Company to redeem the First Overseas Convertible Bonds, in whole or in part, at the early redemption amount if any changes occur to the Company’s controlling power as defined in the bond indenture.

The exercise of the aforementioned put options by the bondholders and the acceptance of the bondholders’ requests by the Company shall be conducted in accordance with the procedures as specified in the bond indenture. The Company will redeem the First Overseas Convertible Bonds in cash on the payment date as specified in the bond indenture.

The early redemption amount is first translated into NTD using the fixed exchange rate, and it was then translated from NTD to USD using the exchange rate on the day for repayment (by reference to the fixing rate which was 1:28.991 at 11 a.m. quoted by Taipei Forex Inc.).

(g) Redemption:

The Company may redeem the First Overseas Convertible Bonds early when one of the following conditions is met:

i. The Company may redeem the First Overseas Convertible Bonds, in whole, at the early redemption amount if the closing price of the Company’s common stocks on the Taiwan Stock Exchange (translated into USD based on the exchange rate on the day) reaches over 130% of the total amount of early redemption amount (defined later) multiplied by the conversion price on the day (translated into USD at the fixed exchange rate) and divided by the face value for 20 trade dates out of 30 consecutive business days during the period from the day after three years of the issuance to the maturity date.

ii. The Company may redeem the outstanding First Overseas Convertible Bonds, in whole, at the early redemption amount if over 90% of the First Overseas Convertible Bonds have been redeemed, converted, repurchased and retired.

iii. The Company may redeem the First Overseas Convertible Bonds, in whole, at the early redemption amount if changes to the R.O.C.'s tax regulations occur after the issue date and cause the Company to bear more tax or to pay extra interest expenses or increase in costs for the First Overseas Convertible Bonds. Also, the bondholders have no right to require the Company to cover extra tax and expense for their nonparticipation of the redemption.

The early redemption amount is first translated into NTD using the fixed exchange rate, and it was then translated from NTD to USD using the exchange rate on the day for repayment (by reference to the fixing rate which was 1:28.991 at 11 a.m. quoted by Taipei Forex Inc.).

D. Regarding the issuance of convertible bonds, the equity conversion options amounting to $15,830 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32. The call options and redemption embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets or liabilities at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts.

(15) Long-term loans

	March 31, 2021	December 31, 2020	March 31, 2020
Secured bank loans	$ 58,627,928	$ 59,213,235	$ 58,115,290
Unsecured bank loans	30,987,992	36,211,178	55,453,801
Add : Unrealised foreign exchange (gains) losses	(109,243)	(148,493)	74,175
Less: Hosting fee credit	(68,946)	(33,872)	(34,620)
	89,437,731	95,242,048	113,608,646
Less: Current portion (recorded as other current liabilities)	(20,837,886)	(18,201,548)	(25,929,958)
	$ 68,599,845	$ 77,040,500	$ 87,678,688
Borrowing period	2021.04~2030.06	2021.01~2030.06	2020.04~2029.11
Interest rate	0.93%~5.15%	0.93%~5.15%	0.93%~5.15%

Please refer to Note 8 for details of the collaterals pledged for the above long-term loans.

(16) Other non-current liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
Accrued pension liabilities	$ 3,367,739	$ 3,423,829	$ 2,974,629
Guarantee deposits received	353,047	300,820	294,788
Deferred income	117,590	-	-
Unrealised gain on sale and leaseback	1,229	1,594	2,959
Others	7,633	14,368	7,378
	$ 3,847,238	$ 3,740,611	$ 3,279,754

(17) Pension

A. (a) The Company and its domestic subsidiary-TTSC have a defined benefit pension plan in accordance with the Labor Standards Act ("the Act"), covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiary-TTSC contribute monthly an amount equal to 15% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiary-TTSC would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiary-TTSC will make contributions for the deficit by next March.

(b) The employees with R.O.C. nationality of the Group's subsidiaries, EGH, GMS and EMU, adopted the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement.

(c) For the aforementioned pension plan, the Group recognised pension costs of $57,349 and $45,225 for the three-month periods ended March 31, 2021 and 2020, respectively.

(d) Expected contributions to the defined benefit pension plans of the Company and its subsidiary-TTSC for the three-month period ended March 31, 2022 amount to $87,488.

B. (a) Effective July 1, 2005, the Company and its domestic subsidiary-TTSC have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the“Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiary-TTSC contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Group’s mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(c) The Group’s certain overseas subsidiaries have a defined contribution plan. Monthly contributions to an independent fund in accordance with the local regulations and the pension regulations of each subsidiaries are based on certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(d) The pension costs and expenses under defined contribution pension plans of the Group for the three-month periods ended March 31, 2021 and 2020 were $79,208and $77,646, respectively.

(18) Capital stock

A. As of March 31, 2021, the Company’s authorized capital was $70,000,000, and the paid-in capital was $ 52,215,557, consisting of 5,221,556 thousand shares of common stocks with a par value of NT$10 (in dollars) per share. All proceeds from shares issued have been collected.

B. The Company bonds totaling USD 234,100 (face value) had been converted into $3,729,007 of ordinary shares (372,901 thousands shares) with a par value of $10 (in dollars) per share during the three-month period end March 31, 2021, which resulted in ‘capital surplus, additional paid-in capital arising from bond conversion’ of $3,034,615. As of March 31, 2021, the registration has not yet been completed and therefore the shares were shown as ‘certificate of entitlement to new shares from convertible bonds’, amounted to $493,803 (49,380 thousands shares).

C. The Company issued 85,062 shares of new shares during the period from December 29, 2020 to December 31, 2020 due to the exercise of conversion options by the overseas convertible corporate bondholders. All proceeds from share issuance have been collected by February 19, 2021.

D. On June 24, 2020, the shareholders meeting of the Company resolved to increase authorized capital from $50,000,000 to $70,000,000. All proceeds from share issuance have been collected by July 22, 2020.

E. On March 31, 2021, December 31, 2020 and March 2020, the numbers of the Company's shares held by its associate accounted for using equity method, EITC, were 25,254, 25,084 and 25,254 thousand shares, respectively.

(19) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2021				
	Share premium	Employe stock options exercised	Adjustments to share of changes in equity of associates and joint ventures	Donated assets	Others
At January 1	$ 9,857,768	$ 423,246	$ 2,144,568	$ 446	$7,336
Expired unclaimed dividends	-	-	-	-	(3)
Proceeds from issuance of Euro-Convertible Bonds	-	-	-	-	-
Conversion of Euro-Convertible Bonds	3,034,615	(296,460)	-	-	-
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	(38,640)	-	-
At March 31	$ 12,892,383	$ 126,786	$ 2,105,928	$ 446	$7,333

	2020				
	Share premium	Employe stock options exercised	Adjustments to share of changes in equity of associates and joint ventures	Donated assets	Others
At January 1	$ 9,167,217	$ 110,956	$ 2,122,105	$ 446	$6,713
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	555	-	-
At March 31	$ 9,167,217	$ 110,956	$ 2,122,660	$ 446	$6,713

(20) Retained earnings

	March 31, 2021	March 31, 2020
At January 1	$ 27,734,460	$ 3,659,042
Profit for the period	36,083,120	(441,577)
Adjustments to share of changes in equity of associates and joint ventures	-	3,024
At March 31	$ 63,817,580	$ 3,220,489

A. According to the Company's Articles of Incorporation, if there is any profit for a fiscal year, the Company shall first make provision for all taxes and cover prior years' losses and then appropriate 10% of the residual amount as legal reserve. Dividends shall be proposed by the Board of Directors and resolved by the stockholders.

B. Dividend policy

In order to facilitate future expansion plans, dividends to stockholders are distributed mutually in the form of both cash and stocks with the basic principle that the ratio of cash dividends to total stock dividends shall not be lower than 10%.

C. Legal reserve

Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. For the year ended December 31, 2019, the Company's net income after tax plus other items including current unappropriated retained earnings are negative, thus the Company will not provision for legal reserve. Additionally, the shareholders of the Company during its meeting on June 24, 2020 adopted a resolution to retain distributable earnings for its future operating plan, thus, the Company will not appropriate for shareholders' bonus.

F. The appropriation of 2020 earnings resolved by the Board of Directors on March 22, 2021 is as follows:

	Year ended December 31, 2020	
	Amount	Dividend per share (in dollars)
Accrual of legal reserve	$ 2,407,542	
Accrual of special reserve	$ 581,406	
Appropriation of cash dividends to shareholders	$ 13,156,234	$ 2.5

As of March 22, 2021, the above-mentioned 2020 earnings appropriation had not been resolved by the stockholders' meeting.

(21) Other equity items

	2021			
	Unrealised gains (losses) on valuation	Hedging reserve	Currency translation	Total
At January 1	$ 1,884,774	$ 1,862,164	($ 4,328,344)	($ 581,406)
Revaluation – gross	121,462	-	-	121,462
Revaluation – tax	(3,399)	-	-	(3,399)
Revaluation – associates	149,838	-	-	149,838
Cash flow hedges:				
– Fair value gain in the period				
– Group	-	(170,080)	-	(170,080)
– Group – tax	-	42,675	-	42,675
– Associates	-	(223,246)	-	(223,246)
Currency translation differences:				
– Group	-	-	1,013,612	1,013,612
– Associates	-	-	64,103	64,103
At March 31	$ 2,152,675	$ 1,511,513	($ 3,250,629)	$ 413,559

	2020			
	Unrealised gains (losses) on valuation	Hedging reserve	Currency translation	Total
At January 1	$ 1,411,638	$ 579,757	($ 856,773)	$ 1,134,622
Revaluation – gross	(270,356)	-	-	(270,356)
Revaluation – tax	6,882	-	-	6,882
Revaluation – associates	(234,664)	-	-	(234,664)
Cash flow hedges:				
– Fair value loss in the period				
– Group	-	(127,127)	-	(127,127)
– Group – tax	-	28,555	-	28,555
– Associates	-	(359,113)	-	(359,113)
Currency translation differences:				
– Group	-	-	(158,165)	(158,165)
– Group – tax	-	-	13	13
– Associates	-	-	28,034	28,034
At March 31	$ 913,500	$ 122,072	($ 986,891)	$ 48,681

(22) Operating revenue

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Revenue from contracts with customers	$ 89,898,560	$ 43,451,049
Other - ship rental and slottage income	54,500	24,206
	$ 89,953,060	$ 43,475,255

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of services over time (Ship-owners, agents and terminals) and at a point in time (other services) in the following major businesses:

Three-month period ended March 31, 2021	Ship-owners	Agents	Terminals	Other	Total
Total segment revenue	$ 91,381,405	$ 2,614,827	$ 3,115,303	$ 469,505	$ 97,581,040
Inter-segment revenue	(4,602,499)	(1,365,435)	(1,714,546)	-	(7,682,480)
Revenue from external customer contracts	$ 86,778,906	$ 1,249,392	$ 1,400,757	$ 469,505	$ 89,898,560

Three-month period ended March 31, 2020	Ship-owners	Agents	Terminals	Other	Total
Total segment revenue	$ 44,413,309	$ 2,086,614	$ 2,971,907	$ 211,233	$ 49,683,063
Inter-segment revenue	(3,514,521)	(1,228,717)	(1,488,776)	-	(6,232,014)
Revenue from external customer contracts	$ 40,898,788	$ 857,897	$ 1,483,131	$ 211,233	$ 43,451,049

