

**EVERGREEN MARINE CORPORATION (TAIWAN)
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2023 AND 2022**

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' REPORT TRANSLATED FROM CHINESE

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

Introduction

We have audited the accompanying consolidated balance sheets of Evergreen Marine Corporation (Taiwan) Ltd. (the“ Company”) and its subsidiaries (collectively referred herein as the “Group”) as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other independent auditors (please refer to *Other Matter* section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group’s 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group’s 2023 consolidated financial statements are stated as follows:

Accuracy and cut-off of freight revenue

Description

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

The Group primarily engages in global container shipping service covering ocean-going and short-sea shipping line, shipping agency business as well as container freight station business. In 2023, freight revenue from contracts with customers was NT\$ 255,739,783 thousand, representing 92.42% of operating revenue. Since ocean-going shipping often lasts for several days, voyages are sometimes completed after the balance sheet date. Also, demand for freight services from forwarders is consistently received during voyage. Due to the factors mentioned above, freight revenue is recognized under the percentage-of-completion method for each vessel of which the service has been provided during the reporting period.

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

How our audit addressed the matter

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

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

Assessment of the reasonableness of the purchase price allocation for business combination

Description

Please refer to Note 4(34) for accounting policies on business combination and Note 6(34) for details of business combination.

In July 2023, the subsidiary, Evergreen Marine (Asia) Pte. Ltd., acquired 100% of the share capital of Evergreen Marine (Singapore) Pte. Ltd. for NT\$ 24,133,200 thousand. Relevant reports of the purchase price allocation were completed in the fourth quarter of 2023. Fair value of the identifiable net assets acquired was NT\$ 29,097,422 thousand and gain recognised in bargain purchase transaction generated was NT\$ 4,964,222 thousand. The business combination is a significant transaction during the reporting period. The abovementioned net fair value of the identifiable assets and liabilities is based on the assessment of the management and the report of price allocation issued by the engaged professional valuer. Given that critical judgements and accounting estimates such as the assessment and measurement of the fair value are involved and the estimated results are significant to the financial statements, we consider the assessment of the share capital purchase price allocation as a key audit matter.

How our audit addressed the matter

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

1. Assessed the competence and objectivity of the external appraiser engaged by the management.
2. Reviewed the measurement of fair value of identifiable assets and liabilities, the discount rate and the reasonableness of calculation of gain recognised in bargain purchase transaction in the report of purchase price allocation issued by the external appraiser.

Other matter – Reference to the reports of other independent auditors

We did not audit the financial statements of all the consolidated subsidiaries. Those statements and the information disclosed in Note 13 were audited by other independent auditors whose reports thereon have been furnished to us, and our audit expressed herein is based solely on the reports of the other independent auditors. The statements reflect that total assets in these subsidiaries amounted to NT\$ 55,857,834 thousand and NT\$ 64,803,127 thousand, constituting 7.63% and 7.30% of the total consolidated assets as of December 31, 2023, and 2022, respectively. Net operating revenues in the subsidiaries amounted to NT\$ 2,447,570 thousand and NT\$ 2,901,350 thousand, constituting 0.88% and 0.46% of the total consolidated net operating revenues of 2023 and 2022 for the years then ended, respectively.

In addition, we did not audit the financial statements of all the investee companies accounted for using equity method. Those statements and the information disclosed in Note 13 were audited by other independent auditors whose reports thereon have been furnished to us, and our audit expressed herein, insofar as it relates to the amounts included for those investee companies accounted for using equity method and information disclosed in Note 13 related to these long-term equity investments, is based solely on the reports of the other independent auditors. Long-term equity investments in these investee companies amounted to NT\$ 21,949,254 thousand and NT\$ 29,272,471 thousand, constituting 3.00% and 3.30% of the total consolidated assets as of December 31, 2023 and 2022, respectively, and comprehensive income (including share of profit or loss and share of other comprehensive income of associates and joint ventures accounted for using equity method) was NT\$ 4,772,986 thousand and NT\$ 6,819,519 thousand, constituting 12.16% and 1.86% of the consolidated total comprehensive income and loss for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited the parent company only financial statement of Evergreen Marine Corporation (Taiwan) Ltd. as of and for the years ended December 31, 2023 and 2022 on which we have issued an unqualified opinion with explanatory paragraph thereon.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Lai, Chung-Hsi

Chou, Hsiao-Tzu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2024

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

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2023		December 31, 2022		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 170,229,777	23	\$ 392,346,479	44
1110	Financial assets at fair value through profit or loss - current		460,271	-	-	-
1136	Current financial assets at amortised cost, net	6(3) and 8	21,167,072	3	42,479,763	5
1139	Current financial assets for hedging	6(4)	4,526,758	1	6,543,287	1
1140	Current contract assets	6(23)	1,437,585	-	1,748,928	-
1150	Notes receivable, net	6(5)	74,003	-	91,436	-
1170	Accounts receivable, net	6(5)	19,051,354	3	23,861,541	3
1180	Accounts receivable, net - related parties	6(5) and 7	1,574,429	-	1,847,950	-
1197	Finance lease receivable, net		6,783	-	-	-
1200	Other receivables		1,030,435	-	1,349,961	-
1210	Other receivables - related parties	7	22,073	-	863,305	-
1220	Current income tax assets		2,960,306	1	230,283	-
130X	Inventories	6(6)	10,116,932	1	7,705,265	1
1410	Prepayments		2,293,367	-	1,736,895	-
1470	Other current assets	6(7) and 7	3,189,148	1	3,130,201	1
11XX	Current assets		<u>238,140,293</u>	<u>33</u>	<u>483,935,294</u>	<u>55</u>
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	2,050,788	-	1,581,495	-
1535	Non-current financial assets at amortised cost, net	6(3) and 8	284,125	-	509,667	-
1538	Non-current financial assets for hedging	6(4)	-	-	1,918,021	-
1550	Investments accounted for using equity method	6(8) and 7	38,321,546	5	43,648,146	5
1600	Property, plant and equipment, net	6(9), 7, 8 and 9	260,243,943	36	211,064,739	24
1755	Right-of-use assets	6(10), 7 and 9	122,301,573	17	105,236,115	12
1760	Investment property, net	6(12) and 8	7,196,886	1	6,353,694	1
1780	Intangible assets		1,129,660	-	1,340,558	-
1840	Deferred income tax assets	6(31)	939,017	-	849,457	-
1900	Other non-current assets	6(13) and 7	61,222,927	8	31,074,871	3
15XX	Non-current assets		<u>493,690,465</u>	<u>67</u>	<u>403,576,763</u>	<u>45</u>
1XXX	Total assets		<u>\$ 731,830,758</u>	<u>100</u>	<u>\$ 887,512,057</u>	<u>100</u>

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2023		December 31, 2022	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2120	Current financial liabilities at fair value through profit or loss	\$ -	-	\$ 10,460	-
2126	Current financial liabilities for hedging	6(10) and 7	1,854,396	-	1,821,342
2130	Current contract liabilities	6(23)	7,642,108	1	7,444,311
2150	Notes payable		64	-	-
2170	Accounts payable		35,256,967	5	45,557,890
2180	Accounts payable - related parties	7	384,763	-	669,815
2200	Other payables		8,086,557	1	11,926,520
2220	Other payables - related parties	7	18,127,060	2	14,933,859
2230	Current income tax liabilities		14,039,032	2	60,213,263
2280	Current lease liabilities	6(10) and 7	12,748,540	2	11,152,946
2300	Other current liabilities	6(14) and 7	13,610,771	2	11,148,836
21XX	Current liabilities		<u>111,750,258</u>	<u>15</u>	<u>164,879,242</u>
Non-current liabilities					
2511	Non-current financial liabilities for hedging	6(10) and 7	13,231,684	2	15,054,334
2530	Corporate bonds payable	6(15)	-	-	4,806,154
2540	Long-term loans	6(16)	31,665,622	4	33,373,936
2570	Deferred income tax liabilities	6(31)	3,118,594	1	2,844,110
2580	Non-current lease liabilities	6(10) and 7	95,470,165	13	78,762,711
2600	Other non-current liabilities	6(17)(18)	5,799,585	1	5,241,535
25XX	Non-current liabilities		<u>149,285,650</u>	<u>21</u>	<u>140,082,780</u>
2XXX	Total liabilities		<u>261,035,908</u>	<u>36</u>	<u>304,962,022</u>
Equity attributable to owners of the parent					
Capital					
3110	Common stock	6(19)	21,164,201	3	21,164,201
3130	Certificate of entitlement to new shares from convertible bond		108,510	-	-
Capital surplus					
3200	Capital surplus	6(20)	17,092,525	2	15,968,043
Retained earnings					
3310	Legal reserve	6(21)	65,489,748	9	32,019,129
3320	Special reserve		-	-	1,145,770
3350	Unappropriated retained earnings		320,433,635	44	465,562,042
Other equity interest					
3400	Other equity interest	6(22)	15,610,397	2	16,354,844
31XX	Equity attributable to owners of the parent		<u>439,899,016</u>	<u>60</u>	<u>552,214,029</u>
36XX	Non-controlling interest		30,895,834	4	30,336,006
3XXX	Total equity		<u>470,794,850</u>	<u>64</u>	<u>582,550,035</u>
Significant Contingent Liabilities And Unrecognized Contract Commitments					
Significant Events After The Balance Sheet Date					
3X2X	Total liabilities and equity		<u>\$ 731,830,758</u>	<u>100</u>	<u>\$ 887,512,057</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
YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Items	Notes	Year ended December 31				
		2023		2022		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(23) and 7	\$ 276,714,825	100	\$ 627,283,761	100
5000	Operating costs	6(29)(30) and 7	(226,805,671)	(82)	(228,841,382)	(36)
5900	Gross profit		49,909,154	18	398,442,379	64
5910	Unrealized profit from sales		-	-	(13,192)	-
5920	Realized profit on from sales		20,989	-	20,953	-
5950	Gross profit		49,930,143	18	398,450,140	64
	Operating expenses	6(29)(30) and 7				
6100	Selling expenses		(3,043,855)	(1)	(5,291,979)	(1)
6200	General and administrative expenses		(13,759,908)	(5)	(19,470,612)	(3)
6450	Expected credit losses	12(2)	(10,342)	-	(1,955)	-
6000	Total operating expenses		(16,814,105)	(6)	(24,764,546)	(4)
6500	Other income (expenses) - net	6(24) and 7	1,634,048	-	1,122,717	-
6900	Operating profit		34,750,086	12	374,808,311	60
	Other non-operating income and expenses					
7100	Interest income	6(25)	14,378,992	5	6,379,814	1
7010	Other income	6(26)	5,809,852	2	611,706	-
7020	Other gains and losses	6(27)	8,200,550	3	11,845,235	2
7050	Finance costs	6(28)	(4,948,672)	(1)	(3,255,348)	-
7060	Share of profit of associates and joint ventures accounted for using equity method		5,981,149	2	9,034,760	1
7000	Total non-operating income and expenses		29,421,871	11	24,616,167	4
7900	Profit before income tax		64,171,957	23	399,424,478	64
7950	Income tax expense	6(31)	(24,196,256)	(9)	(53,251,513)	(9)
8200	Profit for the year		\$ 39,975,701	14	\$ 346,172,965	55

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Items	Notes	Year ended December 31				
		2023		2022		
		AMOUNT	%	AMOUNT	%	
Other comprehensive income (loss)						
Items that will not be reclassified to profit or loss						
8311	Remeasurements of defined benefit plans	6(18)	(\$ 117,697)	-	\$ 276,749	-
8316	Unrealised gains (losses) on investments in equity instruments at fair value through other comprehensive income	6(2)(22)	470,915	-	(594,757)	-
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(22)	480,181	-	(574,024)	-
8349	Income benefit (tax) related to items that will not be reclassified to profit or loss	6(31)	6,275	-	(112,254)	-
8310	Total items that will not be reclassified to profit or loss		<u>839,674</u>	-	<u>(1,004,286)</u>	-
Items that will be reclassified to profit or loss subsequently						
8361	Financial statements translation differences of foreign operations		(1,336,280)	-	22,305,385	3
8368	Losses on hedging instruments	6(4)(10)(22)	(336,544)	-	(359,174)	-
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(22)	58,040	-	(416,713)	-
8399	Income benefit relating to the items that will be reclassified to profit or loss	6(31)	47,902	-	58,714	-
8360	Total items that will be reclassified to profit or loss subsequently		<u>(1,566,882)</u>	-	<u>21,588,212</u>	3
8300	Other comprehensive (loss) income for the year, net of income tax		<u>(\$ 727,208)</u>	-	<u>\$ 20,583,926</u>	3
8500	Total comprehensive income for the year		<u>\$ 39,248,493</u>	14	<u>\$ 366,756,891</u>	58
Profit attributable to:						
8610	Owners of the parent		<u>\$ 35,337,051</u>	12	<u>\$ 334,200,661</u>	53
8620	Non-controlling interest		<u>\$ 4,638,650</u>	2	<u>\$ 11,972,304</u>	2
Comprehensive income attributable to:						
8710	Owners of the parent		<u>\$ 34,601,401</u>	12	<u>\$ 352,206,802</u>	56
8720	Non-controlling interest		<u>\$ 4,647,092</u>	2	<u>\$ 14,550,089</u>	2
Earnings per share (in dollars)						
9750	Basic earnings per share	6(32)	<u>\$ 16.70</u>		<u>\$ 87.07</u>	
9850	Diluted earnings per share		<u>\$ 16.42</u>		<u>\$ 86.22</u>	

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
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent														
		Capital			Retained earnings				Other equity interest				Total	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	Unrealised gains (losses) on financial assets at fair value through other comprehensive income	Gains (losses) on hedging instruments						
Year 2022																
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 year	6(21)	-	-	-	-	-	334,200,661	-	-	-	334,200,661	11,972,304	346,172,965			
Other comprehensive income (loss) for the year	6(21)(22)	-	-	-	-	-	347,354	20,223,384	(1,349,593)	(1,215,004)	18,006,141	2,577,785	20,583,926			
Total comprehensive income (loss)		-	-	-	-	-	334,548,015	20,223,384	(1,349,593)	(1,215,004)	352,206,802	14,550,089	366,756,891			
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)	-	-	189,766	-	-	158,173	-	(158,173)	-	189,766	-	189,766			
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)	-	-	(20)	-	-	-	-	-	-	(20)	-	(20)			
Conversion of Convertible bonds	6(19)(20)	2,018	-	16,112	-	-	-	-	-	-	18,130	-	18,130			
Changes in non-controlling interests	6(35)	-	-	-	-	-	-	-	-	-	-	(14,751,137)	(14,751,137)			
Balance at December 31, 2022		\$ 21,164,201	\$ -	\$ 15,968,043	\$ 32,019,129	\$ 1,145,770	\$ 465,562,042	\$ 13,490,378	\$ 2,478,263	\$ 386,203	\$ 552,214,029	\$ 30,336,006	\$ 582,550,035			
Year 2023																
Balance at January 1, 2023	6(22)	\$ 21,164,201	\$ -	\$ 15,968,043	\$ 32,019,129	\$ 1,145,770	\$ 465,562,042	\$ 13,490,378	\$ 2,478,263	\$ 386,203	\$ 552,214,029	\$ 30,336,006	\$ 582,550,035			
Profit for the year	6(21)	-	-	-	-	-	35,337,051	-	-	-	35,337,051	4,638,650	39,975,701			
Other comprehensive income (loss) for the year	6(21)(22)	-	-	-	-	-	(117,469)	(1,334,843)	958,234	(241,572)	(735,650)	8,442	(727,208)			
Total comprehensive income (loss)		-	-	-	-	-	35,219,582	(1,334,843)	958,234	(241,572)	34,601,401	4,647,092	39,248,493			
Adjustments to share of changes in equity of associates and joint ventures	6(20)(21)	-	-	91,759	-	-	126,266	-	(126,266)	-	91,759	-	91,759			
Appropriation of 2022 earnings	6(21)															
Legal reserve		-	-	-	33,470,619	-	(33,470,619)	-	-	-	-	-	-			
Special reserve		-	-	-	-	(1,145,770)	1,145,770	-	-	-	-	-	-			
Cash dividends		-	-	-	-	-	(148,149,406)	-	-	-	(148,149,406)	-	(148,149,406)			
Other changes in capital surplus	6(20)	-	-	42,981	-	-	-	-	-	-	42,981	-	42,981			
Conversion of convertible bonds	6(19)(20)	-	108,510	992,614	-	-	-	-	-	-	1,101,124	-	1,101,124			
Changes in non-controlling interests	6(20)(33)(35)	-	-	(2,872)	-	-	-	-	-	-	(2,872)	(4,087,264)	(4,090,136)			
Balance at December 31, 2023		\$ 21,164,201	\$ 108,510	\$ 17,092,525	\$ 65,489,748	\$ -	\$ 320,433,635	\$ 12,155,535	\$ 3,310,231	\$ 144,631	\$ 439,899,016	\$ 30,895,834	\$ 470,794,850			

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

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 64,171,957	\$ 399,424,478
Adjustments			
Adjustments to reconcile profit			
(Gain) loss on financial assets and liabilities at fair value through profit or loss	6(27)	(46,660)	55,509
Depreciation	6(9)(10)(12)(27)(29)	33,519,807	27,437,485
Amortization	6(29)	344,303	321,305
Expected credit loss	12(2)	10,342	1,955
Rental expense	6(10)	-	(951)
Interest income	6(25)	(14,378,982)	(6,379,814)
Interest expense	6(28)	4,948,672	3,255,348
Dividend income	6(26)	(47,924)	(153,560)
Share of profit of associates and joint ventures accounted for using equity method		(5,981,149)	(9,034,760)
Gain from bargain purchase	6(26)(34)	(4,963,982)	(6,379)
Loss (gain) arising from lease modification	6(27)	15,456	(147)
Net gain on disposal of property, plant and equipment	6(24)	(1,634,048)	(1,122,717)
Net loss on disposal of investment property	6(27)	-	86
Net loss on disposal of right-of-use assets	6(27)	579	714
Net gain on disposal of investments	6(27)	(6,524,648)	(33,605)
Realized profit from sales		(20,989)	(20,953)
Unrealized profit from sales		-	13,192
Changes in assets/liabilities relating to operating activities			
Changes in operating assets			
Current contract assets		313,667	3,152,811
Notes receivable, net		17,590	306,212
Accounts receivable, net		6,207,078	23,947,722
Accounts receivable, net - related parties		1,194,656	416,159
Other receivables		260,783	(101,517)
Other receivables - related parties		69,674	12,771
Inventories		(1,385,280)	(1,344,524)
Prepayments		(219,149)	(41,607)
Other current assets		441,608	1,534,848
Other non-current assets		(180,690)	7,165
Changes in operating liabilities			
Current contract liabilities		187,069	(7,173,198)
Notes payable		(145)	(433)
Accounts payable		(17,382,370)	12,239,187
Accounts payable - related parties		(1,436,932)	339,573
Other payables		(5,616,843)	700,049
Other payables - related parties		11,161	37,066
Other current liabilities		(1,433,526)	(12,560,375)
Other non-current liabilities		(129,832)	(277,884)
Cash inflow generated from operations		50,331,253	434,951,211
Interest received		14,445,452	5,588,003
Interest paid		(4,931,969)	(3,153,221)
Income tax paid		(73,677,427)	(14,956,416)
Net cash flows (used in) from operating activities		(13,832,691)	422,429,577

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		(\$ 728,139)	\$ -
Increase in other receivables - related parties		-	(84,678)
Proceeds from disposal of financial assets at fair value through profit or loss		-	14
Decrease in financial assets at amortised cost-current		21,371,689	58,647,952
Proceeds from capital reduction of available-for-sale financial assets		1,537	-
Decrease (increase) in financial assets at amortised cost - non current		225,923	(108,942)
Decrease in financial assets for hedging		3,610,049	17,081,743
Acquisition of investments accounted for using equity method	6(8)	(471,858)	(3,819,754)
Proceeds from disposal of investments accounted for using equity method	6(8)	13,046,838	-
Proceeds from capital reduction of investments accounted for using equity method	6(8)	-	4,272,064
Acquisition of property, plant and equipment	6(35)	(12,404,955)	(17,835,119)
Proceeds from disposal of property, plant and equipment		2,329,451	3,612,856
Acquisition of right-of-use assets		(101)	-
Acquisition of investment property	6(12)	(7,611)	(3,317)
Acquisition of intangible assets	6(35)	(55,335)	(44,845)
Increase in guarantee deposits paid		(1,354,845)	(76,441)
Decrease in guarantee deposits paid		1,370,264	49,299
Increase in prepayments for investments		(1,430,690)	-
Decrease in finance lease receivable		2,153	-
Increase in other non-current assets	6(35)	(49,330,767)	(36,338,894)
Net cash flow from acquisition of subsidiaries	6(35)	(18,145,821)	(103,817)
Cash dividend received		2,216,324	1,513,216
Net cash flows (used in) from investing activities		(39,755,894)	26,761,337
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans	6(36)	190,273	355,950
Decrease in short-term loans	6(36)	(190,273)	(1,074,049)
Increase in short-term notes payable	6(36)	350,000	-
Decrease in short-term notes payable	6(36)	(350,000)	-
(Decrease) increase in other payables - related parties		(805,173)	832
Increase in long-term loans	6(36)	41,002,048	19,479,766
Decrease in long-term loans	6(36)	(41,591,626)	(39,558,477)
Decrease in corporate bonds payable	6(36)	(2,000,000)	(4,000,000)
Payments of lease liabilities	6(10)(36)	(15,457,025)	(16,720,320)
Increase in guarantee deposits received	6(36)	1,272,544	1,252,008
Decrease in guarantee deposits received	6(36)	(1,258,691)	(983,712)
Cash dividends paid	6(21)	(148,149,406)	(95,238,884)
Other financing activities	6(20)	42,981	(20)
Capital reduction	6(19)	-	31,746,301
Net change in non-controlling interest	6(35)	(1,134,773)	(161,999)
Net cash flows used in financing activities		(168,079,121)	(168,395,206)
Effect of exchange rate changes		(448,996)	3,758,375
Net (decrease) increase in cash and cash equivalents		(222,116,702)	284,554,083
Cash and cash equivalents at beginning of year		392,346,479	107,792,396
Cash and cash equivalents at end of year		\$ 170,229,777	\$ 392,346,479

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 March 14, 2024.

