

Stock Code: 2615

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WAN HAI LINES LTD.

2024 Annual General Shareholders' Meeting

Time: May 28, 2024

Venue: 2F, No.16, Section 4, Zhongshan North Road, Taipei City Jing-Guo Memorial Hall, China Youth Corps Chientan Youth Activity Center, Auditorium

Market Observation Post System <http://mops.twse.com.tw>

Website of the company <http://www.wanhai.com>

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WAN HAI LINES LTD.

2024 Annual General Shareholders' Meeting Procedures

1. Commence Meeting

2. Chairman's Speech

3. Reports

4. Discussions

5. Acknowledgements

6. Special Motions

7. Dismissal

WAN HAI LINES LTD.

2024 Annual General Shareholders' Meeting Agenda

- (1) Time: 9:00 a.m. Tuesday, May 28, 2024
- (2) Venue: 2F, No.16, Section 4, Zhongshan, North Road, Taipei City Jing-Guo Memorial Hall, China Youth Corps Chientan Youth Activity Center, Auditorium (Physical meeting)
- (3) Commence Meeting
- (4) Chairman's Speech
- (5) Reports
 1. 2023 Business Report
 2. Audit Committee's Review Report on the 2023 Financial Statements
 3. Domestic Unsecured Corporate Bond
- (6) Discussions
 1. Amendment to the Rules and Procedures of Shareholders Meeting
- (7) Acknowledgements
 1. Presenting the 2023 Financial Statements and Business Report
 2. Presenting the 2023 Earnings Appropriation
- (8) Special Motions
- (9) Dismissal

【 Reports 】

(1) Please examine the 2023 Business Report.

Explanatory Notes: Please refer to Attachment 1. (Page 7~13)

(2) Please examine the Audit Committee's Review Report on the 2023 Financial Statements.

Explanatory Notes: Please refer to Attachment 3. (Page 30~31)

(3) Please examine 2023 Domestic Unsecured Corporate Bonds Issuance.

Explanatory Notes:

For operation capital needs, as approved by the board of directors on March 13, 2024, the issuance of domestic unsecured corporate bonds with a total amount not exceeding NT\$10 billion in one or several installments, and authorize the chairman of the board or his designated authorized person to decide the terms of issuance based on the market condition, in order to repay loan and strengthen the financial structure.

【Discussions】

1st Motion:

Proposer: Board of Directors

Subject: Amendment to 「Rules and Procedures of Shareholders Meeting by WAN HAI LINES LTD.」 for discussion.

Explanatory Notes:

1. In accordance with the reference example of the shareholders' meeting procedural rules issued by Taiwan Stock Exchange Corporation, it is proposed to amend the company's shareholders' meeting procedural rules, adding procedures for holding video conference shareholders' meetings and providing necessary assistance to shareholders.
2. For a Comparison Table of Rules and Procedures of Shareholders Meeting before and after the amendment, please refer to Attachment 4 (page 32~34); for Rules and Procedures of Shareholders Meeting before and after the amendment, please refer to Appendix 1 and 2 (page 36~62).
3. Please proceed to discuss.

Resolution:

【Acknowledgements】

1st Motion:

Proposer: Board of Directors

Subject: Presenting the 2023 Financial Statements and Business Report for acknowledgements.

Explanatory Notes:

1. The Company's 2023 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows (including Consolidated Financial Statements) have been audited by independent Auditors. The Financial Statements and Business Report have also been sent to the Audit Committee, and the Audit Committee has completed the examination. An Independent Auditor's Report has been included on the record.
2. For the Business Report and Financial Statements mentioned above, please refer to Attachment 1 and Attachment 2. (Pages 7~29)
3. Please proceed to acknowledge.

Resolution:

2nd Motion:

Proposer: Board of Directors

Subject: Presenting the 2023 Earnings Appropriation for acknowledgements.

Explanatory Notes:

1. The Company's 2023 net loss after tax was NT\$5,796,413,576, with a deduction of other comprehensive losses of NT\$71,562,731 (the 2023 annual remeasurement of defined benefit obligation), plus the beginning undistributed earnings of NT\$144,482,865,425, the distributable earnings amounted to NT\$138,614,889,118. The 2023 annual earnings appropriation was NT\$4,209,219,440, for distribution to shareholders are cash dividend of NT\$1.5 per share.
2. In accordance with the Ministry of Finance's Regulatory Letter No. 871941343, a company shall first determine the year to which earning dividends or surpluses belong. The Company's earnings appropriation principle has allocated the undistributed earnings to 2023; if there is a shortfall, the distributable earnings accumulated from previous years are distributed in a first-in, first-out order according to the year the profits were generated.
3. Cash dividends which are listed in the shareholders' ledger on the ex-dividend date will be proportionally calculated to the nearest NT Dollar. Any amount less than NT\$1 will be forfeited. Less than a dollar fractional totals are adjusted in order from large to small decimal points and shareholders numbers are ordered from first to last to meet the distribution of the cash dividend total.
4. The shareholders meeting is requested to ratify authorization for the Board of

Directors to make all necessary adjustments if changes in share capital impact volume of shares in circulation and subsequently affect the dividend yield.

5. For the company's 2023 Earnings Appropriation table, please refer to Attachment 5 (Page 35).
6. Please proceed to acknowledge.

Resolution:

【Special Motions】

【Dismissal】

Attachment 1

Wan Hai Lines Ltd.

Business Operations Report

1. Business Policy

The year 2023 was a difficult year for container shipping. Global economy was affected by political and economic chain reactions caused by regional conflicts, and high inflation caused by supply chain variations. Monetary tightening policies were implemented by major global economies such as the U.S., Europe and Asia, causing greater fluctuations in the international financial markets. Marine freight rates plummeted, making it harder to operate.

In spite of unpredictable changes in global economic and trade situations, Wan Hai Lines, Ltd. will still insist on its flexible and steady business policies, and will plan its actions well, to respond timely to market demands. The company will continue to open new shipping routes, adjusting existing ones and to cooperate with other shipping companies to provide diversified services to our customers.

The company will also improve business performance through actuarial calculation of cost, and optimizing the fleet. Furthermore, the company will uphold its operational philosophies of “Customer first, full participation, environmental protection and sustainable management”. Apart from making it a mission to provide customers with exquisite and convenient transportation services, we also strive to protect the environment, to develop sustainably and to maintain corporate social responsibilities, so as to live up to the love and support of our shareholders and expectations of the general public.

2. Business Profile

I. Changes in External Conditions

- (i) Economic Climate: Recovery of global economic activities was sluggish in 2023, and the Russian Ukraine conflict did not end, and on top of that, the Israel Hamas war broke out in October and the ensuing Red Sea Crisis affected the global economic climate. The supply chain was also affected by geo-political politics and economies. Although major countries in the U.S., Europe and Asia implemented tight monetary policies, they failed to bring down the high inflation.

Terminal consumption power was weak, which affected recovery of the economy. IMF estimated that global economic growth rate was 3% in

2023, down from 3.5% in 2022.

- (ii) Oil prices: Due to weak global manufacturing, demand for oil slid, and the Organization of the Petroleum Exporting Countries (OPEC), decided to cut oil production to stabilize oil prices. End consumption was weakened by inflation, and recovery of the two great economies, the U.S. and China, was slow, which caused the global economy growth to decline, and international oil prices fell accordingly. The average price for Brent Crude Oil was 82.48 US dollars per barrel in 2023, down about 18.18% from the average price of 100.81% of 2022. The Energy Information Administration (EIA) predicted that in 2024, in view of low demands, oil producers may further cut production to stabilize oil prices, and a barrel of Brent Crude Oil will be about 83 US dollars.
- (iii) Charter Market: According to Alphaliner Charter Rate Index statistics, the charter rate index in January 2023 was 135, however due to global economic downturn, market demand slide and charter rate was affected. The charter rate index fell to 93 in December 2023, down 31.11% from January, 2023.
- (iv) Industry Competition: According to Alphaliner statistics, 334 new vessels were delivered in 2023 and total capacity was 2,222,393 TEU. 144 container vessels were decommissioned in 2023, decreasing shipping space by 266,931 TEU. Shipbuilding contracts for 191 vessels were signed in 2023, and total capacity was 1,768,719 TEU. The types of vessels ordered in this wave included medium and small-size vessels as well as large vessels. The new vessels will increase the transportation capacities of shipping companies, and will also accelerate replacement of old vessels so as to utilize the technologies of new vessels to comply with future environmental protection laws and regulations and carbon neutral issues, to raise operational performances of self-owned fleet. In the future, overall container shipping capacity will continue to rise. At the end of 2022, there were 5,708 container vessels/25,996,473 TEU, an increase of about 4.1%. It is estimated that in 2023, the total capacity will rise to 5,952 vessels/28,038,866 TEU, a growth of 7.9% from 2022, and competition between shipping companies will continue to grow.
- (v) Market Fluctuations: 2023 was not a quiet and peaceful year, the Russian/Ukraine conflict was not over, and in Q4 war broke out between Israel and the Hamas, followed by the Red Sea military tension, all of which seriously affected the geopolitical politics and economy and altered the supply chains. High inflation rates made end consumers lost

their confidence, recovery of the two great economies, the U.S. and China, was sluggish, and market demands fell obviously, causing a decline in global economy growth. Along with the gradual delivery of new ships, supply of shipping spaces will slowly exceed demand and will cause freight rates to slump, and the shipping market to slow down. The changes in supply chains caused by Covid-19 and the wars, made the major corporations rethink their strategies and deployments. The changing logistic flows of international trade will also test the adaptation abilities of major shipping companies.

II. Adaptation Strategies:

In response to the changing environments and to achieve sustainability, our company will make cautious evaluations of the demands of global trading and will follow market trends. Wan Hai Lines will also strive for maximum profitability by opening new shipping routes, adjusting shipping routes or cooperating with other shipping companies to flexibly expand the deployment of our shipping routes. As for management of our vessels, we will continue to upgrade and optimize the performance of our ships and equipment. At the same time we will pay attention to energy conservation and carbon reduction. We will make effective investments after careful evaluations, and will replace old ships with new ones when they are delivered so as to enhance our fleet performance to implement our policies of "Environment Protection and Sustainable Development".

3. Achievements of business plans

I. Analysis of major service areas and their markets

Wan Hai Lines is a full container liner operator, its service network includes Northeast Asia, Mainland China, Southeast Asia, the Indian Subcontinent, Pakistan, the Middle East and the west coasts of U.S.A. and South America. They are further elaborated as follows:

A. Northeast Asia:

Wan Han Lines has been deeply cultivating the regional shipping routes between Japan, South Korea and Asia for a long time. It is familiar with the characteristics of operations, has a good reputation and credibility, and has established good relationships with customers. To further improve its operational competitiveness and to maintain the existing high quality and reliable shipping services, Wan Hai Lines continues to upgrade its shipping route networks, and by cooperating

with other shipping companies it can provide more diversified services at lower costs and thus allows its customers to have more diversified and concentrated shipping space choices between Northeast Asia and other Asian countries.

B. Southeast Asia:

As China lifted its strict Zero Covid policy, the bonus of transferring supply chains to Southeast Asian countries vanished, and so those countries suffered poor performances in both exports and economic growth. The average economic growth of the five ASEAN countries was 4.2%, down 1.3% from the 5.5% of 2022. The economic growth of Vietnam and Malaysia slowed down the most. But for maintaining its competitiveness and market shares in the Southeast Asian markets, even though the markets were not as good as before, Wan Hai Lines still responded to customer needs while also considered costs. By adjusting shipping routes and actively cooperating with other shipping companies, Wan Hai Lines was able to provide better services and to enhance business performance

C. Middle East, India and Pakistan:

India benefits from its demographic dividend, and has a very promising domestic market. In recent years, the Indian government's policies of actively promoting digital economy, free trade agreements, attracting foreign investments and localizing manufacturing are all beneficial to maintaining its high growth rate. Wan Hai Lines will continue to strengthen cooperation with several major shipping companies in operating several shipping routes between the Far East and India, and will make flexible adjustments in response to changes in the market. In July 2023, the company entered into a joint venture to operate the newly opened IM1 service between India and the Mid-East. It also flexibly added extra ships to meet emergency demands in the shipping markets, to provide competitive services. Wan Hai Lines will continue to deeply cultivate the Middle East, India and Pakistan markets.

D. West Coast of South America

Hit by inflation and complicated political and economic situations, most Latin American countries had negative economic growth. To

optimize direct shipping routes between major Asian ports and the West coast of South America, Wan Hai Lines deployed high-specification new ships with 13,000TEU and 35 Series to operate between Asia and the West Coast of South America, to effectively lower costs and to provide high quality services to our customers. Moreover, in response to market demands, Wan Hai Lines entered into a Joint Venture with other shipping companies for operating the AS2 service, to offer customers more diversified and more convenient choices of shipping dates on the direct shipping routes between Asia and South America.

E. U.S.A.

Although the situation and performance of the U.S. economy are less than desirable, Wan Hai Lines still places importance in operating the U.S. shipping routes. After cautious evaluation, Wan Hai Lines deployed its largest self-owned 13,000 TEU class new ships to the Asia/U.S. West Coast self-operated shipping routes, to attain the competitive edge of lowering unit costs and to provide quality services to our customers. As for developments in the U.S. East Coast markets, Wan Hai Lines adjusted its self-operated shipping routes, and starting in April, 2023 jointly operated with other shipping companies the AA7 route between Asia and major U.S. East Coast ports, to flexibly adjust more competitive shipping routes to increase business effectiveness.