B. Contract assets and liabilities

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

	March 31, 2021	December 31, 2020	March 31, 2020	January 1, 2020
Contract assets:				
Contract assets – relating to marine freight income	$ 3,796,912	$ 3,041,569	$ 1,371,280	$ 1,693,497
Contract liabilities:				
Contract liabilities – unearned marine freight income	($ 5,202,690)	($ 3,677,100)	($ 2,762,109)	($ 2,213,538)

Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Marine freight income	$ 3,677,100	$ 2,213,538

(23) Other income and expenses, net

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Net gains (losses) on disposal of property, plant and equipment	$ 34,964	($ 6,377)

(24) Interest income

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Interest income from bank deposits	$ 43,527	$ 119,593
Interest income from financial assets measured at amortised cost	18,686	18,486
	$ 62,213	$ 138,079

(25) Other income

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Rent income	$ 56,817	$ 57,630
Dividend income	21,274	-
Other income, others	39,850	68,206
	$ 117,941	$ 125,836

(26) Other gains and losses

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Net gains on disposal of investments	$ 2,198	$ 161
(Losses) gains arising from lease modifications	(559)	1
Net currency exchange gains	84,446	145,868
Losses on financial assets at fair value through profit or loss	(28,432)	-
Net (losses) gains on disposal of right-of-use assets	(263)	15,001
Depreciation on investment property	(38,264)	(39,284)
Other non-operating expenses	(46,499)	(34,648)
	($ 27,373)	$ 87,099

(27) Finance costs

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Interest expense:		
Bank loans	$ 306,934	$ 600,222
Corporate bonds	33,246	25,231
Lease liabilities	586,806	768,638
	926,986	1,394,091
Less: Capitalized borrowing costs	(43,618)	(69,530)
	$ 883,368	$ 1,324,561

(28) Expenses by nature

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Employee benefit expense	$ 2,750,767	$ 2,306,199
Depreciation charges on property, plant and equipment	2,324,252	2,161,701
Depreciation charges on right-of-use assets	2,816,760	3,063,322
Amortisation charges on intangible assets	72,406	77,006
Other operating costs and expenses	38,015,753	35,369,775
	$ 45,979,938	$ 42,978,003

(29) Employee benefit expense

	Three-month period ended March 31, 2021		Three-month period ended March 31, 2020	
Wages and salaries	$	2,296,254	$	1,910,906
Labor and health insurance fees		195,013		169,222
Pension costs		136,557		122,871
Other personnel expenses		122,943		103,200
	$	2,750,767	$	2,306,199

A. According to the Articles of Incorporation of the Company, when distributing earnings, the Company shall distribute bonus to the employees that account for no less than 0.5% and pay remuneration to the directors and supervisors that account for no more than 2% of the total distributed amount.

B. (a) In accordance with the Articles of Incorporation of the Company, based on the profit for the three-month periods ended March 31, 2021, employees' compensation and directors' remunerations were accrued based on 0.5% and 0.04% at $194,906 and $2,375, respectively. The aforementioned amount was recognised in salary expenses.

(b) For the three-month period ended March 31, 2020, the Company generated loss and thus did not accrue employees' and supervisors' remuneration.

(c) Employees' compensation and directors' and supervisors' remuneration of 2020 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2020 financial statements.

Information about the appropriation of employees', directors' and supervisors' remuneration by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Current tax:		
Current tax on profits for the period	$ 2,375,490	$ 166,849
Prior year income tax (overestimation) underestimation	(518)	2,541
Total current tax	2,374,972	169,390
Deferred tax:		
Origination and reversal of temporary differences	1,072,994	(53,881)
Total deferred tax	1,072,994	(53,881)
Income tax expense	$ 3,447,966	$ 115,509

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Changes in fair value of financial assets at fair value through other comprehensive loss	$ 3,399	($ 6,882)
Exchange differences on translating the financial statements of foreign operations	-	(13)
Remeasurement of defined benefit obligations	-	159
Cash flow hedges	(42,675)	(28,555)
	($ 39,276)	($ 35,291)

(c)The income tax charged/(credited) to equity during the period is as follows:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Reduction in capital surplus caused by recognition of foreign investees based on the shareholding ratio	($ 22)	($ 24)

B. The Company and its subsidiary-TTSC's income tax returns through 2017 and 2018, respectively, have been assessed and approved by the Tax Authority.

(31) Earnings per share

	Three-month period ended March 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net profit attributable to ordinary shareholders of the parent	$ 36,083,120	5,123,045	$ 7.04
Diluted earnings per share			
Net profit attributable to ordinary shareholders of the parent	$ 36,083,120	5,123,045	
Assumed conversion of all dilutive potential ordinary shares			
Euro-Convertible Bond	8,292	19,911	
Employees' compensation	-	4,284	
Net profit attributable to ordinary shareholders of the parent	$ 36,091,412	5,147,240	$ 7.01

	Three-month period ended March 31, 2020		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net profit attributable to ordinary shareholders of the parent	($ 441,577)	4,812,974	($ 0.09)
Diluted earnings per share			
Net profit attributable to ordinary shareholders of the parent	($ 441,577)	4,812,974	($ 0.09)

(32) Transactions with non-controlling interest

For the three-month periods ended March 31, 2021 and 2020, the amount of cash dividends paid to non-controlling interests were $92,305 and $111,888, respectively.

(33) Business combinations

On June 30, 2020, the Board of Directors of the subsidiary, EGH, resolved to make an equity transaction. EGH acquired 40% and 60% equity interests of EGP from the other related party, EIS, and a non-related party, respectively, and obtained control over EGP. The transaction date was July 1, 2020 and the transaction amount was PHP 239,500 (approx. $141,760).

The company primarily provides cargo and shipping agency services in the Philippines. As a result of the acquisition, the Group is expected to increase its presence in these markets. It also expects to reduce costs through economies of scale.

A. The following table summarises the consideration paid and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets at the acquisition date:

		July 1, 2020
Purchase consideration		
Cash paid	$	141,760
Fair value of the identifiable assets acquired and liabilities assumed		
Cash and cash equivalents		413,198
Notes receivable		3,742
Accounts receivable		200,995
Current income tax assets		2,565
Prepayments		36,966
Other current assets		204,677
Non-current financial assets at fair value through other comprehensive income		118
Property, plant and equipment, net		117,256
Right-of-use assets		2,419
Intangible assets		4,823
Other non-current assets		1,498
Deferred tax assets		3,766
Accounts payable	(	119,922)
Other payables	(	462,644)
Current income tax liabilities	(	2,462)
Other current liabilities	(	194,503)
Current lease liabilities	(	1,575)
Deferred income tax liabilities	(	41,429)
Non-current lease liabilities	(	1,011)
Other non-current liabilities	(	23,302)
Total identifiable net assets		145,175
Goodwill/Gain from bargain purchase	($	3,415)

B. As at December 31, 2020, the fair value of the acquired identifiable intangible assets – customer relationship was estimated to be $4,441.

C. Had EGP been acquired from January 1, 2020, the consolidated statement of comprehensive income for the year ended December 31, 2020 would show operating revenue and profit before income tax of $9,111, and $12,557, respectively.

(34) Supplemental cash flow information

A. Investing activities with partial cash payments

(a) Property, plant and equipment

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Purchase of property, plant and equipment	$ 2,342,478	$ 2,089,691
Add: Opening balance of payable on equipment	278,482	455,427
Less: Ending balance of payable on equipment	(1,559,295)	(638,472)
Cash paid during the period	$ 1,061,665	$ 1,906,646

(b) Prepayments for equipment (recorded as other non-current assets)

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Purchase of prepayments for equipment	$ 6,232,683	$ 6,117,970
Add: Opening balance of payable on prepayments for equipment	188,862	-
Less: Ending balance of payable on prepayments for equipment	(8,898)	(23,214)
Capitalized borrowing costs	(43,618)	(69,530)
Cash paid during the period	$ 6,369,029	$ 6,025,226

(c) The balances of the assets and liabilities of consolidated subsidiaries for the current period are as follows:

	July 1, 2020
Cash and cash equivalents	$ 413,198
Notes receivable	3,742
Accounts receivable	200,995
Current income tax assets	2,565
Prepayments	36,966
Other current assets	204,677
Non-current financial assets at fair value	118
Property, plant and equipment, net	117,256
Right-of-use assets	2,419
Intangible assets	4,823
Other non-current assets	1,498
Deferred tax assets	3,766
Accounts payable	(119,922)
Other payables	(462,644)
Current income tax liabilities	(2,462)
Other current liabilities	(194,503)
Current lease liabilities	(1,575)
Deferred income tax liabilities	(41,429)
Non-current lease liabilities	(1,011)
Other non-current liabilities	(23,302)
Goodwill/Gain from bargain purchase	(3,415)
	$ 141,760
Cash paid for the acquisition	$ 141,760
Cash and cash equivalents	(413,198)
Net cash paid for the acquisition	($ 271,438)

(d) Change in non-controlling interest

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Change in transactions with non-controlling interest	$ 92,305	$ 252,824
Add: Opening balance of payable on investments	12,889	-
Less: Ending balance of payable on investments	(51,698)	(16,637)
Cash paid during the period	$ 53,496	$ 236,187

(35) Changes in liabilities from financing activities

	Corporate bonds payable (including current portion)	Long-term borrowings (including current portion)	Guarantee deposits received	Lease liabilities and financial liabilities for hedging	Liabilities from financing activities-gross
At January 1, 2021	$ 16,779,043	$ 95,242,048	$ 300,820	$ 74,170,932	$ 186,492,843
Changes in cash flow from financing activities	-	(6,709,572)	52,328	(2,896,527)	(9,553,771)
Additions to lease liabilities	-	-	-	12,460,863	12,460,863
Remeasurement of lease liabilities	-	-	-	(19,432)	(19,432)
Changes in other non-cash items	(6,434,437)	-	-	(354)	(6,434,791)
Impact of changes in foreign exchange rate	-	905,255	(101)	1,172,757	2,077,911
At March 31, 2021	$ 10,344,606	$ 89,437,731	$ 353,047	$ 84,888,239	$ 185,023,623

	Corporate bonds payable (including current portion)	Long-term borrowings (including current portion)	Guarantee deposits received	Lease liabilities (lease payable) and financial liabilities for hedging	Liabilities from financing activities-gross
At January 1, 2020	$ 10,000,000	$ 106,701,568	$ 325,987	$ 81,231,835	$ 198,259,390
Changes in cash flow from financing activities	-	6,503,157	(33,183)	(3,107,066)	3,362,908
Additions to lease liabilities	-	-	-	2,351,142	2,351,142
Remeasurement of lease liabilities	-	-	-	139,809	139,809
Impact of changes in foreign exchange rate	-	403,921	1,984	428,932	834,837
At March 31, 2020	$ 10,000,000	$ 113,608,646	$ 294,788	$ 81,044,652	$ 204,948,086

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and their relationship with the Group