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®”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
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
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 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.

Amendments to IAS 12, ‘International tax reform - pillar two model rules’

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). An entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

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

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards 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
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 21, ‘Lack of exchangeability’	January 1, 2025

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 MATERIAL 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

These consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(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 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) 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
			December 31, 2023	December 31, 2022	
The Company	TTSC	Cargo loading and discharging	77.00	55.00	(j)
The Company	Peony	Investments in transport-related business	100.00	100.00	
The Company	ETS	Terminal Services	94.43	94.43	
The Company	EGH	Container shipping and agency services dealing with port formalities	79.00	79.00	
The Company	EIL	Agency services dealing with port formalities	59.00	59.00	
The Company	EMA	Container shipping and agency services dealing with port formalities	100.00	100.00	
The Company	ESRC	Security industry	62.25	62.25	(d)
Peony	GMS	Container shipping	100.00	100.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Peony	Clove	Investments in container yards and port terminals	100.00	100.00	
Peony	EMU	Container shipping and agency services dealing with port formalities	51.00	51.00	
Peony	EHIC(M)	Manufacturing of dry steel containers and container parts	84.44	84.44	
Peony	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	(n)
Peony	MBPI	Containers storage and inspections of containers at the customs house	95.03	95.03	
Peony	MBT	Inland transportation, repairs and cleaning of containers	17.39	17.39	(n)
Peony	EGK	Agency services dealing with port formalities	100.00	100.00	
Peony	EGT	Agency services dealing with port formalities	85.00	85.00	
Peony	EGI	Agency services dealing with port formalities	99.99	99.99	
Peony	EAU	Agency services dealing with port formalities	100.00	100.00	
Peony	EIT	Agency services dealing with port formalities	55.00	55.00	
Peony	EES	Agency services dealing with port formalities	100.00	100.00	
Peony	ERU	Agency services dealing with port formalities	51.00	51.00	
Peony	EEU	Agency services dealing with port formalities	100.00	100.00	
Peony	ESA	Agency services dealing with port formalities	55.00	55.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
Peony	EGB	Real estate leasing	95.00	95.00	
Peony	EGM	Agency services dealing with port formalities	100.00	100.00	
Peony	EGH	Container shipping and agency services dealing with port formalities	1.00	1.00	(n)
Peony	EGV	Agency services dealing with port formalities	100.00	100.00	
EGH	Ever shine (Shanghai)	Management consultancy and self-owned property leasing	100.00	100.00	
EGH	Ever shine (Ningbo)	Management consultancy and self-owned property leasing	100.00	100.00	
EGH	Ever shine (Shenzhen)	Management consultancy and self-owned property leasing	100.00	100.00	
EGH	Ever shine (Qingdao)	Management consultancy and self-owned property leasing	100.00	100.00	
EGH	ECN	Agency services dealing with port formalities	65.00	65.00	
EGH	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	(n)
EGH	EKH	Agency services dealing with port formalities	100.00	100.00	
EGH	EPE	Agency services dealing with port formalities	60.00	60.00	
EGH	ECO	Agency services dealing with port formalities	75.00	75.00	
EGH	ECL	Agency services dealing with port formalities	60.00	60.00	
EGH	EMX	Agency services dealing with port formalities	60.00	60.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
EGH	EGRC	Agency services dealing with port formalities	60.00	60.00	
EGH	EIL	Agency services dealing with port formalities	1.00	1.00	(n)
EGH	ELA	Management consultancy	100.00	100.00	
EGH	EBR	Agency services dealing with port formalities	60.00	60.00	
EGH	EGP	Agency services dealing with port formalities	100.00	100.00	
EGH	EAR	Agency services dealing with port formalities	60.00	60.00	
EGH	ESAU	Agency services dealing with port formalities	60.00	60.00	
EGH	UMS	Agency services dealing with port formalities	0.00	100.00	(l)
EMA	ETR	Agency services dealing with port formalities	60.00	60.00	(a)
EMA	EGJ	Agency services dealing with port formalities	100.00	100.00	(b)
EMA	EBPI	Computer system services and terminal logistics	100.00	100.00	(c)
EMA	EECU	Agency services dealing with port formalities	60.00	60.00	(e)
EMA	EIM	Agency services dealing with port formalities	70.00	70.00	(f)
EMA	CCT	Terminal Services	100.00	-	(g)
EMA	EIP	Data processing and information technology consulting services	100.00	-	(h)
EMA	EUY	Agency services dealing with port formalities	60.00	-	(i)
EMA	EMS	Container shipping	100.00	-	(k)
EMA	EPE	Agency services dealing with port formalities	40.00	-	(n)

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2023	December 31, 2022	
EMA	ECL	Agency services dealing with port formalities	40.00	-	(n)
EMA	EMX	Agency services dealing with port formalities	40.00	-	(n)
EMA	UMS	Agency services dealing with port formalities	100.00	-	(l)
EMA	KTIL	Loading, discharging, storage, repairs and cleaning of containers	40.00	-	(m),(n)
CCT	CLP	Leasing storehouses	60.00	60.00	(g)
ETS	Whitney	Investments and leases of operating machinery and equipment of port terminals	100.00	100.00	
EMU	KTIL	Loading, discharging, storage, repairs and cleaning of containers	-	20.00	(m),(n)
Clove	ETS	Terminal Services	5.57	5.57	(n)
MBPI	MBT	Inland transportation, repairs and cleaning of containers	72.95	72.95	

- (a) 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 agency services dealing with port formalities.
- (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, 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).
- (c) 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.

- (d) On March 15, 2022, the Board of Directors of the Company resolved to acquire 31% equity interests of 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 of ESRC after the merger and obtained control over ESRC. The transaction date was April 1, 2022 and the transaction amount was \$192,038.
- (e) 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.
- (f) On December 15, 2022, the Board of Directors of the subsidiary, EMA, resolved to make an equity transaction. EMA acquired 51% and 19% equity interests of EIM from the other related party, Evergreen Marine (Singapore) Pte. Ltd., and a non-related party, respectively, and obtained the control over EIM. The transaction date was December 26, 2022 and the transaction amount was USD 76.38 (approx. \$2,341).
- (g) On November 4, 2022, the Board of Directors of the subsidiary, EMA, resolved to acquire 9%, 40% and 51% equity interests of CCT from its original shareholders, EGH, Clove and Ally, respectively, for a transaction price of USD 268,000 (approx. \$8,199,460), and obtained the control over CCT (including CCT's 60% equity interests of CLP). The transaction date was January 1, 2023.
- (h) On April 11, 2023, the Board of Directors of the subsidiary, EMA, resolved to establish a subsidiary, EIP, in China. The capital for establishment is USD 400, and the capital injection was completed on June 20, 2023. The subsidiary is primarily engaged in the data processing and information technology consulting services in China.
- (i) On December 13, 2022, the Board of Directors of the subsidiary, EMA, resolved to establish a subsidiary, EUY, in Uruguay. The capital for establishment is UYU 8,500, and the capital injection was completed on July 3, 2023. The subsidiary is primarily engaged in agency services dealing with port formalities in Uruguay.
- (j) On May 12, 2023, the Board of Directors of the Company resolved to acquire 22% equity interests of TTSC from the other related party, EIC, for a transaction price of \$37,500. The transaction date was June 1, 2023.
- (k) On June 19, 2023, the Board of Directors of the subsidiary, EMA, resolved to acquire 100% equity interests of EMS from its original shareholders, EIS, for a transaction price of USD 780,000 (approx. \$24,133,200), and obtained the control over EMS. The transaction date was July 14, 2023.
- (l) On December 1, 2023, the Board of Directors of the subsidiary, EMA, resolved to acquire 100% equity interests of UMS from its original shareholder, EGH, for a transaction price of USD 353 (approx. \$11,036), and obtained the control over UMS. The transaction date was December 1, 2023.

(m) On November 9, 2023, the Board of Directors of the subsidiary, EMA, resolved to acquire 20% and 20% equity interests of KTIL from its original shareholder, EMU, and associate, Italia Marittima S.p.A., respectively, for a transaction price of USD 6,263 (approx. \$191,971). The transaction date was December 31, 2023.

(n) 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 December 31, 2023 and 2022, the non-controlling interest amounted to \$30,895,834 and \$30,336,006, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		December 31, 2023		December 31, 2022	
		Amount	Ownership (%)	Amount	Ownership (%)
EGH	Hong Kong	\$ 14,516,757	20%	\$ 15,391,635	20%
EMU	U.K.			14,280,007	49%

(Note) EMU is no longer a subsidiary that have non-controlling interests that are material to the Group since January 1, 2023 due to the decline of scale of operations.

Summarised financial information of the subsidiaries:

Balance sheets

	EGH	
	December 31, 2023	December 31, 2022
Current assets	\$ 91,271,190	\$ 86,479,191
Non-current assets	49,460,848	54,291,735
Current liabilities	(40,535,550)	(35,469,894)
Non-current liabilities	(28,658,568)	(30,583,941)
Total net assets	\$ 71,537,920	\$ 74,717,091

	EMU
	December 31, 2022
Current assets	\$ 7,078,811
Non-current assets	36,333,494
Current liabilities	(7,066,240)
Non-current liabilities	(7,203,193)
Total net assets	\$ 29,142,872

Statements of comprehensive income

	EGH	
	Year ended December 31, 2023	Year ended December 31, 2022
Revenue	\$ 33,894,190	\$ 82,735,493
Profit before income tax	\$ 13,121,842	\$ 53,397,182
Income tax expense	(217,198)	(3,368,726)
Net income	12,904,644	50,028,456
Other comprehensive income (loss), net of tax	14,410	(267,307)
Total comprehensive income	\$ 12,919,054	\$ 49,761,149
Comprehensive income attributable to non-controlling interest	\$ 2,861,592	\$ 10,641,029
Dividends paid to non-controlling interest	\$ 3,668,438	\$ 14,499,376
		EMU
		Year ended December 31, 2022
Revenue		\$ 13,220,754
Profit before income tax		\$ 2,485,918
Income tax expense		(37,117)
Net income		2,448,801
Other comprehensive loss, net of tax		(38,490)
Total comprehensive income		\$ 2,410,311
Comprehensive income attributable to non-controlling interest		\$ 1,181,052

Statements of cash flows

	EGH	
	Year ended December 31, 2023	Year ended December 31, 2022
Net cash provided by operating activities	\$ 14,105,786	\$ 74,543,609
Net cash provided by investing activities	4,843,550	14,331,606
Net cash used in financing activities	(4,192,277)	(80,431,189)
Effect of exchange rates on cash and cash equivalents	(129,697)	3,917,294
Increase in cash and cash equivalents	14,627,362	12,361,320
Cash and cash equivalents, beginning of period	47,074,112	34,712,792
Cash and cash equivalents, end of period	<u>\$ 61,701,474</u>	<u>\$ 47,074,112</u>
		EMU
		Year ended December 31, 2022
Net cash provided by operating activities		\$ 7,004,172
Net cash used in investing activities		(150,474)
Net cash used in financing activities		(3,329,787)
Effect of exchange rates on cash and cash equivalents		237,072
Increase in cash and cash equivalents		3,760,983
Cash and cash equivalents, beginning of period		1,432,318
Cash and cash equivalents, end of period		<u>\$ 5,193,301</u>

(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) – lease receivable / operating leases

A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.

(a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as 'lease receivables' at an amount equal to the gross investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognised as 'unearned finance income of finance lease'.

(b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

(c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

B. 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, ballast water, lashing gears equipment and scrubber)	3 ~ 25 years
Ships (Docking repair)	2 ~ 5 years
Ships (Ballast water, lashing gears equipment and scrubber)	6 ~ 10 years
Transportation equipment	6 ~ 10 years
Other equipment	2 ~ 20 years

The above docking repair, ballast water, lashing gears equipment 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 8.75 ~ 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 8.05 ~ 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.

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.

(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>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and petty cash	\$ 70,046	\$ 82,984
Checking accounts and demand deposits	17,490,057	30,659,261
Time deposits	<u>152,669,674</u>	<u>361,604,234</u>
	<u>\$ 170,229,777</u>	<u>\$ 392,346,479</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>December 31, 2023</u>	<u>December 31, 2022</u>
Non-current items:		
Equity instruments		
Listed (TSE) stocks	\$ 490,801	\$ 490,801
Unlisted stocks	<u>209,937</u>	<u>211,242</u>
	700,738	702,043
Valuation adjustment	<u>1,350,050</u>	<u>879,452</u>
	<u>\$ 2,050,788</u>	<u>\$ 1,581,495</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 \$2,050,788 and \$1,581,495 as at December 31, 2023 and 2022, 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:

	Year ended December 31, 2023	Year ended December 31, 2022
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income (loss)	\$ 470,915	(\$ 594,757)
Income tax recognised in other comprehensive (loss) income	(\$ 16,643)	\$ 15,177
Dividend income recognised in profit or loss - Held at end of period	\$ 47,924	\$ 153,560

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

(3) Financial assets at amortised cost

Items	December 31, 2023	December 31, 2022
Current items:		
Time deposits exceeding 3 months	\$ 21,104,310	\$ 42,479,763
Financial bonds	62,762	-
	<u>\$ 21,167,072</u>	<u>\$ 42,479,763</u>
Non-current items:		
Financial bonds	\$ -	\$ 50,000
Pledged time deposits	280,967	303,408
Time deposits exceeding 1 year	3,158	156,259
	<u>\$ 284,125</u>	<u>\$ 509,667</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
Interest income	\$ 1,318,137	\$ 424,148

- B. As at December 31, 2023 and 2022, 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 \$21,451,197 and \$42,989,430, 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 deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(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:

<u>December 31, 2023</u>			
<u>Hedged items</u>	<u>Designated as hedging instruments</u>	<u>Contract period</u>	<u>Book value</u>
Expected US dollar denominated equipment payable	US dollar denominated restricted time deposits	2021.7.27~2024.6.30	\$ <u>4,526,758</u>
<u>December 31, 2022</u>			
<u>Hedged items</u>	<u>Designated as hedging instruments</u>	<u>Contract period</u>	<u>Book value</u>
Expected US dollar denominated equipment payable	US dollar denominated restricted time deposits	2021.7.27~2024.6.30	\$ <u>8,461,308</u>

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash flow hedges :		
<u>Exchange rate risk</u>		
Time deposits designated as hedges		
Current assets	\$ 4,526,758	\$ 6,543,287
Non-current assets	-	1,918,021
	<u>\$ 4,526,758</u>	<u>\$ 8,461,308</u>

B. Other equity - cash flow hedge reserve

	<u>2023</u>	<u>2022</u>
At January 1	\$ 713,840	(\$ 314,473)
Less: Reclassified to property, plant and equipment as the hedged item has affected profit or loss	(420,214)	(673,696)
Add: Profit on hedge effectiveness -amount recognised in other comprehensive income	<u>95,713</u>	<u>1,702,009</u>
At December 31	<u>\$ 389,339</u>	<u>\$ 713,840</u>

C. As of December 31, 2023 and 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>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 74,020	\$ 91,456
Less: Allowance for bad debts	(17)	(20)
	<u>\$ 74,003</u>	<u>\$ 91,436</u>
Accounts receivable (including related parties)	\$ 20,640,799	\$ 25,716,070
Less: Allowance for bad debts	(15,016)	(6,579)
	<u>\$ 20,625,783</u>	<u>\$ 25,709,491</u>

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

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	\$ 17,168,127	\$ 74,020	\$ 20,837,419	\$ 91,456
Up to 30 days	3,238,265	-	4,416,850	-
31 to 180 days	<u>234,407</u>	-	<u>461,801</u>	-
	<u>\$ 20,640,799</u>	<u>\$ 74,020</u>	<u>\$ 25,716,070</u>	<u>\$ 91,456</u>

The above ageing analysis was based on past due date.

B. As of December 31, 2023, December 31, 2022, and January 1, 2022, the balances of notes and accounts receivable (including related parties) from contracts with customers amounted to \$20,699,786, \$25,800,927 and \$41,537,859, respectively.

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

D. As at December 31, 2023 and 2022, 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 \$74,003 and \$91,436, respectively; and the amount that best represents the Group's accounts receivable were \$20,625,783 and \$25,709,491, respectively.

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

(6) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Ship fuel	\$ 9,336,590	\$ -	\$ 9,336,590
Steel and others	780,342	-	780,342
	<u>\$ 10,116,932</u>	<u>\$ -</u>	<u>\$ 10,116,932</u>
	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Ship fuel	\$ 7,095,477	\$ -	\$ 7,095,477
Steel and others	609,788	-	609,788
	<u>\$ 7,705,265</u>	<u>\$ -</u>	<u>\$ 7,705,265</u>

(7) Other current assets

	December 31, 2023	December 31, 2022
Shipowner's accounts	\$ 6,740	\$ 215,631
Agency accounts	2,146,716	1,359,704
Temporary debits	1,035,692	1,554,866
	<u>\$ 3,189,148</u>	<u>\$ 3,130,201</u>

A. Shipowner's accounts:

Temporary accounts, between Evergreen Line, constituted by the Group, Evergreen International S.A., Italia Marittima S.p.A., 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>December 31, 2023</u>	<u>December 31, 2022</u>
Evergreen International Storage and Transport Corporation	\$ 12,576,788	\$ 11,744,176
EVA Airways Corporation	7,966,018	12,758,113
Evergreen Steel Corp.	4,673,439	4,167,120
Taipei Port Container Terminal Corporation	1,900,883	1,801,637
Charng Yang Development Co., Ltd.	1,021,794	567,589
Ever Ecove Corporation	466,480	353,548
Ningbo Victory Container Co., Ltd.	329,262	335,058
Balsam Investment (Netherlands) N.V.	7,692,793	6,294,924
Luanta Investment (Netherlands) N.V.	838,186	837,618
Colon Container Terminal S.A.	-	3,775,242
VIP Greenport Joint Stock Company	336,181	326,743
Others	519,722	686,378
	<u>\$ 38,321,546</u>	<u>\$ 43,648,146</u>

B. Associates

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

<u>Company name</u>	<u>Principal place of business</u>	<u>Ownership(%)</u>		<u>Nature of relationship</u>	<u>Methods of measurement</u>
		<u>December 31, 2023</u>	<u>December 31, 2022</u>		
Evergreen International Storage and Transport Corporation	TW	40.36%	40.36%	With a right over 20% to vote	Equity method
EVA Airways Corporation	TW	7.43%	14.49%	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

	<u>Evergreen International Storage and Transport Corporation</u>	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 15,098,372	\$ 11,037,247
Non-current assets	28,319,638	31,010,608
Current liabilities	(3,671,801)	(2,911,030)
Non-current liabilities	(7,878,709)	(9,316,302)
Total net assets	<u>\$ 31,867,500</u>	<u>\$ 29,820,523</u>
Share in associate's net assets	\$ 12,691,079	\$ 11,876,195
Unrealized income with affiliated companies	(114,291)	(132,019)
Carrying amount of the associate	<u>\$ 12,576,788</u>	<u>\$ 11,744,176</u>
	<u>EVA Airways Corporation</u>	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current assets	\$ 86,586,382	\$ 84,726,886
Non-current assets	243,595,925	234,804,901
Current liabilities	(86,278,593)	(77,623,220)
Non-current liabilities	(126,883,575)	(145,668,529)
Total net assets	<u>\$ 117,020,139</u>	<u>\$ 96,240,038</u>
Share in associate's net assets	<u>\$ 7,966,018</u>	<u>\$ 12,758,113</u>

Statement of comprehensive income

	<u>Evergreen International Storage and Transport Corporation</u>	
	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Revenue	\$ 16,394,054	\$ 17,586,956
Profit for the period	\$ 2,832,412	\$ 3,670,632
Other comprehensive income (loss), net of tax	626,641	(1,200,701)
Total comprehensive income	<u>\$ 3,459,053</u>	<u>\$ 2,469,931</u>
Dividends received from associates	<u>\$ 538,365</u>	<u>\$ 172,277</u>

EVA Airways Corporation		
	Year ended December 31, 2023	Year ended December 31, 2022
Revenue	\$ 200,356,523	\$ 138,068,607
Profit for the period	\$ 23,103,254	\$ 7,823,616
Other comprehensive income (loss) net of tax	285,517	(5,462,661)
Total comprehensive income	\$ 23,388,771	\$ 2,360,955
Dividends received from associates	\$ 620,511	\$ 456,475

(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 December 31, 2023 and 2022, the carrying amount of the Group's individually immaterial associates amounted to \$17,778,740 and \$19,145,857, respectively.

	Year ended December 31, 2023	Year ended December 31, 2022
Profit for the period	\$ 8,474,310	\$ 16,407,853
Other comprehensive income (loss), net of tax	1,302,652	(2,814,694)
Total comprehensive income	\$ 9,776,962	\$ 13,593,159

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

	December 31, 2023	December 31, 2022
Evergreen International Storage and Transport Corporation	\$ 13,652,942	\$ 11,973,243
EVA Airways Corporation	12,615,825	21,859,632
Evergreen Steel Corp.	8,241,792	4,089,197
	\$ 34,510,559	\$ 37,922,072

E. On June 19, 2023, the Board of Directors of the Company resolved to dispose the Company's equity interest in EVA through stock exchange market, and the number of shares and the amounts settled on August 14, 2023 and August 21, 2023 totalled 375,402 thousand shares and \$13,046,838, respectively, resulting in an aggregate gain of disposal of \$6,260,209. After the disposal and due to the conversion of EVA's convertible bonds into stocks during the year ended December 31, 2023, the Company's share interest in EVA decreased to 7.43% as of December 31, 2023.

F. 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, and obtained the control over CCT. The transaction date was January 1, 2023.