II. Market Outlook

Looking ahead, it is predicted that the economic outlook of 2024 will be conservative. IMF predicted that the global economic growth for 2024 was 2.9%, slower than the 3.0% of 2023. Economic recoveries vary from region to region, and among developing countries and emerging markets, the favorites are the Mid-East, India and the 5 ASEAN countries, which are expected to maintain a certain momentum and level. On the other hand, the U.S. , Europe and developed Asian countries are plagued by high inflation which effect end consumption power and export/import orders, and so their economic outlook is bleak. Alphaliner predicts that the global cargo volume growth for 2024 will be 2.2%, and the shipping capacity growth will be 9.9%. Delivery of new ship are expected to continue in 2024, which will greatly increase total shipping capacity, however ship-owners and shipping companies are expected to speed up elimination of old ships in compliance with the international policies of sustainability and zero carbon emission. It is expected that this will offset part of

the increase in shipping capacity due to launching new ships.

Locking down and lifting of Covid 19 quarantines, and repeated geopolitical conflicts caused changes in supply chains and redeployment of international cargo logistics, furthermore China-United States relationship, stricter environmental rules and regulations and carbon reduction etc. brought more urgent challenges. Future situations will test the response capabilities of the shipping industry. Global shipping industry is highly competitive but Wan Hai Lines will stick to its “stable and healthy” business policies. It will make cautious evaluations, and respond to market trends to maintain its meticulous and diversified shipping route networks, and will flexibly deploy and expand its shipping routes. It will also strictly monitor and control operational costs to face the challenges of the volatile markets and to implement its business philosophy of “Customer first, full participation, environmental protection and sustainable management”.

4. Operating Expenditures and Revenues

I. Operating Revenues.

Consolidated revenue for 2023 was NT\$ 100,220,040,000 with a decrease of NT\$158,733,130,000 from the 2022 revenue of NT\$258,953,170,000.

II. Operating Expenditures

Consolidated expenditure for 2023 was NT\$101,726,020,000 with a decrease of NT\$30,797,170,000 from the 2022 expenditure of NT\$132,523,190,000.

The main reasons are as follows:

- (i) Stevedorage decreased due to decrease in moving containers.
- (ii) Average ship fuel price fell.

5. Analysis of Profitability:

After tax net loss for 2023 was NT\$5,796,410,000, Earnings Per Share was NT\$-2.07.

6. General Situation of Research & Development.

In view of future challenges brought by a volatile economic climate and fierce competition in the shipping industry, Wan Hai Lines will keep on reviewing its existing shipping route planning and organization functions, and strive to become a good international corporation. It will develop in the following areas:

Strengthen Organization. Optimize Customers.

To develop human resources with international perspectives, strengthen capabilities to execute and consolidate organizational and management skills, and to expand into

developing and emerging markets to increase shipping routes, so as to provide more comprehensive quality services to customers.

Stable and Healthy Operations. Sustainable Development.

Implement all business strategies, strictly control fuel and relevant transportation costs, and to flexibly deploy containers and vessels, and to optimize ship equipment so as to effectively save energy and reduce carbon emission, and to fulfill environment protection policies and to raise sustainability levels.

Our employees will uphold our consistent spirit of duty and honor and together we will create better and more sustainable performances.

Attachment 2-1

Independent Auditors' Report

To the Board of Directors of Wan Hai Lines Ltd.:

Opinion

We have audited the consolidated financial statements of Wan Hai Lines Ltd. and its subsidiaries (“the Group”), which comprise the consolidated balance sheet as of December 31, 2023 and 2022, and the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretation developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to Note(4)(p) “ Revenue” , Note (5)(a) “ Uncertainty associated with the assumptions and estimations for revenue recognition” and Note(6)(v) “Revenue disclosures” of the financial statements.

How the matter was addressed in our audit

The freight revenue is recognized in proportion to the stage of completion of the voyage measured by reference to the proportion of the actual shipping days incurred in balance sheet date. The voyage days is estimated depending on historical experience which involved high uncertainty. Consequently, this is one of the key areas our audit focused on.

Our principal audit procedures included:

Understanding how the management estimates the voyage days of each route including its method and source; sampling the source data from the system and obtaining the method on how the system compute the voyage days to evaluate the reasonableness of the estimated voyage days of each route from the management.

2. Impairment assessment of property, plant and equipment

Please refer to Notes (4)(l) “Property, plant and equipment”, Notes (4)(o) “Impairment of non-financial assets”, Notes (5)(b) “Impairment of property, plant and equipment”, and Notes (6)(j) “Property, plant and equipment”.

How the matter was addressed in our audit

The Group is mainly engaged in international shipping, agency services for transportation affair, port container terminal operation, vessel and container trading, leasing and other businesses. Since the industry the Group belongs to is affected by the global economic situation and fierce competition in the shipping market, there may be risks of asset impairment. The Group's assessment of whether there are signs of assets impairment is included as one of the key areas our audit focused on.

Our principal audit procedures included:

Understanding the cash-generating unit used by the Company to assess asset impairment; understanding the various indicators used by the Group to assess asset impairment indicators, and assessing impairment for each indicator. If there is any indication of impairment, evaluating the rationality of the future cash flow assumptions predicted by the Company, and reviewing the rationality of the discount rate parameters used.

Other Matter

Wan Hai Lines Ltd. has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and 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.

The engagement partners on the audit resulting in this independent auditors' report are Kuo, Rou-Lan and Chen, Chun-Kuang.

KPMG

Taipei, Taiwan (Republic of China)

March 13, 2024

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WAN HAI LINES LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023.12.31		2022.12.31			2023.12.31		2022.12.31			
	Amount	%	Amount	%		Amount	%	Amount	%		
Assets											
Current assets:											
1100	Cash and cash equivalents	\$ 119,639,666	36	171,752,195	47	2126	Current financial liabilities for hedging	\$ 152,727	-	628,486	-
1110	Current financial assets at fair value through profit or loss	7,109,410	2	6,394,220	2	2170	Accounts payable	9,463,110	3	12,269,193	3
1137	Current financial assets at amortized cost	-	-	70,790	-	2200	Other payables	3,477,904	1	5,028,694	1
1150	Notes receivable, net	36,278	-	42,478	-	2230	Current tax liabilities	5,127,533	2	13,544,287	4
1170	Accounts receivable, net	3,569,685	1	4,837,155	1	2280	Current lease liabilities	5,116,815	1	8,966,835	3
1140	Current contract assets	1,293,917	-	1,983,098	1	2320	Current portion of long-term loans	10,098,693	3	6,491,887	2
1200	Other receivables, net	1,794,496	1	1,252,991	-	2350	Payables to agents	54,911	-	87,802	-
1330	Inventories	4,081,718	1	5,030,546	1	2300	Other current liabilities	1,175,441	-	1,349,253	-
1475	Receivables from agents	705,001	-	1,468,239	-			34,667,134	10	48,366,437	13
1479	Other current assets	1,739,078	1	2,057,714	1						
		139,969,249	42	194,889,426	53						
Non-current assets:											
1517	Non-current financial assets at fair value through other comprehensive income	5,881,016	2	4,878,673	1	2511	Non-current financial liabilities for hedging	477,627	-	1,370,731	1
1550	Investments accounted for using equity method, net	1,399,850	1	1,452,728	1	2530	Bonds payable	4,500,000	1	9,000,000	3
1600	Property, plant and equipment	153,973,543	46	114,914,338	32	2540	Long-term borrowings	51,170,749	16	40,757,890	11
1755	Right-of-use assets	9,917,984	3	18,207,190	5	2570	Deferred tax liabilities	29,280,566	9	30,473,656	8
1760	Investment property	3,778,864	1	3,781,157	1	2580	Non-current lease liabilities	4,083,068	1	7,440,318	2
1780	Intangible assets	52,901	-	40,351	-	2640	Accrued pension liabilities non-current	373,667	-	405,391	-
1915	Prepayments for business facilities	17,164,483	5	26,492,049	7	2645	Guarantee deposits received	1,659,286	1	1,317,801	-
1990	Other non-current assets	438,281	-	447,386	-			91,544,963	28	90,765,787	25
		192,606,922	58	170,213,872	47			126,212,097	38	139,132,224	38
Liabilities and Equity											
Current liabilities:											
Non-Current liabilities:											
Total liabilities											
Equity attributable to owners of parent											
Share capital:											
3110	Ordinary share	28,061,464	9	28,061,464	8			28,061,464	9	28,061,464	8
3200	Capital surplus	1,271,775	-	1,271,775	-			1,271,775	-	1,271,775	-
Retained earnings:											
3310	Legal reserve	28,010,462	8	18,688,851	5			28,010,462	8	18,688,851	5
3320	Special reserve	-	-	3,987,494	1			-	-	3,987,494	1
3350	Retained earnings-unappropriated	138,614,889	42	163,847,713	45			138,614,889	42	163,847,713	45
		166,625,351	50	186,524,058	51			166,625,351	50	186,524,058	51
Other equity interest:											
3411	Exchange differences on translation of foreign financial statements	9,572,519	3	9,636,366	3			9,572,519	3	9,636,366	3
3420	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	435,107	-	171,052	-			435,107	-	171,052	-
3450	Gains (losses) on hedging instruments	32,258	-	(61,773)	-			32,258	-	(61,773)	-
		10,039,884	3	9,745,645	3			10,039,884	3	9,745,645	3
		205,998,474	62	225,602,942	62			205,998,474	62	225,602,942	62
Total equity attributable to owners of parent:											
36XX	Non-controlling interests	365,600	-	368,132	-			365,600	-	368,132	-
		206,364,074	62	225,971,074	62			206,364,074	62	225,971,074	62
		\$ 332,576,171	100	\$ 365,103,298	100			\$ 332,576,171	100	\$ 365,103,298	100
Total assets											
Total liabilities and equity											

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WAN HAI LINES LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	2023		2022		
	Amount	%	Amount	%	
4000	Operating revenue	\$ 100,220,040	100	258,953,171	100
5000	Operating costs	(101,726,018)	(102)	(132,523,190)	(51)
	Gross profit	(1,505,978)	(2)	126,429,981	49
6000	Operating expenses	(6,592,940)	(6)	(8,612,289)	(3)
6500	Net other income (expenses)	1,796,360	2	105,731	-
	Income from operations	(6,302,558)	(6)	117,923,423	46
	Non-operating income and expenses				
7100	Interest income	5,991,625	6	2,350,371	1
7010	Other income	370,858	-	403,569	-
7020	Other gains and losses	(1,068,916)	-	4,473,270	2
7050	Finance costs	(1,857,854)	(2)	(1,492,030)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	372,338	-	320,776	-
	Total non-operating income and expenses	3,808,051	4	6,055,956	2
7900	Profit before tax	(2,494,507)	(2)	123,979,379	48
7950	Less: Income tax expenses	3,288,688	4	30,850,498	12
	Net Profit	(5,783,195)	(6)	93,128,881	36
	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit and loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(70,312)	-	189,144	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	258,006	-	(274,625)	-
8349	Less: Income tax related to components of other comprehensive income that may not be reclassified subsequently	(1,251)	-	(26,984)	-
	Total items that may not be reclassified subsequently to profit and loss	186,443	-	(112,465)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	(69,979)	-	14,279,088	5
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	6,049	-	-	-
8368	Gains (losses) on hedging instrument	94,031	-	(245,601)	-
8399	Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss	7,893	-	(14,547)	-
	Total items that may be reclassified subsequently to profit and loss	37,994	-	14,018,940	5
	Other comprehensive income (net of tax)	224,437	-	13,906,475	5
8500	Total comprehensive income	\$ (5,558,758)	(6)	107,035,356	41
	Profit (loss), attributable to:				
8610	Owners of the parent company	\$ (5,796,413)	(6)	93,072,097	36
8620	Non-controlling interests	13,218	-	56,784	-
		\$ (5,783,195)	(6)	93,128,881	36
	Comprehensive income attributable to:				
8710	Owners of the parent company	\$ (5,573,737)	(6)	106,967,397	41
8720	Non-controlling interests	14,979	-	67,959	-
		\$ (5,558,758)	(6)	107,035,356	41
9750	Basic earnings per share (New Taiwan Dollar)	\$ (2.07)		33.17	
9850	Diluted earnings per share (New Taiwan Dollar)	\$ (2.07)		33.05	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WAN HAI LINES LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company					Other Equity Items		Gains (losses) on hedging instruments	Total Equity Attributable to Owners of Parent	Non-controlling Interests	Total
	Stock	Retained Earnings				Foreign Currency Translation Differences Arising from Foreign Operations	Unrealized Gains (losses) from financial assets measured at fair value through other comprehensive income				
	Common Stock	Capital Surplus	Legal reserve	Special reserve	Retained Earnings - Unappropriated						
Balance at January 1, 2022	\$ 24,401,273	1,271,775	8,354,970	3,239,603	110,994,900	(4,617,000)	445,677	183,828	144,275,026	297,414	144,572,440
Net income	-	-	-	-	93,072,097	-	-	-	93,072,097	56,784	93,128,881
Other comprehensive income (loss)	-	-	-	-	162,160	14,253,366	(274,625)	(245,601)	13,895,300	11,175	13,906,475
Total comprehensive income (loss)	-	-	-	-	93,234,257	14,253,366	(274,625)	(245,601)	106,967,397	67,959	107,035,356
Appropriation of retained earnings:											
Legal reserve	-	-	10,333,881	-	(10,333,881)	-	-	-	-	-	-
Special reserve appropriated	-	-	-	747,891	(747,891)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(25,621,336)	-	-	-	(25,621,336)	-	(25,621,336)
Stock dividends of ordinary share	3,660,191	-	-	-	(3,660,191)	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(18,145)	-	-	-	(18,145)	10,508	(7,637)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(7,749)	(7,749)
Balance at 2022.12.31	28,061,464	1,271,775	18,688,851	3,987,494	163,847,713	9,636,366	171,052	(61,773)	225,602,942	368,132	225,971,074
Net income	-	-	-	-	(5,796,413)	-	-	-	(5,796,413)	13,218	(5,783,195)
Other comprehensive income (loss)	-	-	-	-	(71,563)	(63,847)	264,055	94,031	222,676	1,761	224,437
Total comprehensive income (loss)	-	-	-	-	(5,867,976)	(63,847)	264,055	94,031	(5,573,737)	14,979	(5,558,758)
Appropriation of retained earnings:											
Legal reserve	-	-	9,321,611	-	(9,321,611)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(14,030,731)	-	-	-	(14,030,731)	-	(14,030,731)
Reversal of special reserve	-	-	-	(3,987,494)	3,987,494	-	-	-	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(17,511)	(17,511)
Balance at December 31, 2023	\$ 28,061,464	1,271,775	28,010,462	-	138,614,889	9,572,519	435,107	32,258	205,998,474	365,600	206,364,074