Names of related parties	Relationship with the Group
Evergreen International Storage and Transport Corp. (EITC)	Associate
Eva Airways Corp. (EVA)	Associate
Evergreen Security Corp. (ESC)	Associate
Charng Yang Development Co., Ltd. (CYD)	Associate
Taipei Port Container Terminal Corp. (TPCT)	Associate
Ningbo Victory Container Co. Ltd. (NVC)	Associate
Qingdao Evergreen C&T Co., Ltd. (QECT)	Associate
Ever Ecove Corporation (EEC)	Associate (An associate since December 1, 2020)
Green Peninsula Agencies Sdn. Bhd. (GPP)	Associate
Luanta Investment (Netherlands) N.V. (Luanta)	Associate
Balsam Investment (Netherlands) N.V. (Balsam)	Associate

Names of related parties	Relationship with the Group
Italia Marittima S.p.A. (ITS)	Associate
Colon Container Terminal S.A. (CCT)	Associate
PT. Evergreen Shipping Agency Indonesia (EMI)	Associate
Evergreen Shipping Agency Co. (U.A.E) LLC (UAE)	Associate
Evergreen Shipping Agency Lanka (Private) Limited (ELK)	Associate
VIP Greenport Joint Stock Company (VGP)	Associate
Ics Depot Services Sdn. Bhd. (IDS)	Associate
Evergreen Marine (Latin America) S.A. (ELA)	Associate (An subsidiary since March 1, 2020)
Evergreen International Corp. (EIC)	Other related party
Evergreen Airline Service Corp. (EGAS)	Other related party
Chang Yung-Fa Charity Foundation (CYFC)	Other related party
Chang Yung-Fa Foundation (CYFF)	Other related party
Evergreen Steel Corp. (EGST)	Other related party
Eever Accord Construction Corporation (EAC)	Other related party
Evergreen Aviation Technologies Corporation (EGAT)	Other related party
Evergreen Logistics Corp. (ELC)	Other related party
Evergreen Sky Catering Corporation (EGSC)	Other related party
Evergreen Air Cargo Services Corporation (EGAC)	Other related party
Central Reinsurance Corporation(CRC)	Other related party
Evergreen International S.A.(EIS)	Other related party
Evergreen Marine (Singapore) Pte. Ltd.(EMS)	Other related party
Gaining Enterprise S.A. (GESA)	Other related party
Evergreen Insurance Company Ltd. (EINS)	Other related party
Evergreen Shipping Agency (America) Corporation (EGA)	Other related party
Evergreen Shipping Agency (Japan) Corporation (EGJ)	Other related party
Evergreen Shipping Agency Philippines Corporation (EGP)	Other related party
Evergreen International Myanmar Co., Ltd. (EIM)	Other related party
Chestnut Estate B.V. (Chestnut)	Other related party
Advanced Business Process, Inc. (ABPI)	Other related party
Unigreen Marine S.A.(UMS)	Other related party
Evergreen Logistics Philippines Corp. (ELCP)	Other related party
Round the World S.A. (RTW)	Other related party
Evergreen Logistics Co., Ltd. (ELCSH)	Other related party
Evergreen Logistics (HK) Ltd. (ELCHK)	Other related party
Round the World Logistics (U.S.A.) Corps. (RTWL)	Other related party
Directors, General manager and Vice General Manager	Key management

(2) Significant related party transactions and balances

A. Operating revenue:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Associates	$ 527,144	$ 509,226
Other related parties	4,018,307	2,866,836
	$ 4,545,451	$ 3,376,062

The business terms on which the Group transacts with related parties are of no difference from those with non-related parties.

B. Operating cost and expense:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Associates	$ 1,275,510	$ 857,958
Other related parties	2,001,605	1,651,652
	$ 3,277,115	$ 2,509,610

Services are purchased from associates and other related parties on normal commercial terms and conditions.

C. Receivables from related parties:

	March 31, 2021	December 31, 2020	March 31, 2020
Accounts receivable:			
Associates	$ 57,723	$ 95,943	$ 75,698
Other related parties	1,217,121	753,489	623,517
Subtotal	$ 1,274,844	$ 849,432	$ 699,215
Other receivables:			
Associates	$ 2,902	$ 3,859	$ 4,738
Other related parties	20,354	16,005	14,171
Subtotal	$ 23,256	$ 19,864	$ 18,909
Total	$ 1,298,100	$ 869,296	$ 718,124

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest. The receivables include provisions against receivables from related parties.

D. Payables to related parties:

	March 31, 2021	December 31, 2020	March 31, 2020
Accounts payable:			
Associates	$ 100,370	$ 89,633	$ 136,735
Other related parties	280,715	146,571	142,909
Subtotal	$ 381,085	$ 236,204	$ 279,644
Other payables:			
Associates	$ 16,118	$ 22,400	$ 13,270
Other related parties	98,161	99,118	160,712
Subtotal	$ 114,279	$ 121,518	$ 173,982
Total	$ 495,364	$ 357,722	$ 453,626

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Property transactions:

Acquisition of property, plant and equipment:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Other related parties	$ -	$ 72,570

F. Leasing arrangements - lessee

(a) The Group leases buildings, ships as well as loading and unloading equipment from associates and other related parties. Rental contracts are typically made for periods of 2 to 10 years, rents are paid in accordance with the contract terms.

(b) Acquisition of right-of-use assets:

The Group leased buildings from other related parties for the three-month period ended March 31, 2021 and increased ‘right-of-use asset’ by $958.

(c) Lease liabilities:

i. Outstanding balance:

	March 31, 2021	December 31, 2020	March 31, 2020
Associates	$ 290,438	$ 390,161	$ 695,782
Other related parties	445,049	567,636	429,116
	$ 735,487	$ 957,797	$ 1,124,898

ii. Interest expense:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Associates	$ 3,557	$ 8,159
Other related parties	4,103	3,997
	$ 7,660	$ 12,156

(d) Lease liabilities designated as hedges:

	March 31, 2021	December 31, 2020	March 31, 2020
Associates	$ -	$ -	$ 83,217
Other related parties	-	-	524,657
	$ -	$ -	$ 607,874

G. Agency accounts:

	March 31, 2021	December 31, 2020	March 31, 2020
Debit balance of agency accounts:			
Associates	$ 9,108	$ -	$ -
Other related parties			
-EIC	764,408	1,207,412	446,400
-EGA	1,029,351	937,631	910,902
-Other	4,936	-	-
	$ 1,807,803	$ 2,145,043	$ 1,357,302

	March 31, 2021	December 31, 2020	March 31, 2020
Credit balance of agency accounts:			
Associates	($ 10,332)	($ 25,815)	($ 53,045)
Other related parties			
-EGJ	(173,448)	(523,231)	(405,280)
-Other	-	-	(23,115)
	($ 183,780)	($ 549,046)	($ 481,440)

H. Shipowner’s accounts:

	March 31, 2021	December 31, 2020	March 31, 2020
Debit balance of shipowner’s accounts:			
Associates			
-ITS	$ -	$ 301,718	$ -
Other related parties			
-EIS	462,935	309,179	-
-GESA	23,290	15,885	33,609
	$ 486,225	$ 626,782	$ 33,609

	March 31, 2021	December 31, 2020	March 31, 2020
Credit balance of shipowner’s accounts:			
Associates			
-ITS	($ 357,941)	$ -	($ 184,662)
Other related parties			
-EIS	-	-	(588,965)
-EMS	(2,835,525)	(5,180,333)	(944,104)
	($ 3,193,466)	($ 5,180,333)	($ 1,717,731)

I. Loans to/from related parties:

(a) Loans to related parties:

i. Outstanding balance:

	March 31, 2021	December 31, 2020	March 31, 2020
Associates	$ 711,113	$ 727,366	$ 732,028

ii. Interest income:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Associates	$ 2,187	$ 4,814

The loans to associates carry interest at floating rates for the three-month periods ended March 31, 2021 and 2020.

(b) Loans from related parties:

i. Outstanding balance:

	March 31, 2021	December 31, 2020	March 31, 2020
Other related parties	$ 9,376	$ 9,249	$ 527,344

ii. Interest expense:

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Other related parties	$ -	$ 4,524

The loans from associates carry interest at floating rates for the three-month periods ended March 31, 2021 and 2020.

J. Endorsements and guarantees provided to related parties:

	March 31, 2021	December 31, 2020	March 31, 2020
Associates	$ 1,923,005	$ 1,827,476	$ 3,722,006

K. On June 30, 2020, the Board of Directors of the subsidiary, EGH, approved to acquire 40% and 60% equity interests of EGP from the other related party, EIS, and a non-related party. The transaction date was July 1, 2020, and the transaction price amounted to $141,760 (approx. PHP 239,500).

L. On December 20, 2019, the Board of Directors of the subsidiary, EGH, approved to acquire 16.50% equity interests of ELA from the associate, ITS, and each other related party, EIS and EMS. The transaction date was set on March 1, 2020, and the transaction price amounted to $9,712 (approx. USD 323).

M. On November 13, 2019, the shareholders at the shareholders' meeting of the subsidiary, Armand B.V., approved to sell 2.91% equity interests of the associate, Taipei Port Container Terminal Corporation, to other related party, EIS. The transaction date was set on February 1, 2020, and the transaction price amounted to $150,464 (approx. USD 4,997).

N. On November 10, 2019, the Board of Directors of the subsidiary, Peony, has resolved to participate in the capital increase of the investee, Balsam, accounted for using equity method, as the original shareholder. The amount of capital increase was USD 24,500. The effective date was set on November 14, 2019.

(3) Key management compensation

	Three-month period ended March 31, 2021	Three-month period ended March 31, 2020
Salaries and other short-term employee benefits	$ 55,051	$ 55,225
Post-employment benefits	1,061	660
	$ 56,112	$ 55,885

8. PLEDGED ASSETS

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

	Book value			
Pledged assets	March 31, 2021	December 31, 2020	March 31, 2020	Purpose
Financial assets at amortised cost				
- Restricted reserve account	$ 2	$ 2	$ 1	Performance guarantee
- Pledged time deposits	255,976	248,609	240,138	〃
Property, plant and equipment				
-Land	514,312	514,312	514,312	Long-term loan
-Buildings	5,260,853	5,222,674	5,677,156	〃
-Loading and unloading equipment	1,350,872	1,383,031	1,826,694	〃
-Ships	75,219,926	79,606,284	74,379,565	〃
-Computer and communication equipment	-	-	271,752	〃
Investment property				
-Land	1,285,781	1,285,781	1,285,781	Long-term loan
-Buildings	3,613,636	3,599,168	3,929,997	〃
	$ 87,501,358	$ 91,859,861	$ 88,125,396	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. As of March 31, 2021, December 31, 2020 and March 31, 2020, the Group had delegated DBS Bank to issue Standby Letter of Credit all amounting to USD 5,000.

B. As of March 31, 2021, December 31, 2020 and March 31, 2020, the long-term and medium-term loan facilities granted by the financial institutions with the resolution from the Board of Directors to finance the Group's purchase of new ships and general working capital requirement amounted to $111,277,848, $117,309,468 and $135,254,511, respectively, and the unutilized credit was $21,594,999, $21,876,445 and $21,611,245, respectively.

C. As of March 31, 2021, December 31, 2020 and March 31, 2020, the amount of guaranteed notes issued by the Company for loans borrowed was $90,272,667, $92,037,348 and $80,332,886, respectively.