- G. Considering that Evergreen Steel Corp. generates stable profits from its main business and the outlook of the environmental protection and green energy industry in which Evergreen Steel Corp. reinvests is promising, on November 4, 2022, the Board of Directors of the Company resolved to acquire the equity interest in Evergreen Steel Corp. through stock exchange market to purchase 79,248 thousand shares at a price of \$48.20 per share and acquire 19% equity interests in the entity and the transaction price amounted to \$3,819,754.
- H. On December 14, 2022, the Board of Directors of Balsam Investment (Netherlands) N.V. resolved the capital reduction and the proceeds from capital reduction amounted to EUR 276,000. The subsidiary, Peony, acquired \$4,272,064 (approx. EUR 135,240) in proportion to its ownership from the capital reduction.
- I. 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's related party transactions is generated from Evergreen Line, and there is no agreement between the Group and other related parties of Evergreen Line 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 Company has no current ability to direct the relevant activities of EITC, thus, the Company has no control, but only has significant influence, over the investee.
- J. The Company is the single largest shareholder of TPCT with a 27.85% equity interest. Given that the other two large shareholders (non-related parties) also operate transportation business and hold more shares than the Company, and there is no agreement between the shareholders to make decisions in consultation or collectively as they make decisions independently, which indicates that the Company has no current ability to direct the relevant decisions of TPCT, thus, the Company has no control, but only has significant influence, over the investee.
- K. The Company is the single largest shareholder of EGST with a 19.00% 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 EGST, thus, the Company has no control, but only has significant influence, over the investee.

(9) Property, plant and equipment

	2023										
	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	\$ 2,467,396	\$ 6,660,129	\$ 494,747	\$ 13,460,779	\$ 1,860,736	\$ 63,434,939	\$ 220,960,312	\$ 793,539	\$ 1,940,703	\$ 171,969	\$ 312,245,249
Accumulated depreciation	-	(1,918,109)	(411,095)	(9,590,685)	(1,492,957)	(20,717,863)	(65,373,806)	(543,982)	(1,107,140)	(24,873)	(101,180,510)
	<u>\$ 2,467,396</u>	<u>\$ 4,742,020</u>	<u>\$ 83,652</u>	<u>\$ 3,870,094</u>	<u>\$ 367,779</u>	<u>\$ 42,717,076</u>	<u>\$ 155,586,506</u>	<u>\$ 249,557</u>	<u>\$ 833,563</u>	<u>\$ 147,096</u>	<u>\$ 211,064,739</u>
Opening net book amount as at											
January 1	\$ 2,467,396	\$ 4,742,020	\$ 83,652	\$ 3,870,094	\$ 367,779	\$ 42,717,076	\$ 155,586,506	\$ 249,557	\$ 833,563	\$ 147,096	\$ 211,064,739
Additions	538,408	1,392,291	3,400	597,541	296,221	7,662,818	1,300,663	93,711	992,301	83,849	12,961,203
Disposals	-	-	(22,268)	(9,236)	(1,111)	(436,565)	(224,104)	(2,531)	-	-	(695,815)
Reclassifications	1,800,960	1,372,320	1,813,833	5,036,738	91,111	315,727	9,165,677	85,645	123,941	61,609	19,867,561
Depreciation	-	(227,753)	(22,370)	(724,475)	(231,250)	(4,911,764)	(11,521,134)	(87,714)	(608,357)	(13,934)	(18,348,751)
Acquired from business combinations	-	53,125	-	1,360,149	35,575	-	26,309,549	8,483	7,712,373	34,600	35,513,854
Net exchange differences	(44,927)	(17,928)	(25,832)	8,547	(454)	(4,484)	(42,942)	(614)	10,684	(898)	(118,848)
Closing net book amount as at											
December 31	<u>\$ 4,761,837</u>	<u>\$ 7,314,075</u>	<u>\$ 1,830,415</u>	<u>\$ 10,139,358</u>	<u>\$ 557,871</u>	<u>\$ 45,342,808</u>	<u>\$ 180,574,215</u>	<u>\$ 346,537</u>	<u>\$ 9,064,505</u>	<u>\$ 312,322</u>	<u>\$ 260,243,943</u>
At December 31											
Cost	\$ 4,761,837	\$ 9,452,613	\$ 2,078,742	\$ 18,031,254	\$ 2,263,667	\$ 68,156,994	\$ 257,443,989	\$ 896,445	\$ 10,695,677	\$ 355,818	\$ 374,137,036
Accumulated depreciation	-	(2,138,538)	(248,327)	(7,891,896)	(1,705,796)	(22,814,186)	(76,869,774)	(549,908)	(1,631,172)	(43,496)	(113,893,093)
	<u>\$ 4,761,837</u>	<u>\$ 7,314,075</u>	<u>\$ 1,830,415</u>	<u>\$ 10,139,358</u>	<u>\$ 557,871</u>	<u>\$ 45,342,808</u>	<u>\$ 180,574,215</u>	<u>\$ 346,537</u>	<u>\$ 9,064,505</u>	<u>\$ 312,322</u>	<u>\$ 260,243,943</u>

	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	-	12,155	670	233,677	197,107	14,493,071	392,622	76,178	14,220	51,595	15,471,295
Disposals	-	(26)	(15,288)	(6)	(928)	(96,880)	(2,097,266)	(648)	-	-	(2,211,042)
Reclassifications	852,007	(746,025)	(22)	493,075	59,468	362,715	45,291,158	57,085	(627,029)	40,328	45,782,760
Depreciation Acquired from business combinations	-	(131,156)	(17,493)	(469,700)	(172,871)	(4,516,588)	(8,561,717)	(61,918)	(189,756)	(4,888)	(14,126,087)
Net exchange differences	771,880	159,679	8,629	-	683	-	-	26,076	1,050	-	967,997
Closing net book amount as at December 31	<u>(19,621)</u>	<u>446,602</u>	<u>9,385</u>	<u>210,948</u>	<u>18,514</u>	<u>2,033,389</u>	<u>8,436,211</u>	<u>4,470</u>	<u>137,208</u>	<u>(165)</u>	<u>11,276,941</u>
	<u>\$ 2,467,396</u>	<u>\$ 4,742,020</u>	<u>\$ 83,652</u>	<u>\$ 3,870,094</u>	<u>\$ 367,779</u>	<u>\$ 42,717,076</u>	<u>\$ 155,586,506</u>	<u>\$ 249,557</u>	<u>\$ 833,563</u>	<u>\$ 147,096</u>	<u>\$ 211,064,739</u>
At December 31											
Cost	\$ 2,467,396	\$ 6,660,129	\$ 494,747	\$ 13,460,779	\$ 1,860,736	\$ 63,434,939	\$ 220,960,312	\$ 793,539	\$ 1,940,703	\$ 171,969	\$ 312,245,249
Accumulated depreciation	-	(1,918,109)	(411,095)	(9,590,685)	(1,492,957)	(20,717,863)	(65,373,806)	(543,982)	(1,107,140)	(24,873)	(101,180,510)
	<u>\$ 2,467,396</u>	<u>\$ 4,742,020</u>	<u>\$ 83,652</u>	<u>\$ 3,870,094</u>	<u>\$ 367,779</u>	<u>\$ 42,717,076</u>	<u>\$ 155,586,506</u>	<u>\$ 249,557</u>	<u>\$ 833,563</u>	<u>\$ 147,096</u>	<u>\$ 211,064,739</u>

A. For the year ended December 31, 2023, the amounts of borrowing costs capitalised as part of property, plant and equipment were both \$252 and the ranges of the interest rates were both 3.80%.

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

C. 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>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 13,026,868	\$ 7,037,675
Buildings	625,641	954,546
Loading and unloading equipment	476,261	578,308
Transportation equipment	-	257,837
Ships	108,131,772	96,374,260
Office equipment	41,031	33,489
	<u>\$ 122,301,573</u>	<u>\$ 105,236,115</u>
	<u>Year ended</u>	<u>Year ended</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 1,985,578	\$ 1,943,840
Buildings	303,997	339,605
Loading and unloading equipment	104,606	100,216
Transportation equipment	35,779	168,490
Ships	12,466,675	10,508,759
Office equipment	22,037	21,327
Other equipment	-	1,920
	<u>\$ 14,918,672</u>	<u>\$ 13,084,157</u>

- D. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$31,136,307 and \$16,419,578, respectively.
- E. For the years ended December 31, 2023 and 2022, the disposals to right-of-use assets were \$579 and \$714, respectively.

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

	Year ended December 31, 2023	Year ended December 31, 2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 3,066,977	\$ 2,091,955
Expense on short-term lease contracts	3,252,310	2,522,195
Expense on leases of low-value assets	36,632	29,579
Expense on variable lease payments	85	59
(Losses) gains arising from lease modifications	(15,456)	147

G. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases amounted to \$21,813,029 and \$21,364,108, respectively.

H. As of December 31, 2023, 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 \$42,353,348.

I. For the year ended December 31, 2022, the Group has applied the practical expedient to "Covid-19-related rent concessions", and recognised the gain from changes in lease payments by decreasing rent expense by \$951.

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:

December 31, 2023			
<u>Hedged items</u>	<u>Designated as hedging instruments</u>	<u>Contract period</u>	<u>Book value</u>
Expected US dollar denominated marine freight income transaction	US dollar denominated lease liabilities	2019.1.1~2034.3.9	\$ <u>15,086,080</u>
December 31, 2022			
<u>Hedged items</u>	<u>Designated as hedging instruments</u>	<u>Contract period</u>	<u>Book value</u>
Expected US dollar denominated marine freight income transaction	US dollar denominated lease liabilities	2019.1.1~2034.8.15	\$ <u>16,875,676</u>

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash flow hedges :		
<u>Exchange rate risk</u>		
Lease liability contracts		
designated as hedges		
Current liabilities	\$ 1,854,396	\$ 1,821,342
Non-current liabilities	<u>13,231,684</u>	<u>15,054,334</u>
	<u>\$ 15,086,080</u>	<u>\$ 16,875,676</u>

(b) Other equity - cash flow hedge reserve

	<u>2023</u>	<u>2022</u>
At January 1	(\$ 101,131)	\$ 1,286,356
Add (less): Reclassified to freight revenue as the hedged item has affected profit or loss	35,966 ((40,963)
Less: Loss on hedge effectiveness - amount recognised in other comprehensive income	(48,009)	(1,346,524)
At December 31	<u>(\$ 113,174)</u>	<u>(\$ 101,131)</u>

(c) As of December 31, 2023 and 2022, 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 December 31, 2023 and 2022 are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current lease liabilities	\$ 12,593,233	\$ 10,826,183
Current lease liabilities - related parties	155,307	326,763
Non-current lease liabilities	94,971,695	78,033,762
Non-current lease liabilities - related parties	<u>498,470</u>	<u>728,949</u>
	<u>\$ 108,218,705</u>	<u>\$ 89,915,657</u>

(11) Leasing arrangements – lessor

A. For the years ended December 31, 2023 and 2022, the Group recognised rent income in the amounts of \$944,455 and \$711,804, 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>December 31, 2023</u>	<u>December 31, 2022</u>
Within 1 year	\$ 530,425	\$ 541,257
1-2 years	71,335	310,777
2-3 years	30,850	46,610
3-4 years	16,229	19,219
4-5 years	485	15,848
After 5 years	78	-
	<u>\$ 649,402</u>	<u>\$ 933,711</u>

(12) Investment property, net

	<u>2023</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
At January 1			
Cost	\$ 1,169,429	\$ 6,472,088	\$ 7,641,517
Accumulated depreciation	-	(1,287,823)	(1,287,823)
	<u>\$ 1,169,429</u>	<u>\$ 5,184,265</u>	<u>\$ 6,353,694</u>
Opening net book amount as at January 1	\$ 1,169,429	\$ 5,184,265	\$ 6,353,694
Additions	-	7,611	7,611
Reclassification from property, plant and equipment	409,505	317,680	727,185
Depreciation	-	(252,384)	(252,384)
Acquired from business combinations	-	452,967	452,967
Net exchange differences	(42,383)	(49,804)	(92,187)
Closing net book amount as at December 31	<u>\$ 1,536,551</u>	<u>\$ 5,660,335</u>	<u>\$ 7,196,886</u>
At December 31			
Cost	\$ 1,536,551	\$ 7,189,138	\$ 8,725,689
Accumulated depreciation	-	(1,528,803)	(1,528,803)
	<u>\$ 1,536,551</u>	<u>\$ 5,660,335</u>	<u>\$ 7,196,886</u>

	2022		
	Land	Buildings	Total
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	-	3,317	3,317
Reclassification to property, plant and equipment	(852,007)	(249,737)	(1,101,744)
Reclassification from property, plant and equipment	-	998,510	998,510
Disposals	-	(86)	(86)
Depreciation	-	(227,241)	(227,241)
Acquired from business combinations	650,355	120,297	770,652
Net exchange differences	(25,659)	164,861	139,202
Closing net book amount as at December 31	<u>\$ 1,169,429</u>	<u>\$ 5,184,265</u>	<u>\$ 6,353,694</u>
At December 31			
Cost	\$ 1,169,429	\$ 6,472,088	\$ 7,641,517
Accumulated depreciation	-	(1,287,823)	(1,287,823)
	<u>\$ 1,169,429</u>	<u>\$ 5,184,265</u>	<u>\$ 6,353,694</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
	Rental revenue from the lease of the investment property	<u>\$ 194,465</u>
Direct operating expenses arising from the investment property that generated rental income in the period	<u>\$ 226,286</u>	<u>\$ 195,374</u>
Direct operating expenses arising from the investment property that did not generate rental income in the period	<u>\$ 28,759</u>	<u>\$ 34,830</u>

B. The fair value of the investment property held by the Group as at December 31, 2023 and 2022, were \$8,426,620 and \$7,850,933, 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>December 31, 2023</u>	<u>December 31, 2022</u>
Prepayments for equipment	\$ 58,897,539	\$ 26,522,704
Prepayments for investments	1,409,911	-
Prepayments for land and building	-	3,716,268
Refundable deposits	334,828	315,012
Non-current finance lease receivable	4,148	-
Others	576,501	520,887
	<u>\$ 61,222,927</u>	<u>\$ 31,074,871</u>

A. Movement analysis of prepayments for equipment for the years ended December 31, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
At January 1	\$ 30,238,972	\$ 23,841,061
Additions	49,002,834	33,741,162
Acquisition by business combinations	139,843	-
Reclassification to property, plant and equipment	(20,239,384)	(33,611,453)
Reclassification to intangible assets	-	(11,283)
Reclassification from prepayments for equipment	237,270	-
Net exchange differences	(481,996)	2,563,217
At December 31	<u>\$ 58,897,539</u>	<u>\$ 26,522,704</u>

B. 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>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Amount capitalised	<u>\$ 11,601</u>	<u>\$ 17,589</u>
Interest rate	0.03%~6.34%	0.11%~4.57%

C. The above prepayment for land and buildings was resolved by the Board of Directors on December 22, 2022 to purchase the land and buildings with the amount of \$4,743,000 from the other related party, Evergreen International Corp., of which the land and buildings is located in Luzhu District, Taoyuan City, including Land No.672, 673 and 679 of Nanxing Section, Land No.401, 401-1, 402 ~ 405, 548, 549, 549-1, 550, 551 and 551-1 of Nanrong Section, Building serial No. 582 of Nanxing Section and Building serial No. 176 and 176-1 of Nanrong Section. The transfer of land and buildings was completed on February 17, 2023. The land and buildings were transferred to property, plant and equipment.

D. The above prepayments for investments were resolved by the Board of Directors of the subsidiary, EMA, on November 4, 2022 to acquire 20% equity interests of 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 \$1,409,911 (USD 46,000) to strengthen the layout of Mediterranean routes and obtain the appropriated wharf to save carbon tax and serve as the main transshipment hub in the Eastern Mediterranean. The amount was transferred to the investment transaction account in December 2023. In accordance with the regulation of the competent authority of the country, the transaction can only be completed after it completed the equity transfer approval and registration. However, the transaction was recorded as long-term prepayments for investments as the approval had not been acquired as of the balance sheet date. The transaction had acquired approval and registered transfer on January 8, 2024 and transferred to investments accounted for using equity method.

(14) Other current liabilities

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Receipt in advance	\$ 38,590	\$ 14,394
Long-term liabilities - current portion	6,934,838	4,819,851
Corporate bonds - current portion	3,759,867	2,000,000
Shipowner's accounts	1,601,999	3,158,341
Agency accounts	1,180,973	425,433
Others	94,504	730,817
	<u>\$ 13,610,771</u>	<u>\$ 11,148,836</u>

(15) Corporate bonds payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Domestic secured corporate bonds	\$ -	\$ 2,000,000
Domestic unsecured convertible bonds	3,855,100	4,981,000
Less: Discount on bonds payable	(95,233)	(174,846)
Less: Current portion (recorded as other current liabilities)	<u>(3,759,867)</u>	<u>(2,000,000)</u>
	<u>\$ -</u>	<u>\$ 4,806,154</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 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\$95.00 (in dollars) to NT\$93.67 (in dollars) since August 24, 2021.
- ii. 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.
- iii. 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.
- iv. 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\$189.90 (in dollars) to NT\$103.76 (in dollars) since July 8, 2023.

(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.

D. Regarding the issuance of convertible bonds, the equity conversion options were separated from the liability component in accordance with IAS 32. As of December 31, 2023, the domestic unsecured convertible bonds amounting to \$222,953 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>December 31, 2023</u>	<u>December 31, 2022</u>
Mortgage and secured bank loans	\$ 32,015,949	\$ 31,141,181
Unsecured bank loans	6,594,364	7,101,118
Add: Unrealised foreign exchange losses	45,150	49,839
Less: Hosting fee credit	(55,003)	(98,351)
	38,600,460	38,193,787
Less: Current portion (recorded as other current liabilities)	(6,934,838)	(4,819,851)
	<u>\$ 31,665,622</u>	<u>\$ 33,373,936</u>
Borrowing period	2024.01~2032.12	2023.08~2032.06
Interest rate	1.09%~6.89%	1.02%~5.79%

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>December 31, 2023</u>	<u>December 31, 2022</u>
Net defined benefit liability	\$ 4,795,232	\$ 4,304,408
Guarantee deposits received	857,239	777,175
Deferred income	105,143	119,108
Credit balance for investments accounted for using the equity method	20,183	19,745
Others	21,788	21,099
	<u>\$ 5,799,585</u>	<u>\$ 5,241,535</u>

(18) Pension

A. (a) The Company and its domestic subsidiary-TTSC and ESRC 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 contributes 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 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 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, EMU and EMS, 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) The amounts recognised in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	(\$ 7,030,318)	(\$ 6,345,787)
Fair value of plan assets	2,235,086	2,041,379
Net defined benefit liability	<u>(\$ 4,795,232)</u>	<u>(\$ 4,304,408)</u>

(d) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>Year ended December 31, 2023</u>			
Balance at January 1	(\$ 6,345,787)	\$ 2,041,379	(\$ 4,304,408)
Current service cost	(266,774)	-	(266,774)
Interest (expense) income	(116,495)	40,339	(76,156)
Past service cost	(769)	-	(769)
Settlement	(3,954)	-	(3,954)
Curtailement	117	-	117
	<u>(6,733,662)</u>	<u>2,081,718</u>	<u>(4,651,944)</u>
Remeasurements:			
Return on plan assets			
(excluding amounts included in interest income or expense)	-	(10,471)	(10,471)
Change in demographic assumptions	(58,920)	-	(58,920)
Change in financial assumptions	(38,128)	-	(38,128)
Experience adjustments	(10,178)	-	(10,178)
	<u>(107,226)</u>	<u>(10,471)</u>	<u>(117,697)</u>
Pension fund contribution	-	274,933	274,933
Paid pension	412,081	(224,599)	187,482
Paid settlement	4,386	(227)	4,159
Exchange difference	(19,060)	26,822	7,762
Effect of business combination	(586,837)	86,910	(499,927)
Balance at December 31	<u>(\$ 7,030,318)</u>	<u>\$ 2,235,086</u>	<u>(\$ 4,795,232)</u>

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>Year ended December 31, 2022</u>			
Balance at January 1	(\$ 5,804,853)	\$ 1,547,428	(\$ 4,257,425)
Current service cost	(254,947)	-	(254,947)
Interest (expense) income	(51,953)	26,678	(25,275)
Past service cost	521	-	521
Settlement	94	-	94
	<u>(6,111,138)</u>	<u>1,574,106</u>	<u>(4,537,032)</u>
Remeasurements:			
Return on plan assets			
(excluding amounts included in interest income or expense)			
	-	78,082	78,082
Change in demographic assumptions	(327,920)	-	(327,920)
Change in financial assumptions	737,818	-	737,818
Experience adjustments	(211,231)	-	(211,231)
	<u>198,667</u>	<u>78,082</u>	<u>276,749</u>
Pension fund contribution	-	227,015	227,015
Paid pension	197,152	(83,605)	113,547
Paid settlement	7,326	-	7,326
Exchange difference	(27,572)	28,993	1,421
Effect of business combination	(610,222)	216,788	(393,434)
Balance at December 31	<u>(\$ 6,345,787)</u>	<u>\$ 2,041,379</u>	<u>(\$ 4,304,408)</u>

- (e) The Bank of Taiwan was commissioned to manage the Fund of the Company's and its domestic subsidiaries-TTSC and ESRC's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earning is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Group has no right to participate in managing and operating that fund and hence the Group is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(f) The principal actuarial assumptions used were as follows:

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Discount rate	<u>1.13%~7.60%</u>	<u>0.46%~7.45%</u>
Future salary increases	<u>1.00%~10%</u>	<u>1.55%~10%</u>

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	<u>Discount rate</u>		<u>Future salary increases</u>	
	<u>Increase 0.25%~1.00%</u>	<u>Decrease 0.25%~1.00%</u>	<u>Increase 0.25%~1.00%</u>	<u>Decrease 0.25%~1.00%</u>
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	<u>(\$ 233,719)</u>	<u>\$ 243,995</u>	<u>\$ 185,521</u>	<u>(\$ 169,095)</u>
	<u>Increase 0.25%~1.00%</u>	<u>Decrease 0.25%~1.00%</u>	<u>Increase 0.25%~1.00%</u>	<u>Decrease 0.25%~1.00%</u>
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	<u>(\$ 200,532)</u>	<u>\$ 216,058</u>	<u>\$ 162,151</u>	<u>(\$ 148,946)</u>

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

- (g) Expected contributions to the defined benefit pension plans of the Company and its subsidiary-TTSC and ESRC for the year ending December 31, 2024 amount to \$179,163.
- (h) As of December 31, 2023, the weighted average duration of the retirement plan is 4~25 years.
- B. (a) Effective July 1, 2005, the Company and its domestic subsidiary-TTSC and ESRC 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 and ESRC 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 years ended December 31, 2023 and 2022 were \$451,166 and \$431,589, respectively.