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

WAN HAI LINES LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
(Loss) profit before income tax	\$ (2,494,507)	123,979,379
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	18,133,374	21,300,304
Amortization expense	31,403	51,689
Net (gain) loss on financial assets at fair value through profit or loss	(1,016,494)	687,672
Interest expense	1,857,854	1,492,030
Gain on disposal of debt instruments measured at fair value through other comprehensive income	(1,017)	-
Interest revenue	(5,991,625)	(2,350,371)
Dividend income	(370,284)	(402,107)
Share of income of associates and joint ventures accounted for using equity method	(372,338)	(320,776)
Gain on disposal of property, plant and equipment	(1,796,360)	(105,731)
Impairment loss on non-financial assets	2,602,404	-
Loss (gain) on unrealized foreign exchange gain	(796,123)	1,386,895
Others	(3,199)	(6,070)
Total adjustments to reconcile profit (loss)	<u>12,277,595</u>	<u>21,733,535</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	301,304	(820,816)
Contract assets	689,181	5,852,424
Notes receivable	6,200	30,126
Accounts receivable	1,267,470	2,519,843
Other receivables	(39,540)	(88,711)
Inventories	948,828	(1,174,858)
Receivables from agents	763,238	405,335
Other current assets	281,826	(628,928)
Total changes in operating assets, net	<u>4,218,507</u>	<u>6,094,415</u>
Changes in operating liabilities, net:		
Accounts payable	(2,792,200)	876,701
Other payables	(2,448,505)	144,404
Payables to agents	(32,891)	(50,335)
Other current liabilities	(187,059)	(1,256,839)
Accrued pension liabilities	(102,036)	(43,844)
Total changes in operating liabilities, net	<u>(5,562,691)</u>	<u>(329,913)</u>
Total changes in operating assets and liabilities	<u>(1,344,184)</u>	<u>5,764,502</u>
Total adjustments	<u>10,933,411</u>	<u>27,498,037</u>
Cash inflow generated from operations	8,438,904	151,477,416
Income taxes paid	(12,881,765)	(16,347,572)
Net cash provided by operating activities	<u>(4,442,861)</u>	<u>135,129,844</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(791,540)	(62,855)
Proceeds from disposal of financial assets at fair value through other comprehensive income	31,816	-
Acquisition of investments accounted for using equity method	(27,292)	(2,418)
Acquisition of property, plant and equipment	(31,291,902)	(35,726,579)
Proceeds from disposal of property, plant and equipment	4,070,201	185,491
Acquisition of intangible assets	(35,053)	(16,169)
Acquisition of investment property	(34,495)	(4,565)
Other non-current assets	15,382	(146,765)
Prepayments for business facilities	(12,649,702)	(13,426,143)
Interest received	5,515,791	2,194,950
Dividends received	777,522	605,098
Net cash used in investing activities	<u>(34,419,272)</u>	<u>(46,399,955)</u>
Cash flows from financing activities:		
Decrease in short-term loans	-	(30,000)
Repayments of bonds	-	(3,600,000)
Proceeds from long-term loans	40,839,553	26,278,985
Repayment of long-term loans	(29,722,479)	(11,737,095)
Guarantee deposits received	354,732	181,418
Payments of lease liabilities	(8,258,687)	(12,872,232)
Cash dividends paid	(14,030,731)	(25,621,336)
Acquisition of ownership interests in subsidiaries	-	(7,637)
Interest paid	(1,791,274)	(1,412,282)
Change in non-controlling interests	(17,511)	(7,749)
Net cash used in financing activities	<u>(12,626,397)</u>	<u>(28,827,928)</u>
Foreign exchange rate effects	(623,999)	8,848,416
Net increase in cash and cash equivalents	(52,112,529)	68,750,377
Cash and cash equivalents, beginning of period	171,752,195	103,001,818
Cash and cash equivalents, end of period	<u>\$ 119,639,666</u>	<u>171,752,195</u>

Independent Auditors' Report

To the Board of Directors of Wan Hai Lines Ltd.:

Opinion

We have audited the financial statements of Wan Hai Lines Ltd.("the Company"), which comprise the balance sheet as of December 31, 2023 and 2022, the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Revenue recognition

Please refer to note (4)(p) " Revenue" , note (5)(a) " Uncertainty associated with the assumptions and estimations for revenue recognition" and note (6)(u) "Revenue disclosures" of the financial statements.

How the matter was addressed in our audit

The freight revenue is recognized in proportion to the stage of completion of the voyage measured by reference to the proportion of the actual shipping days incurred in balance sheet date. The voyage days is estimated depending on historical experience which involved high uncertainty. Consequently, this is one of the key areas our audit focused on.

Our principal audit procedures included:

Understanding how the management estimates the voyage days of each route including its method and source; sampling the source data from the system and obtaining the method on how the system compute the voyage days to evaluate the reasonableness of the estimated voyage days of each route from the management.

2. Impairment assessment of property, plant and equipment

Please refer to note (4)(i) “Subsidiaries” note (4)(l) “Property, plant and equipment” , note (4)(o) “Impairment of non-financial assets” , note (5)(b) “Impairment of property, plant and equipment” , note (6)(h) “Investments accounted for using the equity method” and note (6)(i) “Property, plant and equipment” .

How the matter was addressed in our audit

The Company and Wan Hai Lines (Singapore) Pte. Ltd., its 100% directly held subsidiary under the equity method, are mainly engaged in international shipping, agency services for transportation affair, port container terminal operation, vessel and container trading, leasing and other businesses. Since the industry the Company belongs to is affected by the global economic situation and fierce competition in the shipping market, there may be risks of asset impairment. The Company's assessment of whether there are signs of assets impairment is included as one of the key areas our audit focused on.

Our principal audit procedures included:

Understanding the cash-generating unit used by the Company and Wan Hai Lines (Singapore) Pte. Ltd., its 100% directly held subsidiary under the equity method, to assess asset impairment; understanding the various indicators used by the Group to assess asset impairment indicators, and assessing impairment for each indicator. If there is any indication of impairment, evaluating the rationality of the future cash flow assumptions predicted by the Company, and reviewing the rationality of the discount rate parameters used.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statement. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Kuo, Rou-Lan and Chen, Chun-Kuang.

KPMG

Taipei, Taiwan (Republic of China)

March 13, 2024

(English Translation of Financial Statements Originally Issued in Chinese)
WAN HAI LINES LTD.

BALANCE SHEETS

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

Assets	2023.12.31		2022.12.31			Liabilities and Equity	2023.12.31		2022.12.31	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:				
1100 Cash and cash equivalents	\$ 57,570,628	19	46,412,434	13	2126	Current financial liabilities for hedging	\$ 152,727	-	628,486	-
1110 Current financial assets at fair value through profit or loss	7,109,410	2	6,394,220	2	2170	Accounts payable	4,836,097	2	7,242,768	2
1137 Current financial assets at amortized cost	-	-	70,790	-	2200	Other payables	1,419,434	-	2,354,308	1
1150 Notes receivable, net	33,963	-	38,767	-	2230	Current tax liabilities	4,383,924	2	13,007,874	4
1170 Accounts receivable, net	821,017	-	1,439,173	-	2280	Current lease liabilities	3,552,292	1	7,835,647	3
1140 Current contract assets	1,261,140	1	1,957,093	1	2320	Current portion of long-term loans	8,476,890	3	4,324,850	1
1200 Other receivables, net	3,822,079	1	32,774,530	10	2350	Payables to agents	583,869	-	1,071,319	-
1330 Inventories, net	1,591,985	1	1,495,150	-	2300	Other current liabilities	222,184	-	458,973	-
1475 Receivables from agents	1,980,438	1	2,951,729	1			23,627,417	8	36,924,225	11
1479 Other current assets	514,502	-	743,940	-						
	74,705,162	25	94,277,826	27	2511	Non-Current liabilities:				
Non-current assets:					2530	Non-current financial liabilities for hedging	477,627	-	1,370,731	-
1517 Non-current financial assets at fair value through other comprehensive income	5,178,936	2	4,196,361	1	2540	Bonds payable	4,500,000	1	9,000,000	3
1550 Investments accounted for using equity method, net	159,742,473	52	166,526,145	49	2570	Long-term borrowings	35,024,168	12	27,996,481	8
1600 Property, plant and equipment	48,652,613	16	50,738,133	15	2580	Deferred tax liabilities	29,240,812	10	30,433,084	9
1755 Right-of-use assets	8,307,597	3	20,705,054	6	2640	Non-current lease liabilities	4,209,264	1	11,388,248	3
1760 Investment property, net	3,425,902	1	3,453,809	1	2645	Accrued pension liabilities-non current	85,637	-	176,323	-
1780 Intangible assets	49,916	-	38,926	-		Guarantee deposits received	30,486	-	21,016	-
1915 Prepayments for business facilities	2,872,511	1	2,708,676	1			73,567,994	24	80,385,883	23
1900 Other non-current assets	258,775	-	268,120	-			97,195,411	32	117,310,108	34
	228,488,723	75	248,635,224	73		Total liabilities				
					3100	Equity:				
					3200	Common stock	28,061,464	10	28,061,464	8
						Capital surplus	1,271,775	-	1,271,775	-
						Retained earnings:				
					3310	Legal reserve	28,010,462	9	18,688,851	6
					3320	Special reserve	-	-	3,987,494	1
					3350	Retained earnings-unappropriated	138,614,889	46	163,847,713	48
							166,625,351	55	186,524,058	55
						Other equity interest:				
					3411	Exchange differences on translation of foreign financial statements	9,572,519	3	9,636,366	3
					3420	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	435,107	-	171,052	-
					3450	Gains (losses) on hedging instruments	32,258	-	(61,773)	-
							10,039,884	3	9,745,645	3
						Total equity	205,998,474	68	225,602,942	66
Total assets	\$ 303,193,885	100	342,913,050	100		Total liabilities and equity	\$ 303,193,885	100	342,913,050	100

(English Translation of Financial Statements Originally Issued in Chinese)
WAN HAI LINES LTD.

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	2023		2022		
	Amount	%	Amount	%	
4000	Operating revenue	\$ 59,212,366	100	127,041,698	100
5000	Operating costs	58,350,120	99	71,318,697	56
	Gross profit	862,246	1	55,723,001	44
6200	Total administrative expenses	2,325,508	4	4,522,191	4
6500	Net other income (expenses)	1,033,128	2	88,521	-
	Income from operations	(430,134)	(1)	51,289,331	40
	Non-operating income and expense:				
7100	Interest income	2,680,125	5	605,257	1
7010	Other income	330,795	1	364,584	-
7020	Other gains and losses	1,555,122	3	5,561,646	4
7050	Finance costs	(1,040,612)	(2)	(1,980,455)	(1)
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	(6,273,770)	(11)	67,403,209	53
	Total non-operating income and expenses	(2,748,340)	(4)	71,954,241	57
7900	Profit before tax	(3,178,474)	(5)	123,243,572	97
7950	Less: Income tax expenses	2,617,939	5	30,171,475	24
	Net Profit	(5,796,413)	(10)	93,072,097	73
8300	Other comprehensive income (loss):				
8310	Items that may not be reclassified subsequently to profit and loss				
8311	Gains (losses) on remeasurements of defined benefit plans	6,253	-	134,921	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	237,795	-	(158,765)	-
8331	Gains (losses) on the remeasurements of defined benefit plans, subsidiaries, associates and joint ventures accounted for using equity method	(76,565)	-	54,223	-
8336	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income, subsidiaries, associates and joint ventures accounted for using equity method	20,211	-	(115,860)	-
8349	Less: Income tax related to components of other comprehensive income that may not be reclassified subsequently	1,251	-	26,984	-
	Total items that may not be reclassified subsequently to profit and loss	186,443	-	(112,465)	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation	(71,740)	-	14,267,913	11
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	6,049	-	-	-
8368	Gains (losses) on hedging instrument	94,031	-	(245,601)	-
8399	Less: Income tax related to components of other comprehensive income that may be reclassified to profit or loss	7,893	-	(14,547)	-
	Total items that may be reclassified subsequently to profit and loss	36,233	-	14,007,765	11
8300	Other comprehensive income (net of tax)	222,676	-	13,895,300	11
	Total comprehensive income	<u>\$ (5,573,737)</u>	<u>(10)</u>	<u>106,967,397</u>	<u>84</u>
9750	Basic earnings per share (New Taiwan Dollars)	<u>\$ (2.07)</u>		<u>33.17</u>	
9850	Diluted earnings per share (New Taiwan Dollars)	<u>\$ (2.07)</u>		<u>33.05</u>	

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
WAN HAI LINES LTD.

STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	Stock		Retained Earnings			Foreign Currency Translation Differences Arising from Foreign Operations	Other Equity Items		Total
	Common Stock	Capital Surplus	Legal reserve	Special reserve	Retained Earnings - Unappropriated		Unrealized Gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments	
Balance at January 1, 2022	\$ 24,401,273	1,271,775	8,354,970	3,239,603	110,994,900	(4,617,000)	445,677	183,828	144,275,026
Net profit	-	-	-	-	93,072,097	-	-	-	93,072,097
Other comprehensive income	-	-	-	-	162,160	14,253,366	(274,625)	(245,601)	13,895,300
Total comprehensive income (loss)	-	-	-	-	93,234,257	14,253,366	(274,625)	(245,601)	106,967,397
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	10,333,881	-	(10,333,881)	-	-	-	-
Special reserve appropriated	-	-	-	747,891	(747,891)	-	-	-	-
Cash dividends	-	-	-	-	(25,621,336)	-	-	-	(25,621,336)
Stock dividends of ordinary share	3,660,191	-	-	-	(3,660,191)	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	-	(18,145)	-	-	-	(18,145)
Balance at December 31, 2022	28,061,464	1,271,775	18,688,851	3,987,494	163,847,713	9,636,366	171,052	(61,773)	225,602,942
Net profit	-	-	-	-	(5,796,413)	-	-	-	(5,796,413)
Other comprehensive income	-	-	-	-	(71,563)	(63,847)	264,055	94,031	222,676
Total comprehensive income (loss)	-	-	-	-	(5,867,976)	(63,847)	264,055	94,031	(5,573,737)
Appropriation and distribution of retained earnings:									
Legal reserve	-	-	9,321,611	-	(9,321,611)	-	-	-	-
Cash dividends	-	-	-	-	(14,030,731)	-	-	-	(14,030,731)
Reversal of special reserve	-	-	-	(3,987,494)	3,987,494	-	-	-	-
Balance at December 31, 2023	\$ 28,061,464	1,271,775	28,010,462	-	138,614,889	9,572,519	435,107	32,258	205,998,474

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
WAN HAI LINES LTD.

STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023 and 2022
(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows from (used in) operating activities:		
(Loss) profit before income tax	\$ (3,178,474)	123,243,572
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	10,486,503	16,867,967
Amortization expense	30,701	51,158
Net (gain) loss on financial assets at fair value through profit or loss	(1,016,494)	687,672
Interest expense	1,040,612	1,980,455
Gain on disposal of investments in debt instrument at fair value through other comprehensive income	(1,017)	-
Interest revenue	(2,680,125)	(605,257)
Dividend income	(330,483)	(363,502)
Investment income under the equity method	6,273,770	(67,403,209)
Gain on disposal of property, plant and equipment	(1,033,128)	(88,521)
Loss (gain) on unrealized foreign exchange	(796,123)	1,386,895
Gain on lease modification	(213,171)	(1,199,851)
Others	40,922	(53,487)
Total adjustments to reconcile profit (loss)	<u>11,801,967</u>	<u>(48,739,680)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Contract assets	695,953	5,878,429
Notes receivable	4,804	30,930
Accounts receivable	618,156	552,389
Other receivables	538,333	(37,741)
Inventories	(96,835)	(695,011)
Receivables from agents	971,291	1,751,915
Other current assets	229,439	(117,019)
Financial assets at fair value through profit or loss, mandatorily measured at fair value	301,304	(820,816)
Total changes in operating assets, net	<u>3,262,445</u>	<u>6,543,076</u>
Changes in operating liabilities, net:		
Accounts payable	(2,392,787)	(7,033,291)
Other payables	(1,705,008)	(4,036)
Payables to agents	(487,450)	(316,106)
Other current liabilities	(237,998)	258,303
Accrued pension liabilities	(84,433)	(67,827)
Total changes in operating liabilities, net	<u>(4,907,676)</u>	<u>(7,162,957)</u>
Total changes in operating assets and liabilities	<u>(1,645,231)</u>	<u>(619,881)</u>
Total adjustments	<u>10,156,736</u>	<u>(49,359,561)</u>
Cash inflow generated from operations	6,978,262	73,884,011
Income taxes paid	(12,445,727)	(15,838,647)
Net cash provided by operating activities	<u>(5,467,465)</u>	<u>58,045,364</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(791,540)	(62,855)
Proceeds from disposal of financial assets at fair value through other comprehensive income	31,816	-
Acquisition of long-term equity investment under equity method	(25,592)	(3,332,027)
Acquisition of property, plant and equipment	(4,178,625)	(24,687,071)
Proceeds from disposal of property, plant and equipment	2,664,584	161,206
Other receivables due from related parties	585,845	4,348,560
Acquisition of intangible assets	(32,780)	(15,839)
Acquisition of investment property	(776)	(554)
Other non-current assets	9,884	(71,868)
Prepayments for business facilities	(1,406,281)	(928,524)
Interest received	2,308,897	592,689
Dividends received	28,958,882	443,876
Net cash used in investing activities	<u>28,124,314</u>	<u>(23,552,407)</u>
Cash flows from financing activities:		
Repayments of bonds	-	(3,600,000)
Proceeds from long-term loans	26,780,000	23,034,400
Repayment of long-term loans	(19,271,986)	(10,029,805)
Guarantee deposit	10,678	800
Cash dividends paid	(14,030,731)	(25,621,336)
Lease repayments- principal portions	(3,885,048)	(10,058,461)
Interest paid	(1,101,568)	(1,919,709)
Net cash used in financing activities	<u>(11,498,655)</u>	<u>(28,194,111)</u>
Net increase (decrease) in cash and cash equivalents	<u>11,158,194</u>	<u>6,298,846</u>
Cash and cash equivalents at beginning of period	<u>46,412,434</u>	<u>40,113,588</u>
Cash and cash equivalents at end of period	<u>\$ 57,570,628</u>	<u>46,412,434</u>

Audit Committee's Review Report (Consolidated)

The Board of Directors has prepared the Company's consolidated financial statements and consolidated business report for year of 2023. Of which, the Company's consolidated financial statements for 2023 have been audited by the CPA firm of KPMG through entrustment by the Board of Directors- an audit report with unqualified opinion was issued. Pursuant to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, the Audit Committee completed the examination without discoveries of noncompliance. Hence, we make a report hereby.

To the general shareholders' meeting of 2024

WAN HAI LINES LTD.

Chairman of the Audit Committee: RUNG-NIAN LAI

March 13, 2024

Audit Committee's Review Report

The Board of Directors has prepared the Company's financial statements, business report, and earnings distribution for the year of 2023. Of which, the Company's financial statements for 2023 have been audited by the CPA firm of KPMG through entrustment by the Board of Directors- an audit report with unqualified opinion was issued. Pursuant to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act, the Audit Committee completed the examination without discoveries of noncompliance. Hence, we make a report hereby.

To the general shareholders' meeting of 2024

WAN HAI LINES LTD.

Chairman of the Audit Committee: RUNG-NIAN LAI

March 13, 2024

Attachment 4

Comparison Table of Amendments to the Rules and Procedures of Shareholders Meeting by WAN HAI LINES LTD.

After amendment	Before amendment	Reason for Amendment
<p>Article 3: Unless otherwise specified by law, the Company's shareholders' meetings are convened by the board of directors.</p> <p><u>When the company convenes a shareholders' meeting via video conference, unless there are other circumstances stipulated in the stock management standards for companies that publicly issue stocks, the board of directors shall make a resolution with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present.</u></p> <p>-----Item 3 to 4 omitted-----</p> <p>A meeting notification, the paper of the power of attorney, the relevant proposals for acknowledgements, discussion and election or dismissal of directors. These proposals and explanatory materials shall be made to electronic files and uploaded through the MOPS 30 days prior to the general meeting or 15 days prior to the extraordinary meeting. A meeting agenda and meeting supplementary materials shall be made to electronic files and uploaded through the MOPS 21 days prior to the general meeting or 15 days prior to the extraordinary meeting. If the amount reaches NT\$10 billion or more, or if the shareholders' list of shareholders held a regular meeting in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital reaches 30% or more, the e-mail should be opened 30 days before the regular shareholders' meeting is completed. File transfer. Fifteen days before the shareholders' meeting, prepare the manual of the shareholders' meeting and supplementary materials for the meeting at any time, for shareholders to request and read at any time, and display them in the company and the professional stock affairs agency appointed by the company.</p> <p>-----omitted-----</p>	<p>Article 3: Unless otherwise specified by law, the Company's shareholders' meetings are convened by the board of directors.</p> <p>-----Item 2 to 3 omitted-----</p> <p>A meeting notification, the paper of the power of attorney, the relevant proposals for acknowledgements, discussion and election or dismissal of directors, <u>supervisors</u>. These proposals and explanatory materials shall be made to electronic files and uploaded through the MOPS 30 days prior to the general meeting or 15 days prior to the extraordinary meeting. A meeting agenda and meeting supplementary materials shall be made to electronic files and uploaded through the MOPS 21 days prior to the general meeting or 15 days prior to the extraordinary meeting. If the amount reaches NT\$10 billion or more, or if the shareholders' list of shareholders held a regular meeting in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital reaches 30% or more, the e-mail should be opened 30 days before the regular shareholders' meeting is completed. File transfer. Fifteen days before the shareholders' meeting, prepare the manual of the shareholders' meeting and supplementary materials for the meeting at any time, for shareholders to request and read at any time, and display them in the company and the professional stock affairs agency appointed by the company.</p> <p>-----omitted-----</p>	<p>1. Add the second item according to the example announced by Taiwan Stock Exchange and defer the remaining items.</p> <p>2. Delete the supervisor in item 5.</p>

After amendment	Before amendment	Reason for Amendment
<p>Article 4: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company before five days prior to the date of the shareholders meeting when duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting by video conference, a written notice of proxy cancellation shall be submitted to the Company two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. -----omitted-----</p>	<p>Article 4: For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company before five days prior to the date of the shareholders meeting when duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting by video conference, a written notice of proxy cancellation shall be submitted to the Company <u>at least</u> two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail. -----omitted-----</p>	Text correction.
<p>Article 7: When the company holds a shareholder's meeting via videoconference, the following items shall be specified in the shareholders meeting convening notice: 1. -----omitted----- 2. -----omitted----- 3. To convene a video-conference shareholders meeting, which shall specify appropriate alternative measures for shareholders who have difficulty participating in videoconferencing. <u>Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted.</u></p>	<p>Article 7: When the company holds a shareholder's meeting via videoconference, the following items shall be specified in the shareholders meeting convening notice: 1. -----omitted----- 2. -----omitted----- 3. To convene a video-conference shareholders meeting, which shall specify appropriate alternative measures for shareholders who have difficulty participating in videoconferencing.</p>	According to the example announced by Taiwan Stock Exchange, the video connection equipment and necessary assistance should be added to shareholders who have difficulty convening a video shareholders' meeting. The period during which shareholders can apply to the company and other relevant matters should be noted in the notice of the shareholders' meeting matter.

After amendment	Before amendment	Reason for Amendment
<p>Article <u>14</u>: -----Item 1 to 3 omitted----- However, exception is granted if the shareholder issues a proper declaration to withdraw the previous vote. If, after submitting a written or electronic vote, the shareholder intends to attend the shareholders meeting in person, then a proper declaration of withdrawal must be issued using the same method as the original vote two days before the shareholders' meeting. If the request is submitted after the deadline, the original exercise of voting rights by written or electronic vote will be counted. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall take precedence. -----omitted-----</p>	<p>Article <u>14</u>: -----Item 1 to 3 omitted----- However, exception is granted if the shareholder issues a proper declaration to withdraw the previous vote. If, after submitting a written or electronic vote, the shareholder intends to attend the shareholders meeting in person, then a proper declaration of withdrawal must be issued using the same method as the original vote <u>at least</u> two days before the shareholders' meeting. If the request is submitted after the deadline, the original exercise of voting rights by written or electronic vote will be counted. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall take precedence. -----omitted-----</p>	Text correction.
<p>Article <u>22</u>: -----Item 1 to 4 omitted----- When adjourning or adjourning a general meeting of shareholders in accordance with the provisions of Paragraph 2, no re-discussion and resolution is required for proposals that have completed voting and counting, and announced the voting results or lists of directors. -----omitted-----</p>	<p>Article <u>22</u>: -----Item 1 to 4 omitted----- When adjourning or adjourning a general meeting of shareholders in accordance with the provisions of Paragraph 2, no re-discussion and resolution is required for proposals that have completed voting and counting, and announced the voting results or lists of directors <u>and supervisors</u>. -----omitted-----</p>	Delete the supervisor in item 5.
<p>Article <u>23</u>: When the company holds a video-conference shareholders meeting, it shall provide appropriate alternative measures for shareholders who have difficulties in attending via videoconferencing. <u>Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted.</u></p>	<p>Article <u>23</u>: When the company holds a video-conference shareholders meeting, it shall provide appropriate alternative measures for shareholders who have difficulties in attending via videoconferencing.</p>	The same as Article 7 and is updated in accordance with the examples announced by Taiwan Stock Exchange.
<p>Article <u>25</u>: These Rules and Procedures were created on 21 May 1991. The 1st amendment was made on 13 May 1998. The 2nd amendment was made on 29 June 2002. The 3rd amendment was made on 23 June 2006. The 4th amendment was made on 24 June 2011. The 5th amendment was made on 27 June 2012. The 6th amendment was made on 22 June 2017. The 7th amendment was made on 18 June 2019. The 8th amendment was made on 23 June 2020. The 9th amendment was made on 20 July 2021. The 10th amendment was made on 26 May 2022. The 11th amendment was made on 30 May 2023. <u>The 12th amendment was made on 28 May 2024.</u></p>	<p>Article <u>25</u>: These Rules and Procedures were created on 21 May 1991. The 1st amendment was made on 13 May 1998. The 2nd amendment was made on 29 June 2002. The 3rd amendment was made on 23 June 2006. The 4th amendment was made on 24 June 2011. The 5th amendment was made on 27 June 2012. The 6th amendment was made on 22 June 2017. The 7th amendment was made on 18 June 2019. The 8th amendment was made on 23 June 2020. The 9th amendment was made on 20 July 2021. The 10th amendment was made on 26 May 2022. The 11th amendment was made on 30 May 2023.</p>	Update the date of the amendment.