D. To meet its operational needs, the Company signed the shipbuilding contracts with Samsung Heavy Industries, Hyundai Mipo Dockyard Co., Ltd, Jiangnan Shipyard (Group) Co., Ltd. and China Shipbuilding Trading Company Ltd. As of March 31, 2021, the total price of the contracts, wherein the vessels have not yet been delivered amounted to USD 4,247,594, of which USD 3,752,968 remain unpaid.

E. In response to international regulations on sulfur content in shipping fuel, the Group entered into sulfur emission abatement equipment purchase contracts with Wartsila Finland Oy. As of March 31, 2021, the total price of the contracts amounted to USD 16,355, of which USD 8,400 remain unpaid. The Group signed installation contracts with Huarun Dadong Dockyard Co., Ltd., and COSCO Shipping Heavy Industry (Zhoushan) Co., Ltd.. As of March 31, 2021, the total price of the contracts amounted to USD 25,478, of which USD 22,488 remain unpaid.

F. To meet its operational needs, the Group signed the loading and unloading equipment purchase contracts. As of March 31, 2021, the total price of the contracts, wherein the equipment has not yet been delivered, amounted to USD 271,435, of which USD 237,763 remain unpaid.

G. To meet its operational needs, the Group signed the transportation equipment purchase contracts. As of March 31, 2021, the total price of the contracts, wherein the equipment has not yet been delivered, amounted to USD 407,222, of which USD 352,815 remain unpaid.

H. For the Group's lease contracts which were entered into but not yet completed, as of March 31, 2021, the expected minimum lease payment in the future was $79,066,103.

I. As of March 31, 2021, the Group had entered into a service contract which was not belonging to lease component. The amount of future commitment payment is provided in Note 6(9).

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders and issue new shares to maintain an optimal capital.

(2) Financial instruments

A. Financial instruments by category

	March 31, 2021	December 31, 2020	March 31, 2020
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 290	$ 4,289	$ -
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 1,785,252	$ 1,657,983	$ 1,452,117
Financial assets at amortised cost			
Cash and cash equivalents	$ 62,716,849	$ 44,096,485	$ 37,384,573
Financial assets at amortised cost	16,677,523	7,117,212	1,046,791
Notes receivable	147,023	113,313	115,435
Accounts receivable	29,072,817	21,805,310	14,177,216
Other accounts receivable	870,677	986,883	1,065,917
Guarantee deposits paid	242,881	236,729	225,261
	$ 109,727,770	$ 74,355,932	$ 54,015,193

	March 31, 2021	December 31, 2020	March 31, 2020
Financial liabilities			
Financial liabilities at amortised cost			
Notes payable	$ 20,004	$ 3,973	$ -
Accounts payable	25,226,494	20,563,234	14,168,725
Other accounts payable	8,391,202	5,586,636	5,164,613
Bonds payable (including current portion)	10,344,606	16,779,043	10,000,000
Lease payable (including current portion)	74,085,423	63,300,557	61,263,792
Long-term borrowings (including current portion)	89,437,731	95,242,048	113,608,646
Guarantee deposits received	353,047	300,820	294,788
	$ 207,858,507	$ 201,776,311	$ 204,500,564
Financial liabilities for hedging (including current portion)	$ 10,802,816	$ 10,870,375	$ 19,780,860

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and financial performance.

(b) Risk management is carried out by the Group's Finance Department under policies approved by the Board of Directors. The Group's Finance Department identifies, evaluates and hedges financial risks in close co-operation with the Group's Operating Department. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and CNY. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investment in foreign operations.

ii. The Group's management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group's Finance Department. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward foreign exchange contracts, transacted with Group's Finance Department. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a foreign currency that is not the entity's functional currency.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, EUR, CNY and others). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2021		
	Foreign currency amount	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 1,111,871	28.4915	$ 31,678,873
EUR:NTD	5,803	33.3892	193,758
EUR:USD	4,631	1.1725	154,705
GBP:USD	4,039	1.3738	158,093
Financial liabilities			
Monetary items			
USD:NTD	$ 1,221,352	28.4915	$ 34,798,151
CNY:USD	312,709	0.1522	1,356,033
HKD:USD	113,990	0.1286	417,660
GBP:USD	4,482	1.3738	175,433
EUR:USD	5,567	1.1725	185,973

	December 31, 2020				
		Foreign currency amount	Exchange rate		Book value (NTD)
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$	1,076,225	28.0960	$	30,237,618
JPY:USD		467,408	0.0097		127,383
GBP:USD		4,507	1.3644		172,772
Financial liabilities					
Monetary items					
USD:NTD	$	1,105,844	28.0960	$	31,069,793
HKD:USD		129,291	0.1290		468,600
GBP:USD		4,332	1.3644		166,064
EUR:USD		4,713	1.2271		162,488
CNY:USD		250,655	0.1533		1,079,600

	March 31, 2020				
		Foreign currency amount	Exchange rate		Book value (NTD)
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$	713,871	30.1905	$	21,552,122
Financial liabilities					
Monetary items					
USD:NTD	$	1,417,085	30.1905	$	42,782,505
CNY:NTD		58,907	4.2520		250,473
HKD:USD		111,038	0.1290		432,446
GBP:USD		7,359	1.2327		273,871
EUR:USD		6,025	1.0957		199,305
CNY:USD		245,029	0.1408		1,041,575

iv. The total exchange (loss) gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods ended March 31, 2021 and 2020 amounted to $84,446 and $145,868, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Three-month period ended March 31, 2021		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 316,789	$ -
EUR:NTD	1%	1,938	-
EUR:USD	1%	1,547	-
GBP:USD	1%	1,581	
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 239,954	$ 108,028
CNY:USD	1%	13,560	-
HKD:USD	1%	4,177	-
GBP:USD	1%	1,754	-
EUR:USD	1%	1,860	-

	Three-month period ended March 31, 2020		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 215,521	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 230,016	$ 197,809
CNY:NTD	1%	2,505	-
HKD:USD	1%	4,324	-
GBP:USD	1%	2,739	-
EUR:USD	1%	1,993	-
CNY:USD	1%	10,416	-

Price risk

i. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet at fair value through other comprehensive income. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, equity would have increased/decreased by $17,539 and $14,239 for the three-month periods ended March 31, 2021 and 2020, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the three-month periods ended March 31, 2021 and 2020, the Group's borrowings at variable rate were denominated in the NTD and USD.

ii. At March 31, 2021 and 2020, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the three-month periods ended March 31, 2021 and 2020 would have been $801,200 and $1,009,132 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the notes receviable, accounts receivable, contract asset and financial assets at amortised cost based on the agreed terms.

ii. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

iii. The Group manages their credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with good credit rating are accepted.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

v. The default occurs when the contract payments are past due over 30 days.

vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

vii. The Group classifies customer's accounts receivable and contract assets in accordance with geographic area. The Group applies the modified approach based on the loss rate methodology to estimate expected credit loss.

viii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. As of March 31, 2021, December 31, 2020 and March 31, 2020, the Group has no written-off financial assets that are still under recourse procedures.

ix. The Group used the forecastability to adjust historical, timely information, economic conditions of the industry, GDP forecast and trade growth rate to assess the default possibility of notes receivable, accounts receivable (including related parties), contract assets and overdue receivable. As of March 31, 2021, December 31, 2020 and March 31, 2020, the loss rate methodology is as follows:

March 31, 2021	Notes receivable Total book value	Expected loss rate	Loss allowance
Not past due	$ 147,023	0%	$ -

March 31, 2021	Accounts receivable (including related parties) Total book value	Expected loss rate	Loss allowance
Not past due	$ 24,632,897	0.0000%~0.0021%	$ 6
Up to 30 days	4,306,658	0.0064%~0.2497%	3,781
31 to 180 days	140,958	0.0114%~26.9587%	3,909
	$ 29,080,513		$ 7,696

March 31, 2021	Contract assets Total book value	Expected loss rate	Loss allowance
Not past due	$ 3,796,912	0%	$ -

December 31, 2020	Notes receivable Total book value	Expected loss rate	Loss allowance
Not past due	$ 113,314	0.0225%	$ 1

December 31, 2020	Accounts receivable (including related parties) Total book value	Expected loss rate	Loss allowance
Not past due	$ 17,859,541	0.0009%~0.0225%	$ 1,029
Up to 30 days	3,758,485	0.0046%~0.2506%	2,374
31 to 180 days	194,026	0.0028%~16.126%	3,339
	$ 21,812,052		$ 6,742

December 31, 2020	Contract assets Total book value	Expected loss rate	Loss allowance
Not past due	$ 3,041,774	0.0016%~0.0028%	$ 205

March 31, 2020	Notes receivable Total book value	Expected loss rate	Loss allowance
Not past due	$ 115,438	0.045%	$ 3

March 31, 2020	Total book value	Expected loss rate	Loss allowance
Not past due	$ 11,409,983	0.03%~0.045%	$ 7,551
Up to 30 days	2,458,169	0.03%~0.045%	1,627
31 to 180 days	318,453	0.03%~0.045%	211
	$ 14,186,605		$ 9,389

March 31, 2020	Contract assets Total book value	Expected loss rate	Loss allowance
Not past due	$ 1,371,722	0.03%	$ 442

March 31, 2020	Overdue receivable Total book value	Expected loss rate	Loss allowance
Over 180 days	$ 271,059	100%	$ 271,059

x. Movements in relation to the group applying the modified approach to provide loss allowance for notes receivable, accounts receivable (including related parties), contract assets and overdue receivable are as follows:

	2021		
	Notes receivable	Accounts receivable	Contract assets
At January 1	($ 1)	($ 6,742)	($ 205)
Provision for impairment	-	(1,383)	-
Reversal of impairment loss	1	437	-
Effect of foreign exchange	-	(8)	-
At March 31	$ -	($ 7,696)	($ 205)

	2020			
	Notes receivable	Accounts receivable	Contract assets	Overdue receivable
At January 1	($ 2)	($ 12,345)	($ 575)	($ 269,506)
Provision for impairment	-	(404)	97	-
Reversal of impairment loss	(1)	3,048	36	-
Effect of foreign exchange	-	312	-	(1,553)
At March 31	($ 3)	($ 9,389)	($ 442)	($ 271,059)

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group’s Finance Department. Group’s Finance Department monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities.