(19) Capital stock

- A. As of December 31, 2023, 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. The Company's domestic convertible bonds with a face value of \$1,125,900 thousand had been converted into ordinary share capital of \$108,510 (10,851 thousand shares) with a par value of NT\$10 (in dollars) per share during the year ended December 31, 2023, which resulted in 'capital surplus, additional paid-in capital arising from bond conversion' of \$1,057,728. The amount was shown as 'bond conversion entitlement certificates' because the registration had not yet been completed as of December 31, 2023.
- C. 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.
- D. 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, 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.

- E. 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, 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.
- F. On December 31, 2023 and 2022, the numbers of the Company's shares held by its associate accounted for using equity method, EITC, were 10,302 and 10,284 thousand shares, respectively.
- G. On December 31, 2023 and 2022, the numbers of the Company's shares held by its associate accounted for using equity method, EVA, both are 223 thousand shares.
- H. On December 31, 2023 and 2022, the numbers of the Company's shares held by its associate accounted for using equity method, EGST, both are 18,190 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.

	2023				
	Share premium	Employee stock options exercised	Adjustments to share of changes in equity of associates and joint ventures	Donated assets	Others
At January 1	\$ 13,073,222	\$ 399,023	\$ 2,488,098	\$ 446	\$ 7,254
Expired unclaimed dividends	-	-	-	-	42,981
Conversion of Convertible Bonds	1,057,728	(65,114)	-	-	-
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	91,759	-	-
Net change in non-controlling interest	-	-	(2,872)	-	-
At December 31	<u>\$ 14,130,950</u>	<u>\$ 333,909</u>	<u>\$ 2,576,985</u>	<u>\$ 446</u>	<u>\$ 50,235</u>

	2022				
	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	-	-	-	-	(20)
Conversion of convertible bonds	17,205	(1,093)	-	-	-
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	189,766	-	-
At December 31	<u>\$ 13,073,222</u>	<u>\$ 399,023</u>	<u>\$ 2,488,098</u>	<u>\$ 446</u>	<u>\$7,254</u>

(21) Retained earnings

	2023	2022
At January 1	\$ 465,562,042	\$ 250,555,749
Profit for the period	35,337,051	334,200,661
Distribution of earnings	(180,474,255)	(119,699,895)
Remeasurement on post employment benefit obligations, net of tax	(117,469)	347,354
Adjustments to share of changes in equity of associates and joint ventures	126,266	158,173
At December 31	<u>\$ 320,433,635</u>	<u>\$ 465,562,042</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 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	\$ 564,364	
Appropriation of cash dividends to shareholders	\$ 95,238,884	\$ 17.99999637

F. The appropriation of 2022 earnings resolved by the stockholders' meeting on May 30, 2023 is as follows:

	<u>Year ended December 31, 2022</u>	
	<u>Amount</u>	<u>Dividend per share (in dollars)</u>
Accrual of legal reserve	\$ 33,470,619	
Reveral of special reserve	\$ 1,145,770	
Appropriation of cash dividends to shareholders	\$ 148,149,406	\$ 70

G. The appropriation of 2023 earnings resolved by the Board of Directors on March 14, 2024 is as follows:

	<u>Year ended December 31, 2023</u>	
	<u>Amount</u>	<u>Dividend per share (in dollars)</u>
Accrual of legal reserve	\$ 3,534,585	
Appropriation of cash dividends to shareholders	\$ 21,439,152	\$ 10

As of March 14, 2024, the above-mentioned 2023 earnings appropriation had not been resolved at the stockholders' meeting.

(22) Other equity items

	2023			
	Unrealised	Hedging	Currency	Total
	gains (losses)	reserve	translation	
	on valuation			
At January 1	\$ 2,478,263	\$ 386,203	\$ 13,490,378	\$ 16,354,844
Revaluation – gross	470,915	-	-	470,915
Revaluation – tax	(16,643)	-	-	(16,643)
Revaluation – associates	503,962	-	-	503,962
Revaluation transferred to retained earnings – associates	(126,266)	-	-	(126,266)
Cash flow hedges:				
– Fair value gain (loss) in the period	-	-	-	-
– Group	-	(336,544)	-	(336,544)
– Group – tax	-	47,637	-	47,637
– Associates	-	47,335	-	47,335
Currency translation differences:				
– Group	-	-	(1,345,813)	(1,345,813)
– Group – tax	-	-	265	265
– Associates	-	-	10,705	10,705
At December 31	<u>\$ 3,310,231</u>	<u>\$ 144,631</u>	<u>\$ 12,155,535</u>	<u>\$ 15,610,397</u>

2022

	Unrealised gains (losses) on valuation	Hedging reserve	Currency translation	Total
At January 1	\$ 3,986,029	\$ 1,601,207	(\$ 6,733,006)	(\$ 1,145,770)
Revaluation – gross	(594,757)	-	-	(594,757)
Revaluation – tax	15,177	-	-	15,177
Revaluation – associates	(770,013)	-	-	(770,013)
Revaluation transferred to retained earnings – associates	(158,173)	-	-	(158,173)
Cash flow hedges:				
– Fair value gain (loss) in the period				
– Group	- (359,174)		-	(359,174)
– Group – tax	- 63,002		-	63,002
– Associates	- (918,832)		-	(918,832)
Currency translation differences:				
– Group	-	-	19,725,553	19,725,553
– Group – tax	-	-	(4,288)	(4,288)
– Associates	-	-	502,119	502,119
At December 31	<u>\$ 2,478,263</u>	<u>\$ 386,203</u>	<u>\$ 13,490,378</u>	<u>\$ 16,354,844</u>

(23) Operating revenue

	Year ended December 31, 2023	Year ended December 31, 2022
Revenue from contracts with customers	\$ 275,989,155	\$ 626,743,038
Other - ship rental income	725,670	540,723
	<u>\$ 276,714,825</u>	<u>\$ 627,283,761</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).

Year ended December 31,					
2023	<u>Ship-owners</u>	<u>Agents</u>	<u>Terminals</u>	<u>Other</u>	<u>Total</u>
Total segment revenue	\$ 302,101,912	\$10,794,571	\$ 17,247,954	\$4,277,265	\$ 334,421,702
Inter-segment revenue	(37,275,440)	(6,370,755)	(11,236,628)	(3,549,724)	(58,432,547)
Revenue from external customer contracts	<u>\$ 264,826,472</u>	<u>\$ 4,423,816</u>	<u>\$ 6,011,326</u>	<u>\$ 727,541</u>	<u>\$ 275,989,155</u>
Year ended December 31,					
2022	<u>Ship-owners</u>	<u>Agents</u>	<u>Terminals</u>	<u>Other</u>	<u>Total</u>
Total segment revenue	\$ 653,890,100	\$17,971,612	\$ 16,270,512	\$4,059,637	\$ 692,191,861
Inter-segment revenue	(40,822,482)	(10,907,115)	(10,686,636)	(3,032,590)	(65,448,823)
Revenue from external customer contracts	<u>\$ 613,067,618</u>	<u>\$ 7,064,497</u>	<u>\$ 5,583,876</u>	<u>\$1,027,047</u>	<u>\$ 626,743,038</u>

B. Contract assets and liabilities

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

	<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>January 1, 2022</u>
Contract assets:			
Contract assets			
– relating to marine freight income	<u>\$ 1,437,585</u>	<u>\$ 1,748,928</u>	<u>\$ 4,525,961</u>
Contract liabilities:			
Contract liabilities			
– unearned marine freight income	<u>(\$ 7,642,108)</u>	<u>(\$ 7,444,311)</u>	<u>(\$ 13,530,256)</u>

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

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Marine freight income	<u>\$ 7,444,311</u>	<u>\$ 13,530,256</u>

(24) Other income and expenses, net

	<u>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Net gains on disposal of property, plant and equipment	<u>\$ 1,634,048</u>	<u>\$ 1,122,717</u>

(25) Interest income

	Year ended December 31, 2023	Year ended December 31, 2022
Interest income from bank deposits	\$ 13,060,164	\$ 5,955,666
Interest income from financial assets measured at amortised cost	1,318,137	424,148
Interest income from finance lease	681	-
Imputed interest on deposits	10	-
	<u>\$ 14,378,992</u>	<u>\$ 6,379,814</u>

(26) Other income

	Year ended December 31, 2023	Year ended December 31, 2022
Rent income	\$ 218,785	\$ 171,081
Dividend income	47,924	153,560
Gain recognised in bargain purchase transaction	4,963,982	6,379
Other income, others	579,161	280,686
	<u>\$ 5,809,852</u>	<u>\$ 611,706</u>

(27) Other gains and losses

	Year ended December 31, 2023	Year ended December 31, 2022
Net gains on disposal of investments	\$ 6,524,648	\$ 33,605
Net (losses) gains arising from lease modifications	(15,456)	147
Net currency exchange gains	2,152,007	12,401,950
Net gains (losses) on financial assets / liabilities at fair value through profit or loss	46,660 (55,509)
Net losses on disposal of right-of-use assets	(579) (714)
Depreciation on investment property	(252,384) (227,241)
Net losses on disposals of investment property	- (86)
Other non-operating expenses	(254,346) (306,917)
	<u>\$ 8,200,550</u>	<u>\$ 11,845,235</u>

(28) Finance costs

	Year ended December 31, 2023	Year ended December 31, 2022
Interest expense:		
Bank loans	\$ 1,833,408	\$ 1,099,381
Corporate bonds	60,140	81,601
Lease liabilities	3,066,977	2,091,955
	<u>4,960,525</u>	<u>3,272,937</u>
Less: Capitalized borrowing costs	(11,853)	(17,589)
	<u>\$ 4,948,672</u>	<u>\$ 3,255,348</u>

(29) Additional information of expenses by nature

	Year ended December 31, 2023	Year ended December 31, 2022
Employee benefit expense	\$ 18,639,258	\$ 27,408,060
Depreciation on property, plant and equipment	18,348,751	14,126,087
Depreciation on right-of-use assets	14,918,672	13,084,157
Amortisation on intangible assets	344,303	321,305
Other operating costs and expenses	191,368,792	198,666,319
	<u>\$ 243,619,776</u>	<u>\$ 253,605,928</u>

(30) Employee benefit expense

	Year ended December 31, 2023	Year ended December 31, 2022
Wages and salaries	\$ 15,519,467	\$ 24,575,208
Labor and health insurance fees	1,362,993	1,262,271
Pension costs	798,702	711,196
Directors' remuneration	22,777	42,053
Other personnel expenses	935,319	817,332
	<u>\$ 18,639,258</u>	<u>\$ 27,408,060</u>

A. According to the Articles of Incorporation of the Company, if the Company makes a profit in a fiscal year, after covering accumulated losses, the Company shall distribute compensation to the employees that account for no less than 0.5% and pay remuneration to the directors that account for no more than 2% of the profit before tax for the current year without deducting employees' compensation and directors' remuneration.

- B. (a) In accordance with the Articles of Incorporation of the Company, based on the profit for the year ended December 31, 2023, and the percentage specified in the Articles of Incorporation of the Company, employees' compensation and directors' remuneration were accrued at \$292,696 (0.5%) and \$9,500 (0.0162%), respectively. The aforementioned amount was recognised in salary expenses, and was resolved by the Board of Directors on March 14, 2024. The employees' compensation will be distributed in the form of cash.
- (b) On March 14, 2023, the Company's Board of Directors resolved to distribute employees' compensation and directors' remuneration amounting to \$1,918,479 and \$9,500, respectively. The amounts were in agreement with those amounts recognised as salary expenses in the 2022 financial statements.
- (d) Information about the appropriation of employees' compensation and directors' 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:

	Year ended December 31, 2023	Year ended December 31, 2022
Current tax:		
Current tax on profits for the period	\$ 16,678,474	\$ 57,988,122
Tax on undistributed surplus earnings	7,617,369	4,568,541
Tax adjustments on prior years	(342,094)	(234,534)
Total current tax	<u>23,953,749</u>	<u>62,322,129</u>
Deferred tax:		
Origination and reversal of temporary differences	242,507	(9,070,616)
Total deferred tax	<u>242,507</u>	<u>(9,070,616)</u>
Income tax expense	<u>\$ 24,196,256</u>	<u>\$ 53,251,513</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
Changes in fair value of financial assets at fair value through other comprehensive income (loss)	\$ 16,643	(\$ 15,177)
Financial statements translating differences of foreign operations	(265)	4,288
Remeasurement of defined benefit obligations	(22,918)	127,431
Loss on hedging instruments	(47,637)	(63,002)
	<u>(\$ 54,177)</u>	<u>\$ 53,540</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
Reduction in capital surplus caused by recognition of foreign investees based on the shareholding ratio	\$ 629	(\$ 525)

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31, 2023	Year ended December 31, 2022
Tax calculated based on profit before tax and statutory tax rate (note)	\$ 17,533,273	\$ 125,897,641
Tax on undistributed surplus earnings	7,617,369	4,568,541
Tax exempt income by tax regulation	(575,089)	(76,977,568)
Effect from investment tax credits	-	(2,567)
Income tax adjustments on prior years	(342,094)	(234,534)
Effects from loss carryforward	(37,203)	-
Income tax expense	<u>\$ 24,196,256</u>	<u>\$ 53,251,513</u>

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2023					
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	Translation differences	December 31
Temporary differences:						
– Deferred tax assets:						
Loss on valuation of financial assets	\$ 71	\$ -	\$ -	\$ -	\$ 2	\$ 73
Deferred profit	7,688	1,164	-	-	-	8,852
Unrealized expense	65,284	40,195	-	-	(58)	105,421
Unrealized exchange loss	46	2,203	-	-	(196)	2,053
Pension expense and actuarial losses/(gains)	587,707	(46,448)	23,348	-	(2,718)	561,889
Loss carryforward	-	60,658	-	-	(881)	59,777
Others	188,661	11,783	-	-	508	200,952
Subtotal	<u>\$ 849,457</u>	<u>\$ 69,555</u>	<u>\$ 23,348</u>	<u>\$ -</u>	<u>(\$ 3,343)</u>	<u>\$ 939,017</u>
– Deferred tax liabilities:						
Temporary differences:						
Gain on valuation of financial assets	(\$ 2,408)	\$ -	(\$ 1,657)	\$ -	\$ -	(\$ 4,065)
Unrealized exchange gain	(55,806)	7,788	-	-	(280)	(48,298)
Unrealized gain	-	(9,909)	-	-	9,901	(8)
Pension expense and actuarial losses/(gains)	(1,394)	-	(528)	-	(22)	(1,944)
Foreign investment income	(1,411,218)	(331,067)	(34,295)	(629)	(154)	(1,777,363)
Gains (losses) on hedging instruments	(122,541)	-	67,309	-	-	(55,232)
Others	(1,250,743)	21,126	-	-	(2,067)	(1,231,684)
Subtotal	<u>(\$ 2,844,110)</u>	<u>(\$ 312,062)</u>	<u>\$ 30,829</u>	<u>(\$ 629)</u>	<u>\$ 7,378</u>	<u>(\$ 3,118,594)</u>
Total	<u>(\$ 1,994,653)</u>	<u>(\$ 242,507)</u>	<u>\$ 54,177</u>	<u>(\$ 629)</u>	<u>\$ 4,035</u>	<u>(\$ 2,179,577)</u>

	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	Acquired from business combinations	Translation differences	December 31
Temporary differences:							
– Deferred tax assets:							
Loss on valuation of financial assets	\$ 71	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71
Deferred profit	9,336	(1,648)	-	-	-	-	7,688
Unrealized expense	77,130	(22,641)	-	-	8,001	2,794	65,284
Unrealized exchange loss	-	6,965	-	-	-	(6,919)	46
Pension expense and actuarial losses/(gains)	630,721	54,366	(119,586)	-	17,990	4,216	587,707
Others	139,990	24,436	-	-	3,142	21,093	188,661
Subtotal	<u>\$ 857,248</u>	<u>\$ 61,478</u>	<u>(\$ 119,586)</u>	<u>\$ -</u>	<u>\$ 29,133</u>	<u>\$ 21,184</u>	<u>\$ 849,457</u>
– Deferred tax liabilities:							
Temporary differences:							
Gain on valuation of financial assets	(\$ 1,051)	\$ -	(\$ 1,357)	\$ -	\$ -	\$ -	(\$ 2,408)
Unrealized exchange gain	(103,318)	47,613	-	-	-	(101)	(55,806)
Unrealized gain	(3,755)	13,737	-	-	-	(9,982)	-
Pension expense and actuarial losses/(gains)	(479)	(611)	(310)	-	-	6	(1,394)
Foreign investment income	(10,304,438)	8,896,900	(4,122)	525	-	(83)	(1,411,218)
Gains (losses) on hedging instruments	(194,376)	-	71,835	-	-	-	(122,541)
Others	(1,068,709)	51,499	-	-	(152,058)	(81,475)	(1,250,743)
Subtotal	<u>(\$11,676,126)</u>	<u>\$ 9,009,138</u>	<u>\$ 66,046</u>	<u>\$ 525</u>	<u>(\$ 152,058)</u>	<u>(\$ 91,635)</u>	<u>(\$ 2,844,110)</u>
Total	<u>(\$10,818,878)</u>	<u>\$ 9,070,616</u>	<u>(\$ 53,540)</u>	<u>\$ 525</u>	<u>(\$ 122,925)</u>	<u>(\$ 70,451)</u>	<u>(\$ 1,994,653)</u>

D. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2023 and 2022, the amounts of temporary difference unrecognised as deferred tax liabilities were \$308,112,343 and \$339,599,815, respectively.

E. The Company's income tax returns through 2021 have been assessed and approved by the Tax Authority. However, the notice for assessment of income tax returns of 2020 had not been obtained.

The income tax returns of the Company's subsidiaries, Taiwan Terminal Services Co., Ltd. and Evergreen Security Corp. through 2021 have been assessed and approved by the Tax Authority.

(32) Earnings per share

	Year ended December 31, 2023		
	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	\$ 35,337,051	2,116,450	\$ 16.70
<u>Diluted earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 35,337,051	2,116,450	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	51,799	37,154	
Employees' compensation	-	2,040	
Net profit attributable to ordinary shareholders of the parent	\$ 35,388,850	2,155,644	\$ 16.42

	Year ended December 31, 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	\$ 334,200,661	3,838,511	\$ 87.07
<u>Diluted earnings per share</u>			
Net profit attributable to ordinary shareholders of the parent	\$ 334,200,661	3,838,511	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	51,283	26,230	
Employees' compensation	-	11,770	
Net profit attributable to ordinary shareholders of the parent	\$ 334,251,944	3,876,511	\$ 86.22

(33) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

- (a) On June 1, 2023, the Company acquired an additional 22% of shares of TTSC for a total cash consideration of \$37,500. The carrying amount of non-controlling interest in TTSC was \$79,757 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$38,992 and an increase in the equity attributable to owners of the parent by \$1,492.
- (b) On December 1, 2023, the subsidiary-EMA acquired 100% of shares of UMS from the original shareholder, EGH, for a cash consideration of \$2,207. The carrying amount of non-controlling interest in UMS was \$3,675 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$3,675 and an increase in the equity attributable to owners of the parent by \$1,468.
- (c) On December 31, 2023, the subsidiary-EMA acquired 20% and 20% of shares of KTIL from the original shareholder, EMU, and associate, Italia Marittima S.p.A., respectively, for a cash consideration of \$95,985. The carrying amount of non-controlling interest in KTIL was \$198,338 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$90,153 and a decrease in the equity attributable to owners of the parent by \$5,832.

The effect of changes in interests in above mentioned on the equity attributable to owners of the parent for the year ended December 31, 2023 is shown below:

	Year ended December 31, 2023
Carrying amount of non-controlling interest acquired	\$ 132,820
Consideration paid to non-controlling interest	(135,692)
Capital surplus	
- difference between proceeds on actual acquisition of equity interest in a subsidiary and its carrying amount	(\$ 2,872)

- B. On September 1, 2023, the subsidiary-EMA acquired 40% of shares of EPE from a non-related party for a cash consideration of \$6,217. The carrying amount of non-controlling interest in EPE was \$6,217 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$6,217 and an increase in the equity attributable to owners of the parent by \$6,217.
- C. On October 1, 2023, the subsidiary-EMA acquired 40% of shares of ECL from a non-related party for a cash consideration of \$6,715. The carrying amount of non-controlling interest in ECL was \$8,729 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$6,715 and an increase in the equity attributable to owners of the parent by \$6,715.
- D. On November 1, 2023, the subsidiary-EMA acquired 40% of shares of EMX from a non-related party for a cash consideration of \$64,641. The carrying amount of non-controlling interest in EMX was \$84,033 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$64,641 and an increase in the equity attributable to owners of the parent by \$64,641.
- E. For the years ended December 31, 2023 and 2022, cash dividends paid to non-controlling interest amounted to \$4,069,156 and \$14,933,771, respectively.