WAN HAI LINES LTD.
2023 Earnings Appropriation

Unit: NTD

Item	Total
Undistributed earnings for beginning of period	144,482,865,425
Subtracted: Post-tax net loss	(5,796,413,576)
Subtracted: Other comprehensive loss (the re-measurement of defined benefit obligation, 2023)	(71,562,731)
Earnings available for distribution	138,614,889,118
Subtracted: items to be appropriated (Note 1)	
Cash dividends to shareholders (NT\$1.5 per share)	(4,209,219,440)
Undistributed earnings for end of period	134,405,669,678

Notes 1: In accordance with the Ministry of Finance's Regulatory Letter No. 871941343, a company shall first determine the year to which earning dividends or surpluses belong. The Company's earnings appropriation principle is allocated from earnings in 2023 available for distribution. If there is any shortfall, the previously accumulated distributable surplus will be distributed on a first-in, first-out basis according to the year in which the surplus was generated.

Rules and Procedures of Shareholders Meeting by WAN HAI

LINES LTD.

Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules and Procedures have been created as a way of complying with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2 The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules and Procedures.

Article 3 Unless otherwise specified by law, the Company's shareholders meetings are convened by the board of directors.

When the shareholders' meeting is held, it can be held by video conference or other methods announced by the central competent authority. The operating procedures and other matters to be followed shall be handled in accordance with the regulations of the competent authority.

Changes to the method of convening the shareholders' meeting of the company shall be resolved by the board of directors, and no later than before the notice of the shareholders' meeting is sent.

A meeting notification, the paper of the power of attorney, the relevant proposals for acknowledgements, discussion and election or dismissal of directors, supervisors. These proposals and explanatory materials shall be made to electronic files and uploaded through the MOPS 30 days prior to the general meeting or 15 days prior to the extraordinary meeting. A meeting agenda and meeting supplementary materials shall be made to electronic files and uploaded through the MOPS 21 days prior to the general meeting or 15 days prior to the extraordinary meeting.

If the amount reaches NT\$10 billion or more, or if the shareholders' list of shareholders held a regular meeting in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital reaches 30% or more, the e-mail should be opened 30 days before the regular shareholders' meeting is completed. File transfer. Fifteen days before the shareholders' meeting, prepare the manual of the shareholders' meeting and supplementary materials for the meeting at any time, for shareholders to request and read at any time, and display them in the company and the professional

stock affairs agency appointed by the company.

On the day of the shareholders' meeting, the company shall provide shareholders with reference to the procedure manual and meeting supplementary materials mentioned in the preceding paragraph in the following manner:

1. When the physical shareholders' meeting is held, it shall be issued on the spot of the shareholders' meeting.
2. When convening a video-assisted shareholders' meeting, it shall be issued at the site of the shareholders' meeting and sent to the video conference platform as an electronic file.
3. When convening a video conference, the electronic file shall be sent to the video conference platform.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any items contained in Article 185 Paragraph I matters of the Company Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, Article 56-1 of Issuers' Raising and Issuing of Marketable Securities Handling Guidelines and Article 60-2 matters shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a general meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in a meeting agenda. Shareholders may submit proposed proposals to urge the company to promote the public interest or fulfill its social responsibilities. The procedures shall be limited to one item in accordance with the relevant provisions of Article 172-1 of the Company Law. If there is more than one proposal, all proposals Not included in a meeting agenda. Additionally, unless any of Article 172-1 Paragraph 4 of the Company Act is satisfied, the board of directors of the Company shall include the proposal submitted by a shareholder in the list of proposals to be discussed at a general meeting.

Prior to the book closure date before a general meeting is convened, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not

be less than 10 days.

The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words. The shareholder making the proposal shall be present in person or by proxy at the general meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to the Company before five days prior to the date of the shareholders meeting when duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting by video conference, a written notice of proxy cancellation shall be submitted to the Company before two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The time to start the meeting shall not earlier than 9 a.m. or later than 3 p.m.

When the company holds a video-conference shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.

Article 6 The Company shall state the time and location for registration, and other matters requiring attention in the notice of the shareholders or proxies of shareholders (collectively, "shareholders") meeting.

The time for registration by shareholders shall be at least 30 minutes before the meeting.

The place for registration shall be clearly marked, and the registration shall be handled by sufficient and competent persons. The video conference of the shareholders' meeting shall be registered on the video conference platform of the shareholders' meeting 30 minutes before the start of the meeting. Shareholders who have completed the registration are deemed to have attended the shareholders' meeting in person.

The company will provide an attendance log to record the shareholders attendance; alternatively, attending shareholders may present their attendance cards to signify their presence. The Company will provide the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials to the attending shareholders. For elections of directors, ballots will be distributed as well.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance; those acting as proxies shall bring their identification cards for verification. Governments or corporations acting as shareholders are not limited to one attending person. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

If the shareholders meeting is convened by videoconference, shareholders who wish to attend by videoconference shall register with the company two days before the shareholders meeting.

If the shareholders' meeting is held by video conference, the company shall upload the procedure manual, annual report and other relevant materials to the shareholders' meeting video conference platform at least 30 minutes before the start of the meeting, and continue to disclose them until the end of the meeting.

Article 7 When the company holds a shareholders meeting via videoconference, the following items shall be specified in the shareholders meeting convening notice:

1. Shareholders' participation in video conferences and methods for exercising their rights.

2. How to deal with obstacles caused by natural disasters, accidents, or other force majeure events to the video conferencing platform or to participate in video conferences, including at least the following items:

(1) The time at which the meeting must be postponed or continued due to the occurrence of previous obstacles that cannot be eliminated, and the date when the meeting must be postponed or continued.

(2) Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting.

(3) To convene a video-assisted shareholders' meeting, if the video conference cannot be continued, after deducting the number of shares attending the shareholders'

meeting via video conference, the total number of shares attended reaches the statutory quota for the shareholders' meeting, the shareholders' meeting should continue and participate in the video conference. Shareholders, whose number of shares attended shall be included in the total number of shareholders' shares present, shall be deemed to have abstained from voting on all proposals at the shareholders' meeting.

(4) How to deal with the situation where all the motions have been announced and no provisional motions have been made.

3. To convene a video-conference shareholders meeting, which shall specify appropriate alternative measures for shareholders who have difficulty participating in video-conferencing.

Article 8 Shareholders' meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is unable to perform his or her duties due to leave of absence or other reason, the Vice Chairman acts on his behalf. If there is no Vice Chairman or the Vice Chairman is unable to perform his or her duties due to leave of absence or other reason, the Chairman may appoint a managing director to act on his behalf. If no one is appointed, the managing directors or the directors shall select from among themselves one person to perform the Chairman's duties.

For shareholders' meetings convened by the board of directors, the number of participating directors who attend shall exceed one half.

If the shareholder' meeting is convened by someone other than the board of directors, the convener will act as the meeting chairman. If there are two or more conveners, they shall appoint one amongst themselves to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to the shareholders' meeting.

Article 9 The Company's shareholders' meetings must be recorded in video or audio, and kept for at least a year. However, if a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the audio or video recordings must be retained until the end of litigation.

If the shareholders' meeting is held by video conference, the company shall keep records of shareholders' registration, registration, registration, questioning, voting, and company vote counting results, etc., and record and video the entire process of the video conference continuously.

The company shall properly keep the materials and audio and video recordings in the preceding paragraph during the period of existence, and provide the audio and video recordings to the person entrusted to handle the video conferencing affairs for storage.

If the shareholders' meeting is held by video conference, the company should make

audio and video recordings of the background operation interface of the video conference platform.

Article 10 Attendance of shareholders' meeting should be calculated on the basis of number of shares. The number of shares represented during the meeting is calculated based on the amount registered in the attendance log or the attendance cards collected and video conferencing platform registration number of shares, plus the amount of shares whose voting rights are exercised through proxy forms or electronic methods.

The Chairman should announce the commencement of the meeting as soon as it is due. However, if the number of shares held by those in attendance number less than 50 percent of all outstanding shares, the Chairman may postpone the meeting up to two times, the total time of postponement may not exceed one hour.

If the number of outstanding shares represented does not exceed one third after the second postponement, the Chairman must announce the lack of quorum; If the shareholders meeting is convened by video conference, the company shall also announce the lack of quorum on the video conference.

If, after two postponements, the number of shares represented still does not exceed 50 percent, but exceeds one-third of all outstanding shares, the Company may proceed according to Paragraph 1 of Article 175 of the Company Act to reach a temporary resolution with the approval of more than half of voting rights represented during the meeting. The temporary resolution must be communicated to shareholders, and a new shareholders' meeting must be convened within a month. If the general meeting of shareholders is held via video conference, shareholders who wish to attend via video conference shall re-register with the company in accordance with Article 6.

If the number of shares represented during the meeting reaches a total of over half of all outstanding shares, the Chairman may re-propose the temporary resolutions for final voting according to Article 174 of the Company Act.

Article 11 If the shareholders' meeting is convened by the board of directors, the meeting agenda will be set by the board of directors. The meeting shall proceed according to the meeting agenda, and may not be modified without a resolution from the shareholders' meeting.

The preceding paragraph also applies to meetings convened by a party with the power to convene that is not the board of directors.

The Chairman may not dismiss the meeting prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chairman violates meeting rules and dismiss the meeting, the other directors shall promptly assist the attending

shareholders in electing a new chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his or her shareholder account number, and account name. The order of the shareholders' speak will be determined by the chairman. Shareholders who submit speaker's slip without speaking are considered to have remained silent. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Shareholders cannot speak more than two times, for more than five minutes each, on the same proposal without consent from the Chairman. The Chairman may stop shareholders in violation of these rules, or shareholders whose comments are irrelevant to the proposal. While a shareholder is speaking, other shareholders may not speak to disrupt the speaker without the consent of the Chairman and the speaker. The Chairman shall restrain any violators. For corporate shareholders who have appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda.

When a shareholder is finished speaking, the Chairman must reply, either personally or by assigned relevant personnel.

If the shareholders meeting is convened by video conference, shareholders who participate in the video conference may ask questions in text on the shareholders meeting video conference platform after the chairman announces the meeting and before the meeting is closed. The number of questions for each proposal shall not exceed two times. The limit is 200 characters, and the provisions of items 1 to 5 do not apply.

If the question in the preceding paragraph does not violate the regulations or does not exceed the scope of the proposal, it is advisable to disclose the question on the video conferencing platform of the shareholders meeting for public awareness

Article 13 Voting in the shareholders meeting is determined on the basis of shares. Non-voting shareholders are not counted in the total number of issued shares for resolutions at the shareholders meeting.

Shareholders cannot vote, or appoint proxies to vote, on any agendas that present conflicting interests, if doing so may compromise the Company's interests.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 14 Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in item 2 of Article 179 of the Company Act where no voting rights are granted.

When the shareholder meeting is convened, voting rights can be exercised in writing or through electronic methods. Instructions for exercising voting rights in writing or through electronic methods must be clearly stated in the notification to shareholders of the convening of the shareholders' meeting. Shareholders who have voted in writing or through electronic methods are considered to have attended the shareholders meeting in person. However, they waive their rights to participate in any special motions or revisions to the original agendas that may arise during the shareholders meeting.

The intention to use written and electronic votes in person or via video mentioned above must be delivered to the Company at least two days before the shareholders' meeting. If there are duplicate submissions, the earlier submission takes precedence. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous vote. If, after submitting a written or electronic vote, the shareholder intends to attend the shareholders meeting in person, then a proper declaration of withdrawal must be issued using the same method as the original vote at least two days before the shareholders' meeting. If the request is submitted after the deadline, the original exercise of voting rights by written or electronic vote will be counted. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall take precedence.

Votes on motions, unless otherwise specified by the Company Act or the Company's Article of Incorporation, shall be passed with the approval of over half of the attending shareholders voting rights. At the time of voting, the total number of shareholders voting rights should be announced by the Chairman or appointed personnel.

If the Chairman consults the entirety of attending shareholders without objection regarding a motion, it is considered passed. Its efficacy is the same as deciding by vote. If there are objections, the motion must be voted on by the methods described above. If there are several amendments or alternate solutions to a motion, the meeting chairman will determine the voting sequence. If any of the motions are passed, all other motions are deemed rejected and no further voting is necessary.

Ballot monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman, provided all monitoring personnel shall be shareholders of the Company. Ballot counting will proceed in public at the place of the shareholders' meeting. The results of the vote shall be documented and announced on site.

The company holds a video meeting of the shareholders meeting. Shareholders who participate in the video conference shall vote on various proposals and election proposals through the video conference platform after the chairman announces the opening of the meeting. deemed a waiver.

If the shareholders' meeting is convened by videoconference, after the chairman announces that the voting is over, the votes shall be counted at one time, and the voting and election results shall be announced.

When the company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting via videoconference in accordance with the provisions of Article 6, and wish to attend the physical shareholders' meeting in person, shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; Those who cancel after the deadline can only attend the shareholders' meeting via video conference.

Those who exercise voting rights in writing or electronically without revoking their declaration of intention and participate in the shareholders' meeting through video conference shall not vote on the original proposal, propose amendments to the original proposal, or exercise voting rights on amendments to the original proposal, except for temporary motions

Article 15 Election of directors must be conducted in accordance to the Company's relevant election procedures. The results of the election shall be announced at the shareholders' meeting, including the calculated number of voting rights, the list of directors who lose the election and the number of voting rights obtained.