Non-derivative financial liabilities:

March 31, 2021	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Notes payable	$ 20,004	$ -	$ -	$ -	$ -	$ 20,004
Accounts payable	24,456,348	389,061	-	-	-	24,845,409
Accounts payable - related parties	381,085	-	-	-	-	381,085
Other payables	6,461,713	1,805,834	-	-	-	8,267,547
Other payables - related parties	114,279	-	-	-	9,376	123,655
Bonds payable	101,200	4,000,000	4,059,200	2,379,588	-	10,539,988
Long-term loans (including current portion)	6,930,234	14,905,716	17,414,149	36,766,754	16,681,235	92,698,088
Lease payable and financial liabilities for hedging (including current portion)	3,222,334	10,247,954	17,123,794	27,939,889	36,876,403	95,410,374

Non-derivative financial liabilities:

December 31, 2020	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Notes payable	$ 3,973	$ -	$ -	$ -	$ -	$ 3,973
Accounts payable	20,192,859	134,171		-	-	20,327,030
Accounts payable - related parties	236,204	-	-	-	-	236,204
Other payables	4,760,272	695,597	-	-	-	5,455,869
Other payables - related parties	121,518	-	-	-	9,249	130,767
Bonds payable	-	4,101,200	4,059,200	9,166,381	-	17,326,781
Long-term loans (including current portion)	3,531,587	15,807,525	22,915,040	40,304,550	16,301,419	98,860,121
Lease payable and financial liabilities for hedging (including current portion)	3,331,990	9,118,680	16,533,263	25,291,130	29,755,185	84,030,248

Non-derivative financial liabilities:

March 31, 2020	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable	$13,774,626	$ 114,451	$ 4	$ -	$ -	$13,889,081
Accounts payable - related parties	38,766	240,878	-	-	-	279,644
Other payables	4,310,074	153,213	-	-	-	4,463,287
Other payables - related parties	686,758	4,998	-	-	9,570	701,326
Bonds payable	101,200	-	4,101,200	6,076,400	-	10,278,800
Long-term loans (including current portion)	8,313,341	19,991,236	24,473,101	50,424,996	17,716,394	120,919,068
Lease payable and financial liabilities for hedging (including current portion)	3,312,404	10,276,364	12,354,317	33,946,037	33,880,110	93,769,232

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value estimation

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Group's investment in listed stocks, beneficiary certificates and derivative instruments with quoted market prices is included in Level.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, financial assets measured at amortised cost, financial liabilities for hedging, notes payable, accounts payable, other payables and lease liabilities are approximate to their fair values.

	March 31, 2021		
	Book value	Fair value Level 2	Fair value Level 3
Financial liabilities:			
Bonds payable (including current portion)	$ 10,344,606	$ 344,606	$ 10,150,133
Long-term loans (including current portion)	89,437,731	-	92,568,942
	$ 99,782,337	$ 344,606	$ 102,719,075

	December 31, 2020		
	Book value	Fair value Level 2	Fair value Level 3
Financial liabilities:			
Bonds payable (including current portion)	$ 16,779,043	$ 6,779,043	$ 10,155,165
Long-term loans (including current portion)	95,242,048	-	98,724,856
	$ 112,021,091	$ 6,779,043	$ 108,880,021

	March 31, 2020		
	Book value	Fair value Level 2	Fair value Level 3
Financial liabilities:			
Bonds payable	$ 10,000,000	$ -	$ 10,201,503
Long-term loans (including current portion)	113,608,646	-	120,736,140
	$ 123,608,646	$ -	$ 130,937,643

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

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

March 31, 2021	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Derivative instruments	$ -	$ 290	$ -	$ 290
Financial assets at fair value through other comprehensive income				
Equity securities	1,186,822	-	598,430	1,785,252
	$ 1,186,822	$ 290	$ 598,430	$ 1,785,542

December 31, 2020	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Derivative instruments	$ -	$ 4,289	$ -	$ 4,289
Financial assets at fair value through other comprehensive income				
Equity securities	1,131,969	-	526,014	1,657,983
	$ 1,131,969	$ 4,289	$ 526,014	$ 1,662,272

March 31, 2020	Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Equity securities	$ 852,717	$ -	$ 599,400	$ 1,452,117

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

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate. Structured interest derivative instruments are measured by using appropriate option pricing models (i.e. Black-Scholes model) or other valuation methods, such as Monte Carlo simulation).

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. For the three-month periods ended March 31, 2021 and 2020, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the three-month periods ended March 31, 2021 and 2020:

	2021	2020
At January 1	$ 526,014	$ 729,573
Gains and losses recognised in other comprehensive income (Note 1)	72,416	(130,173)
At March 31	$ 598,430	$ 599,400

Note 1: Recorded as unrealised gains or losses on valuation of investments in equity instruments measured at fair value through other comprehensive income and exchange differences on translating the financial statements of foreign operations.

G. For the three-month periods ended March 31, 2021 and 2020, there was no transfer into or out from Level 3.

H. The Group is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 591,658	Market comparable companies	Price to earnings ratio multiple	8.85~48.90	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.58~3.23	The higher the multiple and control premium, the higher the fair value
			Discount for lack of marketability	20%~30%	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value
Venture capital shares Private equity fund investment	6,772	Net asset value	Not applicable		Not applicable

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 519,242	Market comparable companies	Price to earnings ratio multiple	7.83~51.52	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.49~2.55	The higher the multiple and control premium, the higher the fair value
			Discount for lack of marketability	20%~30%	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value
Venture capital shares Private equity fund investment	6,772	Net asset value	Not applicable		Not applicable

	Fair value at March 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 592,627	Market comparable companies	Price to earnings ratio multiple	8.82~36.90	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.48~2.27	The higher the multiple and control premium, the higher the fair value
			Discount for lack of marketability	20%~30%	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value
Venture capital shares Private equity fund investment	6,773	Net asset value	Not applicable		Not applicable

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in difference measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			March 31, 2021			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability	±1%	$ -	$ -	$ 5,917	$ 5,917

			December 31, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability	±1%	$ -	$ -	$ 5,192	$ 5,192

			March 31, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability	±1%	$ -	$ -	$ 5,926	$ 5,926

(4) Other

The Company leases a 20,000 TEU-class container ship, Ever Given, from a Japanese shipowner, Shoei Kisen Kaisha Ltd., under a time charter agreement with the crew hired by the shipowner. The ship is deployed on a Far East-Europe service route. On March 23, 2021, the Company received a notice from the shipowner that the Ever Given was allegedly hit by strong wind, causing the hull to deviate from the waterway and accidentally run aground in the Suez Canal. The Ever Given was refloated in the Suez Canal on March 29, 2021.

The Company has assessed its liabilities in this grounding incident as a charterer under a time charter agreement. Considering the shipowner is responsible for the safety and management of the ship, any loss or damage to the hull and third-party property (including cargo) caused by the incident during the time charter period and any risk and loss associated with the blockage of the canal are under the responsibility of the shipowner. Provided that the Company received penalties and compensation claims against the shipowner or charterer from other ship owners or the Suez Canal Authority (SCA) in accordance with the Suez Canal Rules of Navigation, the Company will transfer the matters to be handled by the shipowner and request the shipowner to assume the responsibility. The shipowner declared a General Average on March 31, 2021 with respect to the salvage cost associated with the ship rescue. The main assets involved in this incident for the Company are only the containers itself, uncharged freight and fuel, for the shipowner is the ship and for the cargo owners are the value of all cargos. The Company's proportionate share of loss under the General Average is not high.

Regarding the compensation claimed by the owners of cargos on board the Ever Given, the Company has a charterer's liability insurance with P&I Clubs and TT Clubs, which are the foreign insurance companies with good management and performance. Given that the shipowner informed that the cargos on board the ship are in good condition and the Company's terms and conditions of carriage exclude the liability of the Company for delays of cargo, the Company's liability to pay compensation for transportation delays is insignificant. Moreover, where there is any loss or damage to the cargo caused by the grounding incident, the Company's insurance coverage is sufficient to cover the compensation claims filed against the Company by the cargo owners in accordance with the contract of carriage.

Overall, the Company shall pay deductibles amounting to USD50 and USD150 to the insurers, P&I Clubs and TT Clubs, respectively, for the insurance claims. Thus, the maximum loss assumed by the Company amounted to USD200, which was accrued and shown as other non-current liabilities.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees (not including investees in Mainland China)

Names, locations and other information of investee companies (not including investees in Mainland China)：Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Information of major shareholder

Information of major shareholder: Please refer to table 9.

14. SEGMENT INFORMATION

(1) General information

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information in this period.

(2) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Three-month period ended March 31, 2021			
	Transportation Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	$ 89,483,555	$ 469,505	$ -	$ 89,953,060
Revenue from internal customers	8,275,152	-	(8,275,152)	-
Segment revenue	97,758,707	469,505	(8,275,152)	89,953,060
Interest income	59,111	3,102	-	62,213
Interest expense	(881,815)	(1,553)	-	(883,368)
Depreciation and amortisation	(5,184,292)	(67,390)	-	(5,251,682)
Share of income (loss) of associates and joint ventures accounted for using equity method	(215,240)	1,274,884	-	1,059,644
Other items	(40,228,037)	(398,176)	-	(40,626,213)
Segment profit (loss)	$ 51,308,434	$ 1,280,372	($ 8,275,152)	$ 44,313,654
Recognisable assets	$ 350,594,194	$ 9,546,321	$ -	$ 360,140,515
Investments accounted for using equity method	23,904,320	7,024,176	-	30,928,496
Segment assets	$ 374,498,514	$ 16,570,497	$ -	$ 391,069,011
Segment liabilities	$ 240,313,896	$ 917,713	$ -	$ 241,231,609

	Three-month period ended March 31, 2020			
	Transportation Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	$ 43,264,022	$ 211,233	$ -	$ 43,475,255
Revenue from internal customers	6,873,013	-	(6,873,013)	-
Segment revenue	50,137,035	211,233	(6,873,013)	43,475,255
Interest income	132,009	6,070	-	138,079
Interest expense	(1,322,657)	(1,904)	-	(1,324,561)
Depreciation and amortisation	(5,278,499)	(62,814)	-	(5,341,313)
Share of loss of associates and joint ventures accounted for using equity method	(72,630)	(67,874)	-	(140,504)
Other items	(37,218,127)	(206,469)	-	(37,424,596)
Segment profit (loss)	$ 6,377,131	($ 121,758)	($ 6,873,013)	($ 617,640)
Recognisable assets	$ 270,206,054	$ 8,729,077	$ -	$ 278,935,131
Investments accounted for using equity method	22,872,131	5,666,194	-	28,538,325
Segment assets	$ 293,078,185	$ 14,395,271	$ -	$ 307,473,456
Segment liabilities	$ 235,047,281	$ 950,033	$ -	$ 235,997,314

(3) Reconciliation for segment income (loss)

A. Sales between segments are carried out at arm's length. The revenue from external parties reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

B. The amounts provided to the chief operating decision-maker with respect to total assets are measured in a manner consistent with that in the balance sheet.

C. The amounts provided to the chief operating decision-maker with respect to total liabilities are measured in a manner consistent with that in the balance sheet.

D. The amounts provided to the chief operating decision-maker with respect to segment profit (loss) are measured in a manner consistent with the income (loss) before tax from continuing operations.

Evergreen Marine Corporation (Taiwan) Ltd.
Loans to others
For the three-month period ended March 31, 2021

Table 1

Expressed in thousands of TWD

Number (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended March 31, 2021 (Note 3)	Balance at March 31, 2021 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
1	Peony Investment S.A.	Luanta Investment (Netherlands) N.V.	Receivables from related parties	Yes	$ 27,991	$ -	$ -	1.21513~ 1.22750	2	$ -	Working capital requirement	$ -	None	$ -	$ 12,289,122	$ 30,722,804	
1	Peony Investment S.A.	Clove Holding Ltd.	Receivables from related parties	Yes	227,932	227,932	213,686	1.21088~ 1.21113	2	-	Working capital requirement	-	None	-	24,578,244	30,722,804	(Note9)
1	Peony Investment S.A.	Colon Container Terminal S.A.	Receivables from related parties	Yes	575,528	575,528	575,528	1.20300~ 1.22350	2	-	Working capital requirement	-	None	-	12,289,122	30,722,804	
2	Evergreen Marine (Hong Kong) Ltd.	Colon Container Terminal S.A.	Receivables from related parties	Yes	129,494	129,494	129,494	1.20300~ 1.31575	2	-	Working capital requirement	-	None	-	4,733,836	9,467,673	
3	Everport Terminal Services	Whitney Equipment LLC.	Receivables from related parties	Yes	256,424	256,424	256,424	2.1450~ 2.5517	2	-	Working capital requirement	-	None	-	525,424	1,313,560	(Note9)

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1)The Company is '0'.