(34) Business combinations

- A. To integrate the configuration of regional and long-distance shipping routes and improve the service network, the Board of Directors of the subsidiary, EMA, during its meeting on June 19, 2023 resolved to acquire 100% of the equity interests in EMS from the other related party, Evergreen International S.A., for a transaction price of USD 780,000 (approx. \$24,133,200) and obtained the control over EMS. The transaction date was July 14, 2023.
- B. To expand operating fleets to the America routes and take into consideration CCT as an important transshipment hub in America, 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 Holding Ltd., respectively, for a transaction price of USD 268,000 (approx. \$8,199,460), and obtained the control over CCT. The transaction date was January 1, 2023.

- C. On December 15, 2022, the Board of Directors of the subsidiary, EMA, resolved to make an equity transaction. EMA acquired 51% and 19% equity interests of EIM from the other related party, Evergreen Marine (Singapore) Pte. Ltd., and a non-related party, respectively, and obtained the control over EIM. The transaction date was December 26, 2022 and the transaction amount was USD 76.38 (approx. \$2,341). The company is primarily engaged in the agency services dealing with port formalities in Myanmar. The position in certain market is expected to be strengthened after the acquisition and the costs are expected to be reduced through economies of scale.
- D. Considering ESRC's operating profit stability over the past years 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.
- E. 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 control over EGJ. The transaction date was January 1, 2022 and the transaction amount was USD 15,534 (approx. \$429,597). The company is primarily engaged in the agency services dealing with port formalities in Japan. The position in certain markets is expected to be strengthened after the acquisition and the costs are expected to be reduced through economies of scale.
- F. (a)The following table summarises the consideration paid for the acquisition of EMS and CCT and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	EMS July 14, 2023	CCT January 1, 2023	Total
Purchase consideration			
Cash paid	\$ 24,133,200	\$ 4,181,725	\$ 28,314,925
Fair value of equity interest in CCT held before the business combination	-	4,017,735	4,017,735
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	-	189,467	189,467
	<u>24,133,200</u>	<u>8,388,927</u>	<u>32,522,127</u>
Fair value of the identifiable assets acquired and liabilities assumed			
Cash and cash equivalents	9,669,322	499,782	10,169,104
Notes receivable, net	-	2	2
Accounts receivable, net (including related parties)	1,865,137	412,020	2,277,157
Prepayments	16,361	571,226	587,587
Other receivables	5,321	442	5,763
Inventories	1,015,184	-	1,015,184
Other current assets	493,459	2,098	495,557
Property, plant and equipment, net	26,311,366	9,202,488	35,513,854
Right-of-use assets	-	963,500	963,500
Intangible assets	-	19,498	19,498
Investment property, net	452,967	-	452,967
Other non-current assets	51,867	126,959	178,826
Notes payable, net	-	(209)	(209)
Accounts payable (including related parties)	(8,050,914)	(113,542)	(8,164,456)
Other payables (including related parties)	(1,461,041)	(1,690,172)	(3,151,213)
Current income tax liabilities	(801,144)	-	(801,144)
Current lease liabilities	-	(23,593)	(23,593)
Other current liabilities	-	(498,105)	(498,105)
Long-term loans	-	(435,673)	(435,673)
Non-current lease liabilities	-	(656,102)	(656,102)
Other non-current liabilities	(470,463)	(36,136)	(506,599)
Total identifiable net assets	<u>29,097,422</u>	<u>8,344,483</u>	<u>37,441,905</u>
(Gain from bargain purchase) goodwill	(\$ 4,964,222)	\$ 44,444	(\$ 4,919,778)

(b)The following table summarises the consideration paid for the acquisition of EIM, ESRC and EGJ and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	EIM December 26, 2022	ESRC April 1, 2022	EGJ January 1, 2022	Total
Purchase consideration				
Cash paid	\$ 2,341	\$ 192,038	\$ 429,597	\$ 623,976
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>848</u>	<u>176,019</u>	<u>-</u>	<u>176,867</u>
	<u>3,189</u>	<u>512,293</u>	<u>429,597</u>	<u>945,079</u>
Fair value of the identifiable assets acquired and liabilities assumed				
Cash and cash equivalents	21,993	249,105	249,061	520,159
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)	4,421	86,409	1,002,862	1,093,692
Other receivables	-	853	6,236	7,089
Prepayments	479	35,254	1,414	37,147
Other current assets	12	25	77,459	77,496
Property, plant and equipment, net	5,256	8,095	954,646	967,997
Right-of-use assets	4,809	48,006	15,541	68,356
Investment property, net	-	-	770,652	770,652
Intangible assets	-	121,680	45,368	167,048
Other non-current assets	291	1,116	7,662	9,069
Deferred tax assets	-	21,577	7,556	29,133
Short-term loans	-	-	(649,082)	(649,082)
Accounts payable (including related parties)	(5,681)	(20,555)	(599,822)	(626,058)
Other payables (including related parties)	(19,981)	(51,027)	(125,960)	(196,968)
Current income tax liabilities	(3,149)	(6,889)	(42,579)	(52,617)
Other current liabilities	(813)	(47,795)	(832,720)	(881,328)
Current lease liabilities	(2,028)	(18,893)	(4,560)	(25,481)
Deferred income tax liabilities	-	(23,737)	(128,321)	(152,058)
Non-current lease liabilities	(2,781)	(29,293)	(10,982)	(43,056)
Other non-current liabilities	<u>-</u>	<u>(95,818)</u>	<u>(310,985)</u>	<u>(406,803)</u>
Total identifiable net assets	<u>2,828</u>	<u>466,318</u>	<u>433,460</u>	<u>902,606</u>
Goodwill (Gain from bargain purchase)	<u>\$ 361</u>	<u>\$ 45,975</u>	<u>(\$ 3,863)</u>	<u>\$ 42,473</u>

G. Had EMS been acquired from January 1, 2023, the consolidated statement of comprehensive income for the year ended December 31, 2023 would show an increase in operating revenue and profit before income tax by \$26,674,040 and \$5,024,729, respectively.

H. Had EIM been acquired from January 1, 2022, the consolidated statement of comprehensive income for the year ended December 31, 2022 would show an increase in operating revenue and profit before income tax by \$18,688 and \$55,101, respectively.

I. Had ESRC been acquired from January 1, 2022, the consolidated statement of comprehensive income for the year ended December 31, 2022 would show an increase in operating revenue and profit before income tax by \$183,339 and \$11,876, respectively.

(35) Supplemental cash flow information

A. Investing activities with partial cash payments

(a) Property, plant and equipment

	Year ended December 31, 2023	Year ended December 31, 2022
Purchase of property, plant and equipment	\$ 12,961,203	\$ 15,471,295
Add: Beginning balance of payable on equipment	9,798	2,373,622
Less: Ending balance of payable on equipment	(565,794)	(9,798)
Less: Capitalized borrowing costs	(252)	-
Cash paid during the period	<u>\$ 12,404,955</u>	<u>\$ 17,835,119</u>

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

	Year ended December 31, 2023	Year ended December 31, 2022
Purchase of prepayments for equipment	\$ 49,002,834	\$ 37,457,430
Add: Beginning balance of payable on equipment	1,165,010	64,063
Less: Ending balance of payable on equipment	(825,476)	(1,165,010)
Less: Capitalized borrowing costs	(11,601)	(17,589)
Cash paid during the period	<u>\$ 49,330,767</u>	<u>\$ 36,338,894</u>

(c) Intangible assets

	Year ended <u>December 31, 2023</u>	Year ended <u>December 31, 2022</u>
Purchase of intangible assets	\$ 65,864	\$ 40,460
Add: Beginning balance of payable on equipment	-	4,385
Less: Ending balance of payable on equipment	(<u>10,529</u>)	<u>-</u>
Cash paid during the period	<u>\$ 55,335</u>	<u>\$ 44,845</u>

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

	EMS July 14, 2023	CCT January 1, 2023	Total
Cash and cash equivalents	\$ 9,669,322	\$ 499,782	\$ 10,169,104
Notes receivable	-	2	2
Accounts receivable (including related parties)	1,865,137	412,020	2,277,157
Prepayments	16,361	571,226	587,587
Other receivables	5,321	442	5,763
Inventories	1,015,184	-	1,015,184
Other current assets	493,459	2,098	495,557
Property, plant and equipment	26,311,366	9,202,488	35,513,854
Right-of-use assets	-	963,500	963,500
Intangible assets	-	19,498	19,498
Investment property, net	452,967	-	452,967
Other non-current assets	51,867	126,959	178,826
Notes payable	-	(209)	(209)
Accounts payable (including related parties)	(8,050,914)	(113,542)	(8,164,456)
Other payables (including related parties)	(1,461,041)	(1,690,172)	(3,151,213)
Current income tax liabilities	(801,144)	-	(801,144)
Current lease liabilities	-	(23,593)	(23,593)
Other current liabilities	-	(498,105)	(498,105)
Long-term loans	-	(435,673)	(435,673)
Non-current lease liabilities	-	(656,102)	(656,102)
Other non-current liabilities	(470,463)	(36,136)	(506,599)
(Gain from bargain purchase) goodwill	(4,964,222)	44,444	(4,919,778)
	<u>\$ 24,133,200</u>	<u>\$ 8,388,927</u>	<u>\$ 32,522,127</u>
Cash paid for the acquisition	\$ 24,133,200	\$ 8,199,460	\$ 32,332,660
Fair value of equity interest in CCT held before the business combination	-	(4,017,735)	(4,017,735)
Cash and cash equivalents	(9,669,322)	(499,782)	(10,169,104)
Net cash paid for the acquisition	<u>\$ 14,463,878</u>	<u>\$ 3,681,943</u>	<u>\$ 18,145,821</u>

	EIM December 26, 2022	ESRC April 1, 2022	EGJ January 1, 2022	Total
Cash and cash equivalents	\$ 21,993	\$ 249,105	\$ 249,061	\$ 520,159
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)	4,421	86,409	1,002,862	1,093,692
Other receivables	-	853	6,236	7,089
Prepayments	479	35,254	1,414	37,147
Other current assets	12	25	77,459	77,496
Property, plant and equipment	5,256	8,095	954,646	967,997
Right-of-use assets	4,809	48,006	15,541	68,356
Investment property, net	-	-	770,652	770,652
Intangible assets	-	121,680	45,368	167,048
Other non-current assets	291	1,116	7,662	9,069
Deferred tax assets	-	21,577	7,556	29,133
Short-term loans	-	-	(649,082)	(649,082)
Accounts payable (including related parties)	(5,681)	(20,555)	(599,822)	(626,058)
Other payables (including related parties)	(19,981)	(51,027)	(125,960)	(196,968)
Current income tax liabilities	(3,149)	(6,889)	(42,579)	(52,617)
Other current liabilities	(813)	(47,795)	(832,720)	(881,328)
Current lease liabilities	(2,028)	(18,893)	(4,560)	(25,481)
Deferred income tax liabilities	-	(23,737)	(128,321)	(152,058)
Non-current lease liabilities	(2,781)	(29,293)	(10,982)	(43,056)
Other non-current liabilities	-	(95,818)	(310,985)	(406,803)
Goodwill (Gain from bargain purchase)	361	45,975	(3,863)	42,473
	<u>\$ 3,189</u>	<u>\$ 512,293</u>	<u>\$ 429,597</u>	<u>\$ 945,079</u>
Cash paid for the acquisition	\$ 2,341	\$ 192,038	\$ 429,597	\$ 623,976
Cash and cash equivalents	(21,993)	(249,105)	(249,061)	(520,159)
Net cash paid (received) for the acquisition	<u>(\$ 19,652)</u>	<u>(\$ 57,067)</u>	<u>\$ 180,536</u>	<u>\$ 103,817</u>

B. Financing activities with partial cash payments

Change in non-controlling interest

	Year ended December 31, 2023	Year ended December 31, 2022
Change in transactions with non-controlling interest	\$ 4,087,264	\$ 14,751,137
Add: Beginning balance of dividend payable	14,775,273	9,268
Add: Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets from the business combination	189,467	176,867
Less: Ending balance of dividend payable	(17,943,774)	(14,775,273)
Add: Effect of exchange rate changes	26,543	-
Cash paid during the period	<u>\$ 1,134,773</u>	<u>\$ 161,999</u>

(36) Changes in liabilities from financing activities

	Short-term loans/Short -term notes payable	Corporate bonds payable (including current portion)	Long-term borrowings (including current portion)	Guarantee deposits received	Lease liabilities and financial liabilities for hedging (including current portion)	Total liabilities from financing activities
At January 1, 2023	\$ -	\$ 6,806,154	\$ 38,193,787	\$ 777,175	\$ 106,791,333	\$ 152,568,449
Changes in cash flow from financing activities	-	(2,000,000)	(589,578)	13,853	(15,457,025)	(18,032,750)
Acquired from business combinations	-	-	933,778	6,672	679,695	1,620,145
Additions to lease liabilities	-	-	-	-	31,136,206	31,136,206
Remeasurement of lease liabilities	-	-	-	-	135,540	135,540
Changes in other non-cash items	-	(1,046,287)	-	-	-	(1,046,287)
Effect of exchange rate changes	-	-	62,473	59,539	19,036	141,048
At December 31, 2023	<u>\$ -</u>	<u>\$ 3,759,867</u>	<u>\$ 38,600,460</u>	<u>\$ 857,239</u>	<u>\$ 123,304,785</u>	<u>\$ 166,522,351</u>

	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 portion)	Total liabilities from financing activities
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	(718,099)	(4,000,000)	(20,078,711)	268,296	(16,720,320)	(41,248,834)
Acquired from business combinations	649,082	-	-	9,218	68,537	726,837
Additions to lease liabilities	-	-	-	-	16,419,578	16,419,578
Remeasurement of lease liabilities	-	-	-	-	3,852,786	3,852,786
Changes in other non-cash items	-	33,204	6,298,534	-	(6,299,484)	32,254
Effect of exchange rate changes	69,017	-	3,188,235	50,798	10,522,118	13,830,168
At December 31, 2022	\$ -	\$ 6,806,154	\$ 38,193,787	\$ 777,175	\$ 106,791,333	\$ 152,568,449

7. RELATED PARTY TRANSACTIONS

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

Names of related parties	Relationship with the Group
Evergreen International Storage and Transport Corp. (EITC)	Associate
Eva Airways Corp. (EVA)	Associate
Evergreen Security Corp. (ESRC)	Associate
Chang Yang Development Co., Ltd. (CYD)	(A subsidiary since April 1, 2022)
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
Balsam Investment (Netherlands) B.V. (Balsam B.V.)	Associate
Italia Marittima S.p.A. (ITS)	Associate
Colon Container Terminal S.A. (CCT)	Associate
PT. Evergreen Shipping Agency Indonesia (EMI)	(A subsidiary since January 1, 2023)
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
Shanghai Shengrong International Container Development Co., Ltd (SSICD)	Associate

Names of related parties	Relationship with the Group
Evergreen Steel Corp. (EGST)	Other related party (An associate since November 4, 2022)
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
Ever 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 Logistics (Shanghai) Limited. (EILCSH)	Other related party
Ever Reward Logistics Corporation (ERLY)	Other related party
Hsin Yung Enterprise Corporation (HYEC)	Other related party
Ming Yu Investment Co., Ltd. (MYI)	Other related party
Pan Asia International Shipping Limited (PAISL)	Other related party
Evergreen Laurel Hotel Shanghai (ELHS)	Other related party
Evergreen Laurel Hotel Penang (ELHM)	Other related party
Super Max Engineering Enterprise Co., Ltd (SMEE)	Other related party
Everfamily International Foods Corp. (EFIF)	Other related party
Evergreen International S.A.(EIS)	Other related party
Evergreen Marine (Singapore) Pte. Ltd.(EMS)	Other related party (A subsidiary since July 14, 2023)
Gaining Enterprise S.A. (GESA)	Other related party
Evergreen Insurance Company Ltd. (EINS)	Other related party
Evergreen Shipping Agency (America) Corporation (EGA)	Other related party
Evergreen Shipping Agency (Japan) Corporation (EGJ)	Other related party (A subsidiary since January 1, 2022)
Evergreen International Myanmar Co., Ltd. (EIM)	Other related party (A subsidiary since December 26, 2022)
Advanced Business Process, Inc. (ABPI)	Other related party
Evergreen Logistics Philippines Corp. (ELCP)	Other related party
Round the World S.A. (RTW)	Other related party
Evergreen Logistics Co., Ltd. (ELCSH)	Other related party
Evergreen Logistics (HK) Ltd. (ELCHK)	Other related party
Evergreen Logistics USA Corp. (RTWL)	Other related party
Evergreen Logistics (Thailand) Co., Ltd. (ELCTH)	Other related party
Evergreen Logistics Vietnam Company Ltd. (ELCVN)	Other related party

Names of related parties	Relationship with the Group
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
Evergreen International Logistics (Korea) Co., Ltd. (ELCKR)	Other related party
Evergreen Logistics (Cambodia) Co., Ltd. (ELCKH)	Other related party
Directors, General Manager and Vice General Manager	Key management

(2) Significant transactions with related party

A. Operating revenue:

	Year ended December 31, 2023	Year ended December 31, 2022
Associates	\$ 1,717,404	\$ 2,510,215
Other related parties	7,160,053	21,873,999
	<u>\$ 8,877,457</u>	<u>\$ 24,384,214</u>

The business terms of the group to related parties are not significantly difference from those of sales to non-related parties.

B. Operating cost and expense:

	Year ended December 31, 2023	Year ended December 31, 2022
Associates	\$ 7,840,961	\$ 7,928,018
Other related parties	5,611,699	12,045,436
	<u>\$ 13,452,660</u>	<u>\$ 19,973,454</u>

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

C. Receivables from related parties:

	December 31, 2023	December 31, 2022
Accounts receivable:		
Associates	\$ 63,996	\$ 99,807
Other related parties	1,510,433	1,748,143
Subtotal	<u>\$ 1,574,429</u>	<u>\$ 1,847,950</u>
Other receivables:		
Associates	\$ 1,941	\$ 5,552
Other related parties	20,132	84,100
Subtotal	<u>\$ 22,073</u>	<u>\$ 89,652</u>
Total	<u>\$ 1,596,502</u>	<u>\$ 1,937,602</u>

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest. Expected credit losses are accrued and recognised for the receivables from related parties.

D. Payables to related parties:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accounts payable:		
Associates	\$ 229,490	\$ 577,086
Other related parties	<u>155,273</u>	<u>92,729</u>
Subtotal	<u>\$ 384,763</u>	<u>\$ 669,815</u>
Other payables:		
Associates	\$ 101,653	\$ 4,260
Other related parties	<u>18,015,873</u>	<u>14,919,756</u>
Subtotal	<u>\$ 18,117,526</u>	<u>\$ 14,924,016</u>
Total	<u>\$ 18,502,289</u>	<u>\$ 15,593,831</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>Year ended December 31, 2023</u>	<u>Year ended December 31, 2022</u>
Other related parties	<u>\$ 6,507,912</u>	<u>\$ 488,296</u>

- i. The above transaction price is based on market value and mutual agreement.
- ii. On December 22, 2022, the Board of Directors of the Company resolved to purchase the land and buildings with the amount of \$4,743,000 from the other related party, Evergreen International Corp., of which the land and buildings is located in Luzhu District, Taoyuan City, including Land No.672, 673 and 679 of Nanxing Section, Land No.401, 401-1, 402 ~ 405, 548, 549, 549-1, 550, 551 and 551-1 of Nanrong Section, Building serial No. 582 of Nanxing Section and Building serial No. 176 and 176-1 of Nanrong Section. Additionally, for the year ended December 31, 2022, the Company paid the prepayment amounting to \$3,716,218, which was recorded as other non-current assets. The transfer of land and buildings was completed on February 17, 2023.

(b) Disposal of property, plant and equipment:

	Year ended December 31, 2023		Year ended December 31, 2022	
	Disposal proceeds	Gain on disposal	Disposal proceeds	Gain on disposal
Associates	\$ 36,000	\$ 21,458	\$ 2,587,995	\$ 287,354
Other related parties	-	-	6	-
	<u>\$ 36,000</u>	<u>\$ 21,458</u>	<u>\$ 2,588,001</u>	<u>\$ 287,354</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. The rental expenses are paid in accordance with the contract terms.

(b) Acquisition of right-of-use assets

The Group leased ships from other related parties for the year ended December 31, 2023 and increased right-of-use assets by \$23,039,625.

(c) Lease liabilities

i. Outstanding balance:

	December 31, 2023	December 31, 2022
Associates	\$ 11,608	\$ 3,802
Other related parties	642,169	1,051,910
	<u>\$ 653,777</u>	<u>\$ 1,055,712</u>

ii. Interest expense:

	Year ended December 31, 2023	Year ended December 31, 2022
Associates	\$ 695	\$ 47
Other related parties	22,314	27,826
	<u>\$ 23,009</u>	<u>\$ 27,873</u>

G. Agency accounts:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Debit balance of agency accounts:		
Associates	\$ 79,900	\$ -
Other related parties	<u>124</u>	<u>856</u>
	<u>\$ 80,024</u>	<u>\$ 856</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Credit balance of agency accounts:		
Associates	\$ -	(\$ 56,109)
Other related parties		
-EGA	(841,976)	(126,803)
-Other	<u>-</u>	<u>(2,894)</u>
	<u>(\$ 841,976)</u>	<u>(\$ 185,806)</u>

H. Shipowner's accounts:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Debit balance of shipowner's accounts:		
Other related parties		
-GESA	\$ 6,740	\$ 7,288
-EIS	<u>-</u>	<u>208,343</u>
	<u>\$ 6,740</u>	<u>\$ 215,631</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Credit balance of shipowner's accounts:		
Associates		
-ITS	(\$ 349,122)	(\$ 127,899)
Other related parties		
-EIS	(1,252,877)	-
-EMS	<u>-</u>	<u>(3,030,442)</u>
	<u>(\$ 1,601,999)</u>	<u>(\$ 3,158,341)</u>

I. Loans to/from related parties:

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

i. Outstanding balance:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Associates	\$ -	\$ 773,653

ii. Interest income:

	Year ended December 31, 2023	Year ended December 31, 2022
Associates	\$ -	\$ 20,874

No interest was paid for the year ended December 31, 2023. Interest income was received at floating rates for the year ended December 31, 2022.