The ballots for the election referred to in the preceding paragraph shall be sealed with signatures of the monitoring personnel and kept in proper custody for at least a year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 16 The resolutions passed at the shareholders' meeting must be compiled into meeting minutes, signed or stamped by the Chairman. The meeting minutes must be delivered to all shareholders within twenty days of the meeting. The preparation and distribution of meeting minutes may be done by electronic methods.

The Company for distribution of the meeting minutes must be entered as an announcement into a Market Observation Post System. The minutes shall accurately record the year, month, day, and location of the meeting, the Chairman's name, the method of resolution, and the summary and results of meeting agendas. These minutes must be retained for as long as the company continues to exist. Any resolutions involving the chairman asking for objections from shareholders and receiving none in return must be remarked as "Passed without objections from any shareholders present in the meeting". If objections were raised by shareholders, then the resolution must be noted as having passed by way of voting, with details on the number of passing votes.

If the shareholders meeting is convened by videoconference, in addition to the matters that shall be recorded in accordance with the provisions of the preceding paragraph, the minutes shall also record the start and end time of the shareholders meeting, the method of convening the meeting, the name of the chairman and the minutes, and records of events caused by natural disasters, accidents or other force majeure. The handling method and handling situation when there is an obstacle to the video conferencing platform or participation in the form of video.

The Company shall hold a video-conference shareholders meeting, in addition to following the provisions of the preceding paragraph, and shall state in the minutes of the meeting that there are alternative measures provided by shareholders who have difficulties participating in video-conferencing.

Article 17 The amount of shares solicited by solicitors, represented by proxies and the number of shares attended by shareholders in writing or electronically should be noted in chart form on the day of the shareholders meeting, and shown prominently at the venue of the shareholders meeting.

If the shareholders' meeting is held by video conference, the company shall upload the above-mentioned information to the shareholders' meeting video conference platform at least 30 minutes before the meeting starts, and continue to disclose it until the end of the meeting.

When the company holds a video conference of the shareholders' meeting and announces the meeting, the total number of shareholders' shares present shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights of shareholders present are counted separately during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 18 Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The Chairman may instruct picket members or security staff to help maintain order in the meeting. While maintaining order in the meeting, all picket members or security staff must wear arm bands or identification cards which identify their roles as a "picket member".

For meetings equipped with sound amplifying devices, shareholders not using sound amplifying devices prepared by the Company while speaking shall be stopped by the Chairman. The Chairman may call upon picket members or security staff to escort shareholders from the premises that are violating rules of procedure and not adhering to the Chairman's corrections, or are hampering the proceedings of the meetings who refuse to be stopped.

Article 19 The Chairman may call the meeting into recess at a suitable time. In the occurrence of any force majeure events, the Chairman may suspend the meeting and announce the time of continuation of the meeting after examining the situation.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. According to Article 182 of the Company Act, the board of directors may postpone a meeting for not more than five days, or to reconvene the meeting within five days.

Article 20 If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results of various proposals and election results on the shareholders' meeting video conference platform in accordance with regulations after the voting ends, and shall continue to disclose at least 15 minutes after the chairman announces the adjournment of the meeting. minute.

Article 21 When the company holds a video-conference shareholders meeting, the chairman and recorder shall be at the same place in China, and the chairman shall announce the address of the place when the meeting is held

Article 22 If the shareholders' meeting is held by video conference, the company may provide

shareholders with a simple connection test before the meeting, and provide relevant services immediately before the meeting and during the meeting to assist in dealing with technical problems in communication.

If the shareholders' meeting is convened by videoconference, the chairman shall, when announcing the opening of the meeting, separately announce that there is no need to postpone or continue the meeting except for the circumstances specified in Item 24, Article 44 of the Standards for the Handling of Stock Affairs of Public Offering Companies. Before the adjournment of the meeting, due to natural disasters, accidents or other force majeure, if the video conferencing platform or participation in video conferencing is obstructed and lasts for more than 30 minutes, the date of the meeting shall be postponed or continued within five days, and the company law does not apply. Article 182.

Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting in the event of the occurrence of the preceding paragraph.

The meeting shall be postponed or resumed according to the provisions of Paragraph 2. Shareholders who have registered to participate in the original shareholders' meeting and completed the registration through video conference, and those who have not participated in the postponed or continued meeting, the number of shares attended at the original shareholders' meeting, the voting rights exercised and Voting rights shall be included in the total number of shares, voting rights and voting rights of shareholders present at the postponed or resumed meeting.

When adjourning or adjourning a general meeting of shareholders in accordance with the provisions of Paragraph 2, no re-discussion and resolution is required for proposals that have completed voting and counting, and announced the voting results or lists of directors and supervisors.

When the company convenes a video-assisted shareholders' meeting, and the video conference cannot be continued under Paragraph 2, if the total number of shares present after deducting the number of shares attending the shareholders' meeting by video-conference still reaches the statutory quota for the shareholders' meeting, the shareholders' meeting shall continue. There is no need to postpone or continue the meeting in accordance with the provisions of the second paragraph.

In the event that the meeting should continue as mentioned in the preceding paragraph, the shareholders who participate in the shareholders meeting via video conference shall count the number of shares present in the total number of shares of the shareholders present, but shall be deemed as abstaining from voting on all the resolutions of the shareholders meeting.

When the company postpones or continues the meeting in accordance with the

provisions of the second paragraph, it shall follow the provisions listed in Article 44-27 of the Standards for the Handling of Share Affairs of Public Offering Companies, and handle relevant matters in accordance with the original date of the shareholders' meeting and the provisions of each article. Preliminary work.

The second paragraph of Article 12 and Item 3 of Article 13 of the Rules for the Use of Power of Attorneys for Attending Shareholders' Meetings by Public Offering Companies, the Second Item of Article 44-5, and Article 44-10 of the Guidelines for the Handling of Stock Affairs of Public Offering Companies 5. During the period specified in Paragraph 1 of Article 44-17, the company shall postpone or continue the date of the shareholder meeting in accordance with the provisions of Paragraph 2.

Article 23 When the company holds a video-conference shareholders meeting, it shall provide appropriate alternative measures for shareholders who have difficulties in attending via video-conferencing.

Article 24 These Rules and Procedures shall become effective once resolved during the shareholders' meeting; the same applies to all subsequent revisions.

Article 25 These Rules and Procedures were created on 21 May 1991.

The 1st amendment was made on 13 May 1998.

The 2nd amendment was made on 29 June 2002.

The 3rd amendment was made on 23 June 2006.

The 4th amendment was made on 24 June 2011.

The 5th amendment was made on 27 June 2012.

The 6th amendment was made on 22 June 2017.

The 7th amendment was made on 18 June 2019.

The 8th amendment was made on 23 June 2020.

The 9th amendment was made on 20 July 2021.

The 10th amendment was made on 26 May 2022.

The 11th amendment was made on 30 May 2023.

Rules and Procedures of Shareholders Meeting by WAN HAI

LINES LTD.

Article 1 To establish a strong governance system and sound supervisory capabilities for the Company's shareholders meetings, and to strengthen management capabilities, these Rules and Procedures have been created as a way of complying with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2 The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules and Procedures.

Article 3 Unless otherwise specified by law, the Company's shareholders meetings are convened by the board of directors.

When the company convenes a shareholders' meeting via video conference, unless there are other circumstances stipulated in the stock management standards for companies that publicly issue stocks, the board of directors shall make a resolution with the attendance of more than two-thirds of the directors and the approval of more than half of the directors present.

When the shareholders' meeting is held, it can be held by video conference or other methods announced by the central competent authority. The operating procedures and other matters to be followed shall be handled in accordance with the regulations of the competent authority.

Changes to the method of convening the shareholders' meeting of the company shall be resolved by the board of directors, and no later than before the notice of the shareholders' meeting is sent.

A meeting notification, the paper of the power of attorney, the relevant proposals for acknowledgements, discussion and election or dismissal of directors. These proposals and explanatory materials shall be made to electronic files and uploaded through the MOPS 30 days prior to the general meeting or 15 days prior to the extraordinary meeting. A meeting agenda and meeting supplementary materials shall be made to electronic files and uploaded through the MOPS 21 days prior to the general meeting or 15 days prior to the extraordinary meeting.

If the amount reaches NT\$10 billion or more, or if the shareholders' list of shareholders held a regular meeting in the most recent fiscal year and the total shareholding ratio of

foreign capital and mainland capital reaches 30% or more, the e-mail should be opened 30 days before the regular shareholders' meeting is completed. File transfer. Fifteen days before the shareholders' meeting, prepare the manual of the shareholders' meeting and supplementary materials for the meeting at any time, for shareholders to request and read at any time, and display them in the company and the professional stock affairs agency appointed by the company.

On the day of the shareholders' meeting, the company shall provide shareholders with reference to the procedure manual and meeting supplementary materials mentioned in the preceding paragraph in the following manner:

1. When the physical shareholders' meeting is held, it shall be issued on the spot of the shareholders' meeting.
2. When convening a video-assisted shareholders' meeting, it shall be issued at the site of the shareholders' meeting and sent to the video conference platform as an electronic file.
3. When convening a video conference, the electronic file shall be sent to the video conference platform.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any items contained in Article 185 Paragraph I matters of the Company Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, Article 56-1 of Issuers' Raising and Issuing of Marketable Securities Handling Guidelines and Article 60-2 matters shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a general meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in a meeting agenda. Shareholders may submit proposed proposals to urge the company to promote the public interest or fulfill its social responsibilities. The procedures shall be limited to one item in accordance with the relevant provisions of Article 172-1 of the Company Law. If there is more than one proposal, all proposals Not included in a meeting agenda. Additionally, unless any of Article 172-1 Paragraph 4 of the Company Act is satisfied, the board of directors of the

Company shall include the proposal submitted by a shareholder in the list of proposals to be discussed at a general meeting.

Prior to the book closure date before a general meeting is convened, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words. The shareholder making the proposal shall be present in person or by proxy at the general meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to the Company before five days prior to the date of the shareholders meeting when duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company at least two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

After a proxy form is delivered to the Company, if the shareholder intends to attend the meeting by video conference, a written notice of proxy cancellation shall be submitted to the Company before two days before the shareholders' meeting. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The time to start the meeting shall not earlier than 9 a.m. or later than 3 p.m.

When the company holds a video-conference shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.

Article 6 The Company shall state the time and location for registration, and other matters requiring attention in the notice of the shareholders or proxies of shareholders (collectively, "shareholders") meeting.

The time for registration by shareholders shall be at least 30 minutes before the meeting. The place for registration shall be clearly marked, and the registration shall be handled by sufficient and competent persons. The video conference of the shareholders' meeting shall be registered on the video conference platform of the shareholders' meeting 30 minutes before the start of the meeting. Shareholders who have completed the registration are deemed to have attended the shareholders' meeting in person.

The company will provide an attendance log to record the shareholders attendance; alternatively, attending shareholders may present their attendance cards to signify their presence. The Company will provide the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials to the attending shareholders. For elections of directors, ballots will be distributed as well.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance; those acting as proxies shall bring their identification cards for verification. Governments or corporations acting as shareholders are not limited to one attending person. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

If the shareholders meeting is convened by videoconference, shareholders who wish to attend by videoconference shall register with the company two days before the shareholders meeting.

If the shareholders' meeting is held by video conference, the company shall upload the procedure manual, annual report and other relevant materials to the shareholders' meeting video conference platform at least 30 minutes before the start of the meeting, and continue to disclose them until the end of the meeting.

Article 7 When the company holds a shareholders meeting via videoconference, the following items shall be specified in the shareholders meeting convening notice:

1. Shareholders' participation in video conferences and methods for exercising their rights.

2. How to deal with obstacles caused by natural disasters, accidents, or other force majeure events to the video conferencing platform or to participate in video conferences, including at least the following items:

- (1) The time at which the meeting must be postponed or continued due to the occurrence of previous obstacles that cannot be eliminated, and the date when the meeting must be postponed or continued.

(2) Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting.

(3) To convene a video-assisted shareholders' meeting, if the video conference cannot be continued, after deducting the number of shares attending the shareholders' meeting via video conference, the total number of shares attended reaches the statutory quota for the shareholders' meeting, the shareholders' meeting should continue and participate in the video conference. Shareholders, whose number of shares attended shall be included in the total number of shareholders' shares present, shall be deemed to have abstained from voting on all proposals at the shareholders' meeting.

(4) How to deal with the situation where all the motions have been announced and no provisional motions have been made.

3. To convene a video-conference shareholders meeting, which shall specify appropriate alternative measures for shareholders who have difficulty participating in videoconferencing. Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted.

Article 8 Shareholders' meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is unable to perform his or her duties due to leave of absence or other reason, the Vice Chairman acts on his behalf. If there is no Vice Chairman or the Vice Chairman is unable to perform his or her duties due to leave of absence or other reason, the Chairman may appoint a managing director to act on his behalf. If no one is appointed, the managing directors or the directors shall select from among themselves one person to perform the Chairman's duties.

For shareholders' meetings convened by the board of directors, the number of participating directors who attend shall exceed one half.

If the shareholder' meeting is convened by someone other than the board of directors, the convener will act as the meeting chairman. If there are two or more conveners, they shall appoint one amongst themselves to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to the shareholders' meeting.

Article 9 The Company's shareholders' meetings must be recorded in video or audio, and kept for at least a year. However, if a shareholder makes a litigious claim against the Company according to Article 189 of the Company Act, the audio or video recordings must be

retained until the end of litigation.

If the shareholders' meeting is held by video conference, the company shall keep records of shareholders' registration, registration, registration, questioning, voting, and company vote counting results, etc., and record and video the entire process of the video conference continuously.

