

**EVERGREEN MARINE CORPORATION (TAIWAN)  
LTD. AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
September 30, 2022 AND 2021**

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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 September 30, 2022 and 2021, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-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 4(3), we did not review the financial statements of certain insignificant consolidated subsidiaries, which statements reflect total assets and total liabilities of NT\$809,791 thousand and NT\$306,027 thousand, constituting 0.09% and 0.10% of the consolidated total assets and

consolidated total liabilities as of September 30, 2022, respectively, and total comprehensive loss of (NT\$4,007) thousand and (NT\$5,985) thousand for the three-month and nine-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.

As explained in Note 6(8), 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\$3,041,855 thousand and NT\$2,875,114 thousand, constituting 0.35% and 0.55% of the consolidated total assets as of September 30, 2022 and 2021, respectively, and comprehensive income and loss under the equity method of NT\$100,053 thousand, NT\$74,497 thousand, NT\$290,139 thousand and NT\$219,140 thousand, constituting 0.08%, 0.09%, 0.08% and 0.12% of the consolidated total comprehensive income and loss for the three-month and nine-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 September 30, 2022 and 2021, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-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\$64,651,109 thousand and NT\$61,217,014 thousand, constituting 7.33% and 11.68% of the consolidated total assets as at September 30, 2022 and 2021, and total operating revenues of NT\$611,911 thousand, NT\$8,262,096 thousand, NT\$1,793,636 thousand and NT\$37,460,186 thousand, constituting 0.36%, 5.76%, 0.35% and 11.24% of the consolidated total operating revenues for the three-month and nine-month periods then ended. The investments accounted for under the equity method amounted to NT\$27,809,971 thousand and NT\$19,323,078 thousand, constituting 3.15% and 3.69% of the consolidated total assets as at September 30, 2022 and 2021, and the comprehensive income and loss under equity method was NT\$1,149,261 thousand, NT\$130,950 thousand, NT\$5,967,995 thousand and NT\$2,223,564 thousand, constituting 0.93%, 0.15%, 1.69% and 1.25% of the consolidated total comprehensive income and loss for the three-month and nine-month periods then ended.

Lai, Chung-Hsi

Chou, Hsiao-Tzu

For and on behalf of PricewaterhouseCoopers, Taiwan

November 4, 2022

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

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

**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2022, DECEMBER 31, 2021 AND SEPTEMBER 30, 2021**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of September 30, 2022 and 2021 are reviewed, not audited)

Assets	Notes	September 30, 2022		December 31, 2021		September 30, 2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current assets</b>								
1100	Cash and cash equivalents	6(1)	\$ 391,797,771	45	\$ 107,792,396	18	\$ 98,043,087	19
1110	Financial assets at fair value through profit or loss - current		-	-	44,999	-	60,999	-
1136	Current financial assets at amortised cost, net	6(3) and 8	16,036,510	2	93,229,679	15	28,349,180	6
1139	Current financial assets for hedging	6(4)	9,560,974	1	23,026,075	4	26,432,707	5
1140	Current contract assets	6(23)	3,536,071	1	4,525,961	1	6,500,080	1
1150	Notes receivable, net	6(5)	207,763	-	357,461	-	458,692	-
1170	Accounts receivable, net	6(5)	36,774,165	4	39,179,692	6	46,200,249	9
1180	Accounts receivable, net - related parties	6(5) and 7	2,113,417	-	2,000,706	-	1,489,938	-
1200	Other receivables		857,576	-	414,772	-	399,670	-
1210	Other receivables - related parties	7	859,180	-	716,166	-	734,070	-
1220	Current income tax assets		561,197	-	231,233	-	329,080	-
130X	Inventories	6(6)	8,385,862	1	5,837,528	1	5,389,394	1
1410	Prepayments		1,993,135	-	1,503,356	-	1,572,080	-
1460	Non-current assets held for sale, net		-	-	-	-	3,962	-
1470	Other current assets	6(7) and 7	3,464,510	-	4,254,969	1	4,726,455	1
11XX	<b>Current assets</b>		<u>476,148,131</u>	<u>54</u>	<u>283,114,993</u>	<u>46</u>	<u>220,689,643</u>	<u>42</u>
<b>Non-current assets</b>								
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	1,766,928	-	2,123,381	1	1,987,496	1
1535	Non-current financial assets at amortised cost, net	6(3) and 8	469,165	-	387,519	-	391,682	-
1538	Non-current financial assets for hedging	6(4)	3,309,546	-	1,488,664	-	1,908,225	-
1550	Investments accounted for using equity method	6(8)	42,985,081	5	36,418,613	6	33,138,845	6
1600	Property, plant and equipment, net	6(9), 8 and 9	206,737,021	23	153,902,875	25	143,572,939	28
1755	Right-of-use assets	6(10)	110,131,683	13	101,109,020	17	94,193,083	18
1760	Investment property, net	6(12) and 8	6,494,774	1	5,771,084	1	4,867,122	1
1780	Intangible assets		1,441,822	-	1,271,120	-	1,341,601	-
1840	Deferred income tax assets	6(31)	905,493	-	857,248	-	655,592	-
1900	Other non-current assets	6(13)	31,183,044	4	24,581,603	4	21,229,531	4
15XX	<b>Non-current assets</b>		<u>405,424,557</u>	<u>46</u>	<u>327,911,127</u>	<u>54</u>	<u>303,286,116</u>	<u>58</u>
1XXX	<b>Total assets</b>		<u>\$ 881,572,688</u>	<u>100</u>	<u>\$ 611,026,120</u>	<u>100</u>	<u>\$ 523,975,759</u>	<u>100</u>

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**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2022, DECEMBER 31, 2021 AND SEPTEMBER 30, 2021**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of September 30, 2022 and 2021 are reviewed, not audited)

Liabilities and Equity	Notes	September 30, 2022		December 31, 2021		September 30, 2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>Current liabilities</b>							
2120	Current financial liabilities at fair value through profit or loss	\$ 27,396	-	\$ -	-	\$ -	-
2126	Current financial liabilities for hedging	6(10) and 7 1,920,845	-	1,031,678	-	1,067,237	-
2130	Current contract liabilities	6(23) 15,619,553	2	13,530,256	2	10,544,321	2
2150	Notes payable	86	-	392	-	3,581	-
2170	Accounts payable	36,692,441	4	30,078,959	5	25,392,055	5
2180	Accounts payable - related parties	7 766,683	-	295,869	-	295,016	-
2200	Other payables	12,757,975	2	11,471,217	2	10,346,524	2
2220	Other payables - related parties	7 10,169,943	1	124,159	-	643,507	-
2230	Current income tax liabilities	52,421,406	6	12,362,320	2	9,494,189	2
2280	Current lease liabilities	6(10) and 7 11,815,680	1	16,238,751	3	15,665,169	3
2300	Other current liabilities	6(14) and 7 15,514,412	2	23,959,259	4	39,698,115	8
21XX	<b>Current liabilities</b>	<u>157,706,420</u>	<u>18</u>	<u>109,092,860</u>	<u>18</u>	<u>113,149,714</u>	<u>22</u>
<b>Non-current liabilities</b>							
2511	Non-current financial liabilities for hedging	6(10) and 7 16,056,341	2	10,477,195	2	10,805,745	2
2530	Corporate bonds payable	6(15) 4,793,291	1	6,772,950	1	6,760,175	1
2540	Long-term loans	6(16) 36,651,383	4	39,638,454	6	46,388,991	9
2570	Deferred income tax liabilities	6(31) 4,199,319	-	11,676,126	2	6,132,354	1
2580	Non-current lease liabilities	6(10) and 7 82,222,694	9	71,200,494	12	64,500,630	12
2600	Other non-current liabilities	6(17)(18) 5,449,555	1	4,846,451	1	3,915,804	1
25XX	<b>Non-current liabilities</b>	<u>149,372,583</u>	<u>17</u>	<u>144,611,670</u>	<u>24</u>	<u>138,503,699</u>	<u>26</u>
2XXX	<b>Total liabilities</b>	<u>307,079,003</u>	<u>35</u>	<u>253,704,530</u>	<u>42</u>	<u>251,653,413</u>	<u>48</u>
Equity attributable to owners of the parent							
Capital							
3110	Common stock	6(19) 21,164,201	2	52,908,484	9	52,908,474	10
3130	Certificate of entitlement to new shares from convertible bond	-	-	-	-	10	-
Capital surplus							
3200	Capital surplus	6(20) 15,960,370	2	15,762,185	2	15,489,492	3
Retained earnings							
3310	Legal reserve	6(21) 32,019,129	4	8,122,482	1	8,122,482	2
3320	Special reserve	1,145,770	-	581,406	-	581,406	-
3350	Unappropriated retained earnings	435,205,548	49	250,555,749	41	169,885,902	32
Other equity interest							
3400	Other equity interest	6(22) 33,909,525	4	(1,145,770)	-	7,653	-
31XX	<b>Equity attributable to owners of the parent</b>	<u>539,404,543</u>	<u>61</u>	<u>326,784,536</u>	<u>53</u>	<u>246,995,419</u>	<u>47</u>
36XX	Non-controlling interest	35,089,142	4	30,537,054	5	25,326,927	5
3XXX	<b>Total equity</b>	<u>574,493,685</u>	<u>65</u>	<u>357,321,590</u>	<u>58</u>	<u>272,322,346</u>	<u>52</u>
Significant Contingent Liabilities And Unrecognized Contract Commitments							
Significant Events After The Balance Sheet Date							
3X2X	<b>Total liabilities and equity</b>	<u>\$ 881,572,688</u>	<u>100</u>	<u>\$ 611,026,120</u>	<u>100</u>	<u>\$ 523,975,759</u>	<u>100</u>

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

**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)  
(Reviewed, not audited)

Items	Notes	Three-month period ended September 30				Nine-month period ended September 30				
		2022		2021		2022		2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(23) and 7	\$ 170,433,361	100	\$ 143,481,647	100	\$ 516,257,233	100	\$ 333,401,180	100
5000	Operating costs	6(29)(30) and 7	( 57,314,868)	( 34)	( 44,473,846)	( 31)	( 163,346,284)	( 32)	( 132,993,544)	( 40)
5900	Gross profit		113,118,493	66	99,007,801	69	352,910,949	68	200,407,636	60
5910	Unrealized profit from sales		-	-	-	-	( 13,192)	-	( 53,971)	-
5920	Realized profit on from sales		5,247	-	4,348	-	15,705	-	11,746	-
5950	Gross profit		113,123,740	66	99,012,149	69	352,913,462	68	200,365,411	60
	Operating expenses	6(29)(30) and 7								
6100	Selling expenses		( 663,895)	-	( 548,141)	-	( 1,926,377)	-	( 1,608,417)	-
6200	General and administrative expenses		( 3,428,139)	( 2)	( 2,408,302)	( 2)	( 9,869,631)	( 2)	( 6,808,570)	( 2)
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	136	-	1,788	-	53	-	1,339	-
6000	Operating expenses		( 4,091,898)	( 2)	( 2,954,655)	( 2)	( 11,795,955)	( 2)	( 8,415,648)	( 2)
6500	Other gains - net	6(24) and 7	217,985	-	59,278	-	864,969	-	155,770	-
6900	Operating profit		109,249,827	64	96,116,772	67	341,982,476	66	192,105,533	58
	Other non-operating income and expenses									
7100	Interest income	6(25)	1,992,773	1	98,870	-	2,944,746	1	237,835	-
7010	Other income	6(26)	115,345	-	183,979	-	434,175	-	412,314	-
7020	Other gains and losses	6(27)	5,314,513	3	45,669	-	8,947,032	2	84,675	-
7050	Finance costs	6(28) and 7	( 835,788)	-	( 716,758)	-	( 2,335,155)	( 1)	( 2,466,887)	( 1)
7060	Share of loss of associates and joint ventures accounted for using equity method		2,415,914	2	537,346	-	8,980,909	2	2,796,385	1
7000	Total non-operating income and expenses		9,002,757	6	149,106	-	18,971,707	4	1,064,322	-
7900	<b>Profit before income tax</b>		118,252,584	70	96,265,878	67	360,954,183	70	193,169,855	58
7950	Income tax expense	6(31)	( 15,234,014)	( 9)	( 9,004,215)	( 6)	( 46,270,951)	( 9)	( 16,255,156)	( 5)
8200	<b>Profit for the period</b>		\$ 103,018,570	61	\$ 87,261,663	61	\$ 314,683,232	61	\$ 176,914,699	53

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**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)  
(Reviewed, not audited)

Items	Notes	Three-month period ended September 30				Nine-month period ended September 30				
		2022		2021		2022		2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Other comprehensive income (loss)</b>										
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>										
8316	Unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(2)(22)								
			(\$ 317,230)	-	(\$ 69,850)	-	(\$ 430,919)	-	\$ 333,332	-
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		( 475,920)	( 1)	( 909,960)	( 1)	( 1,049,231)	-	1,242,190	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(31)	2,576	-	( 3,660)	-	15,380	-	( 13,742)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		( 790,574)	( 1)	( 983,470)	( 1)	( 1,464,770)	-	1,561,780	-
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>										
8361	Exchange differences on translating the financial statements of foreign operations		22,515,371	13	( 372,133)	-	41,486,622	8	( 963,319)	-
8368	Gains (losses) on hedging instruments	6(4)(10)(22)	( 451,951)	-	14,344	-	( 203,047)	-	42,971	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		( 358,437)	-	( 76,813)	-	( 739,677)	-	( 208,768)	-
8399	Income tax relating to the components of other comprehensive income (loss)	6(31)	95,799	-	( 2,669)	-	36,541	-	3,012	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		21,800,782	13	( 437,271)	-	40,580,439	8	( 1,126,104)	-
8300	<b>Other comprehensive income (loss) for the period, net of income tax</b>		<u>\$ 21,010,208</u>	<u>12</u>	<u>(\$ 1,420,741)</u>	<u>( 1)</u>	<u>\$ 39,115,669</u>	<u>8</u>	<u>\$ 435,676</u>	<u>-</u>
8500	<b>Total comprehensive income for the period</b>		<u>\$ 124,028,778</u>	<u>73</u>	<u>\$ 85,840,922</u>	<u>60</u>	<u>\$ 353,798,901</u>	<u>69</u>	<u>\$ 177,350,375</u>	<u>53</u>
Profit attributable to:										
8610	Owners of the parent		\$ 100,698,049	60	\$ 80,138,088	56	\$ 304,350,822	59	\$ 158,279,091	47
8620	Non-controlling interest		\$ 2,320,521	1	\$ 7,123,575	5	\$ 10,332,410	2	\$ 18,635,608	6
Comprehensive income attributable to:										
8710	Owners of the parent		\$ 119,815,005	71	\$ 78,798,964	55	\$ 339,404,989	66	\$ 158,885,840	47
8720	Non-controlling interest		\$ 4,213,773	2	\$ 7,041,958	5	\$ 14,393,912	3	\$ 18,464,535	6
Basic earnings per share (in dollars)										
9750	Basic earnings per share	6(32)	\$ 37.25		\$ 15.15		\$ 68.88		\$ 30.27	
9850	Diluted earnings per share		\$ 36.85		\$ 14.99		\$ 68.30		\$ 30.08	

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**  
**NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)  
(UNAUDITED)

	Equity attributable to owners of the parent												
	Notes	Retained Earnings					Other equity interest					Non-controlling interest	Total equity
		Common stock	Certificate of entitlement to new shares from convertible bond	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on effective portion of cash flow hedges	Total		
<b>Nine-months period ended September 30, 2021</b>													
Balance at January 1, 2021	6(22)	\$ 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(21)	-	-	-	-	-	158,279,091	-	-	-	158,279,091	18,635,608	176,914,699
Other comprehensive income (loss) for the period	6(21)(22)	-	-	-	-	-	(23,448)	(823,444)	1,585,228	(131,587)	606,749	(171,073)	435,676
Total comprehensive income (loss)		-	-	-	-	-	158,255,643	(823,444)	1,585,228	(131,587)	158,885,840	18,464,535	177,350,375
Adjustments to share of changes in equity of associates and joint ventures	6(20)(21)	-	-	(118,985)	-	-	40,981	-	(41,138)	-	(119,142)	-	(119,142)
Appropriation of 2020 earnings	6(21)												
Legal reserve		-	-	-	2,407,542	-	(2,407,542)	-	-	-	-	-	-
Special reserve		-	-	-	-	581,406	(581,406)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	(13,156,234)	-	-	-	(13,156,234)	-	(13,156,234)
Other changes in capital surplus	6(19)(20)	-	-	(6)	-	-	-	-	-	-	(6)	-	(6)
Due to recognition of equity component of convertible bonds	6(35)	-	-	289,166	-	-	-	-	-	-	289,166	-	289,166
Conversion of convertible bonds		3,928,121	10	2,885,953	-	-	-	-	-	-	6,814,084	-	6,814,084
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(350,190)	(350,190)
Balance at September 30, 2021		\$ 52,908,474	\$ 10	\$ 15,489,492	\$ 8,122,482	\$ 581,406	\$ 169,885,902	(\$ 5,151,788)	\$ 3,428,864	\$ 1,730,577	\$ 246,995,419	\$ 25,326,927	\$ 272,322,346
<b>Nine-months period ended September 30, 2022</b>													
Balance at January 1, 2022	6(22)	\$ 52,908,484	\$ -	\$ 15,762,185	\$ 8,122,482	\$ 581,406	\$ 250,555,749	(\$ 6,733,006)	\$ 3,986,029	\$ 1,601,207	\$ 326,784,536	\$ 30,537,054	\$ 357,321,590
Profit for the period	6(21)	-	-	-	-	-	304,350,822	-	-	-	304,350,822	10,332,410	314,683,232
Other comprehensive income (loss) for the period	6(21)(22)	-	-	-	-	-	(910)	38,116,986	(1,463,860)	(1,598,049)	35,054,167	4,061,502	39,115,669
Total comprehensive income (loss)		-	-	-	-	-	304,349,912	38,116,986	(1,463,860)	(1,598,049)	339,404,989	14,393,912	353,798,901
Capital reduction		(31,746,301)	-	-	-	-	-	-	-	-	(31,746,301)	-	(31,746,301)
Adjustments to share of changes in equity of associates and joint ventures	6(20)(21)	-	-	182,086	-	-	(218)	-	218	-	182,086	-	182,086
Appropriation of 2021 earnings	6(21)												
Legal reserve		-	-	-	23,896,647	-	(23,896,647)	-	-	-	-	-	-
Special reserve		-	-	-	-	564,364	(564,364)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	(95,238,884)	-	-	-	(95,238,884)	-	(95,238,884)
Other changes in capital surplus	6(20)	-	-	(13)	-	-	-	-	-	-	(13)	-	(13)
Conversion of Convertible bonds	6(19)(20)	2,018	-	16,112	-	-	-	-	-	-	18,130	-	18,130
Changes in non-controlling interests	6(35)	-	-	-	-	-	-	-	-	-	-	(9,841,824)	(9,841,824)
Balance at September 30, 2022		\$ 21,164,201	\$ -	\$ 15,960,370	\$ 32,019,129	\$ 1,145,770	\$ 435,205,548	\$ 31,383,980	\$ 2,522,387	\$ 3,158	\$ 539,404,543	\$ 35,089,142	\$ 574,493,685

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)  
(Reviewed, not audited)

	Notes	Nine-month period ended September 30	
		2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 360,954,183	\$ 193,169,855
Adjustments			
Income and expenses having no effect on cash flows			
Financial assets and liabilities at fair value through profit or loss	6(27)	72,445 (	44,472 )
Depreciation	6(9)(10)(12)(27)(29)	20,064,467	16,355,665
Amortization	6(29)	231,977	216,488
Expected debit gain	12(2)	( 53 ) (	1,339 )
Rental expense	6(10)	( 904 ) (	808 )
Other income	6(10)	- (	335 )
Interest income	6(25)	( 2,944,746 ) (	237,835 )
Interest expense	6(28)	2,335,155	2,466,887
Dividend income	6(26)	( 152,489 ) (	106,275 )
Share of profit of associates and joint ventures accounted for using equity method		( 8,980,909 ) (	2,796,385 )
Gain from bargain purchase	6(26)(34)	( 3,863 ) (	8,605 )
Gains arising from lease modification	6(27)	( 136 ) (	7,270 )
Net gain on disposal of property, plant and equipment	6(24)	( 864,969 ) (	155,770 )
Net loss on disposal of right-of-use assets	6(27)	643	459
Net gain on disposal of investments	6(27)	( 33,582 ) (	10,908 )
Realized income with affiliated companies		( 15,705 ) (	11,746 )
Unrealized gain with affiliated companies		13,192	53,971
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Current contract assets		1,504,127 (	3,479,227 )
Notes receivable, net		203,841 (	335,336 )
Accounts receivable, net		13,823,507 (	25,425,524 )
Accounts receivable, net - related parties		224,699 (	635,951 )
Other receivables		( 388,172 ) (	161,861 )
Other receivables - related parties		62,300 (	29,896 )
Inventories		( 1,832,954 ) (	2,480,185 )
Prepayments		( 241,476 ) (	17,923 )
Other current assets		1,322,680 (	423,905 )
Other non-current assets		33,650 (	25,490 )
Net changes in liabilities relating to operating activities			
Current contract liabilities		602,713	6,896,953
Notes payable		( 362 ) (	355 )
Accounts payable		2,411,874	5,176,909
Accounts payable - related parties		431,394 (	65,130 )
Other payables		( 954,762 ) (	2,829,514 )
Other payables - related parties		( 28,612 ) (	94,728 )
Other current liabilities		( 10,962,164 ) (	11,334,929 )
Other non-current liabilities		( 358,585 ) (	47,045 )
Cash inflow generated from operations		376,528,404	201,897,326
Interest received		2,944,746	237,835
Interest paid		( 2,289,213 ) (	2,569,679 )
Income tax paid		( 14,875,970 ) (	5,047,035 )
Net cash flows from operating activities		362,307,967	194,518,447

(Continued)

**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)  
(Reviewed, not audited)

	Notes	Nine-month period ended September 30	
		2022	2021
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Proceeds from disposal of financial assets at fair value through profit or loss		\$ 15	\$ -
Decrease (increase) in financial assets at amortised cost-current		87,923,713	( 21,603,638 )
Decrease (increase) in financial assets for hedging		13,450,407	( 28,524,567 )
(Increase) decrease in other receivables - related parties		( 102,449 )	36,028
Increase in financial assets at amortised cost - non current		( 63,589 )	( 43,073 )
Acquisition of property, plant and equipment	6(35)	( 15,764,541 )	( 10,239,153 )
Proceeds from disposal of property, plant and equipment		3,280,753	178,999
Acquisition of Investment property	6(12)	( 2,666 )	-
Acquisition of intangible assets	6(35)	( 33,898 )	( 18,561 )
Increase in guarantee deposits paid		( 16,646 )	( 43,884 )
Decrease in guarantee deposits paid		12,280	6,958
Increase in other non-current assets	6(35)	( 22,582,580 )	( 27,237,808 )
Effect of initial consolidation of subsidiaries	6(35)	( 123,469 )	320,435
Cash dividend received	6(35)	1,257,695	583,348
Net cash flows from (used in) investing activities		<u>67,235,025</u>	<u>( 86,584,916 )</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Increase in short-term loans		366,750	1,339,168
Decrease in short-term loans		( 1,110,198 )	( 1,339,168 )
Increase (decrease) in other payables - related parties		1,234	( 140 )
Increase in long-term loans	6(36)	20,540,766	20,332,067
Decrease in long-term loans	6(36)	( 37,875,609 )	( 52,757,882 )
Increase in corporate bonds payable	6(36)	-	5,043,871
Payments of lease liabilities	6(10)(36)	( 13,159,694 )	( 8,692,980 )
Decrease in corporate bonds payable	6(36)	( 4,000,000 )	( 4,000,000 )
Increase in guarantee deposits received	6(36)	947,797	467,858
Decrease in guarantee deposits received	6(36)	( 759,014 )	( 323,940 )
Cash dividends paid	6(21)	( 95,238,884 )	( 13,156,234 )
Other financing activities	6(20)	( 13 )	( 6 )
Capital reduction		( 31,746,301 )	-
Net change in non-controlling interest	6(35)	45,540	( 323,569 )
Net cash flows used in financing activities		<u>( 161,987,626 )</u>	<u>( 53,410,955 )</u>
Effect of exchange rate changes		16,450,009	( 575,974 )
Net increase in cash and cash equivalents		284,005,375	53,946,602
Cash and cash equivalents at beginning of period		<u>107,792,396</u>	<u>44,096,485</u>
Cash and cash equivalents at end of period		<u>\$ 391,797,771</u>	<u>\$ 98,043,087</u>

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, commercial port area ship repair 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 November 4, 2022.