(2)The subsidiaries are numbered in order starting from '1'.

Note 2: Fill in the name of account in which the loans are recognised, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the three-month period ended March 31, 2021

Note 4: The column of'Nature of loan' shall fill in 1.'Business transaction' or 2.'Short-term financing'.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current period.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company's "Procedures for Provision of Loans", and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote.

1. According to the Company's credit policy, the total amount of loans granted to a single company should not exceed 20% of the net worth stated in the latest financial statements.

PEONY：USD 2,156,629*28.4915*20%=12,289,122

Evergreen Marine (Hong Kong) Ltd.：USD 830,745*28.4915*20%=4,733,836

Everport Terminal Services：USD 92,207*28.4915*20%=525,424

The Company held 100% voting shares directly and indirectly in foreign company, that the total amount of loans granted to a single company should not exceed 40% of the net worth stated in the latest financial statements.

PEONY：USD 2,156,629*28.4915*40%=24,578,244

2. According to the Company's credit policy, the total amount of loans granted should not exceed 40% of the net worth stated in the latest financial statements.

Evergreen Marine (Hong Kong) Ltd.：USD 830,745*28.4915*40%=9,467,673

The Company held 100% voting shares directly and indirectly in foreign company, that the total amount of loans granted should not exceed 50% of the net worth stated in the latest financial statements.

PEONY：USD 2,156,629*28.4915*50%=30,722,804

Everport Terminal Services：USD 92,207*28.4915*50%=1,313,560

Note 8: The amounts of funds to be loaned to others which have been approved by the Board of Directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the Board of Directors of a public company has authorized the Chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the Board of Directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration that they could be loaned again thereafter.

Note 9: This transaction was written off when the consolidated financial statements were prepared.

Evergreen Marine Corporation (Taiwan) Ltd.
Provision of endorsements and guarantees to others
For the three-month period ended March 31, 2021

Table 2

Expressed in thousands of TWD

Number (Note 1)	Endorser/Guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarntees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2021 (Note 4)	Outstanding endorsement/ guarantee amount at March 31, 2021 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Evergreen Marine Corporation	Greencompass Marine S.A.	2	$ 275,576,630	$ 62,822,748	$ 62,352,823	$ 21,296,030	$ -	45.25%	$ 344,470,787	Y	N	N	
0	Evergreen Marine Corporation	Peony Investment S.A.	2	275,576,630	142,458	142,458	-	-	0.10%	344,470,787	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	2	275,576,630	30,815,715	30,815,715	22,154,260	-	22.36%	344,470,787	Y	N	N	
0	Evergreen Marine Corporation	Colon Container Terminal S.A.	6	68,894,157	770,410	770,410	615,353	-	0.56%	344,470,787	N	N	N	
0	Evergreen Marine Corporation	Balsam Investment (Netherlands) N.V.	6	68,894,157	837,650	837,650	698,042	-	0.61%	344,470,787	N	N	N	
0	Evergreen Marine Corporation	Everport Terminal Services Inc.	2	275,576,630	1,511,949	1,511,949	742,678	-	1.10%	344,470,787	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	2	275,576,630	32,235,669	32,235,669	18,602,677	-	23.40%	344,470,787	Y	N	N	
1	Evergreen Marine (Hong Kong) Ltd.	Colon Container Terminal S.A.	6	11,834,591	257,962	257,962	138,454	-	1.09%	59,172,954	N	N	N	

Evergreen Marine Corporation (Taiwan) Ltd.

Provision of endorsements and guarantees to others

For the three-month period ended March 31, 2021

Table 2

Expressed in thousands of TWD

Number (Note 1)	Endorser/Guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarntees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2021 (Note 4)	Outstanding endorsement/ guarantee amount at March 31, 2021 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
2	Greencompass Marine S.A.	Everport Terminal Services Inc.	1	$ 20,409,472	$ 142,458	$ 142,458	$ 142,458	$ -	0.35%	$ 102,047,359	N	N	N	
3	Clove Holding Ltd.	Colon Container Terminal S.A.	6	1,319,044	56,983	56,983	-	-	2.16%	6,595,220	N	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The endorser/guarantor parent company directly and indirectly owns more than 50% voting shares of the endorsed/guaranteed company.

(3) The endorsed/guaranteed parent company directly and indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(4) The parent company directly or indirectly owns more than 90% voting shares of the companies that make endorsements/guarantees for each other.

(5) The parent company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.

(6) Due to joint venture, all capital contributing shareholders make endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company’s “Procedures for Provision of Endorsements and Guarantees”, and state each individual party to which the endorsements/guarantees have been provided and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.

The calculation is as follows:

The Company: 137,788,315*250% = 344,470,787

Limit on endorsement or guarantees provided by the Company for a single entity is $68,894,157 (Amounting to 50% of its net worth).

(When the Company owns more than 50% voting shares of the endorsed/guaranteed company, the limit on endorsement or guarantee provided by the Company should not exceed 200% of its net worth, which equals to $275,576,630.)

According to the credit policy of Evergreen Marine (Hong Kong) Ltd., the calculation for total amount of endorsements/guarantees is as follows:

Ceiling on total amount of endorsements/guarantees: USD 830,745*28.4915*250% = 59,172,954

Limit on endorsements or guarantees provided for a single entity：11,834,591 (Amounting to 50% of its net worth).

According to the credit policy of Greencompass Marine S.A., the calculation for total amount of endorsements/guarantees is as follows:

Ceiling on total amount of endorsements/guarantees: USD 1,432,671*28.4915*250% = 102,047,359

Limit on endorsements or guarantees provided for a single entity：20,409,472 (Amounting to 50% of its net worth).

According to the credit policy of Colon Container Terminal S.A., the calculation for total amount of endorsements/guarantees is as follows:

Ceiling on total amount of endorsements/guarantees: USD 92,592*28.4915*250% = 6,595,220

Limit on endorsements or guarantees provided for a single entity：1,319,044 (Amounting to 50% of its net worth).

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chariman if the chairman has been authorised by the Board of Directors.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in ‘Y’ for those cases of provision of endorsements/guarantees by listed parent company to subsidiary, provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Evergreen Marine Corporation (Taiwan) Ltd.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

For the three-month period ended March 31, 2021

Table 3

Expressed in thousands of shares/thousands of TWD/thousands of foreign currency

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	Genearl ledger account	As of March 31, 2021				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership (%)	Fair value	
Evergreen Marine Corporation	Stock:							
	Power World Fund Inc.		Financial asset measured at fair value through other comprehensive income - non-current	677	$ 6,772	5.68%	$ 6,772	
	Linden Technologies, Inc.		〃	50	23,895	1.44%	23,895	
	TopLogis, Inc.		〃	2,464	28,885	17.48%	28,885	
	Ever Accord Construction Corp.	Other related party	〃	10,500	122,565	17.50%	122,565	
	Central Reinsurance Corp.	Other related party	〃	49,866	1,186,822	8.45%	1,186,822	
	Financial bonds:							
	Sunny Bank 2nd Subordinate Financial Debentures-B Issue in 2015		Financial asset measured at atmortised cost - non-current	-	50,000	-	50,000	
	Sunny Bank 3rd Subordinate Financial Debentures-B Issue in 2017		〃	-	50,000	-	50,000	
Peony Investment S.A.	Hutchison Inland Container Depots Ltd.		Financial asset measured at fair value through other comprehensive income - non-current	0.75	USD 224	5.27%	USD 224	
	South Asia Gateway Terminals (Private) Ltd.		〃	18,942	USD 14,372	5.00%	USD 14,372	
Evergreen Shipping Agency (Europe) GmbH	Zoll Pool Hafen Hamburg AG		〃	10	EUR 10	2.86%	EUR 10	
Evergreen Shipping Agency Philippines Corporation	Eagle Ridge Golf & Country Club Inc.		〃	0.001	PHP 200	0.02%	PHP 200	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS9, 'Financial instruments: recognition and measurement'.

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Evergreen Marine Corporation (Taiwan) Ltd.

Purchases or sales of goods from or to related parties reaching TWD 100 million or 20% of paid-in capital or more

For the year ended March 31,2021

Table 4

Expressed in thousands of TWD/thousands of foreign currency

Purchaser/Seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases/ sales	Amount	Percentage of total purchases/ sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Evergreen Marine Corporation	Everport Terminal Services Inc.	Subsidiary	Purchases	$ 467,847	4%	30~60 days	$ -	-	$ -	-	(Note)
	Greencompass Marine S.A.	Subsidiary	Purchases	242,246	2%	30~60 days	-	-	(774)	-	(Note)
			Sales	471,115	2%	30~60 days	-	-	721	-	(Note)
	Taiwan Terminal Services Co., Ltd.	Subsidiary	Purchases	194,018	2%	30~60 days	-	-	(89,559)	1%	(Note)
	Evergreen International Storage and Transport Corp.	Associates	Purchases	174,262	1%	30~60 days	-	-	(22,447)	-	
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	202,418	2%	30~60 days	-	-	-	-	
	Evergreen International Corp.	Other related parties	Purchases	166,658	1%	30~60 days	-	-	(53,430)	1%	
	Evergreen Marine (UK) Limited	Subsidiary	Sales	154,282	1%	30~60 days	-	-	506	-	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	253,339	1%	30~60 days	-	-	965	-	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	Purchases	506,215	4%	30~60 days	-	-	(828)	-	(Note)
			Sales	282,934	1%	30~60 days	-	-	24,252	1%	(Note)
	Round The World Logistics (U.S.A) Corp.	Other related parties	Sales	132,820	1%	30~60 days	-	-	-	-	
	Gaining Enterprise S.A.	Other related parties	Purchases	108,595	1%	30~60 days	-	-	-	-	

Purchaser/Seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases/ sales	Amount	Percentage of total purchases/ sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Taiwan Terminal Services Co.,Ltd.	Evergreen Marine Corp.	The parent	Sales	$ 194,018	100%	30~60 days	$ -	-	$ 89,559	100%	(Note)
Everport Terminal Services Inc.	Evergreen Marine Corp.	The parent	Sales	USD 16,663	17%	30~60 days	-	-	-	-	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 20,278	20%	30 days	-	-	-	-	
	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 13,621	14%	30 days	-	-	-	-	(Note)
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 15,022	15%	30 days	-	-	-	-	(Note)
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	USD 8,625	9%	30 days	-	-	-	-	(Note)
Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine Corp.	The parent	Sales	USD 18,030	2%	30~60 days	-	-	USD 29	-	(Note)
			Purchases	USD 10,077	3%	30~60 days	-	-	(USD 851)	-	(Note)
	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 33,355	4%	30~60 days	-	-	USD 23	-	(Note)
			Purchases	USD 8,075	2%	30~60 days	-	-	(USD 466)	-	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 3,944	1%	30~60 days	-	-	USD 4	-	
			Purchases	USD 7,527	2%	30~60 days	-	-	(USD 742)	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 36,396	5%	30~60 days	-	-	USD 25	-	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 12,976	2%	30~60 days	-	-	USD 11	-	(Note)
			Purchases	USD 24,191	7%	30~60 days	-	-	USD 289	-	(Note)
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 8,625	3%	30 days	-	-	-	-	(Note)
	Evergreen Shipping Agency (America) Corporation	Investee of the Parent Company's major shareholder	Purchases	USD 6,039	2%	30~60 days	-	-	-	-	
	Round The World Logistics (U.S.A) Corp.	Other related parties	Sales	USD 3,973	1%	30~60 days	-	-	-	-	
	Evergreen Shipping Agency (China) Co., Ltd.	Indirect subsidiary of the Parent Company	Purchases	USD 8,923	3%	30~60 days	-	-	(USD 2,937)	1%	(Note)