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

i. Outstanding balance:

	December 31, 2023	December 31, 2022
Other related parties	\$ 9,534	\$ 9,843

ii. Interest expense:

	Year ended December 31, 2023	Year ended December 31, 2022
Other related parties	\$ 641	\$ -

Interest expense was paid at floating rates for the year ended December 31, 2023. No interest was paid for the year ended December 31, 2022.

- J. 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).
- K. 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.
- L. On December 15, 2022, the Board of Directors of the subsidiary, EMA, approved to acquire 51% equity interests of EIM from the other related party, EMS. The transaction date was December 26, 2022, and the transaction price amounted to \$1,706 (approx. USD 55.65).
- M. On November 4, 2022, the Board of Directors of the subsidiary, EMA, approved to acquire 51% of the equity interests in CCT from its original shareholders, Ally, for a transaction price of \$4,181,725 (approx. USD 136,680). Taking into consideration the organization structure of the Group, EMA acquired 9% and 40% of the equity interests in EGH and CLOVE, respectively, for a transaction price of \$4,017,735 (approx. USD 131,320) and obtained the control over CCT. The transaction date was January 1, 2023.
- N. On December 22, 2022, the Board of Directors of the Company approved to acquire 14,636 thousand shares (shareholding amounting to 10%) of CYD from the other related party, EIC. The transaction date was January 1, 2023 and the transaction price amounted to \$450,000.
- O. On May 12, 2023, the Board of Directors of the Company approved to acquire 2,200 thousand shares (shareholding amounting to 22%) of TTSC from the other related party, EIC. The transaction date was June 1, 2023 and the transaction price amounted to \$37,500.

P. On June 19, 2023, the Board of Directors of the subsidiary, EMA, resolved to acquire 100% of the equity interests in EMS from its original shareholders, EIS, for a transaction price of \$24,133,200 (approx. USD 780,000), and obtained the control over EMS. The transaction date was July 14, 2023.

Q. On November 9, 2023, the Board of Directors of the subsidiary, EMA, resolved to acquire 20% of the equity interests in KTIL from its original shareholder, ITS, for a transaction price of \$95,985 (approx. USD 3,132). The transaction date was December 31, 2023.

(3) Key management compensation

	Year ended December 31, 2023	Year ended December 31, 2022
Short-term employee benefits	\$ 307,533	\$ 486,600
Post-employment benefits	5,194	5,796
	<u>\$ 312,727</u>	<u>\$ 492,396</u>

8. PLEDGED ASSETS

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

Pledged assets	Book value		Purpose
	December 31, 2023	December 31, 2022	
Financial assets at amortised cost			
- Pledged time deposits	\$ 280,967	\$ 303,408	Performance guarantee
Property, plant and equipment			
-Land	1,925,780	1,968,406	Long-term loan
-Buildings	475,625	612,008	"
-Loading and unloading equipment	1,080,808	1,202,918	"
-Ships	39,154,761	40,999,314	"
Investment property			
-Land	1,060,044	1,096,391	Long-term loan
-Buildings	577,162	1,185,249	"
	<u>\$ 44,555,147</u>	<u>\$ 47,367,694</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. As of December 31, 2023 and 2022, the Group had delegated the bank to issue Standby Letter of Credit as guarantee all amounting to USD 5,000.

- B. As of December 31, 2023 and 2022, 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 \$158,865,530 and \$143,518,497, respectively, and the unutilized credit was \$120,188,403 and \$105,226,360, respectively.
- C. As of December 31, 2023 and 2022, the amount of guaranteed notes issued by the Group for loans borrowed were \$102,355,246 and \$85,457,191, respectively.
- D. To meet its operational needs, the Group signed the shipbuilding contracts. As of December 31, 2023, the total price of the contracts, wherein the vessels have not yet been delivered amounted to USD 8,251,021, of which USD 6,437,534 remain unpaid.
- E. To meet its operational needs, the Group signed the loading and unloading equipment purchase contracts. As of December 31, 2023, the total price of the contracts, wherein the equipment has not yet been delivered, amounted to USD 451,595, of which USD 187,340 remain unpaid.
- F. To meet its operational needs, the Group signed the transportation equipment purchase contracts. As of December 31, 2023, the total price of the contracts, wherein the equipment has not yet been delivered, amounted to USD 7,924, of which USD 4,765 remain unpaid.
- G. For the Group's lease contracts which were entered into but not yet completed, as of December 31, 2023, the expected minimum lease payment in the future was \$6,746,280.
- H. As of December 31, 2023, 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

- A. The appropriation of earnings was resolved by the Company's Board of Directors on March 14, 2024. Information about appropriation of earnings is provided in Note 6(21).
- B. To increase gain on investments, give priority to the port loading and unloading operations of huge vessel of the Group and strengthen bargaining chips with other shareholders, on January 31, 2024, the Company's Board of Directors resolved to acquire 5.84% equity interests (30,361 thousand shares) of TPCT from the other related party, EIS, for a transaction price of \$401,850. The shareholding ratio of the Company in TPCT increased from 27.85% to 33.69% after the acquisition.
- C. To meet the operational needs, on January 31, 2024, the Board of Directors of the subsidiary, EMU, resolved to acquire property from the other related party, EIS, for a transaction price of GBP 53,000.
- D. To strengthen the operational layout in Europe and expand business scope, on January 31, 2024, the Board of Directors of the subsidiary, EMA, resolved to acquire 100% equity interests of ITS from the associate, Balsam B.V., for a transaction price of EUR 405,000 (approx. \$13,614,118), and obtained the control over ITS. The transaction date was February 7, 2024.

The following table summarises the consideration paid for ITS and the fair values of the initial identification of assets acquired and liabilities assumed at the acquisition date:

	ITS <u>February 7, 2024</u>
Purchase consideration	
Cash paid	\$ 6,943,200
Fair value of equity interest in ITS held before the business combination	<u>6,670,918</u>
	<u>13,614,118</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	12,411,462
Accounts receivable, net (including related parties)	651,995
Other receivables	175,381
Current income tax assets	206,131
Inventories	274,151
Prepayments	124,750
Other current assets	194,092
Property, plant and equipment, net	4,526,496
Right-of-use assets	458,295
Intangible assets	48,211
Other non-current assets	3,901
Contract liabilities	(102,572)
Accounts payable (including related parties)	(934,813)
Other payables (including related parties)	(103,144)
Other current liabilities	(606,699)
Other non-current liabilities	(207,552)
Total identifiable net assets	<u>17,120,085</u>
Gain from bargain purchase	<u>(\$ 3,505,967)</u>

Had ITS been acquired from January 1, 2024, the Group's operating revenue and profit before income tax for the period from January 1 to 31, 2024 would increase by \$570,757 and \$275,710, respectively.

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>December 31, 2023</u>	<u>December 31, 2022</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	\$ 460,271	\$ -
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	\$ 2,050,788	\$ 1,581,495
Financial assets at amortised cost		
Cash and cash equivalents	\$ 170,229,777	\$ 392,346,479
Financial assets at amortised cost	21,451,197	42,989,430
Notes receivable	74,003	91,436
Accounts receivable	20,625,783	25,709,491
Other accounts receivable	1,052,508	2,213,266
Guarantee deposits paid	334,828	315,012
Finance lease receivable	10,931	-
	<u>\$ 213,779,027</u>	<u>\$ 463,665,114</u>
Financial assets for hedging	<u>\$ 4,526,758</u>	<u>\$ 8,461,308</u>

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	\$ -	\$ 10,460
Financial liabilities at amortised cost		
Notes payable	\$ 64	\$ -
Accounts payable	35,641,730	46,227,705
Other accounts payable	26,213,617	26,860,379
Bonds payable (including current portion)	3,759,867	6,806,154
Lease payable (including current portion)	108,218,705	89,915,657
Long-term borrowings (including current portion)	38,600,460	38,193,787
Guarantee deposits received	857,239	777,175
	<u>\$ 213,291,682</u>	<u>\$ 208,780,857</u>
Financial liabilities for hedging (including current portion)	<u>\$ 15,086,080</u>	<u>\$ 16,875,676</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:

	December 31, 2023		
	Foreign currency amount	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,032,580	30.6500	\$ 31,648,577
JPY:NTD	601,648	0.2165	3,992,371
GBP:USD	3,783	1.2740	147,719
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,194,189	30.6500	\$ 36,601,893
CNY:USD	299,297	0.1407	1,290,705
HKD:USD	96,535	0.1279	378,430
GBP:USD	6,063	1.2740	236,749
EUR:USD	5,894	1.1079	200,143
INR:NTD	475,398	0.3684	175,137

	December 31, 2022		
	Foreign currency amount	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,281,995	30.5950	\$ 39,222,637
EUR:USD	4,445	1.0658	144,943
GBP:USD	6,834	1.2053	252,012
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 1,531,914	30.5950	\$ 46,868,909
CNY:USD	297,948	0.1436	1,309,017
EUR:USD	6,643	1.0658	216,616
HKD:USD	113,753	0.1282	446,171
GBP:USD	7,362	1.2053	271,482

- 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 years ended December 31, 2023 and 2022 amounted to \$2,152,007 and \$12,401,950, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 271,218	\$ 45,268
JPY:NTD	1%	39,924	-
GBP:USD	1%	1,477	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 215,158	\$ 150,861
CNY:USD	1%	12,907	-
HKD:USD	1%	3,784	-
GBP:USD	1%	2,367	-
EUR:USD	1%	2,001	-
INR:USD	1%	1,751	-

	Year ended December 31, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 307,613	\$ 84,613
EUR:USD	1%	1,449	-
GBP:USD	1%	2,520	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 299,932	\$ 168,757
CNY:USD	1%	13,090	-
EUR:USD	1%	2,166	-
HKD:USD	1%	4,462	-
GBP:USD	1%	2,715	-

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 \$19,144 and \$15,496 for the years ended December 31, 2023 and 2022, 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 years ended December 31, 2023 and 2022, the Group's borrowings at variable rate were denominated in the NTD and USD.

ii. At December 31, 2023 and 2022, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have been \$258,437 and \$271,247 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 December 31, 2023 and 2022, 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 December 31, 2023 and 2022, the loss rate methodology is as follows:

Notes receivable			
<u>December 31, 2023</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 74,020	0.0000%~0.5000%	\$ 17
Accounts receivable (including related parties)			
<u>December 31, 2023</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 17,168,127	0.0000%~0.4925%	\$ 10,832
Up to 30 days	3,238,265	0.0100%~0.1392%	2,655
31 to 180 days	234,407	0.0017%~0.5987%	1,529
	<u>\$ 20,640,799</u>		<u>\$ 15,016</u>
Contract assets			
<u>December 31, 2023</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 1,438,424	0.0508%~0.0547%	\$ 839
Notes receivable			
<u>December 31, 2022</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 91,456	0.0001%~0.5000%	\$ 20
Accounts receivable (including related parties)			
<u>December 31, 2022</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 20,837,419	0.0000%~0.5839%	\$ 3,509
Up to 30 days	4,416,850	0.0037%~0.4381%	1,226
31 to 180 days	461,801	0.0061%~1.9400%	1,844
	<u>\$ 25,716,070</u>		<u>\$ 6,579</u>
Contract assets			
<u>December 31, 2022</u>	<u>Total book value</u>	<u>Expected loss rate</u>	<u>Loss allowance</u>
Not past due	\$ 1,749,276	0.0001%~0.1056%	\$ 348

- 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:

	2023		
	Notes receivable	Accounts receivable	Contract assets
At January 1	(\$ 20)	(\$ 6,579)	(\$ 348)
Provision for impairment	-	(10,528)	(516)
Reversal of impairment loss	3	681	18
Effect of foreign exchange	-	1,410	7
At December 31	<u>(\$ 17)</u>	<u>(\$ 15,016)</u>	<u>(\$ 839)</u>

	2022		
	Notes receivable	Accounts receivable	Contract assets
At January 1	\$ -	(\$ 4,494)	\$ -
Business Combination	(18)	(221)	-
Provision for impairment	(2)	(5,973)	(339)
Reversal of impairment loss	-	4,359	-
Effect of foreign exchange	-	(250)	(9)
At December 31	<u>(\$ 20)</u>	<u>(\$ 6,579)</u>	<u>(\$ 348)</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:

December 31, 2023	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	\$ 64	\$ -	\$ -	\$ -	\$ -	\$ 64
Accounts payable	34,819,999	436,968	-	-	-	35,256,967
Accounts payable - related parties	183,939	200,824	-	-	-	384,763
Other payables	5,614,919	2,471,638	-	-	-	8,086,557
Other payables - related parties	121,933	17,995,593	-	-	9,534	18,127,060
Bonds payable (including current portion)	-	3,759,867	-	-	-	3,759,867
Long-term loans (including current portion)	3,652,571	4,865,643	7,255,803	18,203,918	11,238,553	45,216,488
Lease payable and financial liabilities for hedging (including current portion)	4,614,727	12,985,815	22,096,095	41,833,202	55,083,327	136,613,166

Non-derivative financial liabilities:

December 31, 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
Accounts payable	\$44,831,476	\$ 726,414	\$ -	\$ -	\$ -	\$ 45,557,890
Accounts payable - related parties	301,532	368,283	-	-	-	669,815
Other payables	9,188,399	2,738,121	-	-	-	11,926,520
Other payables - related parties	14,921,939	2,077	-	-	9,843	14,933,859
Bonds payable (including current portion)	-	2,017,200	4,981,000	-	-	6,998,200
Long-term loans (including current portion)	1,762,881	4,668,601	6,301,383	17,354,560	15,225,444	45,312,869
Lease payable and financial liabilities for hedging (including current portion)	3,719,162	11,181,100	13,251,810	35,645,127	53,227,331	117,024,530

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

(3) Fair value estimation

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

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

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

Level 3: Unobservable inputs for the asset or liability.

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

	December 31, 2023		
	Book value	Fair value Level 2	Fair value Level 3
Financial liabilities:			
Bonds payable (including current portion)	\$ 3,759,867	\$ 3,759,867	\$ -
Long-term loans (including current portion)	38,600,460	-	44,839,291
	<u>\$ 42,360,327</u>	<u>\$ 3,759,867</u>	<u>\$ 44,839,291</u>

	December 31, 2022		
	Book value	Fair value	Fair value
			Level 2
Financial liabilities:			
Bonds payable (including current portion)	\$ 6,806,154	\$ 4,806,154	\$ 2,005,640
Long-term loans (including current portion)	38,193,787	-	46,103,871
	<u>\$ 44,999,941</u>	<u>\$ 4,806,154</u>	<u>\$ 48,109,511</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:

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 451,019	\$ -	\$ -	\$ 451,019
Derivative instruments	-	9,252	-	9,252
Financial assets at fair value through other comprehensive income				
Equity securities	1,149,422	-	901,366	2,050,788
	<u>\$ 1,600,441</u>	<u>\$ 9,252</u>	<u>\$ 901,366</u>	<u>\$ 2,511,059</u>
December 31, 2022	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ 847,730	\$ -	\$ 733,765	\$ 1,581,495
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	\$ -	\$ 10,460	\$ -	\$ 10,460

(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>	<u>Open-end fund</u>
Market quoted price	Closing price	Net asset value

- 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 years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
At January 1	\$ 733,765	\$ 644,841
Gains and losses recognised in other comprehensive income (Note)	169,138	88,924
Proceeds from capital reduction in the year	(1,537)	-
At December 31	<u>\$ 901,366</u>	<u>\$ 733,765</u>

Note: 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 years ended December 31, 2023 and 2022, 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 December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 894,594	Market comparable companies	Price to earnings ratio multiple	10.82~34.78	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.43~3.97	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, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 726,993	Market comparable companies	Price to earnings ratio multiple	9.40~35.89	The higher the multiple and control premium, the higher the fair value
			Price to book ratio multiple	0.41~3.66	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:

		December 31, 2023					
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability		±1%	\$ -	\$ -	\$ 8,946	\$ 8,946
				December 31, 2022			
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Price to earnings ratio/ price to book ratio/ discount for lack of marketability		±1%	\$ -	\$ -	\$ 7,270	\$ 7,270

(4) The restricted account of the Group which was originally recorded as ‘financial assets at amortised cost’ was the undrawn balance in the fund account remitted back for meeting ‘The Management, Utilisation, and Taxation of Repatriated Offshore Funds Act’. The abovementioned undrawn balance in the fund account was reclassified as ‘cash and cash equivalents’ according to the regulation of IFRS Q&A amended by the competent authority on January 5, 2024. The account for the prior period was also reclassified for comparison. The reclassification had no impact to the earnings per share for the year ended December 31, 2022 and the total assets and total liabilities on December 31, 2022.

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: Please refer to table 4.

E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.

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 6.

H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.

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

J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(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 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

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 11.

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:

	Year ended December 31, 2023			
	Transportation Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	\$ 275,987,284	\$ 727,541	\$ -	\$ 276,714,825
Revenue from internal customers	84,006,593	-	(84,006,593)	-
Segment revenue	359,993,877	727,541	(84,006,593)	276,714,825
Interest income	13,779,004	599,988	-	14,378,992
Interest expense	(4,901,813)	(46,859)	-	(4,948,672)
Depreciation and amortisation	(33,497,874)	(366,236)	-	(33,864,110)
Share of (loss) income of associates and joint ventures accounted for using equity method	4,725,953	1,255,196	-	5,981,149
Other items	(193,052,020)	(1,038,207)	-	(194,090,227)
Segment profit	<u>\$ 147,047,127</u>	<u>\$ 1,131,423</u>	<u>(\$ 84,006,593)</u>	<u>\$ 64,171,957</u>
Recognisable assets	\$ 681,824,470	\$ 11,684,742	\$ -	\$ 693,509,212
Investments accounted for using equity method	28,974,342	9,347,204	-	38,321,546
Segment assets	<u>\$ 710,798,812</u>	<u>\$ 21,031,946</u>	<u>\$ -</u>	<u>\$ 731,830,758</u>
Segment liabilities	<u>\$ 258,705,283</u>	<u>\$ 2,330,625</u>	<u>\$ -</u>	<u>\$ 261,035,908</u>

	Year ended December 31, 2022			
	Transportation Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	\$ 626,256,714	\$ 1,027,047	\$ -	\$ 627,283,761
Revenue from internal customers	89,409,623	-	(89,409,623)	-
Segment revenue	715,666,337	1,027,047	(89,409,623)	627,283,761
Interest income	6,288,240	91,574	-	6,379,814
Interest expense	(3,248,522)	(6,826)	-	(3,255,348)
Depreciation and amortisation	(27,431,470)	(327,320)	-	(27,758,790)
Share of (loss) income of associates and joint ventures accounted for using equity method	2,943,629	6,091,131	-	9,034,760
Other items	(210,248,225)	(2,011,494)	-	(212,259,719)
Segment profit (loss)	<u>\$ 483,969,989</u>	<u>\$ 4,864,112</u>	<u>(\$ 89,409,623)</u>	<u>\$ 399,424,478</u>
Recognisable assets	\$ 826,349,405	\$ 17,514,506	\$ -	\$ 843,863,911
Investments accounted for using equity method	32,432,543	11,215,603	-	43,648,146
Segment assets	<u>\$ 858,781,948</u>	<u>\$ 28,730,109</u>	<u>\$ -</u>	<u>\$ 887,512,057</u>
Segment liabilities	<u>\$ 303,443,677</u>	<u>\$ 1,518,345</u>	<u>\$ -</u>	<u>\$ 304,962,022</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.

(4) Trading information

Service routes	Year ended December 31, 2023		Year ended December 31, 2022	
	Amount	% of Account Balance	Amount	% of Account Balance
North America	\$ 107,410,709	42	\$ 258,596,015	43
Europe	66,492,343	26	192,443,546	32
Asia	48,590,559	19	78,180,190	13
Others	33,246,172	13	72,166,330	12
	<u>\$ 255,739,783</u>	<u>100</u>	<u>\$ 601,386,081</u>	<u>100</u>

(5) Geographical information

<u>Service routes</u>	<u>Year ended December 31, 2023</u>		<u>Year ended December 31, 2022</u>	
	<u>Revenue</u>	<u>Non-current assets</u>	<u>Revenue</u>	<u>Non-current assets</u>
Taiwan	\$ 44,677,966	\$ 98,139,644	\$ 115,388,505	\$ 91,985,902
America	6,691,690	124,052,498	6,850,992	123,018,688
Europe	2,910,939	34,237,252	4,021,492	37,374,777
Asia	222,038,067	195,631,050	500,410,776	102,662,284
Others	396,163	34,545	611,996	28,326
	<u>\$ 276,714,825</u>	<u>\$ 452,094,989</u>	<u>\$ 627,283,761</u>	<u>\$ 355,069,977</u>

(6) Major customer information

The Group provides services to customers all over the world. No single customer of the Group accounts for more than 10% of the Group's operating revenues.

Evergreen Marine Corporation (Taiwan) Ltd.
Loans to others
For the year ended December 31, 2023

Table 1

Expressed in thousands of New Taiwan Dollars

Number (Note 1)	Creditor	Borrower	Financial statement account (Note 2)	Is a related party	Maximum outstanding balance for the year (Note 3)	Balance at December 31, 2023 (Note 8)	Amount actually drawn	Interest rate	Nature of loan (Note 4)	Amount of transactions with borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for bad 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.	Whitney Equipment LLC.	Other receivables-related parties	Yes	\$ 183,750	\$ -	\$ -	0.00000%	2	\$ -	Working capital requirement	\$ -	None	\$ -	\$ 32,134,377	\$ 40,167,971	(Note9)
1	Peony Investment S.A.	Evergreen Argentina S.A.	Other receivables-related parties	Yes	5,980	5,670	5,670	5.34835%~ 5.35270%	2	-	Working capital requirement	-	None	-	16,067,188	32,134,377	(Note9)
2	Evergreen Marine (Hong Kong) Ltd.	Evergreen Argentina S.A.	Other receivables-related parties	Yes	5,253	-	-	0.00000%	2	-	Working capital requirement	-	None	-	13,469,932	26,939,865	(Note9)
3	Everport Terminal Services Inc.	Whitney Equipment LLC.	Other receivables-related parties	Yes	355,575	337,150	337,150	6.46887%	2	-	Working capital requirement	-	None	-	1,840,417	2,300,521	(Note9)
4	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Business Process Inc.	Other receivables-related parties	Yes	130,076	61,300	61,300	5.75107%	2	-	Working capital requirement	-	None	-	82,290,623	102,863,278	(Note9)
4	Evergreen Marine (Asia) Pte. Ltd.	Colon Container Terminal S.A.	Other receivables-related parties	Yes	2,278,913	2,160,825	2,160,825	6.44835%~ 6.45270%	2	-	Working capital requirement	-	None	-	82,290,623	102,863,278	(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 for the year ended December 31, 2023.