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 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
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

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

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 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.

B. Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'

The amendments require an entity to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

(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 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
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023

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

#### 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) Basis of consolidation

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 (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
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	100.00	100.00	100.00	(a)
The Company	ESRC	Security industry	62.25	31.25	31.25	(h)
Peony	GMS	Container shipping	100.00	100.00	100.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
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	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	20.00	(j)
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	(j)
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	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
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	(j)
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	
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	65.00	
EGH	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	20.00	(j)
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	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
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	EIL	Agency services dealing with port formalities	1.00	1.00	1.00	(j)
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	100.00	
EGH	EAR	Agency services dealing with port formalities	60.00	60.00	60.00	(b)
EGH	ESAU	Agency services dealing with port formalities	60.00	60.00	60.00	(c)
EGH	UMS	Agency services dealing with port formalities	100.00	100.00	100.00	(d)
EMA	ETR	Agency services dealing with port formalities	60.00	60.00	-	(e)
EMA	EGJ	Agency services dealing with port formalities	100.00	-	-	(f)
EMA	EBPI	Computer system services and terminal logistics	100.00	-	-	(g)
EMA	EECU	Agency services dealing with port formalities	60.00	-	-	(i)
ETS	Whitney	Investments and leases of operating machinery and equipment of port terminals	100.00	100.00	100.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
EMU	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	20.00	(j)
Clove	ETS	Terminal Services	5.57	5.57	5.57	(j)
MBPI	MBT	Inland transportation, repairs and cleaning of containers	72.95	72.95	72.95	

- (a) 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, and the capital injection was completed on June 8, 2021. The company is primarily engaged in container shipping.
- (b) 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 capital injection was completed on May 11, 2021. The subsidiary is primarily engaged in container shipping and agency services dealing with port formalities.
- (c) On June 22, 2020, the Board of Directors of the Company and the subsidiary, EGH, resolved to establish a subsidiary, ESAU, in Arabia. The capital for establishment is SAR 3,000, and the capital injection was completed on August 4, 2021. The subsidiary is primarily engaged in container shipping and agency services dealing with port formalities.
- (d) On June 23, 2021, the Board of Directors of the subsidiary, EGH, resolved to make an equity transaction. EGH acquired 85% and 15% equity interests of UMS from the other related party, Evergreen International S.A., and a non-related party, respectively, and obtained the control over UMS. The transaction date was July 1, 2021 and the transaction amount was USD 300 (approx. \$8,373).
- (e) On April 22, 2021, the Board of Directors of the subsidiary, EMA, resolved to establish a subsidiary, ETR, in Turkey. The capital for establishment is TRY4,000, 25% and 75% of the capital injection were completed on October 12, 2021 and May 17, 2022, respectively. The subsidiary is primarily engaged in container shipping and agency services dealing with port formalities.
- (f) On November 5, 2021, the Board of Directors of the subsidiary, EMA, resolved to make an equity transaction. EMA acquired 100% equity interests of EGJ from the other related party, Evergreen International S.A., and obtained the control over EGJ. The transaction date was January 1, 2022 and the transaction amount was USD 15,534 (approx. \$429,597).

- (g) On March 4, 2022, the Board of Directors of the subsidiary, EMA, resolved to establish a subsidiary, EBPI, in US. The capital for establishment is USD2,000, and the capital injection was completed on May 23, 2022. The subsidiary is primarily engaged in computer system services and terminal logistics.
- (h) On March 15, 2022, the Board of Directors of the Company resolved to acquire 31% equity interests in ESRC from the associate, EVA. Together with 31.25% equity interests previously held by the Company, the Company held a total of 62.25% equity interests in ESRC after the merger and obtained control over ESRC. The transaction date was April 1, 2022 and the transaction amount was \$192,038.
- (i) On April 4, 2022, the Board of Directors of the subsidiary, EMA, resolved to establish a subsidiary, EECU, in Ecuador. The capital for establishment is USD300, and the capital injection was completed on July 19, 2022. The subsidiary is primarily engaged in agency services dealing with port formalities.
- (j) 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.

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 September 30, 2022, December 31, 2021 and September 30, 2021, the non-controlling interest amounted to \$35,089,142, \$30,537,054 and \$25,326,927, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest				Description
		September 30, 2022		December 31, 2021		
		Amount	Ownership (%)	Amount	Ownership (%)	
EMU	U.K.	\$14,549,339	49%	\$11,811,400	49%	
EGH	Hong Kong	19,916,648	20%	17,985,999	20%	
		Non-controlling interest				
		September 30, 2021				
Name of subsidiary	Principal place of business			Ownership		Description
		Amount	(%)	Amount	(%)	
EMU	U.K.			\$11,629,227	49%	
EGH	Hong Kong			13,004,180	20%	

Summarised financial information of the subsidiaries:

Balance sheets

	EMU		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 6,695,487	\$ 3,305,102	\$ 11,202,170
Non-current assets	38,673,675	37,041,827	38,237,881
Current liabilities	( 7,877,081)	( 10,221,113)	( 19,178,523)
Non-current liabilities	( 7,799,552)	( 6,020,919)	( 6,528,411)
Total net assets	<u>\$ 29,692,529</u>	<u>\$ 24,104,897</u>	<u>\$ 23,733,117</u>

	EGH		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 125,214,244	\$ 96,467,199	\$ 72,706,542
Non-current assets	55,330,588	57,706,581	55,258,440
Current liabilities	( 52,452,606)	( 42,005,515)	( 38,769,303)
Non-current liabilities	( 30,427,513)	( 24,121,256)	( 25,314,179)
Total net assets	<u>\$ 97,664,713</u>	<u>\$ 88,047,009</u>	<u>\$ 63,881,500</u>

Statements of comprehensive income

	EMU	
	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Revenue	\$ 3,401,551	\$ 10,002,491
Profit before income tax	\$ 724,098	\$ 4,725,984
Income tax expense	( 6,013)	( 27,204)
Profit for the period from continuing operations	718,085	4,698,780
Other comprehensive loss, net of tax	( 5,663)	( 101)
Total comprehensive income for the period	<u>\$ 712,422</u>	<u>\$ 4,698,679</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 349,087</u>	<u>\$ 2,302,353</u>

	EMU	
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Revenue	\$ 9,680,991	\$ 41,263,090
Profit before income tax	\$ 1,948,729	\$ 16,998,080
Income tax expense	( 12,674)	( 41,075)
Profit for the period from continuing operations	1,936,055	16,957,005
Other comprehensive (loss) income, net of tax	( 10,207)	694
Total comprehensive income for the period	<u>\$ 1,925,848</u>	<u>\$ 16,957,699</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 943,666</u>	<u>\$ 8,309,273</u>
	EGH	
	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Revenue	\$ 14,462,838	\$ 37,100,252
Profit before income tax	\$ 9,192,631	\$ 23,795,462
Income tax expense	( 997,923)	( 1,031,246)
Profit for the period from continuing operations	8,194,708	22,764,216
Other comprehensive loss, net of tax	( 217,385)	( 34,383)
Total comprehensive income for the period	<u>\$ 7,977,323</u>	<u>\$ 22,729,833</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 1,789,862</u>	<u>\$ 4,685,429</u>
Dividends paid to non-controlling interest	<u>\$ 3,867,692</u>	<u>\$ 53,422</u>

	EGH	
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Revenue	\$ 70,921,946	\$ 86,276,029
Profit before income tax	\$ 47,167,279	\$ 50,859,343
Income tax expense	( 3,130,191)	( 2,080,512)
Profit for the period from continuing operations	44,037,088	48,778,831
Other comprehensive loss, net of tax	( 382,780)	( 6,349)
Total comprehensive income for the period	<u>\$ 43,654,308</u>	<u>\$ 48,772,482</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 9,287,688</u>	<u>\$ 10,050,005</u>
Dividends paid to non-controlling interest	<u>\$ 9,637,343</u>	<u>\$ 201,942</u>

Statements of cash flows

	EMU	
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Net cash provided by operating activities	\$ 4,859,822	\$ 22,043,929
Net cash used in investing activities	( 99,565)	( 362,527)
Net cash used in financing activities	( 2,753,062)	( 14,976,115)
Effect of exchange rates on cash and cash equivalents	355,382	( 56,385)
Increase in cash and cash equivalents	2,362,577	6,648,902
Cash and cash equivalents, beginning of period	<u>1,432,318</u>	<u>2,524,302</u>
Cash and cash equivalents, end of period	<u>\$ 3,794,895</u>	<u>\$ 9,173,204</u>

	EGH	
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Net cash provided by operating activities	\$ 76,749,290	\$ 61,966,613
Net cash from (used in) investing activities	13,289,509 (	13,173,687)
Net cash used in financing activities	( 31,662,366) (	22,914,409)
Effect of exchange rates on cash and cash equivalents	9,815,819 (	192,602)
Increase in cash and cash equivalents	68,192,252	25,685,915
Cash and cash equivalents, beginning of period	34,712,792	7,876,051
Cash and cash equivalents, end of period	\$ 102,905,044	\$ 33,561,966

(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 repairs)	3 ~ 115 years
Loading and unloading equipment	3 ~ 20 years
Ships (Except for docking repair and scrubber)	18 ~ 25 years
Ships (Docking repair)	2.5 ~ 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 15 ~ 55 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 ~ 19 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 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 recognise 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 recognised under the percentage-of-completion method for each vessel during the reporting period. As 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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Cash on hand and petty cash	\$ 76,518	\$ 28,314	\$ 22,248
Checking accounts and demand deposits	34,915,195	27,512,861	37,570,270
Time deposits	356,806,058	80,251,221	60,450,569
	<u>\$ 391,797,771</u>	<u>\$ 107,792,396</u>	<u>\$ 98,043,087</u>

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

<u>Items</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Non-current items:			
Equity instruments			
Listed (TSE) stocks	\$ 490,801	\$ 490,801	\$ 490,801
Unlisted stocks	215,437	199,744	200,456
	<u>706,238</u>	<u>690,545</u>	<u>691,257</u>
Valuation adjustment	1,060,690	1,432,836	1,296,239
	<u>\$ 1,766,928</u>	<u>\$ 2,123,381</u>	<u>\$ 1,987,496</u>

- 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 \$1,766,928 , \$2,123,381 and \$1,987,496 as at September 30, 2022, December 31, 2021 and September 30, 2021, 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:

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income (loss)	(\$ <u>317,230</u> )	(\$ <u>69,850</u> )
Income tax recognised in other comprehensive (loss) income	\$ <u>2,576</u>	\$ <u>736</u>
Dividend income recognised in profit or loss - Held at end of period	\$ <u>35,333</u>	\$ <u>80,845</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive (loss) income	(\$ <u>430,919</u> )	\$ <u>333,332</u>
Income tax recognised in other comprehensive income	\$ <u>16,588</u>	\$ <u>9,729</u>
Dividend income recognised in profit or loss - Held at end of period	\$ <u>152,489</u>	\$ <u>106,275</u>

- 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

<u>Items</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<b>Current items:</b>			
Time deposits exceeding 3 months	\$ 15,913,418	\$ 90,974,717	\$ 28,340,158
Restricted reserve account	70,952	2,195,962	22
Financial bonds	50,000	50,000	-
Pledged time deposits	2,140	9,000	9,000
	<u>\$ 16,036,510</u>	<u>\$ 93,229,679</u>	<u>\$ 28,349,180</u>
<b>Non-current items:</b>			
Financial bonds	\$ 50,000	\$ 50,000	\$ 100,000
Pledged time deposits	301,802	264,791	249,838
Time deposits exceeding 1 year	117,363	72,728	41,844
	<u>\$ 469,165</u>	<u>\$ 387,519</u>	<u>\$ 391,682</u>

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

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Interest income	<u>\$ 171,166</u>	<u>\$ 18,549</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Interest income	<u>\$ 407,207</u>	<u>\$ 59,784</u>

B. As at September 30, 2022, December 31, 2021 and September 30, 2021, 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 \$16,505,675 , \$93,617,198 and \$28,740,862, 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). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

E. The aforementioned restricted reserve account pertains to a bank account that was opened for specific purposes.

(4) Hedging financial assets

To hedge the impact of expected variable exchange rate risk arising from US dollar denominated equipment payable, the Company designated US dollar denominated restricted time deposits as the hedging instruments for hedging the highly probable foreign exchange variation of future US dollar denominated equipment payable 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 acquisition of property, plant and equipment when the hedged items are occurred. Details of relevant transactions are as follows:

September 30, 2022			
Hedged items	Designated as hedging instruments	Contract period	Book value
Expected US dollar denominated equipment payable	US dollar denominated restricted time deposits	2022.7.27~2024.8.31	\$ <u>12,870,520</u>
December 31, 2021			
Hedged items	Designated as hedging instruments	Contract period	Book value
Expected US dollar denominated equipment payable	US dollar denominated restricted time deposits	2021.7.27~2023.4.30	\$ <u>24,514,739</u>
September 30, 2021			
Hedged items	Designated as hedging instruments	Contract period	Book value
Expected US dollar denominated equipment payable	US dollar denominated restricted time deposits	2021.7.27~2021.9.30	\$ <u>28,340,932</u>

A. Time deposits designated as hedges (recorded as financial assets for hedging)

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Cash flow hedges :			
<u>Exchange rate risk</u>			
Time deposits designated as hedges			
Current assets	\$ 9,560,974	\$ 23,026,075	\$ 26,432,707
Non-current assets	3,309,546	1,488,664	1,908,225
	<u>\$ 12,870,520</u>	<u>\$ 24,514,739</u>	<u>\$ 28,340,932</u>

B. Other equity - cash flow hedge reserve

	<u>2022</u>	<u>2021</u>
At July 1	\$ 791,370	\$ -
Less : Reclassified to property, plant and equipment as the hedged item has affected profit or loss	( 200,098)	-
Add (less): profit (loss) on hedge effectiveness -amount recognised in other comprehensive income	<u>896,366</u>	<u>( 183,634)</u>
At September 30	<u>\$ 1,487,638</u>	<u>(\$ 183,634)</u>
	<u>2022</u>	<u>2021</u>
At January 1	(\$ 314,473)	\$ -
Less: Reclassified to property, plant and equipment as the hedged item has affected profit or loss	( 249,532)	-
Add (less): profit (loss) on hedge effectiveness -amount recognised in other comprehensive income	<u>2,051,643</u>	<u>( 183,634)</u>
At September 30	<u>\$ 1,487,638</u>	<u>(\$ 183,634)</u>

C. As of September 30, 2022, there were no ineffective portion to be recognised in profit or loss for the unwritten-off cash flow hedge transactions.

D. The above restricted time deposits designated as hedges pertain to an account that was used exclusively for specific purposes.

(5) Notes and accounts receivable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Notes receivable	\$ 207,781	\$ 357,461	\$ 458,692
Less: Allowance for bad debts	( 18)	-	-
	<u>\$ 207,763</u>	<u>\$ 357,461</u>	<u>\$ 458,692</u>
Accounts receivable (including related parties)	\$ 38,892,842	\$ 41,184,892	\$ 47,695,592
Less: Allowance for bad debts	( 5,260)	( 4,494)	( 5,405)
	<u>\$ 38,887,582</u>	<u>\$ 41,180,398</u>	<u>\$ 47,690,187</u>

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

	September 30, 2022		December 31, 2021	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	\$ 32,902,305	\$ 199,128	\$ 29,159,450	\$ 302,205
Up to 30 days	5,492,337	8,653	10,942,351	55,256
31 to 180 days	498,200	-	1,083,091	-
	<u>\$ 38,892,842</u>	<u>\$ 207,781</u>	<u>\$ 41,184,892</u>	<u>\$ 357,461</u>
			September 30, 2021	
			Accounts receivable	Notes receivable
Not past due			\$ 39,992,491	\$ 377,382
Up to 30 days			7,332,905	81,304
31 to 180 days			370,196	6
			<u>\$ 47,695,592</u>	<u>\$ 458,692</u>

The above ageing analysis was based on past due date.

- B. As of September 30, 2022, December 31, 2021, September 30, 2021 and January 1, 2021, the balances of notes and accounts receivable (including related parties) from contracts with customers amounted to \$39,095,345, \$41,537,859, \$48,148,879 and \$21,918,623, respectively.
- C. The Group has no notes and accounts receivable held by the Group pledged to others.
- D. As at September 30, 2022, December 31, 2021 and September 30, 2021, 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 \$207,763, \$357,461 and \$458,692, respectively; and the amount that best represents the Group's accounts receivable were \$38,887,582, \$41,180,398 and \$47,690,187, respectively.
- E. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2).

(6) Inventories

	September 30, 2022		
	Cost	Allowance for valuation loss	Book value
Ship fuel	\$ 7,679,837	\$ -	\$ 7,679,837
Steel and others	706,025	-	706,025
	<u>\$ 8,385,862</u>	<u>\$ -</u>	<u>\$ 8,385,862</u>
	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Ship fuel	\$ 5,240,840	\$ -	\$ 5,240,840
Steel and others	596,688	-	596,688
	<u>\$ 5,837,528</u>	<u>\$ -</u>	<u>\$ 5,837,528</u>
	September 30, 2021		
	Cost	Allowance for valuation loss	Book value
Ship fuel	\$ 4,685,765	\$ -	\$ 4,685,765
Steel and others	703,629	-	703,629
	<u>\$ 5,389,394</u>	<u>\$ -</u>	<u>\$ 5,389,394</u>

(7) Other current assets

	September 30, 2022	December 31, 2021	September 30, 2021
Shipowner's accounts	\$ 3,724	\$ 6,679	\$ 14,476
Agency accounts	2,512,251	3,411,873	3,858,641
Temporary debits	948,535	836,417	853,338
	<u>\$ 3,464,510</u>	<u>\$ 4,254,969</u>	<u>\$ 4,726,455</u>

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:

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.