Purchaser/Seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases/ sales	Amount	Percentage of total purchases/ sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Greencompass Marine S.A.	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 5,083	-	30~60 days	$ -	-	$ -	-	(Note)
			Purchases	USD 5,485	1%	30~60 days	-	-	(USD 2,091)	-	(Note)
	Evergreen Marine Corp.	The parent	Sales	USD 8,628	1%	30~60 days	-	-	USD 27	-	(Note)
			Purchases	USD 16,780	2%	30~60 days	-	-	(USD 25)	-	(Note)
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 13,621	2%	30 days	-	-	-	-	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 12,355	1%	30~60 days	-	-	USD 131	-	
			Purchases	USD 4,564	1%	30~60 days	-	-	(USD 929)	-	
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 4,466	-	30~60 days	-	-	-	-	
			Purchases	USD 8,588	1%	30~60 days	-	-	(USD 744)	-	
	Evergreen Shipping Agency (America) Corporation	Investee of the Parent Company's major shareholder	Purchases	USD 10,303	2%	30~60 days	-	-	-	-	
	Evergreen International Corp.	Investee of the Parent Company's major shareholder	Purchases	USD 4,884	1%	30~60 days	-	-	-	-	
	Round The World Logistics (U.S.A) Corp.	Other related parties	Sales	USD 5,222	-	30~60 days	-	-	-	-	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	USD 4,424	1%	30~60 days	-	-	-	-	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	USD 8,075	1%	30~60 days	-	-	USD 466	-	(Note)
			Purchases	USD 33,355	5%	30~60 days	-	-	(USD 23)	-	(Note)

Purchaser/Seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases/ sales	Amount	Percentage of total purchases/ sales	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Evergreen Marine (UK) Limited	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 5,485	1%	30~60 days	$ -	-	USD 2,091	1%	(Note)
			Purchases	USD 5,083	1%	30~60 days	-	-	-	-	(Note)
	Evergreen Marine Corp.	The Parent	Purchases	USD 5,495	2%	30~60 days	-	-	(USD 18)	-	(Note)
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 15,022	4%	30 days	-	-	-	-	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 5,469	1%	30~60 days	-	-	USD 580	-	
	Evergreen Shipping Agency (America) Corporation	Investee of the Parent Company's major shareholder	Purchases	USD 6,908	2%	30~60 days	-	-	-	-	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	USD 24,191	5%	30~60 days	-	-	USD 289	-	(Note)
			Purchases	USD 12,976	4%	30~60 days	-	-	(USD 11)	-	(Note)
Evergreen Heavy Industrial Corp.(Malaysia) Berhad	Gaining Enterprise S.A.	Investee of EITC	Sales	MYR 68,037	100%	45 days	-	-	MYR 45,473	100%	
Evergreen Shipping Agency (China) Co., Ltd.	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	CNY 57,856	100%	30~60 days	-	-	CNY 19,304	100%	(Note)

Note: This transaction was written off when the consolidated financial statements were prepared.

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the ‘Unit price’ and ‘Credit term’ columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company.

Evergreen Marine Corporation (Taiwan) Ltd.
Receivables from related parties reaching TWD 100 million or 20% of paid-in capital or more
For the year ended March 31,2021

Table 5

Expressed in thousands of TWD/thousands of foreign currency

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31,2021 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts	Footnote
					Amount	Action taken			
Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Gaining Enterprise S.A.	Investee of EITC	MYR 45,473	-	$ -	-	MYR 20,199	$ -	
Peony Investment S.A.	Clove Holding Ltd.	Subsidiary	USD 7,526	-	-	-	-	-	Note
Peony Investment S.A.	Colon Container Terminal, S.A.	Investee of Clove Holding Ltd. accounted for using equity method	USD 20,369	-	-	-	-	-	
Everport Terminal Services Inc.	Evergreen Shipping Agency (America) Corporation	Investee of the Parent Company's major shareholder	USD 25,546	-	-	-	USD 24,635	-	
Evergreen Marine (Hong Kong) Ltd.	Colon Container Terminal, S.A.	Investee of Evergreen Marine (Hong Kong) Limited accounted for using equity method	USD 4,590	-	-	-	-	-	

Note: This transaction was written off when the consolidated financial statements were prepared.

Note 1: Fill in separately the balances of accounts receivable–related parties, notes receivable–related parties, other receivables–related parties, etc.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Evergreen Marine Corporation (Taiwan) Ltd.
Significant inter-company transactions during the reporting periods
For the year ended March 31,2021

Table 6

Expressed in thousands of TWD

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Evergreen Marine Corporation	Taiwan Terminal Services Co.,Ltd.	1	Operating cost	$ 194,018	Note 4	0.22
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Operating revenue	471,115	"	0.52
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Operating cost	242,246	"	0.27
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating revenue	154,282	"	0.17
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Shipowner's account - credit	153,525	"	0.04
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Shipowner's account - credit	1,191,881	"	0.30
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Operating revenue	282,934	"	0.31
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Operating cost	506,215	"	0.56
0	Evergreen Marine Corporation	Everport Terminal Services Inc.	1	Operating cost	467,847	"	0.52
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Operating cost	154,008	"	0.17
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Shipowner's account - debit	334,286	"	0.09
1	Greencompass Marine S.A.	Everport Terminal Services Inc.	3	Operating cost	382,415	"	0.43
2	Evergreen Marine (UK) Limited	Evergreen Marine (Hong Kong) Ltd.	3	Operating revenue	679,194	"	0.76
2	Evergreen Marine (UK) Limited	Greencompass Marine S.A.	3	Operating cost	142,702	"	0.16

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
2	Evergreen Marine (UK) Limited	Everport Terminal Services Inc.	3	Operating cost	$ 421,754	Note4	0.47
2	Evergreen Marine (UK) Limited	Evergreen Marine (Hong Kong) Ltd.	3	Shipowner's account - credit	394,323	"	0.10
3	Evergreen Marine (Hong Kong) Ltd.	Greencompass Marine S.A.	3	Operating revenue	936,484	"	1.04
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine (UK) Limited	3	Operating revenue	364,318	"	0.41
3	Evergreen Marine (Hong Kong) Ltd.	Greencompass Marine S.A.	3	Operating cost	226,708	"	0.25
3	Evergreen Marine (Hong Kong) Ltd.	Everport Terminal Services Inc.	3	Operating cost	242,155	"	0.27
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (China) Co., Ltd.	3	Operating cost	250,528	"	0.28
3	Evergreen Marine (Hong Kong) Ltd.	Greencompass Marine S.A.	3	Shipowner's account - credit	537,733	"	0.14
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (Europe) GmbH	3	Shipowner's account - debit	412,078	"	0.11
4	Peony Investment S.A.	Clove Holding Ltd.	3	Other receivables	214,414	"	0.05

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; Fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company

(3) Subsidiary to subsidiary

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Terms are approximately the same as for general transactions.

Note 5: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

Evergreen Marine Corporation (Taiwan) Ltd.

Information on investees (not including investee company of Mainland China)

For the three-month period ended March 31, 2021

Table 7

Expressed in thousands of shares/thousands of TWD

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of March 31, 2021			Net profit (loss) of the investee For the three-month period ended March 31, 2021 (Note 2(2))	Investment income (loss) recognised by the Company For the three-month period ended March 31, 2021 (Note 2(3))	Footnote
				Balance as of March 31, 2021	Balance as of December 31, 2020	Number of shares	Ownership (%)	Book value			
Evergreen Marine Corp.	Peony Investment S.A.	Republic of Panama	Investment activities	$ 13,576,200	$ 13,576,200	4,765	100.00	$ 61,356,543	$ 21,531,573	$ 21,516,773	Subsidiary of the Company (Note)
	Taiwan Terminal Services Co., Ltd.	Taiwan	Loading and discharging operations of container yards	55,000	55,000	5,500	55.00	65,514	(2,284)	(1,256)	〃 (Note)
	Everport Terminal Services Inc.	U.S.A	Terminal services	2,849	2,849	1	94.43	2,329,990	164,970	155,779	〃 (Note)
	Evergreen Marine (Hong Kong) Ltd.	Hong Kong	Marine transportation and shipping agency	5,964,696	5,964,696	6,320	79.00	21,805,644	12,074,663	9,519,388	〃 (Note)
	Evergreen Shipping Agency (Israel) Ltd.	Israel	Shipping agency	9,071	9,071	1,062	59.00	40,894	31,060	18,325	〃 (Note)
	Charng Yang Development Co.,Ltd.	Taiwan	Development, rental, sale of residential and commercial buildings	320,000	320,000	58,542	40.00	575,283	44,333	17,733	Investee accounted for using equity method
	Evergreen International Storage and Transport Corporation	Taiwan	Container transportation and gas stations	4,840,408	4,840,408	430,692	40.36	9,547,468	162,913	65,751	〃
	Evergreen Security Corporation	Taiwan	General security guards services	25,000	25,000	6,336	31.25	117,583	10,643	3,326	〃
	EVA Airways Corporation	Taiwan	International passengers and cargo transportation	11,276,823	11,276,823	776,541	15.77	10,913,808	(2,197,426)	(351,575)	〃
	Taipei Port Container Terminal Corporation	Taiwan	Container distribution and cargo stevedoring	1,446,196	1,446,196	144,799	27.85	1,556,522	118,411	32,973	〃
	Ever Ecove Corporation	Taiwan	Waste treatment and combined heat and power	305,000	305,000	30,500	19.06	303,844	(11,123)	(2,120)	〃
	VIP Greenport Joint Stock Company	Vietnam	Terminal services	165,000	165,000	13,750	21.74	288,182	46,920	10,200	〃
Peony Investment S.A.	Clove Holding Ltd.	British Virgin Islands	Investment holding company	1,497,208	1,497,208	10	100.00	2,638,088	19,574	19,574	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Europe) GmbH	Germany	Shipping agency	236,935	236,935	-	100.00	147,776	7,093	7,093	〃 (Note)
	Evergreen Shipping Agency (Korea) Corporation	South Korea	Shipping agency	69,120	69,120	121	100.00	48,481	36,105	36,105	〃 (Note)
	Greencompass Marine S.A.	Republic of Panama	Marine transportation	10,071,745	10,071,745	3,535	100.00	40,818,944	17,071,350	17,071,350	〃 (Note)
	Evergreen Shipping Agency (India) Pvt. Ltd.	India	Shipping agency	33,526	33,526	100	99.99	202,844	54,194	54,194	〃 (Note)