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

PEONY : USD 2,621,075 * 30.6500 * 20% = 16,067,188

Evergreen Marine (Hong Kong) Ltd. : USD 2,197,379 * 30.6500 * 20% = 13,469,932

Between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, that the total amount of loans granted to should not exceed 40% of the creditor's net worth stated in its latest financial statements.

PEONY : USD 2,621,075 * 30.6500 * 40% = 32,134,377

Everport Terminal Services Inc. : USD 150,116 * 30.6500 * 40% = 1,840,417

Evergreen Marine (Asia) Pte. Ltd. : USD 6,712,123 * 30.6500 * 40% = 82,290,623

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

PEONY : USD 2,621,075 * 30.6500 * 40% = 32,134,377

Evergreen Marine (Hong Kong) Ltd. : USD 2,197,379 * 30.6500 * 40% = 26,939,865

Between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, that the total amount of loans granted should not exceed 50% of the creditor's net worth stated in its latest financial statements.

PEONY : USD 2,621,075 * 30.6500 * 50% = 40,167,971

Everport Terminal Services Inc. : USD 150,116 * 30.6500 * 50% = 2,300,521

Evergreen Marine (Asia) Pte. Ltd. : USD 6,712,123 * 30.6500 * 50% = 102,863,278

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 drawn down. 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 be 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: Intra-group transactions are eliminated in full on consolidation.

Evergreen Marine Corporation (Taiwan) Ltd.
Provision of endorsements and guarantees to others
For the year ended December 31, 2023

Table 2

Expressed in thousands of New Taiwan Dollars

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 for the year (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Amount actually drawn (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	\$ 879,798,032	\$ 28,036,062	\$ 25,609,607	\$ 16,391,442	\$ -	5.82%	\$ 1,099,747,540	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	2	879,798,032	808,125	766,250	-	-	0.17%	1,099,747,540	Y	N	N	
0	Evergreen Marine Corporation	Everport Terminal Services Inc.	2	879,798,032	2,015,125	1,863,520	864,251	-	0.42%	1,099,747,540	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	2	879,798,032	92,908,515	89,013,730	-	-	20.24%	1,099,747,540	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	2	879,798,032	8,655,781	8,207,260	6,026,922	-	1.87%	1,099,747,540	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Heavy Industrial Corp. (M) Berhad	2	879,798,032	1,583,213	1,501,175	804,293	-	0.34%	1,099,747,540	Y	N	N	

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 for the year (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2023 (Note 5)	Amount actually drawn (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	\$ 411,453,113	\$ 1,498,653	\$ 1,407,007	\$ 609,671	\$ -	0.68%	\$ 514,316,392	N	N	N	
2	Colon Container Terminal S.A.	Colon Logistics Park, S.A.	2	16,633,948	310,320	294,240	294,240	-	3.54%	20,792,435	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 seven categories; fill in the number of category each case belongs to:

(1) Having business relationship.

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

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

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

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

(6) All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to its ownership.

(7) Parties 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 "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.

According to the credit policy of the Company, the calculation for total amount of endorsements/guarantees is as follows:

Ceiling on total amount of endorsements/guarantees: $439,899,016 * 250\% = 1,099,747,540$

Limit on endorsement or guarantees provided by the Company for a single party is \$219,949,508 (Amounting to 50% of its net worth).

(When the Company owns more than 50% voting shares of the party being endorsed/guaranteed, the limit on endorsement or guarantee provided by the Company should not exceed 200% of its net worth, which equals to \$879,798,032.)

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: $USD 6,712,123 * 30.6500 * 250\% = 514,316,392$

Limit on endorsements or guarantees provided for a single entity : 411,453,113 (Amounting to 200% of its net worth).

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

Ceiling on total amount of endorsements/guarantees: $USD 271,353 * 30.6500 * 250\% = 20,792,435$

Limit on endorsements or guarantees provided for a single entity : 16,633,948 (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 of the Company or the chairman if the chairman has been authorised by the Board of Directors of the Company.

Note 6: Fill in the actual amount drawdown under endorsements/guarantees by the party being endorsed/guaranteed.

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.

Marketable securities held at the end of the period (excluding subsidiaries, associates and joint ventures)

For the year ended December 31, 2023

Table 3

Expressed in thousands of shares/thousands of New Taiwan Dollars/thousands of foreign currency

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	Financial statement account	As of December 31, 2023				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.		"	45	23,834	1.376%	23,834	
	TopLogis, Inc.		"	2,464	32,422	17.48%	32,422	
	Ever Accord Construction Corp.	Other related party	"	11,550	212,842	17.50%	212,842	
	Central Reinsurance Corp.	Other related party	"	49,866	1,149,422	6.23%	1,149,422	
	Financial bonds:							
	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 1,437	5.27%	USD 1,437	
	South Asia Gateway Terminals (Private) Ltd.		"	18,942	USD 18,955	5.00%	USD 18,955	
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	
Evergreen Shipping Agency (Argentina) S.A.	Galicia Fima Premium		Financial asset measured at fair value through profit or loss - current	119,892	ARS 4,877,586	-	ARS 4,877,586	
	Santander Super Ahorro		"	610,974	ARS 4,877,440	-	ARS 4,877,440	
	Supervielle Premier Renta CP en Pesos		"	502,269	ARS 4,879,985	-	ARS 4,879,985	
	Criteria Promissory Notes		Financial asset measured at amortised cost - current	500	ARS 414,125	-	ARS 414,125	

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.

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.

Acquisition or disposal of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
For the year ended December 31, 2023

Table 4

Expressed in thousands of shares/thousands of New Taiwan Dollars

Investor	Marketable securities (Note 1)	Financial statement account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Balance as at January 1, 2023		Acquisition (Note 3)		Disposal (Note 3)				Balance as at December 31, 2023		Footnote
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Evergreen Marine Corporation	Stock:														
	Chang Yang Development Co.,Ltd.	Investments accounted for using equity method	Evergreen International Corp.	Other related party	58,542	\$ 320,000	14,636	\$ 450,000	-	\$ -	\$ -	\$ -	73,178	\$ 770,000	(Note 5)
	Eva Airways Corp.	Investments accounted for using equity method			776,541	11,276,823	-	-	375,402	13,046,838	5,451,536	6,260,209	401,139	5,825,287	(Note 5, 6, 7)
Evergreen Marine (Asia) Pte. Ltd.	Stock:														
	Colon Container Terminal S.A.	Investments accounted for using equity method	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	-	-	5,144	USD 24,120	-	-	-	-	5,144	USD 24,120	(Note 5)
	"	"	Clove Holding Ltd.	Subsidiary	-	-	22,860	USD 107,200	-	-	-	-	22,860	USD 107,200	(Note 5)
	"	"	ALLY Holding Ltd	Other related party	-	-	29,146	USD 136,680	-	-	-	-	29,146	USD 136,680	(Note 5)
	Evergreen Marine (Singapore) Pte. Ltd.	Investments accounted for using equity method	Evergreen International S.A.	Other related party	-	-	610,000	USD 780,000	-	-	-	-	610,000	USD 780,000	(Note 5)
Evergreen Marine (Hong Kong) Ltd.	Stock:														
	Colon Container Terminal S.A.	Investments accounted for using equity method	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	5,144	USD 15,600	-	-	5,144	USD 24,120	USD 15,600	USD 911	-	-	(Note 6)
Clove Holding Ltd. (Clove)	Stock:														
	Colon Container Terminal S.A.	Investments accounted for using equity method	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	22,860	USD 31,045	-	-	22,860	USD 107,200	USD 31,045	USD 4,047	-	-	(Note 6)

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company.

Note 5: The amounts were investment costs. Refer to Note 6(8) and Table 9 for the information on their carrying amounts.

Note 6: Gains (losses) on disposal include adjustments in investment income or loss and adjustments in changes of net value.

Note 7: The securities were disposed through stock exchange market. Refer to Note 6(8) for relevant information.

Evergreen Marine Corporation (Taiwan) Ltd.

Acquisition of real estate with the accumulated cost reaching NT\$300 million or 20% of the Company's paid-in capital or more

For the year ended December 31, 2023

Table 5

Expressed in thousands of New Taiwan Dollars

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
Evergreen Marine Corporation	Land: Land No.672, 673 and 679 of Nanxing Section, Luzhu District, Taoyuan City and Land No.401, 401-1, 402 ~ 405 of Nanrong Section, Luzhu District, Taoyuan City Building serial number: Building serial No.582 of Nanxing Section, Luzhu District, Taoyuan City	2022/12/22	\$ 1,743,000	The full amount paid completely	Evergreen International Corp.	Other related party	Not applicable	Not applicable	Not applicable	Not applicable	Market price	Operational needs of offices	None
Evergreen Marine Corporation	Land: Land No.548, 549, 549-1, 550, 551 and 551-1 of Nanrong Section, Luzhu District, Taoyuan City Building serial number: Building serial No.176 and 176-1 of Nanrong Section, Luzhu District, Taoyuan City	2022/12/22	3,000,000	The full amount paid completely	Evergreen International Corp.	Other related party	Not applicable	Not applicable	Not applicable	Not applicable	Market price	Operational needs of offices	None
Evergreen Marine (Asia) Pte. Ltd.	200 Cantonment Road, #12, Southpoint, Singapore	2022/12/22	957,203	The full amount paid completely	Evergreen Marine (Singapore) Pte. Ltd.	Other related party (Note)	SMI Management Pte. Ltd.	Non-related party	April 2010	\$ 511,992	Market price	Operational needs of offices	None

Note : Evergreen Marine (Singapore) Pte. Ltd. became a subsidiary since July 14, 2023 and was an other related party on the date of the event.

Evergreen Marine Corporation (Taiwan) Ltd.

Purchases or sales of goods from or to related parties reaching NT\$ 100 million or 20% of the Company's paid-in capital or more

For the year ended December 31, 2023

Table 6

Expressed in thousands of New Taiwan Dollars/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	\$ 1,253,431	3%	30~60 days	\$ -	-	\$ -	0%	(Note)
	Taiwan Terminal Services Co., Ltd.	Subsidiary	Purchases	920,799	2%	30~60 days	-	-	(122,761)	2%	(Note)
	Italia Marittima S.P.A.	Investee of Balsam Investment (NetherLands) N.V.	Purchases	454,198	1%	30~60 days	-	-	(123)	0%	
			Sales	401,772	1%	30~60 days	-	-	14,787	0%	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	798,341	2%	30~60 days	-	-	(86,475)	1%	
			Sales	128,957	0%	30~60 days			4,038	0%	
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	243,083	1%	30~60 days	-	-	-	0%	
			Sales	169,037	0%	30~60 days	-	-	13,626	0%	
	Evergreen Marine (UK) Limited	Subsidiary	Purchases	666,916	1%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Subsidiary	Purchases	181,166	0%	30~60 days	-	-	(3)	0%	(Note)
			Sales	1,254,043	2%	30~60 days	-	-	3,458	0%	(Note)
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	Purchases	1,867,099	4%	30~60 days	-	-	(872)	0%	(Note)
			Sales	1,274,552	2%	30~60 days	-	-	77,744	2%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Purchases	2,548,049	5%	30~60 days	-	-	(57,637)	1%	(Note)
Sales			6,948,902	13%	30~60 days	-	-	366,197	9%	(Note)	
Evergreen Shipping Agency (Europe) GmbH	Subsidiary	Purchases	326,838	1%	30~60 days	-	-	-	0%	(Note)	
Evergreen Logistics Corp.	Other related parties	Sales	150,854	0%	30~60 days	-	-	2,281	0%		

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 Shipping Agency (Japan) Corporation	Subsidiary	Purchases	\$ 117,191	0%	30~60 days	\$ -	-	\$ -	0%	(Note)
	Evergreen Insurance Company Limited	Other related parties	Purchases	196,845	0%	30~60 days	-	-	-	0%	
	Colon Container Terminal S.A.	Subsidiary	Purchases	162,931	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Business Process, Inc.	Subsidiary	Purchases	114,177	0%	30~60 days	-	-	-	0%	(Note)
	Taipei Port Container Terminal Corporation	Associates	Purchases	177,861	0%	30~60 days	-	-	(107,554)	2%	
Taiwan Terminal Services Co.,Ltd.	Evergreen Marine Corp.	The parent	Sales	920,799	100%	30~60 days	-	-	122,761	100%	(Note)
Everport Terminal Services Inc.	Evergreen Marine Corp.	The parent	Sales	USD 40,301	10%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Subsidiary	Sales	USD 51,075	13%	30 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	USD 227,093	56%	30 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	USD 7,954	2%	30 days	-	-	-	0%	
Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine Corp.	The parent	Sales	USD 60,032	6%	30~60 days	-	-	USD 28	0%	(Note)
			Purchases	USD 40,980	6%	30~60 days	-	-	(USD 2,537)	3%	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 10,978	1%	30~60 days	-	-	USD 150	0%	
	Evergreen Marine (Singapore) Pte. Ltd.	Subsidiary	Sales	USD 52,272	5%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	USD 299,081	31%	30~60 days	-	-	USD 2,884	2%	(Note)
			Purchases	USD 26,691	4%	30~60 days	-	-	-	0%	(Note)
	Taipei Port Container Terminal Corporation	Associates	Purchases	USD 3,536	1%	30~60 days	-	-	-	0%	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	USD 6,482	1%	30~60 days	-	-	-	0%	
Evergreen Shipping Agency (China) Co., Ltd.	Subsidiary	Purchases	USD 43,129	6%	30~60 days	-	-	(USD 6,264)	7%	(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 Marine Corp.	The parent	Sales	USD 81,926	1%	30~60 days	\$ -	-	USD 1,880	0%	(Note)
			Purchases	USD 223,425	3%	30~60 days	-	-	(USD 11,948)	1%	(Note)
	Greencompass Marine S.A.	Subsidiary	Purchases	USD 437,705	7%	30~60 days	-	-	(USD 26)	0%	(Note)
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	Sales	USD 26,691	0%	30~60 days	-	-	-	0%	(Note)
			Purchases	USD 299,081	5%	30~60 days	-	-	(USD 2,884)	0%	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 8,788	0%	30~60 days	-	-	USD 4	0%	
			Purchases	USD 129,135	2%	30~60 days	-	-	-	0%	
	Evergreen Marine (Singapore) Pte. Ltd.	Subsidiary	Sales	USD 59,677	1%	30~60 days	-	-	-	0%	(Note)
			Purchases	USD 50,979	1%	30~60 days	-	-	(USD 1,794)	0%	(Note)
	Evergreen Marine (UK) Limited	Subsidiary	Purchases	USD 165,153	3%	30~60 days	-	-	(USD 1)	0%	(Note)
	Evergreen Logistics USA Corp.	Other related parties	Sales	USD 25,830	0%	30~60 days	-	-	-	0%	
	Evergreen Logistics Corp.	Other related parties	Sales	USD 13,560	0%	30~60 days	-	-	-	0%	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	USD 28,789	0%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (India) Pvt. Ltd.	Subsidiary	Purchases	USD 4,055	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd	Subsidiary	Purchases	USD 7,560	0%	30~60 days	-	-	-	0%	(Note)
	PT. Evergreen Shipping Agency Indonesia	Associates	Purchases	USD 4,351	0%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (Europe) GmbH	Subsidiary	Purchases	USD 38,302	1%	30~60 days	-	-	-	0%	(Note)
Evergreen Marine Co. (Malaysia) SDN.BHD.	Subsidiary	Purchases	USD 7,354	0%	30~60 days	-	-	-	0%	(Note)	
Evergreen Shipping Agency (Vietnam) Corp.	Subsidiary	Purchases	USD 11,751	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.	Everport Terminal Services Inc.	Subsidiary	Purchases	USD 227,093	3%	30 days	\$ -	-	\$ -	0%	(Note)
	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	USD 62,710	1%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (Japan) Corporation	Subsidiary	Purchases	USD 13,456	0%	30~60 days	-	-	-	0%	(Note)
	Taipei Port Container Terminal Corporation	Associates	Purchases	USD 15,882	0%	30~60 days	-	-	-	0%	
	Evergreen Shipping Agency (Korea) Corp.	Subsidiary	Purchases	USD 4,667	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping Agency Philippines Corporation	Subsidiary	Purchases	USD 3,518	0%	30~60 days	-	-	-	0%	(Note)
	Evergreen Insurance Company Limited	Other related parties	Purchases	USD 16,702	0%	30~60 days	-	-	(USD 1,612)	0%	
	Evergreen Shipping Agency (Argentina) S.A.	Subsidiary	Purchases	USD 5,444	0%	30~60 days	-	-	-	0%	(Note)
	Colon Container Terminal S.A.	Subsidiary	Purchases	USD 33,653	1%	30~60 days	-	-	-	0%	(Note)
	Evergreen Shipping (Spain) S.L.	Subsidiary	Purchases	USD 3,346	0%	30~60 days	-	-	-	0%	(Note)
Greencompass Marine S.A.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	USD 437,705	100%	30~60 days	-	-	USD 26	100%	(Note)
Evergreen Marine (Singapore) Pte. Ltd.	Evergreen Marine Corp.	The parent	Sales	USD 5,825	0%	30~60 days	-	-	-	0%	(Note)
			Purchases	USD 40,321	4%	30~60 days	-	-	(USD 113)	0%	(Note)
	Everport Terminal Services Inc.	Subsidiary	Purchases	USD 51,075	5%	30 days	-	-	-	0%	(Note)
	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	Purchases	USD 52,272	5%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Purchases	USD 59,677	5%	30~60 days	-	-	-	0%	(Note)
			Sales	USD 50,979	4%	30~60 days	-	-	USD 1,794	12%	(Note)
	Evergreen Marine (UK) Limited	Subsidiary	Purchases	USD 7,647	1%	30~60 days	-	-	-	0%	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Purchases	USD 16,570	1%	30~60 days	-	-	-	0%	
Evergreen Shipping Agency (Europe) GmbH	Subsidiary	Purchases	USD 4,725	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 (Singapore) Pte. Ltd.	Evergreen Shipping Agency (America) Corporation	Other related parties	Purchases	USD 11,674	1%	30~60 days	\$ -	-	\$ -	0%	
	Evergreen International Storage and Transport Corp.	Associates	Purchases	USD 4,335	0%	30~60 days	-	-	-	0%	
	Evergreen Logistics USA Corp.	Other related parties	Sales	USD 4,054	0%	30~60 days	-	-	-	0%	
	Evergreen Insurance Company Limited	Other related parties	Purchases	USD 5,653	1%	30~60 days	-	-	-	0%	
Evergreen Marine (UK) Limited	Evergreen Marine Corp.	The parent	Sales	USD 21,443	5%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Subsidiary	Sales	USD 7,647	2%	30~60 days	-	-	-	0%	(Note)
	Italia Marittima S.p.A.	Investee of Balsam Investment (NetherLands) N.V.	Sales	USD 5,474	1%	30~60 days	-	-	USD 8	0%	
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	USD 165,153	39%	30~60 days	-	-	USD 1	0%	(Note)
	Evergreen Insurance Company Limited	Other related parties	Purchases	USD 5,504	0%	30~60 days			(USD 352)	2%	
Evergreen Shipping Agency (Europe) GmbH	Evergreen Marine Corp.	The parent	Sales	EUR 9,717	19%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Subsidiary	Sales	EUR 4,369	9%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	EUR 35,418	70%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Thailand) Co., Ltd	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	THB 263,197	64%	30~60 days	-	-	-	0%	(Note)
Evergreen Marine Co. (Malaysia) SDN.BHD.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	MYR 33,581	41%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Japan) Corporation	Evergreen Marine Corp.	The parent	Sales	JPY 530,226	15%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	JPY 1,893,434	53%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Vietnam) Corp.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	VND 280,215,681	71%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (Korea) Corp.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	KRW 6,099,215	64%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency (India) Private Ltd.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	INR 334,921	70%	30~60 days	-	-	-	0%	(Note)
Evergreen Shipping Agency Philippines Corporation	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	PHP 195,843	67%	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 (Spain) S.L.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	EUR 3,094	21%	30~60 days	\$ -	-	\$ -	0%	(Note)
Evergreen Shipping Agency (China) Co., Ltd.	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	Sales	CNY 305,698	100%	30~60 days	-	-	CNY 44,533	100%	(Note)
Evergreen Shipping Agency (Argentina) S.A.	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	ARS 3,214,286	88%	30~60 days	-	-	-	0%	(Note)
Colon Container Terminal S.A.	Evergreen Marine Corp.	The parent	Sales	USD 5,239	5%	30~60 days	-	-	-	0%	(Note)
	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	Sales	USD 33,653	35%	30~60 days	-	-	-	0%	(Note)
Evergreen Business Process, Inc.	Evergreen Marine Corp.	The parent	Sales	USD 3,671	63%	30~60 days	-	-	-	0%	(Note)

Note: Intra-group transactions are eliminated in full on consolidation.