(8) Investments accounted for using equity method

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Evergreen International Storage and Transport Corporation	\$ 11,650,233	\$ 10,956,117	\$ 10,462,118
EVA Airways Corporation	12,221,488	12,812,215	11,393,314
Taipei Port Container Terminal Corporation	1,836,945	1,694,351	1,632,596
Charng Yang Development Co., Ltd.	550,836	561,169	544,614
Ningbo Victory Container Co., Ltd.	332,429	341,659	333,576
Ever Ecove Corporation	314,649	299,567	301,598
Luanta Investment (Netherlands) N.V.	840,000	710,843	715,951
Balsam Investment (Netherlands) N.V.	10,143,943	4,839,068	3,699,513
Colon Container Terminal S.A.	3,891,081	3,119,026	3,053,249
Others	1,203,477	1,084,598	1,002,316
	<u>\$ 42,985,081</u>	<u>\$ 36,418,613</u>	<u>\$ 33,138,845</u>

## 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
		September 30, 2022	December 31, 2021	September 30, 2021		
		Evergreen International Storage and Transport Corporation	TW	40.36%		
EVA Airways Corporation	TW	14.53%	15.11%	15.13%	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		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 11,344,521	\$ 11,651,185	\$ 10,298,015
Non-current assets	31,141,657	30,154,095	28,818,734
Current liabilities	( 3,474,225)	( 3,735,556)	( 3,156,795)
Non-current liabilities	( 9,419,926)	( 10,338,771)	( 9,578,776)
Total net assets	<u>\$ 29,592,027</u>	<u>\$ 27,730,953</u>	<u>\$ 26,381,178</u>
Share in associate's net assets	\$ 11,765,425	\$ 11,074,175	\$ 10,562,197
Unrealized income with affiliated companies	( 115,192)	( 118,058)	( 100,079)
Carrying amount of the associate	<u>\$ 11,650,233</u>	<u>\$ 10,956,117</u>	<u>\$ 10,462,118</u>

	EVA Airways Corporation		
	September 30, 2022	December 31, 2021	September 30, 2021
Current assets	\$ 74,513,140	\$ 65,182,413	\$ 62,965,682
Non-current assets	244,380,255	260,131,637	260,982,296
Current liabilities	( 64,958,039)	( 46,637,622)	( 52,744,231)
Non-current liabilities	( 161,773,558)	( 185,969,070)	( 190,279,284)
Total net assets	<u>\$ 92,161,798</u>	<u>\$ 92,707,358</u>	<u>\$ 80,924,463</u>
Share in associate's net assets	<u>\$ 12,221,488</u>	<u>\$ 12,812,215</u>	<u>\$ 11,393,314</u>

## Statement of comprehensive income

	Evergreen International Storage and Transport Corporation	
	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Revenue	\$ 4,931,528	\$ 1,700,930
Profit for the period	\$ 993,779	\$ 316,310
Other comprehensive loss, net of tax	( 175,873)	( 1,911,788)
Total comprehensive income (loss)	\$ 817,906	(\$ 1,595,478)
Dividends received from associates	\$ -	\$ -
	Evergreen International Storage and Transport Corporation	
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Revenue	\$ 13,849,970	\$ 5,127,394
Profit for the period	\$ 3,102,403	\$ 703,786
Other comprehensive (loss) income, net of tax	( 860,923)	2,647,721
Total comprehensive income	\$ 2,241,480	\$ 3,351,507
Dividends received from associates	\$ 172,277	\$ 129,208
	EVA Airways Corporation	
	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Revenue	\$ 35,205,058	\$ 25,814,068
Profit for the period	\$ 1,515,724	\$ 1,515,551
Other comprehensive loss, net of tax	( 4,298,861)	( 1,088,355)
Total comprehensive (loss) income	(\$ 2,783,137)	\$ 427,196
Dividends received from associates	\$ -	\$ -
	EVA Airways Corporation	
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Revenue	\$ 98,626,887	\$ 69,655,836
Profit (loss) for the period	\$ 6,920,683	(\$ 586,625)
Other comprehensive (loss) income, net of tax	( 8,557,043)	1,819,614
Total comprehensive (loss) income	(\$ 1,636,360)	\$ 1,232,989
Dividends received from associates	\$ 459,475	\$ -

- (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 September 30, 2022, December 31, 2021 and September 30, 2021, the carrying amount of the Group's individually immaterial associates amounted to \$19,113,360, \$12,650,281 and \$11,283,413, respectively.

	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Profit for the period	\$ 14,405,293	\$ 5,782,518
Other comprehensive loss, net of tax	( 357,738)	( 638,013)
Total comprehensive income	<u>\$ 14,047,555</u>	<u>\$ 5,144,505</u>

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

D. Above stated certain investments accounted for using equity method are based on the financial statements of associates which were based on the unreviewed financial statements of such investee companies.

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Evergreen International Storage and Transport Corporation	\$ 13,588,339	\$ 12,619,281	\$ 13,416,062
EVA Airways Corporation	<u>21,898,459</u>	<u>21,704,324</u>	<u>14,676,627</u>
	<u>\$ 35,486,798</u>	<u>\$ 34,323,605</u>	<u>\$ 28,092,689</u>

F. The Company's share interest in EVA Airways Corporation decreased to 14.53% as of September 30, 2022 due to the conversions from corporate bonds to stocks during the nine-month period ended September 30, 2022.

- G. 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.
- H. The Company is the single largest shareholder of EVA with a 14.53% 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.
- I. 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.

(9) Property, plant and equipment

	2022										
	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	\$ 863,130	\$ 6,351,358	\$ 579,400	\$ 12,167,361	\$ 1,501,627	\$ 45,098,718	\$ 159,099,975	\$ 658,483	\$ 2,466,078	\$ 80,211	\$ 228,866,341
Accumulated depreciation	-	( 1,350,567)	( 481,629)	( 8,765,261)	( 1,235,821)	( 14,657,349)	( 46,974,477)	( 510,169)	( 968,208)	( 19,985)	( 74,963,466)
	<u>\$ 863,130</u>	<u>\$ 5,000,791</u>	<u>\$ 97,771</u>	<u>\$ 3,402,100</u>	<u>\$ 265,806</u>	<u>\$ 30,441,369</u>	<u>\$ 112,125,498</u>	<u>\$ 148,314</u>	<u>\$ 1,497,870</u>	<u>\$ 60,226</u>	<u>\$ 153,902,875</u>
Opening net book amount as at January 1	\$ 863,130	\$ 5,000,791	\$ 97,771	\$ 3,402,100	\$ 265,806	\$ 30,441,369	\$ 112,125,498	\$ 148,314	\$ 1,497,870	\$ 60,226	\$ 153,902,875
Additions	-	10,230	639	222,181	151,798	12,744,374	211,377	47,035	705	8,082	13,396,421
Disposals	-	-	( 14,024)	-	( 595)	( 61,849)	( 2,046,143)	( 525)	-	-	( 2,123,136)
Reclassifications	852,007	( 781,175)	( 18)	421,692	39,830	( 103)	35,838,122	56,256	( 655,319)	32,666	35,803,958
Depreciation Acquired from business combinations	-	( 97,304)	( 12,408)	( 347,786)	( 126,131)	( 3,311,345)	( 6,178,587)	( 38,933)	( 140,928)	( 3,372)	( 10,256,794)
Net exchange differences	771,880	159,679	8,629	-	159	-	-	22,138	256	-	962,741
Closing net book amount as at September 30	<u>( 57,187)</u>	<u>609,338</u>	<u>11,756</u>	<u>286,243</u>	<u>22,053</u>	<u>2,706,332</u>	<u>11,284,398</u>	<u>4,797</u>	<u>183,206</u>	<u>20</u>	<u>15,050,956</u>
	<u>\$ 2,429,830</u>	<u>\$ 4,901,559</u>	<u>\$ 92,345</u>	<u>\$ 3,984,430</u>	<u>\$ 352,920</u>	<u>\$ 42,518,778</u>	<u>\$ 151,234,665</u>	<u>\$ 239,082</u>	<u>\$ 885,790</u>	<u>\$ 97,622</u>	<u>\$ 206,737,021</u>
At September 30											
Cost	\$ 2,429,830	\$ 6,792,827	\$ 522,298	\$ 13,675,343	\$ 1,840,390	\$ 61,700,728	\$ 216,072,805	\$ 777,594	\$ 1,961,358	\$ 120,979	\$ 305,894,152
Accumulated depreciation	-	( 1,891,268)	( 429,953)	( 9,690,913)	( 1,487,470)	( 19,181,950)	( 64,838,140)	( 538,512)	( 1,075,568)	( 23,357)	( 99,157,131)
	<u>\$ 2,429,830</u>	<u>\$ 4,901,559</u>	<u>\$ 92,345</u>	<u>\$ 3,984,430</u>	<u>\$ 352,920</u>	<u>\$ 42,518,778</u>	<u>\$ 151,234,665</u>	<u>\$ 239,082</u>	<u>\$ 885,790</u>	<u>\$ 97,622</u>	<u>\$ 206,737,021</u>

	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)
	<u>\$ 879,897</u>	<u>\$ 5,994,388</u>	<u>\$ 114,382</u>	<u>\$ 2,832,363</u>	<u>\$ 371,990</u>	<u>\$ 20,041,710</u>	<u>\$ 86,692,890</u>	<u>\$ 132,222</u>	<u>\$ 1,504,568</u>	<u>\$ 78,234</u>	<u>\$ 118,642,644</u>
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	-	24,468	1,355	170,419	77,903	9,255,496	2,749,180	18,335	2,249	2,924	12,302,329
Disposals	-	-	( 2,143)	-	( 157)	( 20,877)	-	( 582)	( 13)	-	( 23,772)
Reclassifications	( 3,468)	211,848	( 25)	22,463	8,408	( 15,234)	20,395,241	11,959	226,399	( 8,711)	20,848,880
Depreciation	-	( 139,100)	( 10,316)	( 288,078)	( 204,187)	( 2,258,454)	( 4,301,153)	( 33,844)	( 169,742)	( 3,159)	( 7,408,033)
Acquired from business combinations	2,569	6,990	-	-	585	-	-	569	44	-	10,757
Net exchange differences	( 13,769)	( 53,031)	( 5,183)	( 12,681)	( 4,044)	( 157,729)	( 536,077)	( 4,571)	( 12,359)	( 422)	( 799,866)
Closing net book amount as at September 30	<u>\$ 865,229</u>	<u>\$ 6,045,563</u>	<u>\$ 98,070</u>	<u>\$ 2,724,486</u>	<u>\$ 250,498</u>	<u>\$ 26,844,912</u>	<u>\$ 105,000,081</u>	<u>\$ 124,088</u>	<u>\$ 1,551,146</u>	<u>\$ 68,866</u>	<u>\$ 143,572,939</u>
At September 30											
Cost	\$ 865,229	\$ 7,824,528	\$ 577,217	\$ 11,418,930	\$ 1,462,007	\$ 40,678,433	\$ 150,488,645	\$ 629,195	\$ 2,464,487	\$ 87,954	\$ 216,496,625
Accumulated depreciation	-	( 1,778,965)	( 479,147)	( 8,694,444)	( 1,211,509)	( 13,833,521)	( 45,488,564)	( 505,107)	( 913,341)	( 19,088)	( 72,923,686)
	<u>\$ 865,229</u>	<u>\$ 6,045,563</u>	<u>\$ 98,070</u>	<u>\$ 2,724,486</u>	<u>\$ 250,498</u>	<u>\$ 26,844,912</u>	<u>\$ 105,000,081</u>	<u>\$ 124,088</u>	<u>\$ 1,551,146</u>	<u>\$ 68,866</u>	<u>\$ 143,572,939</u>

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.

(10) 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:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 7,780,283	\$ 7,875,614	\$ 8,381,635
Buildings	933,815	709,976	724,523
Loading and unloading equipment	625,356	-	25,714
Transportation equipment	688,843	713,800	758,230
Ships	100,062,623	91,772,778	84,261,032
Office equipment	35,156	31,684	35,433
Other equipment	5,607	5,168	6,516
	<u>\$ 110,131,683</u>	<u>\$ 101,109,020</u>	<u>\$ 94,193,083</u>

	<u>Three-month period ended</u>	<u>Three-month period ended</u>
	<u>September 30, 2022</u>	<u>September 30, 2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 495,065	\$ 462,696
Buildings	87,699	70,565
Loading and unloading equipment	25,569	25,729
Transportation equipment	43,006	39,268
Ships	2,630,149	2,385,946
Office equipment	5,288	5,589
Other equipment	637	1,315
	<u>\$ 3,287,413</u>	<u>\$ 2,991,108</u>

	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 1,439,327	\$ 1,387,245
Buildings	250,059	209,976
Loading and unloading equipment	73,866	77,498
Transportation equipment	124,117	118,386
Ships	7,733,288	7,021,097
Office equipment	15,994	16,917
Other equipment	1,284	3,962
	<u>\$ 9,637,935</u>	<u>\$ 8,835,081</u>

D. For the nine-month periods ended September 30, 2022 and 2021, the additions to right-of-use assets were \$14,326,624 and \$22,094,711, respectively.

E. For the nine-month periods ended September 30, 2022 and 2021, the disposals to right-of-use assets were \$643 and \$459, respectively.

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

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 528,569	\$ 488,721
Expense on short-term lease contracts	628,250	1,023,414
Expense on leases of low-value assets	7,762	4,268
Expense on variable lease payments	10	28
(Losses) gains arising from lease modifications	( 39,805)	4,474
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 1,550,254	\$ 1,665,287
Expense on short-term lease contracts	1,893,219	3,228,004
Expense on leases of low-value assets	23,879	12,846
Expense on variable lease payments	113	75
Gains arising from lease modifications	136	7,270

G. For the nine-month periods ended September 30, 2022 and 2021, the Group's total cash outflow for leases amounted to \$16,627,159 and \$13,599,192, respectively.

H. As of September 30, 2022, 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 \$38,858,165.

- I. For the nine-month periods ended September 30, 2022 and 2021, 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 \$904 and \$1,143, respectively, by decreasing rent expense by \$904 and \$808, respectively, and increasing other income by \$0 and \$335, respectively.
- 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:

September 30, 2022			
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	<u>\$ 17,977,186</u>
December 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	<u>\$ 11,508,873</u>
September 30, 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	<u>\$ 11,872,982</u>

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

September 30, 2022   December 31, 2021   September 30, 2021

Cash flow hedges :

Exchange rate risk

Lease liability contracts  
designated as hedges

Current liabilities	\$ 1,920,845	\$ 1,031,678	\$ 1,067,237
Non-current liabilities	16,056,341	10,477,195	10,805,745
	<u>\$ 17,977,186</u>	<u>\$ 11,508,873</u>	<u>\$ 11,872,982</u>

(b) Other equity - cash flow hedge reserve

	<u>2022</u>	<u>2021</u>
At July 1	\$ 429,417	\$ 1,043,419
(Less) add: Reclassified to freight revenue as the hedged item has affected profit or loss	( 12,905)	168,401
(Less) add: (loss) profit on hedge effectiveness -amount recognised in other comprehensive income	( 1,135,314)	29,577
At September 30	<u>(\$ 718,802)</u>	<u>\$ 1,241,397</u>
	<u>2022</u>	<u>2021</u>
At January 1	\$ 1,286,356	\$ 1,014,792
(Less) add: Reclassified to freight revenue as the hedged item has affected profit or loss	( 51,107)	128,931
(Less) add: (loss) profit on hedge effectiveness -amount recognised in other comprehensive income	( 1,954,051)	97,674
At September 30	<u>(\$ 718,802)</u>	<u>\$ 1,241,397</u>

(c) As of September 30, 2022, December 31, 2021 and September 30, 2021, there were no ineffective portion to be recognised in profit or loss for the unwritten-off cash flow hedge transactions.

K. The amounts of lease liabilities (net of the lease liabilities designated as hedges) of the Group on September 30, 2022, December 31, 2021 and September 30, 2021 are as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Current lease liabilities	\$ 11,450,902	\$ 16,047,877	\$ 15,506,603
Current lease liabilities - related parties	364,778	190,874	158,566
Non-current lease liabilities	81,420,434	70,931,436	64,299,988
Non-current lease liabilities - related parties	802,260	269,058	200,642
	<u>\$ 94,038,374</u>	<u>\$ 87,439,245</u>	<u>\$ 80,165,799</u>

(11) Leasing arrangements – lessor

A. For the three-month and nine-month periods ended September 30, 2022 and 2021, the Group recognised rent income in the amounts of \$174,790, \$141,978, \$533,877 and \$372,925, 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:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Within 1 year	\$ 565,697	\$ 725,253	\$ 582,844
1-2 years	376,944	395,164	294,968
2-3 years	54,022	208,924	95,318
3-4 years	20,101	19,655	504
4-5 years	19,975	19,655	420
After 5 years	1,633	16,211	-
	<u>\$ 1,038,372</u>	<u>\$ 1,384,862</u>	<u>\$ 974,054</u>

(12) Investment property, net

	2022		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
At January 1			
Cost	\$ 1,396,740	\$ 5,802,784	\$ 7,199,524
Accumulated depreciation	-	( 1,428,440)	( 1,428,440)
	<u>\$ 1,396,740</u>	<u>\$ 4,374,344</u>	<u>\$ 5,771,084</u>
Opening net book amount as at January 1	\$ 1,396,740	\$ 4,374,344	\$ 5,771,084
Additions	-	2,666	2,666
Reclassification from property, plant and equipment	( 852,008)	784,020	( 67,988)
Depreciation	-	( 169,738)	( 169,738)
Acquired from business combinations	650,355	120,297	770,652
Net exchange differences	( 57,719)	245,817	188,098
Closing net book amount as at September 30	<u>\$ 1,137,368</u>	<u>\$ 5,357,406</u>	<u>\$ 6,494,774</u>
At September 30			
Cost	\$ 1,137,368	\$ 6,604,512	\$ 7,741,880
Accumulated depreciation	-	( 1,247,106)	( 1,247,106)
	<u>\$ 1,137,368</u>	<u>\$ 5,357,406</u>	<u>\$ 6,494,774</u>
	2021		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
At January 1			
Cost	\$ 1,396,755	\$ 4,674,765	\$ 6,071,520
Accumulated depreciation	-	( 900,008)	( 900,008)
	<u>\$ 1,396,755</u>	<u>\$ 3,774,757</u>	<u>\$ 5,171,512</u>
Opening net book amount as at January 1	\$ 1,396,755	\$ 3,774,757	\$ 5,171,512
Reclassification from property, plant and equipment	-	( 204,014)	( 204,014)
Depreciation	-	( 112,551)	( 112,551)
Net exchange differences	( 9)	12,184	12,175
Closing net book amount as at September 30	<u>\$ 1,396,746</u>	<u>\$ 3,470,376</u>	<u>\$ 4,867,122</u>
At September 30			
Cost	\$ 1,396,746	\$ 4,390,593	\$ 5,787,339
Accumulated depreciation	-	( 920,217)	( 920,217)
	<u>\$ 1,396,746</u>	<u>\$ 3,470,376</u>	<u>\$ 4,867,122</u>

A. Rental income from the investment property are shown below:

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Rental revenue from the lease of the investment property	<u>\$ 37,944</u>	<u>\$ 40,286</u>
Direct operating expenses arising from the investment property that generated rental income in the period	<u>\$ 49,014</u>	<u>\$ 36,390</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	<u>\$ 8,811</u>	<u>\$ 145</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Rental revenue from the lease of the investment property	<u>\$ 125,463</u>	<u>\$ 146,918</u>
Direct operating expenses arising from the investment property that generated rental income in the period	<u>\$ 145,755</u>	<u>\$ 113,376</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	<u>\$ 26,158</u>	<u>\$ 398</u>

B. The fair value of the investment property held by the Group as at September 30, 2022, December 31, 2021 and September 30, 2021 was \$8,073,451, \$9,325,083 and \$7,074,686, 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.

(13) Other non-current assets

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Prepayments for equipment	\$ 30,378,217	\$ 23,841,061	\$ 20,864,563
Refundable deposits	291,954	267,607	264,200
Others	512,873	472,935	100,768
	<u>\$ 31,183,044</u>	<u>\$ 24,581,603</u>	<u>\$ 21,229,531</u>

Movement analysis of prepayments for equipment for the nine-month periods ended September 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
At January 1	\$ 23,841,061	\$ 13,923,670
Additions	25,978,760	27,764,477
Reclassification to property, plant and equipment	( 23,617,516)	( 20,648,828)
Reclassification to intangible assets	( 58)	( 250)
Net exchange differences	4,175,970	( 174,506)
At September 30	<u>\$ 30,378,217</u>	<u>\$ 20,864,563</u>

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

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Amount capitalised	\$ 5,914	\$ 23,717
Interest rate	0.11%~4.57%	0.86%~2.14%
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Amount capitalised	\$ 17,202	\$ 92,383
Interest rate	0.11%~4.57%	0.86%~2.14%

(14) Other current liabilities

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Receipt in advance	\$ 14,125	\$ 4,562	\$ 13,051
Long-term liabilities - current portion	5,679,600	9,147,275	15,826,409
Corporate bonds - current portion	2,000,000	4,000,000	4,000,000
Shipowner's accounts	7,001,045	9,640,656	8,284,446
Agency accounts	616,833	416,184	11,060,355
Others	202,809	750,582	513,854
	<u>\$ 15,514,412</u>	<u>\$ 23,959,259</u>	<u>\$ 39,698,115</u>

(15) Corporate bonds payable

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Domestic secured corporate bonds	\$ 2,000,000	\$ 6,000,000	\$ 6,000,000
Domestic unsecured Convertible Bond	4,981,000	4,999,900	4,999,900
Less: Discount on bonds payable	( 187,709)	( 226,950)	( 239,725)
Less: Current portion (recorded as other current liabilities)	( 2,000,000)	( 4,000,000)	( 4,000,000)
	<u>\$ 4,793,291</u>	<u>\$ 6,772,950</u>	<u>\$ 6,760,175</u>

A. On April 25, 2017, the Company issued its thirteenth domestic registered 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 registered 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\$18.20 (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.).