The company shall properly keep the materials and audio and video recordings in the preceding paragraph during the period of existence, and provide the audio and video recordings to the person entrusted to handle the video conferencing affairs for storage.

If the shareholders' meeting is held by video conference, the company should make audio and video recordings of the background operation interface of the video conference platform.

Article 10 Attendance of shareholders' meeting should be calculated on the basis of number of shares. The number of shares represented during the meeting is calculated based on the amount registered in the attendance log or the attendance cards collected and video conferencing platform registration number of shares, plus the amount of shares whose voting rights are exercised through proxy forms or electronic methods.

The Chairman should announce the commencement of the meeting as soon as it is due. However, if the number of shares held by those in attendance number less than 50 percent of all outstanding shares, the Chairman may postpone the meeting up to two times, the total time of postponement may not exceed one hour.

If the number of outstanding shares represented does not exceed one third after the second postponement, the Chairman must announce the lack of quorum; If the shareholders meeting is convened by video conference, the company shall also announce the lack of quorum on the video conference.

If, after two postponements, the number of shares represented still does not exceed 50 percent, but exceeds one-third of all outstanding shares, the Company may proceed according to Paragraph 1 of Article 175 of the Company Act to reach a temporary resolution with the approval of more than half of voting rights represented during the meeting. The temporary resolution must be communicated to shareholders, and a new shareholders' meeting must be convened within a month. If the general meeting of shareholders is held via video conference, shareholders who wish to attend via video conference shall re-register with the company in accordance with Article 6.

If the number of shares represented during the meeting reaches a total of over half of all outstanding shares, the Chairman may re-propose the temporary resolutions for final voting according to Article 174 of the Company Act.

Article 11 If the shareholders' meeting is convened by the board of directors, the meeting agenda

will be set by the board of directors. The meeting shall proceed according to the meeting agenda and may not be modified without a resolution from the shareholders' meeting.

The preceding paragraph also applies to meetings convened by a party with the power to convene that is not the board of directors.

The Chairman may not dismiss the meeting prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chairman violates meeting rules and dismiss the meeting, the other directors shall promptly assist the attending shareholders in electing a new chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 12 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his or her shareholder account number, and account name. The order of the shareholder's speak will be determined by the chairman. Shareholders who submit speaker's slip without speaking are considered to have remained silent. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Shareholders cannot speak more than two times, for more than five minutes each, on the same proposal without consent from the Chairman. The Chairman may stop shareholders in violation of these rules, or shareholders whose comments are irrelevant to the proposal. While a shareholder is speaking, other shareholders may not speak to disrupt the speaker without the consent of the Chairman and the speaker. The Chairman shall restrain any violators. For corporate shareholders who have appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda.

When a shareholder is finished speaking, the Chairman must reply, either personally or by assigned relevant personnel.

If the shareholders meeting is convened by video conference, shareholders who participate in the video conference may ask questions in text on the shareholders meeting video conference platform after the chairman announces the meeting and before the meeting is closed. The number of questions for each proposal shall not

exceed two times. The limit is 200 characters, and the provisions of items 1 to 5 do not apply.

If the question in the preceding paragraph does not violate the regulations or does not exceed the scope of the proposal, it is advisable to disclose the question on the video conferencing platform of the shareholders meeting for public awareness.

Article 13 Voting in the shareholders meeting is determined on the basis of shares.

Non-voting shareholders are not counted in the total number of issued shares for resolutions at the shareholders meeting.

Shareholders cannot vote, or appoint proxies to vote, on any agendas that present conflicting interests, if doing so may compromise the Company's interests.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 14 Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in item 2 of Article 179 of the Company Act where no voting rights are granted.

When the shareholder meeting is convened, voting rights can be exercised in writing or through electronic methods. Instructions for exercising voting rights in writing or through electronic methods must be clearly stated in the notification to shareholders of the convening of the shareholders' meeting. Shareholders who have voted in writing or through electronic methods are considered to have attended the shareholders meeting in person. However, they waive their rights to participate in any special motions or revisions to the original agendas that may arise during the shareholders meeting.

The intention to use written and electronic votes in person or via video mentioned above must be delivered to the Company at least two days before the shareholders' meeting. If there are duplicate submissions, the earlier submission takes precedence. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous vote. If, after submitting a written or electronic vote, the shareholder intends to attend the shareholders meeting in person, then a proper declaration of withdrawal must be issued using the same method as the original vote

two days before the shareholders' meeting. If the request is submitted after the deadline, the original exercise of voting rights by written or electronic vote will be counted. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall take precedence.

Votes on motions, unless otherwise specified by the Company Act or the Company's Article of Incorporation, shall be passed with the approval of over half of the attending shareholders voting rights. At the time of voting, the total number of shareholders voting rights should be announced by the Chairman or appointed personnel.

If the Chairman consults the entirety of attending shareholders without objection regarding a motion, it is considered passed. Its efficacy is the same as deciding by vote. If there are objections, the motion must be voted on by the methods described above. If there are several amendments or alternate solutions to a motion, the meeting chairman will determine the voting sequence. If any of the motions are passed, all other motions are deemed rejected and no further voting is necessary.

Ballot monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman, provided all monitoring personnel shall be shareholders of the Company. Ballot counting will proceed in public at the place of the shareholders' meeting. The results of the vote shall be documented and announced on site.

The company holds a video meeting of the shareholders meeting. Shareholders who participate in the video conference shall vote on various proposals and election proposals through the video conference platform after the chairman announces the opening of the meeting. deemed a waiver.

If the shareholders' meeting is convened by videoconference, after the chairman announces that the voting is over, the votes shall be counted at one time, and the voting and election results shall be announced.

When the company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting via videoconference in accordance with the provisions of Article 6, and wish to attend the physical shareholders' meeting in person, shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; Those who cancel after the deadline can only attend the shareholders' meeting via video conference.

Those who exercise voting rights in writing or electronically without revoking their declaration of intention and participate in the shareholders' meeting through video conference shall not vote on the original proposal, propose amendments to the original proposal, or exercise voting rights on amendments to the original proposal, except for temporary motions

Article 15 Election of directors must be conducted in accordance to the Company's relevant election procedures. The results of the election shall be announced at the shareholders' meeting, including the calculated number of voting rights, the list of directors who lose the election and the number of voting rights obtained.

The ballots for the election referred to in the preceding paragraph shall be sealed with signatures of the monitoring personnel and kept in proper custody for at least a year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 16 The resolutions passed at the shareholders' meeting must be compiled into meeting minutes, signed or stamped by the Chairman. The meeting minutes must be delivered to all shareholders within twenty days of the meeting. The preparation and distribution of meeting minutes may be done by electronic methods.

The Company for distribution of the meeting minutes must be entered as an announcement into a Market Observation Post System. The minutes shall accurately record the year, month, day, and location of the meeting, the Chairman's name, the method of resolution, and the summary and results of meeting agendas. These minutes must be retained for as long as the company continues to exist. Any resolutions involving the chairman asking for objections from shareholders and receiving none in return must be remarked as "Passed without objections from any shareholders present in the meeting". If objections were raised by shareholders, then the resolution must be noted as having passed by way of voting, with details on the number of passing votes.

If the shareholders meeting is convened by videoconference, in addition to the matters that shall be recorded in accordance with the provisions of the preceding paragraph, the minutes shall also record the start and end time of the shareholders meeting, the method of convening the meeting, the name of the chairman and the minutes, and records of events caused by natural disasters, accidents or other force majeure. The handling method and handling situation when there is an obstacle to the video conferencing platform or participation in the form of video.

The Company shall hold a video-conference shareholders meeting, in addition to following the provisions of the preceding paragraph, and shall state in the minutes of the meeting that there are alternative measures provided by shareholders who have difficulties participating in video-conferencing.

Article 17 The amount of shares solicited by solicitors, represented by proxies and the number of shares attended by shareholders in writing or electronically should be noted in chart form on the day of the shareholders meeting, and shown prominently at the venue of the shareholders meeting.

If the shareholders' meeting is held by video conference, the company shall upload the above-mentioned information to the shareholders' meeting video conference platform at least 30 minutes before the meeting starts, and continue to disclose it until the end of the meeting.

When the company holds a video conference of the shareholders' meeting and announces the meeting, the total number of shareholders' shares present shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights of shareholders present are counted separately during the meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 18 Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The Chairman may instruct picket members or security staff to help maintain order in the meeting. While maintaining order in the meeting, all picket members or security staff must wear arm bands or identification cards which identify their roles as a "picket member".

For meetings equipped with sound amplifying devices, shareholders not using sound amplifying devices prepared by the Company while speaking shall be stopped by the Chairman. The Chairman may call upon picket members or security staff to escort shareholders from the premises that are violating rules of procedure and not adhering to the Chairman's corrections, or are hampering the proceedings of the meetings who refuse to be stopped.

Article 19 The Chairman may call the meeting into recess at a suitable time. In the occurrence of any force majeure events, the Chairman may suspend the meeting and announce the time of continuation of the meeting after examining the situation.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue. According to Article 182 of the Company Act, the board of directors may postpone a meeting for not more than five days, or to reconvene the meeting within five days.

Article 20 If the shareholders' meeting is held by video conference, the company shall immediately disclose the voting results of various proposals and election results on the shareholders'

meeting video conference platform in accordance with regulations after the voting ends, and shall continue to disclose at least 15 minutes after the chairman announces the adjournment of the meeting minute.

Article 21 When the company holds a video-conference shareholders meeting, the chairman and recorder shall be at the same place in China, and the chairman shall announce the address of the place when the meeting is held.

Article 22 If the shareholders' meeting is held by video conference, the company may provide shareholders with a simple connection test before the meeting, and provide relevant services immediately before the meeting and during the meeting to assist in dealing with technical problems in communication.

If the shareholders' meeting is convened by videoconference, the chairman shall, when announcing the opening of the meeting, separately announce that there is no need to postpone or continue the meeting except for the circumstances specified in Item 24, Article 44 of the Standards for the Handling of Stock Affairs of Public Offering Companies. Before the adjournment of the meeting, due to natural disasters, accidents or other force majeure, if the video conferencing platform or participation in video conferencing is obstructed and lasts for more than 30 minutes, the date of the meeting shall be postponed or continued within five days, and the company law does not apply. Article 182.

Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting in the event of the occurrence of the preceding paragraph.

The meeting shall be postponed or resumed according to the provisions of Paragraph 2. Shareholders who have registered to participate in the original shareholders' meeting and completed the registration through video conference, and those who have not participated in the postponed or continued meeting, the number of shares attended at the original shareholders' meeting, the voting rights exercised and Voting rights shall be included in the total number of shares, voting rights and voting rights of shareholders present at the postponed or resumed meeting.

When adjourning or adjourning a general meeting of shareholders in accordance with the provisions of Paragraph 2, no re-discussion and resolution is required for proposals that have completed voting and counting, and announced the voting results or lists of directors.

When the company convenes a video-assisted shareholders' meeting, and the video conference cannot be continued under Paragraph 2, if the total number of shares present after deducting the number of shares attending the shareholders' meeting by

videoconference still reaches the statutory quota for the shareholders' meeting, the shareholders' meeting shall continue. There is no need to postpone or continue the meeting in accordance with the provisions of the second paragraph.

In the event that the meeting should continue as mentioned in the preceding paragraph, the shareholders who participate in the shareholders meeting via video conference shall count the number of shares present in the total number of shares of the shareholders present but shall be deemed as abstaining from voting on all the resolutions of the shareholders meeting.

When the company postpones or continues the meeting in accordance with the provisions of the second paragraph, it shall follow the provisions listed in Article 44-27 of the Standards for the Handling of Share Affairs of Public Offering Companies and handle relevant matters in accordance with the original date of the shareholders' meeting and the provisions of each article. Preliminary work.

The second paragraph of Article 12 and Item 3 of Article 13 of the Rules for the Use of Power of Attorneys for Attending Shareholders' Meetings by Public Offering Companies, the Second Item of Article 44-5, and Article 44-10 of the Guidelines for the Handling of Stock Affairs of Public Offering Companies 5. During the period specified in Paragraph 1 of Article 44-17, the company shall postpone or continue the date of the shareholder meeting in accordance with the provisions of Paragraph 2.

Article 23 When the company holds a video-conference shareholders meeting, it shall provide appropriate alternative measures for shareholders who have difficulties in attending via videoconferencing. Except for the circumstances stipulated in Paragraph 6 of Article 44-9 of Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders should at least be provided with connection equipment and necessary assistance, and the period during which shareholders can apply to the company and other relevant matters should be noted.

Article 24 These Rules and Procedures shall become effective once resolved during the shareholders' meeting; the same applies to all subsequent revisions.

Article 25 These Rules and Procedures were created on 21 May 1991.

The 1st amendment was made on 13 May 1998.

The 2nd amendment was made on 29 June 2002.

The 3rd amendment was made on 23 June 2006.

The 4th amendment was made on 24 June 2011.

The 5th amendment was made on 27 June 2012.

The 6th amendment was made on 22 June 2017.

The 7th amendment was made on 18 June 2019.

The 8th amendment was made on 23 June 2020.

The 9th amendment was made on 20 July 2021.

The 10th amendment was made on 26 May 2022.

The 11th amendment was made on 30 May 2023.

The 12th amendment was made on 28 May 2024.

Articles of Incorporation of WAN HAI LINES LTD.