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 NT\$ 100 million or 20% of the Company's paid-in capital or more
 For the year ended December 31, 2023

Table 7

Expressed in thousands of New Taiwan Dollars/thousands of foreign currency

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for bad accounts	Footnote
					Amount	Action taken			
Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	Subsidiary	\$ 366,197	-	\$ -	-	\$ 366,197	-	Note
Everport Terminal Services Inc.	Evergreen Shipping Agency (America) Corporation	Other related parties	USD 46,607	-	-	-	USD 46,607	-	
Evergreen Marine (Asia) Pte. Ltd.	Colon Container Terminal, S.A.	Subsidiary	USD 73,195	-	-	-	USD -	-	Note
Taiwan Terminal Services Co.,Ltd.	Evergreen Marine Corporation	The parent	122,761	-	-	-	122,761	-	Note
Evergreen Shipping Agency (India) Pvt. Ltd.(EGI)	Evergreen Marine Corporation	The parent	INR 475,398	-	-	-	INR 73,434	-	Note
Evergreen Shipping Agency (China) Co.,Ltd.	Evergreen Marine (Hong Kong) Ltd.	Subsidiary	CNY 44,533	-	-	-	CNY 44,533	-	Note

Note: Intra-group transactions are eliminated in full on consolidation.

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

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

Evergreen Marine Corporation (Taiwan) Ltd.
Significant inter-company transactions during the reporting periods
For the year ended December 31, 2023

Table 8

Expressed in thousands of New Taiwan Dollars

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	\$ 920,799	Note 4	0.33
0	Evergreen Marine Corporation	Taiwan Terminal Services Co.,Ltd.	1	Accounts Payable	122,761	"	0.02
0	Evergreen Marine Corporation	Evergreen Marine (Singapore) Pte. Ltd.	1	Operating revenue	1,254,043	"	0.45
0	Evergreen Marine Corporation	Evergreen Marine (Singapore) Pte. Ltd.	1	Operating cost	181,166	"	0.07
0	Evergreen Marine Corporation	Evergreen Shipping Agency (India) Pvt. Ltd.	1	Agency's account - debit	161,545	"	0.02
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating cost	666,916	"	0.24
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Operating cost	2,548,049	"	0.92
0	Evergreen Marine Corporation	Colon Container Terminal S.A.	1	Operating cost	162,931	"	0.06
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Europe) GmbH	1	Operating cost	326,838	"	0.12
0	Evergreen Marine Corporation	Evergreen Business Process, Inc.	1	Operating cost	114,177	"	0.04
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Japan) Corporation	1	Operating cost	117,191	"	0.04
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Operating revenue	6,948,902	"	2.51
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Shipowner's account - credit	1,743,976	"	0.24
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Operating revenue	1,274,552	"	0.46
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Operating cost	1,867,099	"	0.67
0	Evergreen Marine Corporation	Evergreen Marine (Hong Kong) Ltd.	1	Other receivables	9,272,498	"	1.27
0	Evergreen Marine Corporation	Everport Terminal Services Inc.	1	Operating cost	1,253,431	"	0.45
0	Evergreen Marine Corporation	Evergreen Shipping Agency (India) Pvt. Ltd.	1	Accounts Payable	175,153	"	0.02
0	Evergreen Marine Corporation	Evergreen Marine (Asia) Pte. Ltd.	1	Accounts Payable	366,197	"	0.05
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Europe) GmbH	1	Agency's account - credit	104,785	"	0.01
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Japan) Corporation	1	Agency's account - credit	606,894	"	0.08
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine (UK) Limited	3	Operating cost	5,136,553	"	1.86
1	Evergreen Marine (Asia) Pte. Ltd.	Greencompass Marine S.A.	3	Operating cost	13,613,371	"	4.92
1	Evergreen Marine (Asia) Pte. Ltd.	Colon Container Terminal S.A.	3	Operating cost	1,046,668	"	0.38

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)
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (India) Pvt. Ltd.	3	Operating cost	\$ 126,105	Note 4	0.05
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Operating cost	235,141	"	0.08
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Korea) Corporation	3	Operating cost	145,148	"	0.05
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Europe) GmbH	3	Operating cost	1,191,252	"	0.43
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping (Spain) S.L.	3	Operating cost	104,067	"	0.04
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine (Hong Kong) Ltd.	3	Operating cost	9,301,936	"	3.36
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Vietnam) Corp.	3	Operating cost	365,480	"	0.13
1	Evergreen Marine (Asia) Pte. Ltd.	Everport Terminal Services Inc.	3	Operating cost	7,062,978	"	2.55
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Japan) Corporation	3	Operating cost	418,490	"	0.15
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency Philippines Corporation	3	Operating cost	109,423	"	0.04
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine Corp. (Malaysia) SDN BHD.	3	Operating cost	228,715	"	0.08
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Argentina) S.A.	3	Operating cost	169,331	"	0.06
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (India) Pvt. Ltd.	3	Agency's account - debit	233,089	"	0.03
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Argentina) S.A.	3	Agency's account - debit	388,440	"	0.05
1	Evergreen Marine (Asia) Pte. Ltd.	Unigreen Marine S.A.	3	Agency's account - debit	307,880	"	0.04
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Shipping Agency (Europe) GmbH	3	Agency's account - credit	440,831	"	0.06
1	Evergreen Marine (Asia) Pte. Ltd.	Colon Container Terminal S.A.	3	Other receivables	2,243,439	"	0.31
1	Evergreen Marine (Asia) Pte. Ltd.	Evergreen Marine (Hong Kong) Ltd.	3	Shipowner's account - debit	225,364	"	0.03
2	Evergreen Marine (Singapore) Pte. Ltd.	Evergreen Marine (Hong Kong) Ltd.	3	Operating cost	474,748	"	0.17
2	Evergreen Marine (Singapore) Pte. Ltd.	Everport Terminal Services Inc.	3	Operating cost	711,592	"	0.26
2	Evergreen Marine (Singapore) Pte. Ltd.	Evergreen Marine (Asia) Pte. Ltd.	3	Operating revenue	805,616	"	0.29
2	Evergreen Marine (Singapore) Pte. Ltd.	Evergreen Shipping Agency (Argentina) S.A.	3	Agency's account - debit	152,411	"	0.02
2	Evergreen Marine (Singapore) Pte. Ltd.	Evergreen Marine (Asia) Pte. Ltd.	3	Shipowner's account - credit	156,324	"	0.02

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)
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Marine (Asia) Pte. Ltd.	3	Operating cost	\$ 830,149	"	0.30
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (China) Co., Ltd.	3	Operating cost	1,341,386	"	0.48
3	Evergreen Marine (Hong Kong) Ltd.	Evergreen Shipping Agency (China) Co., Ltd.	3	Accounts Payable	192,007	"	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)

For the year ended December 31, 2023

Table 9

Expressed in thousands of shares/thousands of New Taiwan Dollars

Investor	Investee (Note 1 · Note 2)	Location	Main business activities	Initial investment amount		Shares held as of December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as of December 31, 2023	Balance as of December 31, 2022	Number of shares	Ownership (%)	Book value			
Evergreen Marine Corporation	Peony Investment S.A.	Republic of Panama	Investment activities	\$ 14,604,725	\$ 14,604,725	4,765	100.00	\$ 79,702,347	\$ 6,109,546	\$ 5,854,951	Subsidiary of the Company (Note)
	Taiwan Terminal Services Co., Ltd.	Taiwan	Loading and discharging operations of container yards	92,500	55,000	7,700	77.00	132,596	39,927	25,410	" (Note)
	Everport Terminal Services Inc.	U.S.A	Terminal services	3,065	3,065	1	94.43	4,193,939	(185,981)	(175,619)	" (Note)
	Evergreen Marine (Hong Kong) Ltd.	Hong Kong	Marine transportation and shipping agency	6,416,578	6,416,578	6,320	79.00	54,875,985	13,013,542	10,271,352	" (Note)
	Evergreen Shipping Agency (Israel) Ltd.	Israel	Shipping agency	8,974	8,974	1,062	59.00	28,976	50,937	30,053	" (Note)
	Evergreen Marine (Asia) Pte. Ltd.	Singapore	Marine transportation and shipping agency	1,532,500	1,532,500	50,000	100.00	205,719,723	22,540,414	22,495,972	" (Note)
	Charng Yang Development Co.,Ltd.	Taiwan	Development, rental, sale of residential and commercial buildings	770,000	320,000	73,178	50.00	1,021,794	176,128	77,382	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	12,576,788	2,723,072	1,109,344	"
	Evergreen Security Corporation	Taiwan	General security guards services	217,037	217,037	12,622	62.25	354,498	38,778	21,038	Subsidiary of the Company (Note)
	EVA Airways Corporation	Taiwan	International passengers and cargo transportation	5,825,287	11,276,823	401,139	7.43	7,966,018	21,594,425	2,544,921	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	1,900,883	356,410	99,246	"
	Ever Ecove Corporation	Taiwan	Waste treatment and combined heat and power	305,000	305,000	30,500	19.06	466,480	592,443	112,934	"
	VIP Greenport Joint Stock Company	Vietnam	Terminal services	178,750	178,750	13,750	21.74	336,181	372,315	80,938	"
	Evergreen Steel Corp.	Taiwan	Repairment of containers, Rolled steel, Manufacturing, processing, repairing and trading of steel structures - trailers and components	3,819,754	3,819,754	79,248	19.00	4,673,439	3,669,814	690,073	"
Peony Investment S.A.	Clove Holding Ltd.	British Virgin Islands	Investment holding company	483,454	1,610,635	10	100.00	449,464	(29,738)	(29,738)	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Europe) GmbH	Germany	Shipping agency	254,885	254,885	-	100.00	533,457	37,307	37,307	" (Note)
	Evergreen Shipping Agency (Korea) Corporation	South Korea	Shipping agency	74,357	74,357	121	100.00	46,860	60,655	60,655	" (Note)
	Greencompass Marine S.A.	Republic of Panama	Marine transportation	10,834,775	10,834,775	3,535	100.00	38,470,941	1,524,313	1,524,313	" (Note)
	Evergreen Shipping Agency (India) Pvt. Ltd.	India	Shipping agency	36,066	36,066	100	99.999	63,256	42,523	42,522	" (Note)

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as of December 31, 2023	Balance as of December 31, 2022	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Argentina S.A.	Argentina	Leasing	\$ 4,291	\$ 4,291	\$ 150	95.00	\$ 30,412	\$ (15,670)	\$ (14,886)	Indirect subsidiary of the Company (Note)
	PT. Multi Bina Pura International	Indonesia	Loading and discharging operations of container yards and inland transportation	261,320	261,320	18	95.03	439,330	107,682	102,331	" (Note)
	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	24,652	24,652	2	17.39	12,680	(1,891)	(329)	" (Note)
	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Malaysia	Container manufacturing	836,587	836,587	42,120	84.44	1,386,974	140,783	118,877	" (Note)
	Evergreen Shipping (Spain) S.L.	Spain	Shipping agency	206,744	206,744	6	100.00	178,172	86,117	86,117	" (Note)
	Evergreen Shipping Agency (Italy) S.p.A.	Italy	Shipping agency	72,089	72,089	0.55	55.00	99,938	21,775	11,976	" (Note)
	Evergreen Marine (UK) Limited	U.K	Marine transportation and shipping agency	4,110,246	4,110,246	765	51.00	16,659,454	3,513,993	1,792,136	" (Note)
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Australia	Shipping agency	52,362	52,362	1	100.00	55,965	105,041	105,041	" (Note)
	Evergreen Shipping Agency (Russia) Ltd.	Russia	Shipping agency	25,991	25,991	-	51.00	28,417	(13,359)	(6,813)	" (Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Thailand	Shipping agency	68,748	68,748	680	85.00	82,029	109,914	93,427	" (Note)
	Evergreen Agency (South Africa) (Pty) Ltd.	South Africa	Shipping agency	17,808	17,808	5,500	55.00	49,088	56,482	31,065	" (Note)
	Evergreen Shipping Agency (Vietnam) Corp.	Vietnam	Shipping agency	37,730	37,730	-	100.00	1,597,959	283,233	283,233	" (Note)
	PT. Evergreen Shipping Agency Indonesia	Indonesia	Shipping agency	29,822	29,822	0.441	49.00	140,946	75,883	37,183	Investee company of Peony accounted for using equity method
	Luanta Investment (Netherlands) N.V.	Curaçao	Investment holding company	1,457,079	1,457,079	460	50.00	838,186	(1,903)	(951)	"
	Balsam Investment (Netherlands) N.V.	Curaçao	Investment holding company	8,407,655	12,802,089	0.451	49.00	7,692,793	2,040,735	999,960	"
	Evergreen Shipping Agency Co. (U.A.E.) LLC	United Arab Emirates	Shipping agency	63,813	63,813	-	49.00	83,407	162,477	79,614	"
	Greenpen Properties Sdn. Bhd.	Malaysia	Renting estate and storehouse company	13,058	13,058	1,500	30.00	(20,183)	2,898	869	"
	Evergreen Marine Corp. (Malaysia) SDN.BHD.	Malaysia	Shipping agency	288,545	288,545	500	100.00	557,342	225,762	225,762	Indirect subsidiary of the Company (Note)
Evergreen Marine (Hong Kong) Ltd.	Hong Kong	Marine transportation and shipping agency	81,223	81,223	80	1.00	712,765	13,013,542	129,046	Subsidiary of the Company (Note)	
Ics Depot Services Snd. Bhd.	Malaysia	Depot services	34,144	34,144	286	28.65	75,312	30,095	8,621	Investee company of Peony accounted for using equity method	
Clove Holding Ltd.	Everport Terminal Services Inc.	U.S.A	Terminal services	199,346	199,346	0.059	5.57	407,103	(185,981)	(10,362)	Indirect subsidiary of the Company (Note)

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as of December 31, 2023	Balance as of December 31, 2022	Number of shares	Ownership (%)	Book value			
Everport Terminal Services Inc.	Whitney Equipment LLC.	U.S.A	Equipment Leasing Company	\$ 6,130	\$ 6,130	-	100.00	\$ 428,124	\$ 62,235	\$ 62,235	Indirect subsidiary of the Company (Note)
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indonesia	Container repair cleaning and inland transportation	101,188	101,188	7.55	72.95	53,191	(1,891)	(1,379)	" (Note)
Evergreen Marine (Hong Kong) Limited	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	19,970	19,970	600	100.00	19,974	1,607	1,607	" (Note)
	Evergreen Shipping Service (Cambodia) Co., Ltd.	Cambodia	Shipping agency	6,130	6,130	200	100.00	52,554	47,109	47,109	" (Note)
	Evergreen Shipping Agency (Peru) S.A.C.	Peru	Shipping agency	8,509	8,509	900	60.00	47,996	170,729	102,438	" (Note)
	Evergreen Shipping Agency (Colombia) S.A.S	Colombia	Shipping agency	10,759	10,759	80	75.00	87,064	109,959	82,469	" (Note)
	Evergreen Shipping Agency Mexico S.A. de C.V.	Mexico	Shipping agency	7,026	7,026	44	60.00	116,773	173,662	104,197	" (Note)
	Evergreen Shipping Agency (Chile) SPA.	Chile	Shipping agency	9,772	9,772	2	60.00	16,208	40,469	24,282	" (Note)
	Evergreen Shipping Agency (Greece) Societe Anonyme.	Greece	Shipping agency	8,284	8,284	2	60.00	75,839	107,140	64,284	" (Note)
	Evergreen Shipping Agency (Israel) Ltd.	Israel	Shipping agency	156	156	18	1.00	491	50,937	509	" (Note)
	Evergreen Shipping Agency (Brazil) Ltd.	Brazil	Shipping agency	7,582	7,582	120	60.00	38,599	104,582	62,749	" (Note)
	Evergreen Shipping Agency Lanka (Private) Ltd.	Sri Lanka	Shipping agency	3,715	3,715	2,160	40.00	12,673	30,432	12,173	Investee company of Evergreen Marine (Hong Kong) Limited accounted for using equity method
	Evergreen Shipping Agency Philippines Corporation	Philippines	Shipping agency	151,038	151,038	10,000	100.00	53,702	(51,636)	(51,636)	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Argentina) S.A.	Argentina	Shipping agency	2,941	2,941	9,000	60.00	(15,867)	(94,784)	(56,871)	" (Note)
	Unigreen Marine, S.A.	Republic of Panama	Shipping agency	-	14,732	-	-	-	21,624	17,776	" (Note)
Evergreen Shipping Agency Saudi Co. (L.L.C.)	Saudi Arabia	Shipping agency	18,645	18,645	180	60.00	34,487	57,951	34,771	" (Note)	
Evergreen Marine (Asia) Pte. Ltd.	Evergreen Gemi Acenteligi A.S.	Turkey	Shipping agency	5,407	5,407	24	60.00	101,857	246,508	147,905	" (Note)
	Evergreen Shipping Agency (Japan) Corporation	Japan	Shipping agency	476,131	476,131	90	100.00	1,114,149	257,817	257,338	" (Note)
	Evergreen Shipping Agency (Ecuador) S.A.	Ecuador	Shipping agency	5,517	5,517	180	60.00	15,148	23,234	13,941	" (Note)

Investor	Investee (Note 1、Note 2)	Location	Main business activities	Initial investment amount		Shares held as of December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2023 (Note 2(3))	Footnote
				Balance as of December 31, 2023	Balance as of December 31, 2022	Number of shares	Ownership (%)	Book value			
Evergreen Marine (Asia) Pte. Ltd.	Evergreen Business Process Inc.	U.S.A	Computer system services and terminal logistics	\$ 61,300	\$ 61,300	2,000	100.00	\$ 93,160	\$ 15,778	\$ 15,778	Indirect subsidiary of the Company (Note)
	Evergreen International Myanmar Co., Ltd.	Myanmar	Shipping agency	2,341	2,341	105	70.00	(2,501)	(7,020)	(4,914)	" (Note)
	Colon Container Terminal S.A.	Republic of Panama	Container terminal loading and unloading operations	8,214,200	-	57,150	100.00	8,704,419	412,856	491,351	" (Note)
	Evergreen Shipping Agency (Uruguay) S.A.	Uruguay	Shipping agency	4,182	-	5,100	60.00	8,666	7,943	4,766	" (Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Singapore	Marine transportation and shipping agency	23,907,000	-	610,000	100.00	33,935,502	5,346,005	5,194,382	" (Note)
	Evergreen Shipping Agency (Peru) S.A.C.	Peru	Shipping agency	5,997	-	600	40.00	31,997	170,729	26,074	" (Note)
	Evergreen Shipping Agency (Chile)SPA.	Chile	Shipping agency	6,386	-	1	40.00	10,806	40,469	4,591	" (Note)
	Evergreen Shipping Agency Mexico S.A. de C.V.	Mexico	Shipping agency	61,292	-	30	40.00	77,849	173,662	12,239	" (Note)
	Unigreen Marine, S.A.	Republic of Panama	Shipping agency	18,019	-	3	100.00	23,327	21,624	3,407	" (Note)
Colon Container Terminal S.A.	Colon Logistics Park, S.A.	Republic of Panama	Warehousing business	432,165	367,800	14,100	60.00	299,668	(83,582)	(50,149)	" (Note)

Note: Intra-group transactions are eliminated in full on consolidation.

Note 1: If a public company owns an overseas holding company and its consolidated financial report is prepared according to the local law rules, the information of the overseas investee company under the holding company could not be filled in the table. company about the disclosure of related overseas investee information.

Note 2: If Note 1 does not apply to the investee company, 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 December 31, 2023' 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 year ended December 31, 2023' 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 year ended December 31, 2023' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Evergreen Marine Corporation (Taiwan) Ltd.
Information on investments in Mainland China
For the year ended December 31, 2023

Table 10

Expressed in thousands of New Taiwan Dollars

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, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of the investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect) (%)	Investment income (loss) recognised by the Company. for the year ended December 31, 2023(Note 2(2)B)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	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	\$ 538,838	(2)	\$ 219,500	\$ -	\$ -	\$ 219,500	\$ 70,838	40.00	\$ 28,052	\$ 329,262	\$ -	
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	183,243	(2)	43,426	-	-	43,426	254,620	40.00	101,849	187,298	-	
Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	336,000	(2)	290,110	-	-	290,110	88,230	76.00	40,763	342,583	-	(Note)
Ever Shine (Shanghai) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	1,873,289	(2)	2,496,760	-	-	2,496,760	(8,544)	80.00	(83,177)	2,913,973	-	(Note)
Ever Shine (Ningbo) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	185,399	(2)	276,214	-	-	276,214	1,330	80.00	1,123	149,200	-	(Note)
Ever Shine (Shenzhen) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	264,502	(2)	480,607	-	-	480,607	4,566	80.00	(4,431)	374,238	-	(Note)
Ever Shine (Qingdao) Enterprise Management Consulting Co., Ltd.	Management consultancy, self-owned property leasing	214,459	(2)	391,780	-	-	391,780	(3,435)	80.00	(5,464)	235,233	-	(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, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	Net income (loss) of the investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect) (%)	Investment income (loss) recognised by the Company for the year ended December 31, 2023(Note 2(2)B)	Book value of investments in Mainland China as of December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Evergreen Shipping Agency (China) Co., Ltd.	Agency services dealing with port formalities	\$ 29,565	(2)	\$ 90,719	\$ -	\$ -	\$ 90,719	\$ 17,660	52.00	\$ 9,183	\$ 34,304	-	(Note)
Shanghai Shengrong International Container Development Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	43,116	(2)	-	21,777	-	21,777	(2,160)	49.00	(1,059)	20,086	-	
Evergreen Information Processing (Shanghai) Co., Ltd.	Data processing and information technology consulting services	12,427	(2)	-	12,260	-	12,260	3,548	100.00	3,548	15,980	-	(Note)

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2023	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	\$ 4,323,153	\$ 4,888,377	\$ 263,989,410

Note: Intra-group transactions are eliminated in full on consolidation.

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. and Evergreen Marine (Aisa) Pte. 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 year ended December 31, 2023' column:

- (1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
 - A. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
 - B. The financial statements that are audited and attested by R.O.C. parent company's CPA.
 - C. Others.

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

Evergreen Marine Corporation (Taiwan) Ltd.
Major shareholders information
For the year ended December 31, 2023

Table 11

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Chang, Kuo-Hua	135,503,462	6.37%
Cathay United Bank. Trust Property Account - Chang, Kuo-Hua	63,920,000	3.00%

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.