- (h) As of December 31, 2021, all the First Overseas Convertible Bonds had been converted into the Company's common shares in the amount of 477,874 thousand shares, resulting in a capital surplus, additional paid-in capital arising from convertible bonds amounting to \$3,888,709.
- D. On May 18, 2021, the Company issued the fourth unsecured convertible bonds (the "Fourth Convertible Bonds"), totaling \$5,000,000 at 101% of the face value. The major terms of the issuance are set forth below:
- (a) Period: 5 years (May 18, 2021 to May 18, 2026)
  - (b) Coupon rate: 0% fixed per annum
  - (c) Principal repayment:

Except for the Fourth Convertible Bonds previously redeemed, repurchased and retired by the Company, or converted by the bondholders of the Fourth Convertible Bonds (the "bondholders"), the Company will redeem the Fourth Convertible Bonds on the maturity date at the price of the face value plus 0.0% gross yield per annum of the face value.
  - (d) Conversion period:

Except for the Fourth Convertible Bonds previously redeemed or repurchased, or the stop transfer period as specified in the terms of the bond indenture for the Fourth Convertible Bonds (the "bond indenture") or the laws/regulations, the bondholders have the right to ask

for the conversion of the Fourth Convertible Bonds into the common stocks newly issued by the Company during the period from the date after 3 months of the issuance of the Fourth Convertible Bonds.

(e) Conversion price:

The conversion price of the Fourth Convertible Bonds is NT\$95 (in dollars), 111.76% of the reference price. The reference price refers to the closing price of the Company's common stocks on the Taiwan Stock Exchange on a prior trading day of the pricing date, which was NT\$85 (in dollars).

i. As a result of the distribution of cash dividends, the conversion price shall be adjusted based on the formula in accordance with Article 11 of the Fourth Convertible Bonds' Regulations Governing issuance and conversion whereby the conversion price of the Fourth Convertible Bonds has been changed from NT\$93.67 (in dollars) to NT\$81.96 (in dollars) since July 5, 2022.

ii. As a result of capital reduction to return capital to shareholders, the conversion price shall be adjusted based on the formula in accordance with Article 11 of the Fourth Convertible Bonds' Regulations Governing issuance and conversion whereby the conversion price of the Fourth Convertible Bonds has been changed from NT\$81.96 (in dollars) to NT\$189.90 (in dollars) since July 18, 2022.

(f) Put options:

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

Except for the Fourth Convertible Bonds previously redeemed, repurchased and retired, or converted, the bondholders have the right to require the Company to redeem the Fourth 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 as the interests (the "early redemption amount").

(g) Redemption:

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

i. The Company may redeem the Fourth Convertible Bonds, in whole, at the early redemption amount if the closing price of the Company's common shares is above than the conversion price by 30% for 30 consecutive trading days during the period from the date after 3 months of the bonds issue to 40 days before the maturity date.

ii. The Company may redeem the Fourth Convertible Bonds, in whole, at the early redemption amount if the amount of the Company's outstanding shares is lower than the conversion price by 10% of the original total issuance amount during the period from the date after 3 months of the bonds issue to 40 days before the maturity date.

E. Regarding the issuance of convertible bonds, the equity conversion options were separated from the liability component in accordance with IAS 32. As of September 30, 2022, the domestic unsecured convertible bonds amounting to \$288,067 were recognised in ‘capital surplus—share options’. In addition, the call options and redemption embedded in convertible bonds were not 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 closely related to those of the host contracts.

(16) Long-term loans

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Mortgage and secured bank loans	\$ 34,690,300	\$ 37,678,512	\$ 48,783,522
Unsecured bank loans	7,553,485	11,409,804	13,704,447
Add(less) : Unrealised foreign exchange losses (gains)	196,024 (	192,527) (	170,291)
Less: Hosting fee credit	( 108,826)	( 110,060)	( 102,278)
	<u>42,330,983</u>	<u>48,785,729</u>	<u>62,215,400</u>
Less: Current portion (recorded as other current liabilities)	( 5,679,600)	( 9,147,275)	( 15,826,409)
	<u>\$ 36,651,383</u>	<u>\$ 39,638,454</u>	<u>\$ 46,388,991</u>
Borrowing period	2022.10~2032.06	2022.08~2031.12	2021.11~2031.09
Interest rate	1.02%~5.15%	0.93%~5.15%	0.92%~5.15%

The above loans were borrowed in NTD and USD. Information relating to the Group’s long-term loans pledged to others as collaterals are provided in Note 8.

(17) Other non-current liabilities

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accrued pension liabilities	\$ 4,572,910	\$ 4,257,425	\$ 3,340,600
Guarantee deposits received	703,062	448,863	438,050
Deferred income	126,976	120,454	117,406
Unrealised gain on sale and leaseback	-	418	586
Credit balance for investments accounted for using the equity method	22,224	373	-
Others	24,383	18,918	19,162
	<u>\$ 5,449,555</u>	<u>\$ 4,846,451</u>	<u>\$ 3,915,804</u>

(18) 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, EMA, 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 \$68,123, \$54,946, \$205,314 and \$167,961 for the three-month and nine-month periods ended September 30, 2022 and 2021, respectively.
- (d) Expected contributions to the defined benefit pension plans of the Company and its subsidiary-TTSC for the year ended December 31, 2023 amount to \$257,457.
- 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 and nine-month periods ended September 30, 2022 and 2021 were 102,561, \$80,442, \$297,995 and \$241,068, respectively.

(19) Capital stock

- A. As of September 30, 2022, the Company's authorized capital was \$70,000,000, and the paid-in capital was \$ 21,164,201, consisting of 2,116,420 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. To adjust the capital structure, the shareholders of the Company during their meeting on May 30, 2022 resolved a capital reduction to return capital in cash to shareholders. The registration of the capital reduction was approved by the Taiwan Stock Exchange in accordance with the Letter No. Tai-Zheng-Shang-Yi-Zi-1111802818, dated July 1, 2022. Total capital reduction amounted to \$31,746,301, cancelling a total of 3,174,630 thousand shares, and the capital reduction ratio was 60%. The effective date of the capital reduction was July 18, 2022. All proceeds from share issuance have been collected by August 4, 2022. The effective date of the replacement of shares due to the capital reduction was September 16, 2022.
- C. The Company's domestic convertible bonds with a face value of \$18,800 thousands dollars had been converted into ordinary share capital of \$2,007 (201 thousand shares) with a par value of NT\$10 (in dollars) per share during the nine-month period ended September 30, 2022, which resulted in 'capital surplus, additional paid-in capital arising from bond conversion' of \$17,114. All proceeds from share issuance have been collected by April 19, 2022.
- D. The Company's domestic convertible bonds with a face value of \$ 100 thousands dollars had been converted into ordinary share capital of \$11 (1 thousand shares) with a par value of NT\$10 (in dollars) per share during the nine-month period ended September 30, 2022, which resulted in 'capital surplus, additional paid-in capital arising from bond conversion' of \$91. All proceeds from share issuance have been collected by August 4, 2022.
- E. The Company's domestic convertible bonds with a face value of \$100 thousands dollars had been converted into ordinary share capital of \$10 (1 thousand shares) with a par value of NT\$10 (in dollars) per share during the year ended December 31, 2021, which resulted in 'capital surplus, additional paid-in capital arising from bond conversion' of \$90. All proceeds from share issuance have been collected by December 1, 2021.
- F. The Company bonds totaling USD 246,600 thousands dollars (face value) had been converted into \$3,928,121 of ordinary shares (392,812 thousand shares) with a par value of \$10 (in dollars)

per share during the year ended December 31, 2021, which resulted in ‘capital surplus, additional paid-in capital arising from bond conversion’ of \$3,198,159. All proceeds from share issuance have been collected by July 23, 2021.

G. The Company issued 85,062 thousand 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.

H. On September 30, 2022, December 31, 2021 and September 30, 2021, the numbers of the Company’s shares held by its associate accounted for using equity method, EITC, were 10,284, 25,254 and 25,254 thousand shares, respectively.

(20) 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.

	<u>2022</u>				
	Share premium	Employee stock options exercised	Adjustments to share of changes in equity of associates and joint ventures	Donated assets	Others
At January 1	\$ 13,056,017	\$ 400,116	\$ 2,298,332	\$ 446	\$7,274
Expired unclaimed dividends	-	-	-	-	( 13)
Conversion of Convertible Bonds	17,205	( 1,093)	-	-	-
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	182,086	-	-
At September 30	<u>\$ 13,073,222</u>	<u>\$ 399,023</u>	<u>\$ 2,480,418</u>	<u>\$ 446</u>	<u>\$7,261</u>

	2021				
	Share premium	Employee 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	-	-	-	-	( 6)
Due to recognition of equity component of Convertible Bonds	-	289,166	-	-	-
Conversion of Convertible Bonds	3,198,249	( 312,296)	-	-	-
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	( 118,985)	-	-
At September 30	<u>\$ 13,056,017</u>	<u>\$ 400,116</u>	<u>\$ 2,025,583</u>	<u>\$ 446</u>	<u>\$7,330</u>

(21) Retained earnings

	2022	2021
At January 1	\$ 250,555,749	\$ 27,734,460
Profit for the period	304,350,822	158,279,091
Distribution and appropriation of earnings (	119,699,895)	( 16,145,182)
Remeasurement on post employment benefit obligations, net of tax	( 910)	( 23,448)
Adjustments to share of changes in equity of associates and joint ventures	( 218)	40,981
At September 30	<u>\$ 435,205,548</u>	<u>\$ 169,885,902</u>

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. The appropriation of earnings of year 2020 that was resolved at the Company's shareholders' meeting on July 21, 2021 is as follows:

	<u>Year ended December 31, 2020</u>	
	<u>Amount</u>	<u>Dividend per share (in dollars)</u>
Accrual of legal reserve	\$ 2,407,542	
Accrual of special reserve	\$ 581,406	
Appropriation of cash dividends to shareholders	<u>\$ 13,156,234</u>	<u>\$ 2.48660241</u>

- F. The appropriation of 2021 earnings resolved by the stockholders' meeting on May 30, 2022 is as follows:

	<u>Year ended December 31, 2021</u>	
	<u>Amount</u>	<u>Dividend per share (in dollars)</u>
Accrual of legal reserve	\$ 23,896,647	
Accrual of special reserve	<u>\$ 564,364</u>	
Appropriation of cash dividends to shareholders	<u>\$ 95,238,884</u>	<u>\$ 17.99999637</u>

(22) Other equity items

	2022			
	Unrealised			
	gains (losses)	Hedging	Currency	Total
	on valuation	reserve	translation	
At January 1	\$ 3,986,029	\$ 1,601,207	(\$ 6,733,006)	(\$ 1,145,770)
Revaluation – gross	( 430,919)	-	-	( 430,919)
Revaluation – tax	16,588	-	-	16,588
Revaluation – associates	( 1,049,529)	-	-	( 1,049,529)
Revaluation transferred to retained earnings – associates	218	-	-	218
Cash flow hedges:				
– Fair value gain (loss) in the period				
– Group	- ( 203,047)		-	( 203,047)
– Group – tax	- 40,956		-	40,956
– Associates	- ( 1,435,958)		-	( 1,435,958)
Currency translation differences:				
– Group	-	-	37,425,120	37,425,120
– Group – tax	-	-	( 4,415)	( 4,415)
– Associates	-	-	696,281	696,281
At September 30	<u>\$ 2,522,387</u>	<u>\$ 3,158</u>	<u>\$ 31,383,980</u>	<u>\$ 33,909,525</u>
	2021			
	Unrealised			
	gains (losses)	Hedging	Currency	Total
	on valuation	reserve	translation	
At January 1	\$ 1,884,774	\$ 1,862,164	(\$ 4,328,344)	(\$ 581,406)
Revaluation – gross	333,332	-	-	333,332
Revaluation – tax	9,729	-	-	9,729
Revaluation – associates	1,242,167	-	-	1,242,167
Revaluation transferred to retained earnings – associates	( 41,138)	-	-	( 41,138)
Cash flow hedges:				
– Fair value loss in the period				
– Group	- 42,971		-	42,971
– Group – tax	- 3,837		-	3,837
– Associates	- ( 178,395)		-	( 178,395)
Currency translation differences:				
– Group	-	-	( 792,246)	( 792,246)
– Group – tax	-	-	( 825)	( 825)
– Associates	-	-	( 30,373)	( 30,373)
At September 30	<u>\$ 3,428,864</u>	<u>\$ 1,730,577</u>	<u>(\$ 5,151,788)</u>	<u>\$ 7,653</u>

(23) Operating revenue

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Revenue from contracts with customers	\$ 170,296,461	\$ 143,382,507
Other - ship rental income	136,900	99,140
	<u>\$ 170,433,361</u>	<u>\$ 143,481,647</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Revenue from contracts with customers	\$ 515,858,883	\$ 333,184,876
Other - ship rental income	398,350	216,304
	<u>\$ 516,257,233</u>	<u>\$ 333,401,180</u>

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. Also, ship-owners, agents and terminals were classified as transportation department. Information relating to the operating segments is provided in Note 14(2).

<u>Three-month period ended September 30, 2022</u>	<u>Ship-owners</u>	<u>Agents</u>	<u>Terminals</u>	<u>Other</u>	<u>Total</u>
Total segment revenue	\$ 178,588,137	\$ 4,677,882	\$ 4,121,225	\$1,152,409	\$ 188,539,653
Inter-segment revenue	( 11,718,205)	( 2,799,197)	( 2,765,312)	( 960,478)	( 18,243,192)
Revenue from external customer contracts	<u>\$ 166,869,932</u>	<u>\$ 1,878,685</u>	<u>\$ 1,355,913</u>	<u>\$ 191,931</u>	<u>\$ 170,296,461</u>
<u>Three-month period ended September 30, 2021</u>	<u>Ship-owners</u>	<u>Agents</u>	<u>Terminals</u>	<u>Other</u>	<u>Total</u>
Total segment revenue	\$ 148,527,686	\$ 3,270,895	\$ 3,672,572	(\$ 9,267)	\$ 155,461,886
Inter-segment revenue	( 7,903,460)	( 1,957,079)	( 2,218,840)	-	( 12,079,379)
Revenue from external customer contracts	<u>\$ 140,624,226</u>	<u>\$ 1,313,816</u>	<u>\$ 1,453,732</u>	<u>(\$ 9,267)</u>	<u>\$ 143,382,507</u>
<u>Nine-month period ended September 30, 2022</u>	<u>Ship-owners</u>	<u>Agents</u>	<u>Terminals</u>	<u>Other</u>	<u>Total</u>
Total segment revenue	\$ 537,501,432	\$13,746,668	\$ 12,257,402	\$2,888,447	\$ 566,393,949
Inter-segment revenue	( 31,946,229)	( 8,236,574)	( 8,281,243)	( 2,071,020)	( 50,535,066)
Revenue from external customer contracts	<u>\$ 505,555,203</u>	<u>\$ 5,510,094</u>	<u>\$ 3,976,159</u>	<u>\$ 817,427</u>	<u>\$ 515,858,883</u>

Nine-month period ended					
September 30, 2021	Ship-owners	Agents	Terminals	Other	Total
Total segment revenue	\$ 342,141,931	\$ 8,644,179	\$ 10,364,836	\$ 897,614	\$ 362,048,560
Inter-segment revenue	( 18,106,326)	( 4,866,071)	( 5,891,287)	-	( 28,863,684)
Revenue from external customer contracts	<u>\$ 324,035,605</u>	<u>\$ 3,778,108</u>	<u>\$ 4,473,549</u>	<u>\$ 897,614</u>	<u>\$ 333,184,876</u>

#### B. Contract assets and liabilities

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

	September 30, 2022	December 31, 2021	September 30, 2021	January 1, 2021
Contract assets:				
Contract assets				
– relating to marine freight income	<u>\$ 3,536,071</u>	<u>\$ 4,525,961</u>	<u>\$ 6,500,080</u>	<u>\$ 3,041,569</u>
Contract liabilities:				
Contract liabilities				
– unearned marine freight income	<u>(\$ 15,619,553)</u>	<u>(\$ 13,530,256)</u>	<u>(\$ 10,544,321)</u>	<u>(\$ 3,677,100)</u>

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

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Marine freight income	<u>\$ -</u>	<u>\$ -</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Marine freight income	<u>\$ 13,530,256</u>	<u>\$ 3,677,100</u>

#### (24) Other income and expenses, net

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Net gains on disposal of property, plant and equipment	<u>\$ 217,985</u>	<u>\$ 59,278</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Net gains on disposal of property, plant and equipment	<u>\$ 864,969</u>	<u>\$ 155,770</u>

(25) Interest income

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Interest income from bank deposits	\$ 1,821,607	\$ 80,321
Interest income from financial assets measured at amortised cost	171,166	18,549
	<u>\$ 1,992,773</u>	<u>\$ 98,870</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Interest income from bank deposits	\$ 2,537,539	\$ 178,051
Interest income from financial assets measured at amortised cost	407,207	59,784
	<u>\$ 2,944,746</u>	<u>\$ 237,835</u>

(26) Other income

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Rent income	\$ 37,891	\$ 42,839
Dividend income	35,333	80,845
Gain recognised in bargain purchase transaction	-	8,605
Other income, others	42,121	51,690
	<u>\$ 115,345</u>	<u>\$ 183,979</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Rent income	\$ 135,527	\$ 156,622
Dividend income	152,489	106,275
Gain recognised in bargain purchase transaction	3,863	8,605
Other income, others	142,296	140,812
	<u>\$ 434,175</u>	<u>\$ 412,314</u>

(27) Other gains and losses

	<u>Three-month period ended</u> <u>September 30, 2022</u>	<u>Three-month period ended</u> <u>September 30, 2021</u>
Net gains on disposal of investments	\$ 987	\$ 3,967
Net gains arising from lease modifications	( 39,805)	4,474
Net currency exchange gains	5,464,549	103,198
Net losses on financial assets / liabilities at fair value through profit or loss	( 33,373)	( 1)
Net losses on disposal of right-of-use assets	( 74)	( 37)
Depreciation on investment property	( 56,834)	( 36,088)
Other non-operating expenses	( 20,937)	( 29,844)
	<u>\$ 5,314,513</u>	<u>\$ 45,669</u>
	<u>Nine-month period ended</u> <u>September 30, 2022</u>	<u>Nine-month period ended</u> <u>September 30, 2021</u>
Net gains on disposal of investments	\$ 33,582	\$ 10,908
Net gains arising from lease modifications	136	7,270
Net currency exchange gains	9,353,617	248,563
Net (losses) gains on financial assets / liabilities at fair value through profit or loss	( 72,445)	44,472
Net losses on disposal of right-of-use assets	( 643)	( 459)
Depreciation on investment property	( 169,738)	( 112,551)
Other non-operating expenses	( 197,477)	( 113,528)
	<u>\$ 8,947,032</u>	<u>\$ 84,675</u>

(28) Finance costs

	<u>Three-month period ended</u> <u>September 30, 2022</u>	<u>Three-month period ended</u> <u>September 30, 2021</u>
Interest expense:		
Bank loans	\$ 295,969	\$ 224,174
Corporate bonds	17,164	27,580
Lease liabilities	528,569	488,721
	<u>841,702</u>	<u>740,475</u>
Less: Capitalized borrowing costs	( 5,914)	( 23,717)
	<u>\$ 835,788</u>	<u>\$ 716,758</u>
	<u>Nine-month period ended</u> <u>September 30, 2022</u>	<u>Nine-month period ended</u> <u>September 30, 2021</u>
Interest expense:		
Bank loans	\$ 737,701	\$ 808,626
Corporate bonds	64,402	85,357
Lease liabilities	1,550,254	1,665,287
	<u>2,352,357</u>	<u>2,559,270</u>
Less: Capitalized borrowing costs	( 17,202)	( 92,383)
	<u>\$ 2,335,155</u>	<u>\$ 2,466,887</u>

(29) Expenses by nature

	<u>Three-month period ended</u> <u>September 30, 2022</u>	<u>Three-month period ended</u> <u>September 30, 2021</u>
Employee benefit expense	\$ 4,375,526	\$ 3,152,347
Depreciation charges on property, plant and equipment	3,673,153	2,640,763
Depreciation charges on right-of-use assets	9,637,935	2,991,108
Amortisation charges on intangible assets	82,924	71,852
Other operating costs and expenses	43,637,228	38,572,431
	<u>\$ 61,406,766</u>	<u>\$ 47,428,501</u>
	<u>Nine-month period ended</u> <u>September 30, 2022</u>	<u>Nine-month period ended</u> <u>September 30, 2021</u>
Employee benefit expense	\$ 12,651,347	\$ 8,723,498
Depreciation charges on property, plant and equipment	10,256,794	7,408,033
Depreciation charges on right-of-use assets	9,637,935	8,835,081
Amortisation charges on intangible assets	231,977	216,488
Other operating costs and expenses	142,364,186	116,226,092
	<u>\$ 175,142,239</u>	<u>\$ 141,409,192</u>

(30) Employee benefit expense

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Wages and salaries	\$ 3,742,979	\$ 2,690,932
Labor and health insurance fees	258,089	197,545
Pension costs	170,684	135,388
Other personnel expenses	203,774	128,482
	<u>\$ 4,375,526</u>	<u>\$ 3,152,347</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Wages and salaries	\$ 10,861,878	\$ 7,343,770
Labor and health insurance fees	763,324	599,406
Pension costs	503,309	409,029
Other personnel expenses	522,836	371,293
	<u>\$ 12,651,347</u>	<u>\$ 8,723,498</u>

- 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. The aforementioned earnings refers to the current years pre-tax benefits before deducting the remuneration of employees and directors.
- B. (a) In accordance with the Articles of Incorporation of the Company, based on the profit for the three-month and nine-month period ended September 30, 2022, employees' compensation and directors' remunerations were accrued at \$575,073, \$2,375, \$1,734,563 and \$7,125, respectively. The aforementioned amount was recognised in salary expenses.
- (b) In accordance with the Articles of Incorporation of the Company, based on the profit for the three-month and nine-month period ended September 30, 2021, employees' compensation and directors' remunerations were accrued at \$439,804, \$2,375, \$859,797 and \$7,125 respectively. The aforementioned amount was recognised in salary expenses.
- (c) On March 15, 2022, the Company's Board of Directors resolved to employees' compensation and directors' remunerations amounted to \$1,303,466 and \$9,500, respectively. The amount were in agreement with those amounts recognised in the 2021 financial statements.
- (d) 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.