- Article 1 The Company is incorporated according to the Company Act, and is named WAN HAI LINES LTD.
- Article 2 The scope of business of the Company shall be as follows:
- I. G301011 Ship Transportation
 - II. G401011 Shipping Agency Services
 - III. F199990 Other Wholesale Trade
 - IV. F299990 Retail Sale of Other Retail Trade
 - V. F114060 Wholesale of Ship Machinery and Parts
 - VI. F214060 Retail Sale of Ship Machinery and Parts
 - VII. G404011 Container Distributing Center Business
 - VIII. G403010 Ship Rental and Leasing
 - IX. G405010 Container Rental and Leasing
 - X. G406061 Ship Stevedore Operator
 - XI. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Company may make guarantees in the same trade with respect to the business referred to in the preceding paragraph.
- Article 2-2 The Company must receive approval from the board of directors to invest in other undertakings. Additionally, the sum of other investments, in accordance with Article 13 of the Company Act, may not exceed 40 percent of paid-in capital.
- Article 3 The Company shall have its head office in Taipei City and shall set up branches or shipping agencies at appropriate locations.
- Article 4 Public announcements of the Company shall be made in accordance with the Article 28 of Company Act.

Article 5 The total capital stock of the Company shall be in the amount of NTD 36 billion, divided into 3.6 billion shares, at NTD 10 each, and may be paid-up in installments.

Article 5-1 The Company is exempt from printing certificates for its issued shares. Shares should be registered with the governing centralized securities depository organization.

Article 5-2 Shareholders shall report their true names, residences, specimen seal and unified number to the Company to be filed for reference, as well as any changes made. All dividends or bonuses received from shares will use the seal as evidence. In the event of transfer of the company stock, establishment of pledge of rights, loss report, inheritance, donation and loss or modification of seal or address, or other share-related matters, apart from cases where there are other securities regulations, will all be handled according to the "Regulations Governing the Administration of Shareholder Services of Public Companies."

Article 6 Shareholders' Meeting

- I The shareholders' meetings are composed of all the shareholders and are of two types: general meetings and extraordinary meetings. General meetings shall be convened once a year, within six months of the end of the fiscal year, and in accordance with law by the board of directors. Extraordinary meetings may be convened whenever necessary.
- II Accommodate video conferences and other means of holding shareholder' meetings as stipulated by competent authorities.
- III The shareholders' meeting shall be presided over by the Chairman of the board of directors. If for some reason the Chairman of the board is unable to attend, the Vice Chairman takes his or her place. If the Vice Chairman is unable to perform his or her duties due to leave of absence or other reason, his proxy shall be appointed in accordance with Article 208 of the Company Act.
- IV At the time of the shareholders' meeting, apart from when otherwise regulated by the Company Act, when over half of issued shares are represented, a motion may be passed with over half of the present shareholders' votes.
- V When a shareholder is unable to attend the shareholders meeting, a proxy may be appointed, specifying the scope of delegated authority. If one proxy represents two or more shareholders, his or her representative voting right may not surpass 3 percent of the total of shares issued, shares more than 3

percent may not be counted.

- VI When a shareholders' meeting is held, if it is a video conference, shareholders who participate in the meeting by video are deemed to be present in person.
- VII Each share of the Company held by a shareholder counts as one vote.

Article 7 The Board of Directors

- I. The Company's Board of Directors consists of seven directors. Directors shall be elected by adopting candidate nomination system. The shareholders shall elect the directors from the list of candidates. The term of office for directors shall be three years, and directors may be reelected to serve another term.
- II. The number of directors set forth in the preceding paragraph shall be not less than three independent directors, and not less than one-fifth of the total number of directors. The professional qualifications, restrictions on shareholdings and concurrent post, identification of independence, nomination and election, exercise of authority, and other requirements to be complied with by the independent directors shall be handled subject to the Securities and Exchange Act and the relevant laws and regulations.
- III. The directors shall elect from among themselves a Chairman and a Vice Chairman of the Board of Directors by a majority in a meeting attended by over two-thirds of the directors.
- IV. Article 208 of the Company Act shall apply when the directors' meeting is suspended.
- V. The board of directors meets once every quarter, and extraordinary meeting may be convened when necessary. The Chairman of the board serves as Chairman of the meeting. If the Chairman has asked for leave or is unable to exercise his responsibilities due to other circumstances, the vice Chairman acts on the Chairman's behalf. In the case of the vice also asking for leave or being unable to exercise his responsibilities due to other circumstances, the Chairman of the Board may appoint a director to act on his or her behalf. If the Chairman has not indicated a representative, the directors may nominate a director to take his or her place. Unless otherwise provided for in the Company Act and the Articles, resolutions at a directors' meeting shall be adopted at the meeting attended by most of the directors and upon a majority votes of the present directors.
- VI. If a director is unable to attend the board of directors meeting, a proxy may be appointed to attend, in compliance with Article 205 of the Company Act.
- VII. A directors' meeting may be convened via fax or E-mail.
- VIII. The total number of shares of the Company held by the entirety of the board

of directors must comply with regulations as stated in the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” promulgated by the Financial Supervisory Commission.

- IX. The remuneration to all members of the board of directors is based on the value of their participation and contributions to the operation of the Company, bearing in mind amount of remuneration in industry peers.
- X. The company shall purchase liability insurance for all directors and independent directors during their term of office for the execution of the scope of business and their legal liability for compensation.

Article 8 Audit Committee

The Company has established an Audit Committee as a substitution for the supervisors, which began since the 20th board of directors. This Committee is comprised of independent directors and shall consist of no fewer than three in number, one of whom acts as the convener, and at least one of whom is required to have accounting or financial expertise. The exercise of duties by, the organizational procedures for, and other matters that shall be reviewed by the Audit Committee shall be arranged in accordance with relevant laws and regulations or the Articles of Incorporation.

Article 9 Manager

The Company has one president, legally appointed by the board of directors upon nomination of the Chairman of the board.

Article 10 The Company's final accounting period is at the end of December each year, the following reports shall be prepared by the board of directors, and submitted to general meetings for acceptance:

- I Business Report.
- II Financial Statements.
- III Earnings distribution or loss reimbursement proposal.

Article 11 If there is any annual profit for the Company, not less than 1 percent of the annual profit should be appropriated as remuneration for employees, and not more than 1 percent of the annual profit should be appropriated as remuneration for directors. However, if there are accumulated losses to the company, compensation should be reserved. The remuneration of independent directors shall not be made during the remuneration of the directors, as the remuneration shall be determined by a resolution from the board of directors.

- Article 11-1 The industry in which the Company operates is changeable and is capital-intensive. The Company considers future capital needs, and long-term financial plans, as well as satisfying shareholder needs pertaining to cash inflows, any surplus earnings after the Company's total annual accounts have been calculated, after tax, and compensation for accumulated losses, the net profit after tax shall be listed as the annual retained earnings, are then carried to the 10 percent legal reserve, and according to the law, set aside or added to the reversal of special reserve. If there is a requirement for the expansion of transportation equipment and an improvement of the financial structure, this shall be made using the surplus within the special reserve, along with undistributed earnings within the same year to complete the amount needed, including 30 percent or more of the undistributed earnings at the beginning of the period will be considered in regards to the Company's capital requirements by the Board of Directors, along with the capital budget and other factors. The interests of shareholders and the company's long-term financial planning will be considered, with the proportion of dividends and dividend distribution being assigned after the shareholders' meeting. The cash or shares distribution ratio is subject to the current years' profits, financial conditions, and capital expansion program dividend distribution scheme, where the proportion of cash dividends may not be below 10 percent of total dividends.
- Article 12 The organizational rules of the Company shall be determined by the board of directors.
- Article 13 Any matters that are not addressed in the Articles of Incorporation shall be governed by the Company Act and other relevant laws and regulations.
- Article 14 This Articles of Incorporation was created on 6 January 1965.
The 1st Amendment was made on 31 March 1966.
The 2nd Amendment was made on 10 September 1966.
The 3rd Amendment was made on 25 May 1967.
The 4th Amendment was made on 30 September 1968.
The 5th Amendment was made on 1 August 1977.
The 6th Amendment was made on 12 December 1977.
The 7th Amendment was made on 31 January 1978.
The 8th Amendment was made on 19 March 1979.
The 9th Amendment was made on 5 May 1981.
The 10th Amendment was made on 7 December 1982.

The 11th Amendment was made on 29 December 1983.
The 12th Amendment was made on 14 December 1984.
The 13th Amendment was made on 16 January 1986.
The 14th Amendment was made on 16 August 1986.
The 15th Amendment was made on 19 December 1987.
The 16th Amendment was made on 17 May 1988.
The 17th Amendment was made on 30 December 1988.
The 18th Amendment was made on 23 May 1989.
The 19th Amendment was made on 18 May 1990.
The 20th Amendment was made on 21 May 1991.
The 21st Amendment was made on 1 May 1992.
The 22nd Amendment was made on 27 August 1992.
The 23rd Amendment was made on 15 June 1993.
The 24th Amendment was made on 10 August 1993.
The 25th Amendment was made on 2 September 1994.
The 26th Amendment was made on 6 May 1995.
The 27th Amendment was made on 13 May 1996.
The 28th Amendment was made on 13 May 1998.
The 29th Amendment was made on 24 May 2000.
The 30th Amendment was made on 29 June 2002.
The 31st Amendment was made on 26 June 2003.
The 32nd Amendment was made on 23 June 2006.
The 33rd Amendment was made on 27 June 2007.
The 34th Amendment was made on 18 June 2010.
The 35th Amendment was made on 27 June 2012.
The 36th Amendment was made on 14 June 2013.
The 37th Amendment was made on 12 June 2015.
The 38th Amendment was made on 29 June 2016.
The 39th Amendment was made on 22 June 2017.
The 40th Amendment was made on 23 June 2020.
The 41st Amendment was made on 20 July 2021.
The 42nd Amendment was made on 26 May 2022.
The 42nd Amendment was made on 30 May 2023.

Other Information That Should Be Disclosed

I. 2022 Earnings Distribution: Directors Remunerations and Employee Remunerations:

Unit: NTD

Items	Sub-Total	Stock Conversion	Scale of Stock Dilution
Director Remunerations (Cash)	\$124,112,359	-	-
Employee Remunerations (Cash)	\$744,674,151	-	-
Employee Remunerations (Stock)	\$0	-	-
Total	\$868,786,510	-	-
Note: The above distribution matched a Board of Directors resolution reached on Mar 13, 2023.			

II. Dividends Policy

If there is any annual profit for the Company, not less than 0.6% of the annual profit should be appropriated as remuneration for employees, and not more than 1% of the annual profit should be appropriated as remuneration for Directors. However, if there are accumulated losses to the company, compensation should be reserved in advance. The remuneration of independent directors shall not be made during the remuneration of the Directors, as the remuneration shall be determined by a resolution from the Board of Directors.

The industry in which the Company operates is changeable and is capital-intensive. In times of stable growth, the Company considers future capital needs, and long-term financial plans, as well as satisfying shareholder needs pertaining to cash inflows, any surplus earnings after the Company's total annual accounts have been calculated, after tax, and compensation for accumulated losses, are then carried to the 10% legal reserve, and according to the law, set aside or added to the reversal of special reserve. If there is a requirement for the expansion of transportation equipment and an improvement of the financial structure, a special surplus reserve may be set aside. If there is any remaining balance, together with the adjustment amount of the undistributed surplus in the current year, more than 10% shall be set aside. The board of directors shall consider the company's capital needs, capital budget, and other factors, taking into account the interests of shareholders and the company's long-term financial planning, and propose a dividend and bonus distribution plan for approval and distribution by the shareholders' meeting.

The net amount of other equity items accumulated from previous periods should be allocated from the undistributed earnings of previous periods in the same amount as special reserves. If there is still a shortfall, it should be allocated from the net profit after tax for the current period plus items other than the net profit after tax for the current period to the undistributed earnings for the current period.

The cash or shares distribution ratio is subject to the current years' profits, financial conditions, and capital expansion program dividend distribution scheme, where the proportion of cash dividends may not be below 10% of total dividends.

III. Proposed distribution of retained earnings of year 2023

1. The Company's 2023 net loss after tax was NT\$5,796,413,576, with a deduction of other comprehensive losses of NT\$71,562,731 (the 2023 annual remeasurement of defined benefit obligation), plus the beginning undistributed earnings of NT\$144,482,865,425, the distributable earnings amounted to NT\$138,614,889,118. The 2023 annual earnings appropriation was NT\$4,209,219,440, for distribution to shareholders are cash dividend of NT\$1.5 per share.
2. The influence of stock dividends toward operating performance, EPS, and ROE of the company: It is not applicable.
3. Employees' and Directors' remuneration:
None

Status of the Number of Shares Held by Directors

1. Detailed Table of the minimum shares held by directors, and share numbers recorded in shareholder registration book

Title Name	Shall Maintain an Aggregate Holding of Shares	Share Numbers Recorded in the Shareholder Registration Book (shares)
Director	67,347,512 Shares	78,382,471 Shares

Note: Book closure date: Mar 30, 2024

2. Detailed Table of amount of shares held by Directors

Until book closure date: Mar 30, 2024

Title	Name	Share Numbers Recorded in the Shareholder Registration Book (shares)	Notation
Chairman	JIUFU GARDEN CO., LTD	3,795,000 shares	Representative: Po-Ting Chen
Director	RANDY CHEN	40,356,251 shares	Representative: CHEN-YUNG FOUNDATION
Director	CHIH-CHAO CHEN	40,356,251 shares	Representative: CHEN-YUNG FOUNDATION
Director	SUN SHINE CONSTRUCTION CO., LTD	33,506,822 shares	Representative: Chiu-Ling Wu
Independent Directors	RUNG-NIAN LAI	0 shares	
Independent Directors	STEPHANIE LIN	724,398 shares	
Independent Directors	YI-SHENG TSENG	0 shares	

Note 1: The Company has a paid-up capital of NT\$28,061,462,930, issued in 2,806,146,293 ordinary shares.

Note 2: The amount of shares held by directors has reached the legal standards.