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of March 31, 2021			Net profit (loss) of the investee For the three-month period ended March 31, 2021 (Note 2(2))	Investment income (loss) recognised by the Company For the three-month period ended March 31, 2021 (Note 2(3))	Footnote
				Balance as of March 31, 2021	Balance as of December 31, 2020	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Argentina S.A.	Argentina	Leasing	$ 3,989	$ 3,989	150	95.00	$ 41,579	($ 1,155)	($ 1,098)	Indirect subsidiary of the Company (Note)
	PT. Multi Bina Pura International	Indonesia	Loading and discharging operations of container yards and inland transportation	242,917	242,917	18	95.03	540,406	15,678	14,899	〃 (Note)
	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	22,916	22,916	2	17.39	13,143	313	54	〃 (Note)
	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Malaysia	Container manufacturing	777,671	777,671	42,120	84.44	952,628	56,937	48,078	〃 (Note)
	Evergreen Shipping (Spain) S.L.	Spain	Shipping agency	192,184	192,184	6	100.00	287,161	72,528	72,528	〃 (Note)
	Evergreen Shipping Agency (Italy) S.p.A.	Italy	Shipping agency	67,012	67,012	0.55	55.00	101,808	37,992	20,895	〃 (Note)
	Evergreen Marine (UK) Limited	U.K	Marine transportation	3,820,785	3,820,785	765	51.00	5,932,262	4,549,902	2,320,450	〃 (Note)
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Australia	Shipping agency	48,674	48,674	1	100.00	136,851	35,961	35,961	〃 (Note)
	Evergreen Shipping Agency (Russia) Ltd.	Russia	Shipping agency	24,161	24,161	-	51.00	13,549	26,014	13,267	〃 (Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Thailand	Shipping agency	63,906	63,906	680	85.00	111,874	87,031	73,977	〃 (Note)
	Evergreen Agency (South Africa) (Pty) Ltd.	South Africa	Shipping agency	16,554	16,554	5,500	55.00	60,838	11,795	6,487	〃 (Note)
	Evergreen Shipping Agency (Vietnam) Corp.	Vietnam	Shipping agency	35,073	35,073	-	100.00	821,444	207,483	207,483	〃 (Note)
	PT. Evergreen Shipping Agency Indonesia	Indonesia	Shipping agency	27,722	27,722	0.441	49.00	169,765	83,798	41,061	Investee company of Peony accounted for using equity method
	Luanta Investment (Netherlands) N.V.	Curaçao	Investment holding company	1,354,465	1,354,465	460	50.00	1,564,866	114,729	57,364	〃
	Balsam Investment (Netherlands) N.V.	Curaçao	Investment holding company	11,900,513	11,900,513	0.451	49.00	2,058,596	2,250,000	1,102,500	〃
	Evergreen Shipping Agency Co. (U.A.E.) LLC	United Arab Emirates	Shipping agency	59,319	59,319	-	49.00	144,965	58,729	28,777	〃
	Greenpen Properties Sdn. Bhd.	Malaysia	Renting estate and storehouse company	12,139	12,139	1,500	30.00	27,512	(1,095)	(328)	〃
	Evergreen Marine Corp. (Malaysia) SDN.BHD.	Malaysia	Shipping agency	268,224	268,224	500	100.00	773,030	162,903	162,903	Indirect subsidiary of the Company (Note)

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of March 31, 2021			Net profit (loss) of the investee For the three-month period ended March 31, 2021 (Note 2(2))	Investment income (loss) recognised by the Company For the three-month period ended March 31, 2021 (Note 2(3))	Footnote
				Balance as of March 31, 2021	Balance as of December 31, 2020	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Marine (Hong Kong) Ltd.	Hong Kong	Marine transportation and shipping agency	$ 75,502	$ 75,502	80	1.00	$ 276,021	$ 12,074,663	$ 120,499	Subsidiary of the Company (Note)
	Ics Depot Services Snd. Bhd.	Malaysia	Depot services	31,739	31,739	286	28.65	68,514	4,537	1,300	Investee company of Peony accounted for using equity method
Clove Holding Ltd.	Colon Container Terminal, S.A.	Republic of Panama	Inland container storage and loading	651,316	651,316	22,860	40.00	2,464,099	28,057	11,223	Investee company of Clove Holding Ltd. accounted for using equity method
	Everport Terminal Services Inc.	U.S.A	Terminal services	185,307	185,307	0.059	5.57	297,130	164,970	9,191	Indirect subsidiary of the Company (Note)
Everport Terminal Services Inc.	Whitney Equipment LLC.	U.S.A	Equipment Leasing Company	5,698	5,698	-	100.00	244,496	11,531	11,531	〃 (Note)
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indonesia	Container repair cleaning and inland transportation	94,062	94,062	7.55	72.95	55,133	313	228	〃 (Note)
Evergreen Marine (Hong Kong) Limited	Colon Container Terminal S.A.	Republic of Panama	Inland container storage and loading	444,467	444,467	5,144	9.00	574,857	28,057	2,525	Investee company of Evergreen Marine (Hong Kong) Limited accounted for using equity method
	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	18,563	18,563	600	100.00	17,384	285	285	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Service (Cambodia) Co., Ltd.	Cambodia	Shipping agency	5,698	5,698	200	100.00	66,895	20,581	20,581	〃 (Note)
	Evergreen Shipping Agency (Peru) S.A.C.	Peru	Shipping agency	7,909	7,909	900	60.00	34,019	43,766	26,259	〃 (Note)
	Evergreen Shipping Agency (Colombia) S.A.S	Colombia	Shipping agency	10,001	10,001	80	75.00	28,891	28,425	21,319	〃 (Note)
	Evergreen Shipping Agency Mexico S.A. de C.V.	Mexico	Shipping agency	6,531	6,531	44	60.00	58,108	32,353	19,412	〃 (Note)
	Evergreen Shipping Agency (Chile) SPA.	Chile	Shipping agency	9,083	9,083	2	60.00	61,170	26,767	16,060	〃 (Note)
	Evergreen Shipping Agency (Greece) Societe Anonyme.	Greece	Shipping agency	7,701	7,701	2	60.00	55,640	25,334	15,201	〃 (Note)
	Evergreen Shipping Agency (Isrrael) Ltd.	Isrrael	Shipping agency	145	145	18	1.00	693	31,060	311	〃 (Note)

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of March 31, 2021			Net profit (loss) of the investee For the three-month period ended March 31, 2021 (Note 2(2))	Investment income (loss) recognised by the Company For the three-month period ended March 31, 2021 (Note 2(3))	Footnote
				Balance as of March 31, 2021	Balance as of December 31, 2020	Number of shares	Ownership (%)	Book value			
Evergreen Marine (Hong Kong) Limited	Evergreen Shipping Agency (Brazil) Ltd.	Brazil	Shipping agency	$ 7,048	$ 7,048	120	60.00	$ 26,431	$ 26,480	$ 15,888	〃 (Note)
	Evergreen Shipping Agency Lanka (Private) Ltd.	Lanka	Shipping agency	3,454	3,454	2,160	40.00	26,773	14,866	5,946	Investee company of Evergreen Marine (Hong Kong) Limited accounted for using equity method
	Evergreen Shipping Agency Philippines Corporation	Philippines	Shipping agency	140,402	140,402	10,000	100.00	200,321	30,940	30,940	Indirect subsidiary of the Company (Note)

Note: This transaction was written off when the consolidated financial statements were prepared.

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of ‘Investee’, ‘Location’, ‘Main business activities’, ‘Initial investment amount’ and ‘Shares held as at March 31, 2021’ should fill orderly in the Company’s (public company’s) information on investees and every directly or indirectly controlled investee’s investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the ‘footnote’ column.

(2) The ‘Net profit (loss) of the investee for the three-month period ended March 31, 2021’ column should fill in amount of net profit (loss) of the investee for this period.

(3) The‘Investment income (loss) recognised by the Company for the three-month period ended March 31, 2021’ column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary’s net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Evergreen Marine Corporation (Taiwan) Ltd.

Information on investments in Mainland China

For the three-month period ended March 31, 2021

Table 8

Expressed in thousands of TWD

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three-month period ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Net income (loss) of the investee for the three-month period ended March 31, 2021	Ownership held by the Company (direct of indirect) (%)	Investment income (loss) recognised by the Company. for the three-month period ended March 31, 2021 (Note 2(2)B)	Book value of investments in Mainland China as of March 31, 2021	Accumulted amount of investment income remitted back to Taiwan as of March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Ningbo Victory Container Co., Ltd.	Inland container transportation, container storage, loading, discharging, repair and related activities	$ 541,800	(2)	$ 204,042	$ -	$ -	$ 204,042	$ 14,220	40.00	$ 5,688	$ 336,458	$ -	
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	184,250	(2)	40,368	-	-	40,368	68,250	40.00	27,300	189,401	-	
Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	337,847	(2)	269,680	-	-	269,680	9,929	46.20	4,587	216,135	-	(Note)
Ever Shine (Shanghai) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	1,883,586	(2)	2,320,928	-	-	2,320,928	4,265	80.00	(13,817)	3,024,500	-	(Note)
Ever Shine (Ningbo) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	186,418	(2)	256,762	-	-	256,762	304	80.00	256	147,996	-	(Note)
Ever Shine (Shenzhen) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	265,956	(2)	446,761	-	-	446,761	751	80.00	(1,394)	393,446	-	(Note)
Ever Shine (Qingdao) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	215,638	(2)	364,189	-	-	364,189	830	80.00	(6)	243,810	-	(Note)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three-month period ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Net income (loss) of the investee for the three-month period ended March 31, 2021	Ownership held by the Company (direct of indirect) (%)	Investment income (loss) recognised by the Company. for the three-month period ended March 31, 2021 (Note 2(2)B)	Book value of investments in Mainland China as of March 31, 2021	Accumulted amount of investment income remitted back to Taiwan as of March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Evergreen Shipping Agency (China) Co., Ltd.	Agency services dealing with port formalities	29,728	(2)	84,330	-	-	84,330	12,766	52.00	6,638	47,233	-	(Note)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Evergreen Marine Corp.	$ 3,987,060	$ 4,512,477	$ 89,902,441

Note: This transaction was written off when the consolidated financial statements were prepared.

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China.

(2) Through investing in an existing company, Peony Investment S.A. and Evergreen Marine (Hong Kong) Ltd., in the third area, which then invested in the investee in Mainland China.

(3) Others

Note 2: In the ‘Investment income (loss) recognised by the Company for the three-month period ended March 31, 2021’ column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B. The financial statements that are audited and attested by R.O.C. parent company’s CPA.

C. Others.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Evergreen Marine Corporation (Taiwan) Ltd.
Major shareholders information
For the three-month period ended March 31, 2021

Table 9

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Evergreen International S.A.(EIS)	391,786,816	7.43%
Chang, Kuo-Hua	319,646,157	6.06%

Note 1: The major shareholders information was from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a differenent calculation basis.

Note 2: If the aforementioned data contains shares which were kept in trust by the shareholders, the data disclosed was the settlor's separate account for the fund set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shareholding ratio includes the self-owned shares and trusted shares, at the same time, persons who have power to decide how to allocate the trust assets. For the information of reported share equity of insider, please refer to Market Observation Post System.