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	<u>Three-month period ended</u> <u>September 30, 2022</u>	<u>Three-month period ended</u> <u>September 30, 2021</u>
Current tax:		
Current tax on profits for the period	\$ 18,283,909	\$ 4,734,719
Tax on undistributed surplus earnings	( 55,131)	-
Prior year income tax (over) underestimation	( 390)	971
Total current tax	<u>18,228,388</u>	<u>4,735,690</u>
Deferred tax:		
Origination and reversal of temporary differences	( 2,994,374)	4,268,525
Total deferred tax	( 2,994,374)	4,268,525
Income tax expense	<u>\$ 15,234,014</u>	<u>\$ 9,004,215</u>
	<u>Nine-month period ended</u> <u>September 30, 2022</u>	<u>Nine-month period ended</u> <u>September 30, 2021</u>
Current tax:		
Current tax on profits for the period	\$ 48,797,223	\$ 13,011,458
Tax on undistributed surplus earnings	4,725,931	463
Prior year income tax under (overestimation)	441,105	( 1,108)
Total current tax	<u>53,964,259</u>	<u>13,010,813</u>
Deferred tax:		
Origination and reversal of temporary differences	( 7,693,308)	3,244,343
Total deferred tax	( 7,693,308)	3,244,343
Income tax expense	<u>\$ 46,270,951</u>	<u>\$ 16,255,156</u>

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

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Changes in fair value of financial assets at fair value through other comprehensive income (loss)	(\$ 2,576)	(\$ 736)
Exchange differences on translating the financial statements of foreign operations	-	275
Remeasurement of defined benefit obligations	-	4,396
Cash flow hedges	( 95,799)	2,394
	<u>(\$ 98,375)</u>	<u>\$ 6,329</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Changes in fair value of financial assets at fair value through other comprehensive income (loss)	(\$ 16,588)	(\$ 9,729)
Exchange differences on translating the financial statements of foreign operations	4,415	825
Remeasurement of defined benefit obligations	1,208	23,471
Cash flow hedges	( 40,956)	( 3,837)
	<u>(\$ 51,921)</u>	<u>\$ 10,730</u>

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

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Reduction in capital surplus caused by recognition of foreign investees based on the shareholding ratio	\$ 13	\$ 21
Reduction in retained earnings caused by recognition of foreign investees based on the shareholding ratio	-	31
	<u>\$ 13</u>	<u>\$ 52</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Reduction in capital surplus caused by recognition of foreign investees based on the shareholding ratio	(\$ 513)	(\$ 510)
Reduction in retained earnings caused by recognition of foreign investees based on the shareholding ratio	-	156
	<u>(\$ 513)</u>	<u>(\$ 354)</u>

B. The Company and its subsidiary-TTSC's income tax returns through 2019 and 2020, respectively, have been assessed and approved by the Tax Authority.

(32) Earnings per share

	<u>Three-month period ended September 30, 2022</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	<u>\$ 100,698,049</u>	<u>2,703,037</u>	<u>\$ 37.25</u>
<u>Diluted earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 100,698,049	2,703,037	
Assumed conversion of all dilutive potential ordinary shares			
Convertible Bond	12,829	26,230	
Employees' compensation	-	3,939	
Net profit attributable to ordinary shareholders of the parent	<u>\$ 100,710,878</u>	<u>2,733,206</u>	<u>\$ 36.85</u>
	<u>Three-month period ended September 30, 2021</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (share in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	<u>\$ 80,138,088</u>	<u>5,290,848</u>	<u>\$ 15.15</u>
<u>Diluted earnings per share</u>			
Net earnings attributable to ordinary shareholders of the parent	\$ 80,138,088	5,290,848	
Assumed conversion of all dilutive potential ordinary shares			
Convertible Bond	12,659	53,378	
Employees' compensation	-	3,490	
Net profit attributable to ordinary shareholders of the parent	<u>\$ 80,150,747</u>	<u>5,347,716</u>	<u>\$ 14.99</u>

Nine-month period ended September 30, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 304,350,822	4,418,850	\$ 68.88
<u>Diluted earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 304,350,822	4,418,850	
Assumed conversion of all dilutive potential ordinary shares			
Convertible Bond	38,420	26,230	
Employees' compensation	-	11,881	
Net profit attributable to ordinary shareholders of the parent	<u>\$ 304,389,242</u>	<u>4,456,961</u>	<u>\$ 68.30</u>
Nine-month period ended September 30, 2021			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 158,279,091	5,228,964	\$ 30.27
<u>Diluted earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 158,279,091	5,228,964	
Assumed conversion of all dilutive potential ordinary shares			
Convertible Bond	27,961	26,591	
Employees' compensation	-	6,824	
Net profit attributable to ordinary shareholders of the parent	<u>\$ 158,307,052</u>	<u>5,262,379</u>	<u>\$ 30.08</u>

(33) Transactions with non-controlling interest

For the nine-month periods ended September 30, 2022 and 2021, the amount of cash dividends paid to non-controlling interests were \$10,023,610 and \$360,906, respectively.

(34) Business combinations

- A. Considering ESRC's many years of operating profit stability and its diverse operations, to continue optimising its security services in the 7th Container Terminal of Kaohsiung Port and its services in surveillance system installments in office buildings, and to promote the Authorized Economic Operator certification, on March 15, 2022, the Board of Directors of the Company resolved to acquire 31% equity interests in ESRC from the associate, EVA. Together with 31.25% equity interests previously held by the Company, the Company held a total of 62.25% equity interests in ESRC after the merger and obtained control over ESRC. The transaction date was April 1, 2022 and the transaction amount was \$192,038.
- B. On November 5, 2021, the Board of Directors of the subsidiary, EMA, resolved to make an equity transaction. EMA acquired 100% equity interests of EGJ from the other related party, EIS, and obtained control over EGJ. The transaction date was January 1, 2022 and the transaction amount was USD 15,534 (approx. \$429,597).
- C. On June 23, 2021, the Board of Directors of the subsidiary, EGH, resolved to make an equity transaction. EGH acquired 85% and 15% equity interests of UMS from the other related party, EIS, and a non-related party, respectively, and obtained control over UMS. The transaction date was July 1, 2021 and the transaction amount was USD 300 (approx. \$8,373).
- D. The following table summarises the consideration paid for the acquisition of ESRC and EGJ and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	ESRC April 1, 2022	EGJ January 1, 2022	Total
Purchase consideration			
Cash paid	\$ 192,038	\$ 429,597	\$ 621,635
Fair value of equity interest in ESRC held before the business combination	144,236	-	144,236
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	<u>176,019</u>	<u>-</u>	<u>176,019</u>
	<u>512,293</u>	<u>429,597</u>	<u>941,890</u>
Fair value of the identifiable assets acquired and liabilities assumed			
Cash and cash equivalents	249,105	249,061	498,166
Current financial assets at fair value through profit or loss	-	14	14
Current financial assets at amortised cost	186,010	-	186,010
Notes receivable, net	2,195	-	2,195
Accounts receivable, net (including related parties)	86,409	1,002,862	1,089,271
Other receivables	853	6,236	7,089
Prepayments	35,254	1,414	36,668
Other current assets	25	77,459	77,484
Property, plant and equipment, net	8,095	954,646	962,741
Right-of-use assets	48,006	15,541	63,547
Investment property, net	-	770,652	770,652
Intangible assets	121,680	45,368	167,048
Other non-current assets	1,116	7,662	8,778
Deferred tax assets	21,577	7,556	29,133
Short-term loans	-	( 649,082)	( 649,082)
Accounts payable (including related parties)	( 20,555)	( 599,822)	( 620,377)
Other payables (including related parties)	( 51,027)	( 125,960)	( 176,987)
Current income tax liabilities	( 6,889)	( 42,579)	( 49,468)
Other current liabilities	( 47,795)	( 832,720)	( 880,515)
Current lease liabilities	( 18,893)	( 4,560)	( 23,453)
Deferred income tax liabilities	( 23,737)	( 128,321)	( 152,058)
Non-current lease liabilities	( 29,293)	( 10,982)	( 40,275)
Other non-current liabilities	<u>( 95,818)</u>	<u>( 310,985)</u>	<u>( 406,803)</u>
Total identifiable net assets	<u>466,318</u>	<u>433,460</u>	<u>899,778</u>
Goodwill (Gain from bargain purchase)	<u>\$ 45,975</u>	<u>(\$ 3,863)</u>	<u>\$ 42,112</u>

(c)The following table summarises the consideration paid for the acquisition of UMS and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	<u>UMS</u> <u>July 1, 2021</u>
Purchase consideration	
Cash paid	\$ 8,373
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	328,808
Notes receivable, net	11,101
Accounts receivable, net (including related parties)	59,394
Other receivables	128
Prepayments	4,055
Other current assets	43
Property, plant and equipment, net	10,757
Right-of-use assets	8,010
Accounts payable (including related parties)	( 159,027)
Other payables (including related parties)	( 226,563)
Other current liabilities	( 10,078)
Current lease liabilities	( 6,134)
Non-current lease liabilities	( 2,481)
Other non-current liabilities	( <u>1,035</u> )
Total identifiable net assets	<u>16,978</u>
Goodwill (Gain from bargain purchase)	<u>(\$ 8,605)</u>

- D. Had ESRC been acquired from January 1, 2022, the consolidated statement of comprehensive income for the nine- month period ended September 30, 2022 would show operating revenue and profit before income tax of \$183,339 and \$11,876, respectively.
- E. Had UMS been acquired from January 1, 2021, the consolidated statement of comprehensive income for the nine- month period ended September 30, 2021 would show operating revenue and profit before income tax of \$27,974 and \$30,628, respectively.

(35) Supplemental cash flow information

A. Investing activities with partial cash payments

(a) Property, plant and equipment

	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Purchase of property, plant and equipment	\$ 13,396,421	\$ 12,302,329
Add: Opening balance of payable on equipment	2,373,622	278,482
Less: Ending balance of payable on equipment	( 5,502)	( 2,341,658)
Cash paid during the period	<u>\$ 15,764,541</u>	<u>\$ 10,239,153</u>

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

	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Purchase of prepayments for equipment	\$ 25,978,760	\$ 27,764,477
Add: Opening balance of payable on prepayments for equipment	64,063	188,862
Less: Ending balance of payable on prepayments for equipment	( 3,443,041)	( 623,148)
Capitalized borrowing costs	( 17,202)	( 92,383)
Cash paid during the period	<u>\$ 22,582,580</u>	<u>\$ 27,237,808</u>

(c) Intangible assets

	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Purchase of intangible assets	\$ 29,513	\$ 19,641
Add: Opening balance of payable on equipment	4,385	-
Less: Ending balance of payable on equipment	-	( 1,080)
Cash paid during the period	<u>\$ 33,898</u>	<u>\$ 18,561</u>

(d) Cash dividend received

	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Dividend income (including investments accounted for using equity method)	\$ 1,257,695	\$ 583,348
Add: Opening balance of dividends receivable	-	-
Less: Ending balance of dividends receivable	<u>-</u>	<u>-</u>
Cash dividend received during the period	<u>\$ 1,257,695</u>	<u>\$ 583,348</u>

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

	ESRC April 1, 2022	EGJ January 1, 2022	Total
Cash and cash equivalents	\$ 249,105	\$ 249,061	\$ 498,166
Current financial assets at fair value through profit or loss	-	14	14
Current financial assets at amortised cost	186,010	-	186,010
Notes receivable, net	2,195	-	2,195
Accounts receivable, net (including related parties)	86,409	1,002,862	1,089,271
Other receivables	853	6,236	7,089
Prepayments	35,254	1,414	36,668
Other current assets	25	77,459	77,484
Property, plant and equipment, Right-of-use assets	8,095	954,646	962,741
Investment property, net	-	770,652	770,652
Intangible assets	121,680	45,368	167,048
Other non-current assets	1,116	7,662	8,778
Deferred tax assets	21,577	7,556	29,133
Short-term loans	-	( 649,082)	( 649,082)
Accounts payable (including related parties)	( 20,555)	( 599,822)	( 620,377)
Other payables (including related parties)	( 51,027)	( 125,960)	( 176,987)
Current income tax liabilities	( 6,889)	( 42,579)	( 49,468)
Other current liabilities	( 47,795)	( 832,720)	( 880,515)
Current lease liabilities	( 18,893)	( 4,560)	( 23,453)
Deferred income tax liabilities	( 23,737)	( 128,321)	( 152,058)
Non-current lease liabilities	( 29,293)	( 10,982)	( 40,275)
Other non-current liabilities	( 95,818)	( 310,985)	( 406,803)
Gain from bargain purchase	45,975	( 3,863)	42,112
	<u>\$ 512,293</u>	<u>\$ 429,597</u>	<u>\$ 941,890</u>
Cash paid for the acquisition	\$ 192,038	\$ 429,597	\$ 621,635
Cash and cash equivalents	( 249,105)	( 249,061)	( 498,166)
Net cash paid (received) for the acquisition	<u>(\$ 57,067)</u>	<u>\$ 180,536</u>	<u>\$ 123,469</u>

	UMS	
	<u>July 1, 2021</u>	
Cash and cash equivalents	\$	328,808
Notes receivable, net		11,101
Accounts receivable, net (including related parties)		59,394
Other receivables		128
Prepayments		4,055
Other current assets		43
Property, plant and equipment, net		10,757
Right-of-use assets		8,010
Accounts payable (including related parties)	(	159,027)
Other payables (including related parties)	(	226,563)
Other current liabilities	(	10,078)
Current lease liabilities	(	6,134)
Non-current lease liabilities	(	2,481)
Other non-current liabilities	(	1,035)
Gain from bargain purchase	(	8,605)
		<u>\$ 8,373</u>
Cash paid for the acquisition	\$	8,373
Cash and cash equivalents	(	328,808)
Net cash paid (received) for the acquisition	(\$	<u>320,435)</u>

## B. Financing activities with partial cash payments

### (a) Change in non-controlling interest

	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Change in transactions with non-controlling interest	\$ 9,841,824	\$ 350,190
Add: Opening balance of payable on investments	9,268	12,889
Add: Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets from the business combination	176,019	-
Less: Ending balance of payable on investments	( 10,072,651)	( 39,510)
Cash paid during the period	<u>(\$ 45,540)</u>	<u>\$ 323,569</u>

## (b) Cash dividend payable

	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Cash dividend payments	\$ 95,238,884	\$ 13,156,234
Add: Opening balance of dividends payable	-	-
Less: Ending balance of dividends payable	-	-
Cash paid during the period	<u>\$ 95,238,884</u>	<u>\$ 13,156,234</u>

(36) Changes in liabilities from financing activities

	Short-term loans	Corporate bonds payable (including current portion)	Long-term borrowings (including current portion)	Guarantee deposits received	Lease liabilities and financial liabilities for hedging (including current	Liabilities from financing activities-gross
At January 1, 2022	\$ -	\$ 10,772,950	\$ 48,785,729	\$ 448,863	\$ 98,948,118	\$ 158,955,660
Changes in cash flow from financing activities	( 743,448)	( 4,000,000)	( 17,334,843)	188,783	( 13,159,694)	( 35,049,202)
Acquired from business combinations	649,082	-	-	9,219	63,728	722,029
Additions to lease liabilities	-	-	-	-	14,326,624	14,326,624
Remeasurement of lease liabilities	-	-	-	-	3,724,689	3,724,689
Changes in other non-cash items	-	20,341	6,520,872	-	( 6,521,774)	19,439
Impact of changes in foreign exchange rate	94,366	-	4,359,225	56,197	14,633,869	19,143,657
At September 30, 2022	<u>\$ -</u>	<u>\$ 6,793,291</u>	<u>\$ 42,330,983</u>	<u>\$ 703,062</u>	<u>\$ 112,015,560</u>	<u>\$ 161,842,896</u>
		Corporate bonds payable (including current portion)	Long-term borrowings (including current portion)	Guarantee deposits received	Lease liabilities and financial liabilities for hedging (including current	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		1,043,871	( 32,425,815)	143,918	( 8,692,980)	( 39,931,006)
Acquired from business combinations		-	-	-	8,615	8,615
Additions to lease liabilities		-	-	-	22,094,711	22,094,711
Remeasurement of lease liabilities		-	-	-	5,368,154	5,368,154
Changes in other non-cash items		( 7,062,739)	-	-	( 1,143)	( 7,063,882)
Impact of changes in foreign exchange rate		-	( 600,833)	( 6,688)	( 909,508)	( 1,517,029)
At September 30, 2021		<u>\$ 10,760,175</u>	<u>\$ 62,215,400</u>	<u>\$ 438,050</u>	<u>\$ 92,038,781</u>	<u>\$ 165,452,406</u>

## 7. RELATED PARTY TRANSACTIONS

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

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Evergreen International Storage and Transport Corp. (EITC)	Associate
Eva Airways Corp. (EVA)	Associate
	Associate
Evergreen Security Corp. (ESRC)	(A subsidiary since April 1, 2022)
Chang 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
Green Properties Sdn. Bhd. (GPP)	Associate
Luanta Investment (Netherlands) N.V. (Luanta)	Associate
Balsam Investment (Netherlands) N.V. (Balsam)	Associate
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 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
	Other related party
Evergreen Shipping Agency (Japan) Corporation (EGJ)	(A subsidiary since January 1, 2022)

Names of related parties	Relationship with the Group
Evergreen International Myanmar Co., Ltd. (EIM)	Other related party
Advanced Business Process, Inc. (ABPI)	Other related party
Unigreen Marine S.A.(UMS)	Other related party (A subsidiary since July 1, 2021)
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
Evergreen Logistics (Thailand) Co., Ltd. (ELCTH)	Other related party
Evergreen Logistics Vietnam Company Ltd. (ELCVN)	Other related party
Evergreen Logistics Malaysia Sdn. Bhd. (ELCMY)	Other related party
Evergreen Logistics (India) Pvt. Ltd. (ELCIN)	Other related party
Evergreen International Logistics (HK) Limited. (EILCHK)	Other related party
Round-The-World Logistics Corp. (M) Sdn. Bhd. (RTWMY)	Other related party
PT. Evergreen Logistics Indonesia (ELCID)	Other related party
Everconcord, S.A. (ECC)	Other related party
ALLY Holding Ltd (ALLY)	Other related party
Ever Reward Logistics Corporation (ERLY)	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 September 30, 2022	Three-month period ended September 30, 2021
Associates	\$ 703,046	\$ 496,099
Other related parties	5,418,551	6,520,502
	<u>\$ 6,121,597</u>	<u>\$ 7,016,601</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Associates	\$ 1,927,941	\$ 1,476,244
Other related parties	17,789,158	15,370,703
	<u>\$ 19,717,099</u>	<u>\$ 16,846,947</u>

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:

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Associates	\$ 2,037,286	\$ 1,510,310
Other related parties	<u>3,066,125</u>	<u>3,049,365</u>
	<u>\$ 5,103,411</u>	<u>\$ 4,559,675</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Associates	\$ 5,627,006	\$ 4,151,541
Other related parties	<u>9,934,714</u>	<u>7,489,337</u>
	<u>\$ 15,561,720</u>	<u>\$ 11,640,878</u>

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

C. Receivables from related parties:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts receivable:			
Associates	\$ 146,276	\$ 66,457	\$ 56,939
Other related parties	<u>1,967,141</u>	<u>1,934,249</u>	<u>1,432,999</u>
Subtotal	<u>\$ 2,113,417</u>	<u>\$ 2,000,706</u>	<u>\$ 1,489,938</u>
Other receivables:			
Associates			
-EVA	\$ 432	\$ 285	\$ -
-EITC	3,690	2,725	18,196
-Other	1,361	2,804	3,221
Other related parties	<u>62,273</u>	<u>21,378</u>	<u>21,315</u>
Subtotal	<u>\$ 67,756</u>	<u>\$ 27,192</u>	<u>\$ 42,732</u>
Total	<u>\$ 2,181,173</u>	<u>\$ 2,027,898</u>	<u>\$ 1,532,670</u>

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:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts payable:			
Associates	\$ 595,167	\$ 105,026	\$ 120,471
Other related parties	<u>171,516</u>	<u>190,843</u>	<u>174,545</u>
Subtotal	<u>\$ 766,683</u>	<u>\$ 295,869</u>	<u>\$ 295,016</u>
Other payables:			
Associates	\$ 4,261	\$ 5,774	\$ 4,971
Other related parties	<u>10,155,437</u>	<u>109,375</u>	<u>629,427</u>
Subtotal	<u>\$ 10,159,698</u>	<u>\$ 115,149</u>	<u>\$ 634,398</u>
Total	<u>\$ 10,926,381</u>	<u>\$ 411,018</u>	<u>\$ 929,414</u>

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

E. Property transactions:

(a) Acquisition of property, plant and equipment:

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Associates	\$ -	\$ -
Other related parties	<u>24</u>	<u>2,615,743</u>
	<u>\$ 24</u>	<u>\$ 2,615,743</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Associates	\$ -	\$ 20,381
Other related parties	<u>76,999</u>	<u>2,615,743</u>
	<u>\$ 76,999</u>	<u>\$ 2,636,124</u>

The above transaction price is based on market value and mutual agreement.

(b) Disposal of property, plant and equipment:

	<u>Three-month period ended September 30, 2022</u>		<u>Three-month period ended September 30, 2021</u>	
	<u>Disposal proceeds</u>	<u>Gain on disposal</u>	<u>Disposal proceeds</u>	<u>Gain on disposal</u>
Associates	\$ -	\$ -	\$ -	\$ -
Other related parties	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Nine-month period ended September 30, 2022		Nine-month period ended September 30, 2021	
	Disposal proceeds	Gain on disposal	Disposal proceeds	Gain on disposal
Associates	\$ 2,587,995	\$ 287,354	\$ -	\$ -
Other related parties	6	-	-	-
	<u>\$ 2,588,001</u>	<u>\$ 287,354</u>	<u>\$ -</u>	<u>\$ -</u>

The above disposal price is based on market value and mutual agreement.

#### 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, ships as well as loading and unloading equipment from associates and other related parties for the nine-month period ended September 30, 2022 and increased 'right-of-use assets' by \$5,470 and \$854,239, respectively.

#### (c) Lease liabilities

##### i. Outstanding balance:

	September 30, 2022	December 31, 2021	September 30, 2021
Associates	\$ 4,351	\$ 1,380	\$ 55,396
Other related parties	1,162,687	458,552	303,812
	<u>\$ 1,167,038</u>	<u>\$ 459,932</u>	<u>\$ 359,208</u>

##### ii. Interest expense:

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
	Associates	\$ 12
Other related parties	5,586	22,101
	<u>\$ 5,598</u>	<u>\$ 22,577</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
	Associates	\$ 35
Other related parties	16,183	29,596
	<u>\$ 16,218</u>	<u>\$ 35,687</u>

#### (d) Financial liabilities for hedging:

	September 30, 2022	December 31, 2021	September 30, 2021
Other related parties	<u>\$ 29,682</u>	<u>\$ -</u>	<u>\$ -</u>

G. Agency accounts:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Debit balance of agency accounts:			
Associates	\$ 55,725	\$ 85,777	\$ 39,788
Other related parties			
-EIC	28,523	1,282,907	1,424,877
-EGA	206,880	937,422	1,136,641
-Other	550	10,502	-
	<u>\$ 291,678</u>	<u>\$ 2,316,608</u>	<u>\$ 2,601,306</u>
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Credit balance of agency accounts:			
Associates	(\$ 10,566)	(\$ 29,455)	(\$ 21,774)
Other related parties			
-EGJ	-	( 5,968)	( 201,942)
-EIM	-	-	( 2)
	<u>(\$ 10,566)</u>	<u>(\$ 35,423)</u>	<u>(\$ 223,718)</u>

H. Shipowner's accounts:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Debit balance of shipowner's accounts:			
Other related parties			
-GESA	<u>\$ 3,724</u>	<u>\$ 6,679</u>	<u>\$ 14,476</u>
	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Credit balance of shipowner's accounts:			
Associates			
-ITS	(\$ 530,397)	(\$ 714,985)	(\$ 623,746)
Other related parties			
-EIS	( 534,024)	( 564,916)	( 328,397)
-EMS	( 5,936,624)	( 8,360,755)	( 7,332,303)
	<u>(\$ 7,001,045)</u>	<u>(\$ 9,640,656)</u>	<u>(\$ 8,284,446)</u>

I. Loans to/from related parties:

(a) Loans to related parties (recorded as other receivables - related parties)

i. Outstanding balance:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Associates	<u>\$ 791,424</u>	<u>\$ 688,974</u>	<u>\$ 691,338</u>

ii. Interest income:

	<u>Three-month period ended September 30, 2022</u>	<u>Three-month period ended September 30, 2021</u>
Associates	<u>\$ 6,186</u>	<u>\$ 2,103</u>
	<u>Nine-month period ended September 30, 2022</u>	<u>Nine-month period ended September 30, 2021</u>
Associates	<u>\$ 11,696</u>	<u>\$ 6,270</u>

The loans to associates carry interest at floating rates for the three-month and nine-month periods ended September 30, 2022 and 2021.

(b) Loans from related parties (recorded as other payables - related parties)

i. Outstanding balance:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Other related parties	<u>\$ 10,245</u>	<u>\$ 9,010</u>	<u>\$ 9,109</u>

ii. Interest expense:

No interest expense was paid on the loans for the three-month and nine-month periods ended September 30, 2022 and 2021.

J. Endorsements and guarantees provided to related parties:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Associates	\$ -	\$ 815,365	\$ 1,297,987
Other related parties	-	2,404,006	-
	<u>\$ -</u>	<u>\$ 3,219,371</u>	<u>\$ 1,297,987</u>

K. On June 23, 2021, the Board of Directors of the subsidiary, EGH, approved to acquire 85% equity interests of UMS from the other related party, EIS. The transaction date was July 1, 2021, and the transaction price amounted to \$7,117 (approx. USD 255).

L. On November 5, 2021, the Board of Directors of the subsidiary, EMA, approved to acquire 100% equity interests of EGJ from the other related party, EIS. The transaction date was January 1, 2022, and the transaction price amounted to \$429,597 (approx. USD 15,534).

M. On March 15, 2022, the Board of Directors, approved to acquire 31% equity interests of ESRC from the associates, EVA. The transaction date was April 1, 2022, and the transaction price amounted to \$192,038

(3) Key management compensation

	Three-month period ended September 30, 2022	Three-month period ended September 30, 2021
Salaries and other short-term employee benefits	\$ 61,501	\$ 39,984
Post-employment benefits	1,965	798
Other long-term benefits	2	-
	<u>\$ 63,468</u>	<u>\$ 40,782</u>
	Nine-month period ended September 30, 2022	Nine-month period ended September 30, 2021
Salaries and other short-term employee benefits	\$ 190,883	\$ 142,546
Post-employment benefits	4,637	2,988
Other long-term benefits	20	-
	<u>\$ 195,540</u>	<u>\$ 145,534</u>

8. PLEDGED ASSETS

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

Pledged assets	Book value			Purpose
	September 30, 2022	December 31, 2021	September 30, 2021	
Financial assets at amortised cost				
- Pledged time deposits	\$ 303,942	\$ 273,791	\$ 258,838	Performance guarantee
Property, plant and equipment				
-Land	1,933,326	514,312	514,312	Long-term loan
-Buildings	614,048	1,189,568	2,142,424	"
-Loading and unloading equipment	1,276,635	1,121,525	1,156,382	"
-Ships	43,982,533	55,752,381	63,718,471	"
Investment property				
-Land	1,066,479	1,285,781	1,285,781	Long-term loan
-Buildings	1,202,511	4,197,246	3,291,452	"
	<u>\$ 50,379,474</u>	<u>\$ 64,334,604</u>	<u>\$ 72,367,660</u>	

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

### (1) Contingencies

None.

### (2) Commitments

- A. As of September 30, 2022, December 31, 2021 and September 30, 2021, the Group had delegated DBS Bank to issue Standby Letter of Credit all amounting to USD 5,000.
- B. As of September 30, 2022, December 31, 2021 and September 30, 2021, 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 \$146,200,628, \$69,040,264 and \$94,296,836, respectively, and the unutilized credit was \$103,760,820, \$20,144,475 and \$31,979,158, respectively.
- C. As of September 30, 2022, December 31, 2021 and September 30, 2021, the amount of guaranteed notes issued by the Group for loans borrowed was \$83,910,548, \$69,995,099 and \$86,628,850, respectively.
- D. To meet its operational needs, the Group signed the shipbuilding contracts. As of September 30, 2022, the total price of the contracts, wherein the vessels have not yet been delivered amounted to USD 4,041,181, of which USD 3,364,847 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 September 30, 2022, the total price of the contracts amounted to USD 8,175, of which USD 4,200 remain unpaid. The Group signed installation contracts with Huarun Dadong Dockyard Co., Ltd., and COSCO Shipping Heavy Industry (Zhoushan) Co., Ltd.. As of September 30, 2022, the total price of the contracts amounted to USD 13,420, of which USD 8,184 remain unpaid.
- F. To meet its operational needs, the Group signed the loading and unloading equipment purchase contracts. As of September 30, 2022, the total price of the contracts, wherein the equipment has not yet been delivered, amounted to USD 500,827, of which USD 387,720 remain unpaid.
- G. To meet its operational needs, the Group signed the transportation equipment purchase contracts. As of September 30, 2022, the total price of the contracts, wherein the equipment has not yet been delivered, amounted to USD 47,454, of which USD 47,454 remain unpaid.
- H. For the Group's lease contracts which were entered into but not yet completed, as of September 30, 2022, the expected minimum lease payment in the future was \$21,731,923.
- I. As of September 30, 2022, 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(10).

## 10. SIGNIFICANT DISASTER LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) Considering that the other related party, EGST, generates stable profits from its main business and the outlook of the environmental protection and green energy industry in which EGST reinvests is promising, on November 4, 2022, the Board of Directors of the Company resolved to acquire the equity interest in EGST through stock exchange transactions to increase its investment income. The number of shares to be purchased is no higher than 79,248,000 shares (accounting for 19% of total number of shares issued by EGST). The transaction price per share is no higher than the market value of \$57.8 (in dollars) per share.
- (2) To strengthen the planning of the Mediterranean routes and obtain a dedicated wharf for saving carbon taxes and serving as a major transit hub in the Eastern Mediterranean region, on November 4, 2022, the Board of Directors of the subsidiary, EMA, resolved to acquire an aggregate 20% equity interest in Abu Qir Container Terminal Company S.A.E. from Hutchison Ports Med South Limited, Hutchison Ports North Africa Limited and Abouqir Ports Construction and Management Company for a transaction price of USD 4,600.
- (3) To expand operating fleets to the America routes and cooperate with the Group's reorganisation, on November 4, 2022, the Board of Directors of the subsidiary, EMA, resolved to acquire 9%, 40% and 51% of the equity interest in CCT from its original shareholders, EGH, Clove and Ally, respectively, for a transaction price of USD 268,000.

## 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 structure.

(2) Financial instruments

A. Financial instruments by category

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ -</u>	<u>\$ 44,999</u>	<u>\$ 60,999</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	<u>\$ 1,766,928</u>	<u>\$ 2,123,381</u>	<u>\$ 1,987,496</u>
Financial assets at amortised cost			
Cash and cash equivalents	\$ 391,797,771	\$ 107,792,396	\$ 98,043,087
Financial assets at amortised cost	16,505,675	93,617,198	28,740,862
Notes receivable	207,763	357,461	458,692
Accounts receivable	38,887,582	41,180,398	47,690,187
Other accounts receivable	1,716,756	1,130,938	1,133,740
Guarantee deposits paid	291,954	267,607	264,200
	<u>\$ 449,407,501</u>	<u>\$ 244,345,998</u>	<u>\$ 176,330,768</u>
Financial assets for hedging (including current portion)	<u>\$ 12,870,520</u>	<u>\$ 24,514,739</u>	<u>\$ 28,340,932</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Notes payable	\$ 86	\$ 392	\$ 3,581
Accounts payable	37,459,124	30,374,828	25,687,071
Other accounts payable	22,927,918	11,595,376	10,990,031
Bonds payable (including current portion)	6,793,291	10,772,950	10,760,175
Lease payable (including current portion)	94,038,374	87,439,245	80,165,799
Long-term borrowings (including current portion)	42,330,983	48,785,729	62,215,400
Guarantee deposits received	703,062	448,863	438,050
	<u>\$ 204,252,838</u>	<u>\$ 189,417,383</u>	<u>\$ 190,260,107</u>
Financial liabilities for hedging (including current portion)	<u>\$ 17,977,186</u>	<u>\$ 11,508,873</u>	<u>\$ 11,872,982</u>

## 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, EUR 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:

September 30, 2022			
	Foreign currency amount	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,535,547	31.6750	\$ 48,638,451
EUR:NTD	8,986	31.1271	279,708
EUR:USD	11,207	0.9827	348,841
MYR:USD	83,898	0.2157	573,216
GBP:USD	7,778	1.1171	275,218
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,526,182	31.6750	\$ 48,341,815
EUR:USD	4,937	0.9827	153,674
CNY:USD	255,787	0.1404	1,137,528
HKD:USD	115,873	0.1274	467,593
GBP:USD	5,537	1.1171	195,922
December 31, 2021			
	Foreign currency amount	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,930,892	27.6545	\$ 53,397,853
EUR:NTD	9,873	31.3837	309,851
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,375,077	27.6545	\$ 38,027,067
HKD:USD	116,492	0.1282	413,000
GBP:USD	5,601	1.3497	209,059
EUR:USD	4,110	1.1326	128,731
CNY:USD	298,559	0.1570	1,296,270

	September 30, 2021		
	Foreign currency amount	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 2,177,662	27.8335	\$ 60,611,955
EUR:NTD	12,964	32.2980	418,711
EUR:USD	4,082	1.1579	131,556
GBP:USD	10,384	1.3443	388,534
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,289,295	27.8335	\$ 35,885,592
HKD:USD	106,877	0.1285	382,257
EUR:USD	7,516	1.1579	242,229
CNY:USD	244,003	0.1545	1,049,280

- iv. The total exchange gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2022 and 2021 amounted to \$5,464,549, \$103,198, \$9,353,617 and \$248,563, respectively.

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

<u>Nine-month period ended September 30, 2022</u>			
<u>Sensitivity analysis</u>			
	<u>Degree of variation</u>	<u>Effect on profit or loss</u>	<u>Effect on other comprehensive income</u>
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 357,681	\$ 128,704
EUR:NTD	1%	2,797	-
EUR:USD	1%	3,488	-
MYR:USD	1%	5,732	-
GBP:USD	1%	2,752	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 303,646	\$ 179,772
EUR:USD	1%	1,537	-
CNY:USD	1%	11,375	-
HKD:USD	1%	4,676	-
GBP:USD	1%	1,959	-
<u>Nine-month period ended September 30, 2021</u>			
<u>Sensitivity analysis</u>			
	<u>Degree of variation</u>	<u>Effect on profit or loss</u>	<u>Effect on other comprehensive income</u>
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 322,711	\$ 283,409
EUR:NTD	1%	4,187	-
EUR:USD	1%	1,316	-
GBP:USD	1%	3,885	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 240,126	\$ 118,730
HKD:USD	1%	3,823	-
EUR:USD	1%	2,422	-
CNY:USD	1%	10,493	-

### 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 significant 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 \$17,355 and \$19,732 for the nine-month periods ended September 30, 2022 and 2021, 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 nine-month periods ended September 30, 2022 and 2021, the Group's borrowings at variable rate were denominated in the NTD and USD.
- ii. At September 30, 2022 and 2021, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the nine-month periods ended September 30, 2022 and 2021 would have been \$304,064 and \$563,399 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 receivable, accounts receivable, contract assets 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 customers' 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 September 30, 2022, December 31, 2021 and September 30, 2021, 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) and contract assets. As of September 30, 2022, December 31, 2021 and September 30, 2021, the loss rate methodology is as follows:

<u>September 30, 2022</u>	Notes receivable		<u>Expected loss rate</u>	<u>Loss allowance</u>
	<u>Total book value</u>			
Not past due	\$ 199,128		0.0001%~0.0307%	\$ 18
Up to 30 days	8,653		0%	-
	<u>\$ 207,781</u>			<u>\$ 18</u>

	Accounts receivable (including related parties)		
<u>September 30, 2022</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 32,902,305	0.0000%~0.1056%	\$ 905
Up to 30 days	5,492,337	0.0101%~0.4381%	3,897
31 to 180 days	498,200	0.0151%~1.9400%	458
	<u>\$ 38,892,842</u>		<u>\$ 5,260</u>
	Contract assets		
<u>September 30, 2022</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 3,536,096	0.0001%~0.1056%	\$ 25
	Notes receivable		
<u>December 31, 2021</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 302,205	0%	\$ -
Up to 30 days	55,256	0%	-
	<u>\$ 357,461</u>		<u>\$ -</u>
	Accounts receivable (including related parties)		
<u>December 31, 2021</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 29,159,450	0.0000%~0.0280%	\$ 95
Up to 30 days	10,942,351	0.0556%~0.2497%	271
31 to 180 days	1,083,091	0.0021%~4.5964%	4,128
	<u>\$ 41,184,892</u>		<u>\$ 4,494</u>
	Contract assets		
<u>December 31, 2021</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 4,525,961	0%	\$ -
	Notes receivable		
<u>September 30, 2021</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 377,382	0%	\$ -
Up to 30 days	81,304	0%	-
31 to 180 days	6	0%	-
	<u>\$ 458,692</u>		<u>\$ -</u>
	Accounts receivable (including related parties)		
<u>September 30, 2021</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 39,992,491	0.0000%~0.0216%	\$ 73
Up to 30 days	7,332,905	0.0109%~0.2497%	2,315
31 to 180 days	370,196	0.0021%~5.5809%	3,017
	<u>\$ 47,695,592</u>		<u>\$ 5,405</u>

<u>September 30, 2021</u>	<u>Contract assets</u>		
	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ <u>6,500,080</u>	0%	\$ <u>-</u>

- 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 receivables are as follows:

	<u>2022</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Contract assets</u>
At January 1	\$ -	(\$ 4,494)	\$ -
Business Combination	( 17)	( 221)	-
Provision for impairment	( 1)	( 4,157)	( 23)
Reversal of impairment loss	-	4,234	-
Effect of foreign exchange	-	( 622)	( 2)
At September 30	<u>(\$ 18)</u>	<u>(\$ 5,260)</u>	<u>(\$ 25)</u>
	<u>2021</u>		
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Contract assets</u>
At January 1	(\$ 1)	(\$ 6,742)	(\$ 205)
Provision for impairment	-	( 897)	-
Reversal of impairment loss	1	2,030	205
Effect of foreign exchange	-	204	-
At September 30	<u>\$ -</u>	<u>(\$ 5,405)</u>	<u>\$ -</u>

(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:

September 30, 2022	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	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ 86
Accounts payable	35,757,342	935,099	-	-	-	36,692,441
Accounts payable - related parties	359,155	407,528	-	-	-	766,683
Other payables	10,085,156	2,672,819	-	-	-	12,757,975
Other payables - related parties	10,159,698	-	-	-	10,245	10,169,943
Bonds payable (including current portion)	-	2,017,200	4,981,000	-	-	6,998,200
Long-term loans (including current portion)	2,085,970	4,935,903	6,303,918	17,935,224	18,167,088	49,428,103
Lease payable and financial liabilities for hedging (including current portion)	3,982,933	11,710,870	13,827,947	37,351,875	55,316,888	122,190,513

Non-derivative financial liabilities:

December 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	\$ 392	\$ -	\$ -	\$ -	\$ -	\$ 392
Accounts payable	29,441,105	637,854	-	-	-	30,078,959
Accounts payable - related parties	295,869	-	-	-	-	295,869
Other payables	9,171,951	2,299,266	-	-	-	11,471,217
Other payables - related parties	115,148	-	-	-	9,011	124,159
Bonds payable (including current portion)	-	4,059,200	2,017,200	4,999,900	-	11,076,300
Long-term loans (including current portion)	3,056,218	6,666,761	8,228,872	16,316,358	16,996,771	51,264,980
Lease payable and financial liabilities for hedging (including current portion)	3,708,779	15,301,472	12,230,330	31,666,745	44,264,033	107,171,359

Non-derivative financial liabilities:

September 30, 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	\$ 3,581	\$ -	\$ -	\$ -	\$ -	\$ 3,581
Accounts payable	25,168,608	223,447	-	-	-	25,392,055
Accounts payable - related parties	295,016	-	-	-	-	295,016
Other payables	7,940,852	2,405,672	-	-	-	10,346,524
Other payables - related parties	634,398	-	-	-	9,109	643,507
Bonds payable (including current portion)	-	4,059,200	2,017,200	4,999,900	-	11,076,300
Long-term loans (including current portion)	10,155,235	6,336,802	7,811,504	25,067,651	15,459,404	64,830,596
Lease payable and financial liabilities for hedging (including current portion)	3,222,575	15,258,664	11,767,099	30,179,905	39,476,978	99,905,221

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(12).

C. Financial instruments not measured at fair value

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:

	September 30, 2022		
	Book value	Fair value	Fair value
		Level 2	Level 3
<b>Financial liabilities:</b>			
Bonds payable (including current portion)	\$ 6,793,291	\$ 4,793,291	\$ 1,993,987
Long-term loans (including current portion)	42,330,983	-	48,730,295
	<u>\$ 49,124,274</u>	<u>\$ 4,793,291</u>	<u>\$ 50,724,282</u>
	December 31, 2021		
	Book value	Fair value	Fair value
		Level 2	Level 3
<b>Financial liabilities:</b>			
Bonds payable (including current portion)	\$ 10,772,950	\$ 4,772,950	\$ 6,049,253
Long-term loans (including current portion)	48,785,729	-	51,265,080
	<u>\$ 59,558,679</u>	<u>\$ 4,772,950</u>	<u>\$ 57,314,333</u>
	September 30, 2021		
	Book value	Fair value	Fair value
		Level 2	Level 3
<b>Financial liabilities:</b>			
Bonds payable (including current portion)	\$ 10,760,175	\$ 4,760,175	\$ 6,057,530
Long-term loans (including current portion)	62,215,400	-	64,723,469
	<u>\$ 72,975,575</u>	<u>\$ 4,760,175</u>	<u>\$ 70,780,999</u>

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

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

September 30, 2022	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	<u>\$ 1,007,303</u>	<u>\$ -</u>	<u>\$ 759,625</u>	<u>\$ 1,766,928</u>

December 31, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets:</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivative instruments	\$ -	\$ 44,999	\$ -	\$ 44,999
Financial assets at fair value through other comprehensive income				
Equity securities	<u>1,478,540</u>	<u>-</u>	<u>644,841</u>	<u>2,123,381</u>
	<u>\$ 1,478,540</u>	<u>\$ 44,999</u>	<u>\$ 644,841</u>	<u>\$ 2,168,380</u>
September 30, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets:</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivative instruments	\$ -	\$ 60,999	\$ -	\$ 60,999
Financial assets at fair value through other comprehensive income				
Equity securities	<u>1,368,834</u>	<u>-</u>	<u>618,662</u>	<u>1,987,496</u>
	<u>\$ 1,368,834</u>	<u>\$ 60,999</u>	<u>\$ 618,662</u>	<u>\$ 2,048,495</u>

- (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:

	<u>Listed shares</u>
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 nine-month periods ended September 30, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the nine-month periods ended September 30, 2022 and 2021:

	2022	2021
At January 1	\$ 644,841	\$ 526,014
Gains and losses recognised in other comprehensive income (Note 1)	114,784	92,648
At September 30	\$ 759,625	\$ 618,662

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 nine-month periods ended September 30, 2022 and 2021, 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 September 30, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 752,853	Market comparable companies	Price to earnings ratio multiple	7.52~27.69	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.39~4.46	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, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 638,069	Market comparable companies	Price to earnings ratio multiple	7.28~40.52	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.50~3.38	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 September 30, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 611,890	Market comparable companies	Price to earnings ratio multiple	8.76~49.23	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.54~3.49	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

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:

		September 30, 2022					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Favourable	Unfavourable	Favourable	Unfavourable	Favourable	Unfavourable
Input	Change	change	change	change	change	change	change
Financial assets							
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability	±1%	\$ -	\$ -	\$ 7,529	\$ 7,529	
		December 31, 2021					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Favourable	Unfavourable	Favourable	Unfavourable	Favourable	Unfavourable
Input	Change	change	change	change	change	change	change
Financial assets							
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability	±1%	\$ -	\$ -	\$ 6,381	\$ 6,381	
		September 30, 2021					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Favourable	Unfavourable	Favourable	Unfavourable	Favourable	Unfavourable
Input	Change	change	change	change	change	change	change
Financial assets							
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability	±1%	\$ -	\$ -	\$ 6,119	\$ 6,119	

(4) Other

In response to the impact of Covid-19, the Group implemented several measures to control the pandemic in accordance with governments' prevention measures, including work shifts, redundancy and enhancing employees' health management. At the same time, the Group assessed that Covid-19 did not have a significant impact on the Group's operations and ability to continue as a going concern.

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:

	Nine-month period ended September 30, 2022			
	Transportation Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	\$ 515,439,806	\$ 817,427	\$ -	\$ 516,257,233
Revenue from internal customers	<u>67,773,553</u>	<u>-</u>	<u>( 67,773,553)</u>	<u>-</u>
Segment revenue	583,213,359	817,427	( 67,773,553)	516,257,233
Interest income	2,900,131	44,615	-	2,944,746
Interest expense	( 2,330,523)	( 4,632)	-	( 2,335,155)
Depreciation and amortisation	( 20,056,140)	( 240,304)	-	( 20,296,444)
Share of (loss) income of associates and joint ventures accounted for using equity method	2,501,686	6,479,223	-	8,980,909
Other items	( 142,942,111)	( 1,654,995)	-	( 144,597,106)
Segment profit	<u>\$ 423,286,402</u>	<u>\$ 5,441,334</u>	<u>(\$ 67,773,553)</u>	<u>\$ 360,954,183</u>
Recognisable assets	\$ 825,871,743	\$ 12,715,864	\$ -	\$ 838,587,607
Investments accounted for using equity method	<u>27,644,946</u>	<u>15,340,135</u>	<u>-</u>	<u>42,985,081</u>
Segment assets	<u>\$ 853,516,689</u>	<u>\$ 28,055,999</u>	<u>\$ -</u>	<u>\$ 881,572,688</u>
Segment liabilities	<u>\$ 305,529,021</u>	<u>\$ 1,549,982</u>	<u>\$ -</u>	<u>\$ 307,079,003</u>

Nine-month period ended September 30, 2021

	Transportation Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	\$ 332,503,566	\$ 897,614	\$ -	\$ 333,401,180
Revenue from internal customers	32,698,007	-	( 32,698,007)	-
Segment revenue	365,201,573	897,614	( 32,698,007)	333,401,180
Interest income	227,171	10,664	-	237,835
Interest expense	( 2,462,492)	( 4,395)	-	( 2,466,887)
Depreciation and amortisation	( 16,370,212)	( 201,941)	-	( 16,572,153)
Share of (loss) income of associates and joint ventures accounted for using equity method	383,891	2,412,494	-	2,796,385
Other items	( 123,409,547)	( 816,958)	-	( 124,226,505)
Segment profit	<u>\$ 223,570,384</u>	<u>\$ 2,297,478</u>	<u>(\$ 32,698,007)</u>	<u>\$ 193,169,855</u>
Recognisable assets	\$ 480,694,712	\$ 10,142,202	\$ -	\$ 490,836,914
Investments accounted for using equity method	25,308,027	7,830,818	-	33,138,845
Segment assets	<u>\$ 506,002,739</u>	<u>\$ 17,973,020</u>	<u>\$ -</u>	<u>\$ 523,975,759</u>
Segment liabilities	<u>\$ 250,872,024</u>	<u>\$ 781,389</u>	<u>\$ -</u>	<u>\$ 251,653,413</u>

(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  
Nine-month period ended September 30, 2022

Table 1

Expressed in thousands of TWD/thousands of foreign currency

Number (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2022 (Note 3)	Balance at September 30, 2022 (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.	Clove Holding Ltd.	Receivables from related parties	Yes	\$ 253,400	\$ 253,400	\$ 237,563	3.46814%~ 4.15186%	2	\$ -	Working capital requirement	\$ -	None	\$ -	\$ 31,623,161	\$ 39,528,951	(Note9)
1	Peony Investment S.A.	Colon Container Terminal S.A.	Receivables from related parties	Yes	639,835	639,835	639,835	3.48857%~ 3.85643%	2	-	Working capital requirement	-	None	-	15,811,581	39,528,951	
1	Peony Investment S.A.	Whitney Equipment LLC.	Receivables from related parties	Yes	190,050	190,050	-	-	2	-	Working capital requirement	-	None	-	31,623,161	39,528,951	(Note9)
2	Evergreen Marine (Hong Kong) Ltd.	Colon Container Terminal S.A.	Receivables from related parties	Yes	143,963	143,963	143,963	3.48857%~ 3.85643%	2	-	Working capital requirement	-	None	-	18,596,130	37,192,259	
3	Everport Terminal Services Inc.	Whitney Equipment LLC.	Receivables from related parties	Yes	495,210	348,425	190,050	3.11770%	2	-	Working capital requirement	-	None	-	1,958,777	2,448,471	(Note9)
4	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Business Process Inc.	Receivables from related parties	Yes	72,472	72,472	72,472	1.95100%	2	-	Working capital requirement	-	None	-	96,171,024	120,213,780	(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 nine-month period ended September 30, 2022

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 2,495,909 \* 31.6750 \* 20% = 15,811,581

Evergreen Marine (Hong Kong) Ltd. : USD 2,935,459 \* 31.6750 \* 20% = 18,596,130

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 2,495,909 \* 31.6750 \* 40% = 31,623,161

Everport Terminal Services Inc. : USD 154,600 \* 31.6750 \* 40% = 1,958,777

Evergreen Marine (Asia) Pte. Ltd. : USD 7,590,452 \* 31.6750 \* 40% = 96,171,024

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 2,935,459 \* 31.6750 \* 40% = 37,192,259

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 2,495,909 \* 31.6750 \* 50% = 39,528,951

Everport Terminal Services Inc. : USD 154,600 \* 31.6750 \* 50% = 2,448,471

Evergreen Marine (Asia) Pte. Ltd. : USD 7,590,452 \* 31.6750 \* 50% = 120,213,780

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  
Nine-month period ended September 30, 2022

Table 2

Expressed in thousands of TWD/thousands of foreign currency

Number (Note 1)	Endorser/Guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2022 (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	\$ 1,078,809,086	\$ 37,067,493	\$ 31,884,919	\$ 22,789,120	\$ -	5.91%	\$ 1,348,511,357	Y	N	N	
0	Evergreen Marine Corporation	Peony Investment S.A.	2	1,078,809,086	140,280	-	-	-	0.00%	1,348,511,357	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	2	1,078,809,086	1,543,080	791,875	-	-	0.15%	1,348,511,357	Y	N	N	
0	Evergreen Marine Corporation	Everport Terminal Services Inc.	2	1,078,809,086	1,925,840	1,925,840	1,364,646	-	0.36%	1,348,511,357	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	2	1,078,809,086	90,366,621	90,366,621	630,333	-	16.75%	1,348,511,357	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	2	1,078,809,086	7,365,348	7,365,348	6,083,234	-	1.37%	1,348,511,357	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Heavy Industrial Corp. (M) Berhad	2	1,078,809,086	1,551,378	1,551,378	-	-	0.29%	1,348,511,357	Y	N	N	

Evergreen Marine Corporation (Taiwan) Ltd.  
Provision of endorsements and guarantees to others  
Nine-month period ended September 30, 2022

Table 2

Expressed in thousands of TWD/thousands of foreign currency

Number (Note 1)	Endorser/Guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2022 (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)											
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Japan) Corp.	2	\$ 480,855,121	\$ 2,432,147	\$ 2,190,136	\$ 972,775	-	0.91%	\$ 601,068,901	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:  $539,404,543 * 250\% = 1,348,511,357$

Limit on endorsement or guarantees provided by the Company for a single entity is \$269,702,271 (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 \$1,078,809,086.)

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

Ceiling on total amount of endorsements/guarantees:  $USD 7,590,452 * 31.6750 * 250\% = 601,068,901$

Limit on endorsements or guarantees provided for a single entity : 480,855,121 (Amounting to 200% 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 chairman 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)  
 Nine-month period ended September 30, 2022

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)	General ledger account	As of September 30, 2022				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	10,629	1.44%	10,629	
	TopLogis, Inc.		"	2,464	26,476	17.48%	26,476	
	Ever Accord Construction Corp.	Other related party	"	10,500	116,764	17.50%	116,764	
	Central Reinsurance Corp.	Other related party	"	49,866	1,007,303	8.45%	1,007,303	
	Financial bonds:							
	Sunny Bank 2nd Subordinate Financial Debentures-B Issue in 2015		Financial asset measured at amortised cost -current	-	50,000	-	50,000	
	Sunny Bank 3rd Subordinate Financial Debentures-B Issue in 2017		Financial asset measured at amortised cost - non-current	-	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 498	5.27%	USD 498	
	South Asia Gateway Terminals (Private) Ltd.		"	18,942	USD 18,399	5.00%	USD 18,399	
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 230	0.0167%	PHP 230	

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  
Nine-month period ended September 30, 2022

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	\$ 1,346,680	3%	30~60 days	\$ -	-	\$ -	0%	(Note)
	Taiwan Terminal Services Co., Ltd.	Subsidiary	Purchases	646,079	1%	30~60 days	-	-	( 89,798)	1%	(Note)
	Italia Marittima S.P.A.	Investee of Balsam Investment (NetherLands) N.V.	Purchases	263,897	1%	30~60 days	-	-	( 80,370)	1%	
			Sales	428,399	0%	30~60 days	-	-	54,951	1%	
	Evergreen International Storage and Transport Corp.	Other related parties	Purchases	677,060	2%	30~60 days	-	-	( 103,765)	1%	
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	936,830	2%	30~60 days	-	-	-	0%	
			Sales	127,144	0%	30~60 days	-	-	15,361	0%	
	Evergreen International Corp.	Other related parties	Purchases	414,041	1%	30~60 days	-	-	( 77)	0%	
	Evergreen Marine (UK) Limited	Indirect subsidiary	Purchases	368,915	1%	30~60 days	-	-	( 4)	0%	(Note)
	Evergreen Marine (Singapore) Pte Ltd	Other related parties	Purchases	245,883	1%	30~60 days	-	-	( 38,727)	0%	
			Sales	1,472,275	1%	30~60 days	-	-	403,543	5%	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	Purchases	3,137,860	7%	30~60 days	-	-	( 2,507)	0%	(Note)
			Sales	1,258,733	1%	30~60 days	-	-	108,139	1%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Purchases	1,844,003	4%	30~60 days	-	-	( 93,801)	1%	(Note)
			Sales	4,621,041	4%	30~60 days	-	-	992,960	11%	(Note)
	Evergreen Shipping Agency (Europe) GmbH	Subsidiary	Purchases	148,871	0%	30~60 days	-	-	-	0%	(Note)
	Round-The-World Logistics (U.S.A) Corp.	Other related parties	Sales	657,652	1%	30~60 days	-	-	-	0%	
	Evergreen Logistics Corp.	Other related parties	Sales	322,066	0%	30~60 days	-	-	2,179	0%	
Evergreen Marine Corp. (Malaysia) Sdn.Bhd.	Indirect subsidiary	Purchases	183,647	0%	30~60 days	-	-	-	0%	(Note)	
Evergreen Shipping Agency (Vietnam) Corp.	Indirect subsidiary	Purchases	297,183	1%	30~60 days	-	-	-	0%	(Note)	
PT. Evergreen Shipping Agency Indonesia	Associates	Purchases	192,414	0%	30~60 days	-	-	-	0%		
Evergreen Shipping Agency (Japan) Corporation	Indirect subsidiary	Purchases	180,777	0%	30~60 days	-	-	-	0%	(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 Corporation	Evergreen Insurance Company Limited	Other related parties	Purchases	\$ 117,176	0%	30~60 days	\$ -	-	\$ -	0%	
	Taipei Port Container Terminal Corporation	Associates	Purchases	175,598	0%	30~60 days	-	-	(177,704)	2%	
	Evergreen Shipping Agency (Thailand) Co., Ltd	Associates	Purchases	116,977	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency Mexico S.A de C.V.	Indirect subsidiary of the Parent Company	Purchases	110,801	0%	30~60 days	-	-	-	0%	(Note)
Taiwan Terminal Services Co.,Ltd.	Evergreen Marine Corp.	The parent	Sales	646,079	100%	30~60 days	-	-	89,798	100%	(Note)
Everport Terminal Services Inc.	Evergreen Marine Corp.	The parent	Sales	USD 45,989	12%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	USD 31,693	8%	30 days	-	-	-	0%	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	USD 49,714	13%	30 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	USD 164,731	43%	30 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	USD 5,300	2%	30 days	-	-	-	0%	
Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine Corp.	The parent	Sales	USD 107,157	5%	30~60 days	-	-	USD 79	0%	(Note)
			Purchases	USD 42,986	5%	30~60 days	-	-	(USD 3,414)	3%	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 15,392	1%	30~60 days	-	-	USD 3	0%	
			Purchases	USD 8,369	1%	30~60 days	-	-	-	0%	
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	USD 168,061	7%	30~60 days	-	-	USD 61	0%	
			Purchases	USD 6,652	1%	30~60 days	-	-	(USD 1,221)	1%	
	Evergreen International Corp.	Other related parties	Purchases	USD 4,333	1%	30~60 days	-	-	-	0%	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Purchases	USD 11,319	1%	30~60 days	-	-	(USD 8)	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	USD 449,717	20%	30~60 days	-	-	USD 18	0%	(Note)
			Purchases	USD 5,787	1%	30~60 days	-	-	(USD 1)	0%	(Note)
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 49,714	6%	30 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	USD 21,436	3%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (Vietnam) Corp.	Indirect subsidiary of the Parent Company	Purchases	USD 5,727	1%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Thailand) Co., Ltd	Indirect subsidiary of the Parent Company	Purchases	USD 4,930	1%	30~60 days	-	-	-	0%	(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 (Hong Kong) Ltd.	Taipei Port Container Terminal Corporation	Associates	Purchases	USD 3,640	0%	30~60 days	\$ -	-	\$ -	0%	
	Round-The-World Logistics (U.S.A) Corp.	Other related parties	Sales	USD 15,039	1%	30~60 days	-	-	-	0%	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	USD 4,321	1%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (China) Co., Ltd.	Subsidiary	Purchases	USD 28,580	4%	30~60 days	-	-	(USD 3,079)	2%	(Note)
	Evergreen Shipping Agency (Japan) Corporation	Other related parties	Purchases	USD 4,784	1%	30~60 days	-	-	-	0%	(Note)
Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine Corp.	The parent	Sales	USD 62,972	1%	30~60 days	-	-	USD 2,961	0%	(Note)
			Purchases	USD 157,808	1%	30~60 days	-	-	(USD 31,348)	3%	(Note)
	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Purchases	USD 314,913	7%	30~60 days	-	-	(USD 329)	0%	(Note)
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	USD 5,787	0%	30~60 days	-	-	USD 1	0%	(Note)
			Purchases	USD 449,717	9%	30~60 days	-	-	(USD 18)	0%	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 10,851	0%	30~60 days	-	-	-	0%	
			Purchases	USD 79,275	2%	30~60 days	-	-	(USD 3,387)	0%	
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	USD 54,801	0%	30~60 days	-	-	USD 1,363	0%	
			Purchases	USD 39,179	1%	30~60 days	-	-	(USD 1,296)	0%	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Purchases	USD 121,270	3%	30~60 days	-	-	(USD 1,009)	0%	(Note)
	Round-The-World Logistics (U.S.A) Corp.	Other related parties	Sales	USD 75,150	1%	30~60 days	-	-	-	0%	
	Evergreen Logistics Co., Ltd.	Other related parties	Sales	USD 40,740	0%	30~60 days	-	-	-	0%	
	Evergreen International Corp.	Other related parties	Purchases	USD 16,525	0%	30~60 days	-	-	-	0%	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	USD 16,198	0%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (India) Pvt. Ltd.	Indirect subsidiary of the Parent Company	Purchases	USD 9,801	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Indirect subsidiary of the Parent Company	Purchases	USD 14,280	0%	30~60 days	-	-	-	0%	(Note)
	PT. Evergreen Shipping Agency Indonesia	Associates	Purchases	USD 11,844	0%	30~60 days	-	-	-	0%	
Evergreen Shipping Agency (Europe) GmbH	Indirect subsidiary of the Parent Company	Purchases	USD 18,631	0%	30~60 days	-	-	-	0%	(Note)	
Evergreen Marine Co. (Malaysia) SDN.BHD.	Indirect subsidiary of the Parent Company	Purchases	USD 17,725	0%	30~60 days	-	-	-	0%	(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 (Asia) Pte. Ltd.	Evergreen Shipping Agency (Vietnam) Corp.	Indirect subsidiary of the Parent Company	Purchases	USD 28,738	1%	30~60 days	\$ -	-	\$ -	0%	(Note)
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 164,731	3%	30 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	USD 165,032	3%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (Japan) Corporation	Subsidiary	Purchases	USD 21,205	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (Korea) Corp.	Indirect subsidiary of the Parent Company	Purchases	USD 8,206	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (Italy) S.p.A.	Indirect subsidiary of the Parent Company	Purchases	USD 5,766	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency Philippines Corporation	Indirect subsidiary of the Parent Company	Purchases	USD 5,730	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Insurance Company Limited	Associates	Purchases	USD 7,334	0%	30~60 days	-	-	(USD 921)	0%	
	Taipei Port Container Terminal Corporation	Associates	Purchases	USD 13,583	0%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency Co. (U.A.E.) LLC	Other related parties	Purchases	USD 3,450	0%	30~60 days	-	-	-	0%	
	Evergreen Argentina S.A.	Indirect subsidiary of the Parent Company	Purchases	USD 3,697	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (Brazil) Ltd.	Indirect subsidiary of the Parent Company	Purchases	USD 4,706	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency Mexico S.A. de C.V.	Indirect subsidiary of the Parent Company	Purchases	USD 4,887	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping (Spain) S.L.	Indirect subsidiary of the Parent Company	Purchases	USD 4,249	0%	30~60 days	-	-	-	0%	(Note)
Greencompass Marine S.A.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	USD 314,913	99%	30~60 days	-	-	USD 329	26%	(Note)
Evergreen Marine (UK) Limited	Evergreen Marine Corp.	The parent	Sales	USD 12,598	4%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	USD 18,266	6%	30~60 days	-	-	USD 218	0%	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	USD 11,319	3%	30~60 days	-	-	USD 8	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	USD 121,270	37%	30~60 days	-	-	USD 1,009	2%	(Note)
	Evergreen Insurance Company Limited	Associates	Purchases	USD 3,466	0%	30~60 days	-	-	-	0%	
Evergreen Heavy Industrial Corp (Malaysia) Berhad	Gaining Enterprise S.A.	Other related parties	Sales	USD 15,264	19%	45 days	-	-	-	0%	
Evergreen Shipping Agency (Europe) GmbH	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	EUR 7,490	24%	30~60 days	-	-	EUR 761	0%	
	Evergreen Marine Corp.	The parent	Sales	EUR 4,785	15%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	EUR 17,571	56%	30~60 days	-	-	-	0%	(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 Shipping Agency (Thailand) Co., Ltd	Evergreen Marine Corp.	The parent	Sales	THB 138,500	12%	30~60 days	\$ -	-	\$ -	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	THB 495,088	44%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	THB 221,274	20%	30~60 days	-	-	THB 16,414	2%	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	THB 170,917	15%	30~60 days	-	-	-	0%	(Note)
Evergreen Marine Co. (Malaysia) SDN.BHD.	Evergreen Marine Corp.	The parent	Sales	MYR 27,267	16%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	MYR 77,066	44%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	MYR 26,980	16%	30~60 days	-	-	MYR 2,031	1%	
Evergreen Shipping Agency (Japan) Corporation	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	JPY 2,724,515	46%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine Corp.	The parent	Sales	JPY 793,212	13%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	JPY 1,049,495	18%	30~60 days	-	-	JPY 800	0%	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	JPY 614,672	10%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Vietnam) Corp.	Evergreen Marine Corp.	The parent	Sales	VND 234,623,474	19%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	VND 218,553,914	18%	30~60 days	-	-	VND 13,594,420	2%	
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	VND 132,405,107	11%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	VND 664,378,656	54%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Korea) Corp.	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	KRW 4,494,360	22%	30~60 days	-	-	KRW 317,094	0%	
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	KRW 10,433,294	50%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (India) Private Ltd.	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	INR 396,018	24%	30~60 days	-	-	-	0%	
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	INR 759,363	46%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping (Spain) S.L.	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	EUR 4,274	21%	30~60 days	-	-	EUR 460	2%	
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	EUR 4,007	20%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (China) Co., Ltd.	Evergreen Marine (Hong Kong) Ltd.	Subsidiary of the Parent Company	Sales	CNY 188,894	99%	30~60 days	-	-	CNY 21,934	100%	(Note)
Evergreen Shipping Agency (Italy) S.p.A.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	EUR 5,438	30%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	EUR 6,933	38%	30~60 days	-	-	EUR 587	1%	

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 Agency (South Africa) (Pty) Ltd.	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	Sales	ZAR 55,111	50%	30~60 days	\$ -	-	\$ -	0%	
Evergreen Shipping Agency Philippines Corporation	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	PHP 307,509	47%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency Mexico S.A de C.V.	Evergreen Marine Corp.	The parent	Sales	MXN 76,670	27%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	MXN 99,023	35%	30~60 days	-	-	-	0%	(Note)
Evergreen Argentina S.A.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	ARS 445,435	35%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Brazil) Ltd.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary of the Parent Company	Sales	BRL 24,167	48%	30~60 days	-	-	-	0%	(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  
 Nine-month period ended September 30, 2022

Table 5

Expressed in thousands of TWD/thousands of foreign currency

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2022 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts	Footnote
					Amount	Action taken			
Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	\$ 108,139	-	-	-	\$ 92,371	-	Note
Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	992,960	-	-	-	919,850	-	Note
Evergreen Marine Corporation	Evergreen Marine (Singapore) Pte. Ltd.	Other related parties	403,543	-	-	-	371,080	-	
Peony Investment S.A.	Clove Holding Ltd.	Subsidiary	USD 7,626	-	-	-	-	-	Note
Peony Investment S.A.	Colon Container Terminal, S.A.	Associates	USD 20,397	-	-	-	-	-	
Everport Terminal Services Inc.	Evergreen Shipping Agency (America) Corporation	Other related parties	USD 38,270	-	-	-	USD 28,432	-	
Evergreen Marine (Hong Kong) Ltd.	Colon Container Terminal, S.A.	Associates	USD 4,589	-	-	-	-	-	

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  
nine-month period ended September 30, 2022

Table 6

Expressed in thousands of TWD

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	Evergreen Marine Corporation	Taiwan Terminal Services Co.,Ltd.	1	Operating cost	\$ 646,079	Note 4	0.13
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating cost	368,915	"	0.07
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Operating cost	1,844,003	"	0.36
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Operating revenue	4,621,041	"	0.90
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Shipowner's account - credit	1,421,710	"	0.16
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Accounts Receivable	992,960	"	0.11
0	Evergreen Marine Corporation	Evergreen Shipping Agency (India) Pvt. Ltd.	1	Agency's account - debit	108,992	"	0.01
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Operating revenue	1,258,733	"	0.24
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Operating cost	3,137,860	"	0.61
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Accounts Receivable	108,139	"	0.01
0	Evergreen Marine Corporation	Everport Terminal Services Inc.	1	Operating cost	1,346,680	"	0.26
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Europe) GmbH	1	Operating cost	148,871	"	0.03
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Vietnam) Corp.	1	Operating cost	297,183	"	0.06
0	Evergreen Marine Corporation	Evergreen Marine Corp. (Malaysia) SDN BHD	1	Operating cost	183,647	"	0.04
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Thailand) Co., Ltd.	1	Operating cost	116,977	"	0.02
0	Evergreen Marine Corporation	Evergreen Shipping Agency Mexico S.A de C.V. (EMX)	1	Operating cost	110,801	"	0.02
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Colombia) S.A.S	1	Agency's account - debit	126,218	"	0.01
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Japan) Corporation	1	Operating cost	180,777	"	0.04
1	Greencompass Marine S.A.	Evergreen Marine (Asia) Pte. Ltd.	3	Operating revenue	9,221,505	"	1.79
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine (Hong Kong) Ltd.	3	Operating cost	13,168,923	"	2.55
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine (UK) Limited	3	Operating cost	3,551,123	"	0.69
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (India) Pvt. Ltd.	3	Operating cost	286,986	"	0.06
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Operating cost	418,152	"	0.08
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Europe) GmbH	3	Operating cost	545,572	"	0.11
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Vietnam) Corp.	3	Operating cost	841,526	"	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 (Asia) Pte. Ltd.	Everport Terminal Services Inc.	3	Operating cost	\$ 4,823,766	Note 4	0.93
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Japan) Corporation	3	Operating cost	620,929	"	0.12
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine Corp. (Malaysia) SDN BHD	3	Operating cost	519,043	"	0.10
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (India) Pvt. Ltd.	3	Agency's account - debit	200,949	"	0.02
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency Mexico S.A de C.V. (EMX)	3	Operating cost	143,106	"	0.03
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Argentina) S.A.	3	Operating cost	108,259	"	0.02
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping (Spain) S.L.	3	Operating cost	124,422	"	0.02
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Brazil)S.A.	3	Operating cost	137,800	"	0.03
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine (UK) Limited	3	Shipowner's account - debit	164,954	"	0.02
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Argentina) S.A.	3	Agency's account - debit	160,289	"	0.02
2	Evergreen Marine (Asia) Pte. Ltd.	Unigreen Marine S.A.	3	Agency's account - debit	306,857	"	0.03
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Europe) GmbH	3	Agency's account - credit	129,551	"	0.01
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Japan) Corporation	3	Agency's account - credit	123,568	"	0.01
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Korea) Corporation	3	Operating cost	240,293	"	0.05
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Italy) S.p.A.	3	Operating cost	168,847	"	0.03
2	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency Philippines Corporation	3	Operating cost	167,791	"	0.03
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine (UK) Limited	3	Operating cost	331,461	"	0.06
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine (Asia) Pte. Ltd.	3	Operating cost	169,449	"	0.03
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Operating cost	144,357	"	0.03
3	Evergreen Marine (Hong Kong) Ltd.	Everport Terminal Services Inc.	3	Operating cost	1,455,756	"	0.28
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (China) Co., Ltd	3	Operating cost	836,889	"	0.16
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (Vietnam) Corp.	3	Operating cost	167,709	"	0.03
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (Japan) Corporation	3	Operating cost	140,087	"	0.03

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)
4	Peony Investment S.A.	Clove Holding Ltd.	3	Other receivables	241,545	Note 4	0.03

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)  
nine-month period ended September 30, 2022

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 September 30, 2022			Net profit (loss) of the investee For the nine-month period ended Sept 30, 2022 (Note 2(2))	Investment income (loss) recognised by the Company For the nine-month period ended Sept 30, 2022 (Note 2(3))	Footnote
				Balance as of Sept 30, 2022	Balance as of December 31, 2021	Number of shares	Ownership (%)	Book value			
Evergreen Marine Corporation	Peony Investment S.A.	Republic of Panama	Investment activities	\$ 15,093,138	\$ 15,093,138	4,765	100.00	\$ 78,731,191	\$ 12,366,896	\$ 12,174,299	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	72,209	15,998	8,799	// (Note)
	Everport Terminal Services Inc.	U.S.A	Terminal services	3,168	3,168	1	94.43	4,473,354	871,884	823,309	// (Note)
	Evergreen Marine (Hong Kong) Ltd.	Hong Kong	Marine transportation and shipping agency	6,631,161	6,631,161	6,320	79.00	75,198,322	44,114,701	33,330,579	// (Note)
	Evergreen Shipping Agency (Israel) Ltd.	Israel	Shipping agency	9,478	9,478	1,062	59.00	106,251	121,353	71,598	// (Note)
	Evergreen Marine (Asia) Pte. Ltd.	Singapore	Marine transportation	1,583,750	1,583,750	50,000	100.00	240,462,884	227,405,915	227,437,709	// (Note)
	Charng Yang Development Co.,Ltd.	Taiwan	Development, rental, sale of residential and commercial buildings	320,000	320,000	58,542	40.00	550,836	120,669	48,268	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	11,650,233	2,974,595	1,208,276	//
	Evergreen Security Corporation	Taiwan	General security guards services	217,037	25,000	12,622	62.25	334,521	29,460	13,839	Subsidiary of the Company (Note)
	EVA Airways Corporation	Taiwan	International passengers and cargo transportation	11,276,823	11,276,823	776,541	14.53	12,221,488	6,388,951	951,415	Investee accounted for using equity method
	Taipei Port Container Terminal Corporation	Taiwan	Container distribution and cargo stevedoring	1,446,196	1,446,196	144,799	27.85	1,836,945	512,080	142,594	//
	Ever Ecove Corporation	Taiwan	Waste treatment and combined heat and power	305,000	305,000	30,500	19.06	314,649	79,117	15,082	//
VIP Greenport Joint Stock Company	Vietnam	Terminal services	178,750	178,750	13,750	21.74	332,655	261,064	56,753	//	
Peony Investment S.A.	Clove Holding Ltd.	British Virgin Islands	Investment holding company	1,664,498	1,664,498	10	100.00	3,445,749	274,862	274,862	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Europe) GmbH	Germany	Shipping agency	263,409	263,409	-	100.00	142,788	22,022	22,022	// (Note)
	Evergreen Shipping Agency (Korea) Corporation	South Korea	Shipping agency	76,844	76,844	121	100.00	116,599	299,248	299,248	// (Note)
	Greencompass Marine S.A.	Republic of Panama	Marine transportation	11,197,113	11,197,113	3,535	100.00	37,747,175	1,234,990	1,234,990	// (Note)

Investor	Investee (Note 1 · Note 2)	Location	Main business activities	Initial investment amount		Shares held as of September 30, 2022			Net profit (loss) of the investee For the nine-month period ended Sept 30, 2022 (Note 2(2))	Investment income (loss) recognised by the Company For the nine-month period ended Sept 30, 2022 (Note 2(3))	Footnote
				Balance as of Sept 30, 2022	Balance as of December 31, 2021	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Shipping Agency (India) Pvt. Ltd.	India	Shipping agency	\$ 37,272	\$ 37,272	\$ 100	99.999	\$ 145,479	\$ 396,878	\$ 396,874	Indirect subsidiary of the Company (Note)
	Evergreen Argentina S.A.	Argentina	Leasing	4,435	4,435	150	95.00	41,806	( 3,997)	( 3,797)	// (Note)
	PT. Multi Bina Pura International	Indonesia	Loading and discharging operations of container yards and inland transportation	270,059	270,059	18	95.03	503,798	66,003	62,722	// (Note)
	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	25,476	25,476	2	17.39	13,489	( 4,972)	( 865)	// (Note)
	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Malaysia	Container manufacturing	864,564	864,564	42,120	84.44	1,270,956	139,603	117,880	// (Note)
	Evergreen Shipping (Spain) S.L.	Spain	Shipping agency	213,658	213,658	6	100.00	208,441	245,992	245,992	// (Note)
	Evergreen Shipping Agency (Italy) S.p.A.	Italy	Shipping agency	74,500	74,500	0.55	55.00	174,642	240,697	132,383	// (Note)
	Evergreen Marine (UK) Limited	U.K	Marine transportation	4,247,701	4,247,701	765	51.00	15,143,190	1,936,056	987,388	// (Note)
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Australia	Shipping agency	54,113	54,113	1	100.00	207,005	193,986	193,986	// (Note)
	Evergreen Shipping Agency (Russia) Ltd.	Russia	Shipping agency	26,860	26,860	-	51.00	59,665	85,828	43,772	// (Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Thailand	Shipping agency	71,047	71,047	680	85.00	189,888	593,209	504,228	// (Note)
	Evergreen Agency (South Africa) (Pty) Ltd.	South Africa	Shipping agency	18,403	18,403	5,500	55.00	59,242	80,239	44,131	// (Note)
	Evergreen Shipping Agency (Vietnam) Corp.	Vietnam	Shipping agency	38,992	38,992	-	100.00	1,233,308	1,149,775	1,149,775	// (Note)
	PT. Evergreen Shipping Agency Indonesia	Indonesia	Shipping agency	30,820	30,820	0.441	49.00	437,501	426,363	208,918	Investee company of Peony accounted for using equity method
	Luanta Investment (Netherlands) N.V.	Curaçao	Investment holding company	1,505,806	1,505,806	460	50.00	840,000	47,726	23,863	//
	Balsam Investment (Netherlands) N.V.	Curaçao	Investment holding company	13,230,217	13,230,217	0.451	49.00	10,143,943	11,813,491	5,788,611	//
	Evergreen Shipping Agency Co. (U.A.E.) LLC	United Arab Emirates	Shipping agency	65,947	65,947	-	49.00	205,455	299,270	146,642	//
Greenpen Properties Sdn. Bhd.	Malaysia	Renting estate and storehouse company	13,495	13,495	1,500	30.00	( 22,224)	3,134	940	//	

Investor	Investee (Note 1 · Note 2)	Location	Main business activities	Initial investment amount		Shares held as of September 30, 2022			Net profit (loss) of the investee For the nine-month period ended Sept 30, 2022 (Note 2(2))	Investment income (loss) recognised by the Company For the nine-month period ended Sept 30, 2022 (Note 2(3))	Footnote
				Balance as of Sept 30, 2022	Balance as of December 31, 2021	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Marine Corp. (Malaysia) SDN.BHD.	Malaysia	Shipping agency	\$ 298,194	\$ 298,194	500	100.00	\$ 326,089	\$ 704,860	\$ 704,860	Indirect subsidiary of the Company (Note)
	Evergreen Marine (Hong Kong) Ltd.	Hong Kong	Marine transportation and shipping agency	83,939	83,939	80	1.00	971,851	44,114,701	440,371	Subsidiary of the Company (Note)
	Ics Depot Services Snd. Bhd.	Malaysia	Depot services	35,286	35,286	286	28.65	70,503	19,633	5,624	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	724,091	724,091	22,860	40.00	3,159,711	576,187	230,475	Investee company of Clove Holding Ltd. accounted for using equity method
	Everport Terminal Services Inc.	U.S.A	Terminal services	206,013	206,013	0.059	5.57	423,588	871,884	48,575	Indirect subsidiary of the Company (Note)
Everport Terminal Services Inc.	Whitney Equipment LLC.	U.S.A	Equipment Leasing Company	6,335	6,335	-	100.00	364,515	43,717	43,717	// (Note)
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indonesia	Container repair cleaning and inland transportation	104,572	104,572	7.55	72.95	56,584	(4,972)	(3,627)	// (Note)
Evergreen Marine (Hong Kong) Limited	Colon Container Terminal S.A.	Republic of Panama	Inland container storage and loading	494,130	494,130	5,144	9.00	731,370	576,187	51,857	Investee company of Evergreen Marine (Hong Kong) Limited accounted for using equity method
	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	20,637	20,637	600	100.00	20,175	1,081	1,081	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Service (Cambodia) Co., Ltd.	Cambodia	Shipping agency	6,335	6,335	200	100.00	68,005	57,559	57,559	// (Note)
	Evergreen Shipping Agency (Peru) S.A.C.	Peru	Shipping agency	8,793	8,793	900	60.00	61,382	224,071	134,443	// (Note)
	Evergreen Shipping Agency (Colombia) S.A.S	Colombia	Shipping agency	11,119	11,119	80	75.00	106,567	192,854	144,640	// (Note)
	Evergreen Shipping Agency Mexico S.A. de C.V.	Mexico	Shipping agency	7,261	7,261	44	60.00	158,829	230,586	138,352	// (Note)
	Evergreen Shipping Agency (Chile) SPA.	Chile	Shipping agency	10,098	10,098	2	60.00	28,992	134,103	80,462	// (Note)
	Evergreen Shipping Agency (Greece) Societe Anonyme.	Greece	Shipping agency	8,561	8,561	2	60.00	133,036	169,527	101,716	// (Note)
	Evergreen Shipping Agency (Israel) Ltd.	Israel	Shipping agency	162	162	18	1.00	1,801	121,353	1,214	// (Note)
Evergreen Shipping Agency (Brazil) Ltd.	Brazil	Shipping agency	7,836	7,836	120	60.00	54,481	188,584	113,150	// (Note)	

Investor	Investee (Note 1・Note 2)	Location	Main business activities	Initial investment amount		Shares held as of September 30, 2022			Net profit (loss) of the investee For the nine-month period ended Sept 30, 2022 (Note 2(2))	Investment income (loss) recognised by the Company For the nine-month period ended Sept 30, 2022 (Note 2(3))	Footnote
				Balance as of Sept 30, 2022	Balance as of December 31, 2021	Number of shares	Ownership (%)	Book value			
Evergreen Marine (Hong Kong) Limited	Evergreen Shipping Agency Lanka (Private) Ltd.	Sri Lanka	Shipping agency	\$ 3,839	\$ 3,839	2,160	40.00	\$ 6,770	\$ 61,183	\$ 24,473	Investee company of Evergreen Marine (Hong Kong) Limited accounted for using equity method
	Evergreen Shipping Agency Philippines Corporation	Philippines	Shipping agency	156,089	156,089	10,000	100.00	190,852	220,939	220,939	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Argentina) S.A.	Argentina	Shipping agency	3,040	3,040	9,000	60.00	123,147	225,622	135,373	// (Note)
	Unigreen Marine, S.A.	Republic of Panama	Shipping agency	15,224	15,224	3	100.00	59,395	86,585	86,585	// (Note)
	Evergreen Shipping Agency Saudi Co. (L.L.C.)	Saudi Arabia	Shipping agency	19,269	19,269	180	60.00	49,954	111,143	66,686	// (Note)
Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Turkey) Corporation	Turkey	Shipping agency	5,588	2,086	24	60.00	66,597	111,969	67,182	// (Note)
	Evergreen Shipping Agency (Japan) Corporation	Japan	Shipping agency	492,054	-	90	100.00	1,072,495	705,099	705,099	// (Note)
	EVERGREEN-SHIPPING AGENCY (ECUADOR) S.A. (EECU)	Ecuador	Shipping agency	5,702	-	30	60.00	10,509	7,408	4,445	// (Note)
	Evergreen Business Process Inc.	U.S.A	Computer system services and terminal logistics	63,350	-	2,000	100.00	75,448	11,184	11,184	// (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 Sept 30, 2022' 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 nine-month period ended Sept 30, 2022' 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 nine-month period ended Sept 30, 2022' 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  
Nine-month period ended September 30, 2022

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, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the six-month period ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income (loss) of the investee for the six-month period ended September 30, 2022	Ownership held by the Company (direct of indirect) (%)	Investment income (loss) recognised by the Company. for the nine-month period ended September 30, 2022 (Note 2(2)B)	Book value of investments in Mainland China as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	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	\$ 555,584	(2)	\$ 226,841	\$ -	\$ -	\$ 226,841	\$ 45,532	40.00	\$ 18,212	\$ 332,429	\$ -	
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	188,938	(2)	44,879	-	-	44,879	139,846	40.00	55,938	150,593	-	
Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	346,443	(2)	299,812	-	-	299,812	51,536	46.20	23,809	223,087	-	(Note)
Ever Shine (Shanghai) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	1,931,509	(2)	2,580,257	-	-	2,580,257	( 11,136)	80.00	( 62,817)	3,115,284	-	(Note)
Ever Shine (Ningbo) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	191,161	(2)	285,452	-	-	285,452	882	80.00	748	152,684	-	(Note)
Ever Shine (Shenzhen) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	272,722	(2)	496,680	-	-	496,680	2,885	80.00	( 3,813)	395,418	-	(Note)
Ever Shine (Qingdao) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	221,124	(2)	404,882	-	-	404,882	2,565	80.00	( 4)	250,804	-	(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, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the six-month period ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	Net income (loss) of the investee for the six-month period ended September 30, 2022	Ownership held by the Company (direct of indirect) (%)	Investment income (loss) recognised by the Company. for the nine-month period ended September 30, 2022 (Note 2(2)B)	Book value of investments in Mainland China as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Evergreen Shipping Agency (China) Co., Ltd.	Agency services dealing with port formalities	\$ 30,484	(2)	\$ 93,753	\$ -	\$ -	\$ 93,753	\$ 41,866	52.00	\$ 13,937	\$ 55,807	\$ -	(Note)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022	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 Corporation	\$ 4,432,556	\$ 5,040,664	\$ 344,696,210

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 nine-month period ended September 30, 2022' 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  
Nine-month period ended September 30, 2022

Table 9

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Evergreen International S.A.(EIS)	156,714,726	7.40%
Chang, Kuo-Hua	63,938,462	3.02%
Cathy united bank is entrusted by Chang, Kuo-Hua trust property account	63,920,000	3.02%

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 different 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.