



U-MING MARINE TRANSPORT CORP.

Minutes of 2016 Shareholders' Meeting

Time: 9:00 a.m., June 8, 2016

Place: Taipei Hero House's Auditorium (No. 20, Changsha Street, Section 1, Taipei, Taiwan)

Total number of outstanding shares: 845,055,712 shares

Total shares represented by presence of shareholders: 494,871,400 shares (58.56%)

Attendee Directors: HSU Shu-Tong, CHANG Tsai-Hsiung, LEE Kun-Yen, ONG Choo Kiat

Attendee Supervisors: CHANG Tzu-Pong, HSU Shu-Ping

Chairman: HSU Shu-Tong, Chairman of the Board of Directors

Recorder: Alex Chen

Important Resolutions

I. Matters to Be Discussed

1. To approve the revisions of the Articles of Incorporation

Explanation:

- (1) According to Article 235 and 235-1 of the Company Act, official letter No. 10402413890 and official letter No.10402427800 from Ministry of Economic Affairs, it is proposed to amend the Articles 21, 26, 27 and 29 to the Company's "Articles of Incorporation".
- (2) The proposal is hereby presented for referendum.

Resolved that:

Shareholders who are present represented 494,871,400 votes in total (including electronic votes). 478,089,238 votes (including electronic votes) ratify the motion, accounting to 96.61% of total votes ; 111,338 votes (including electronic votes) against the motion ; 11,717,480 votes (including electronic votes) abstained. The motion hereby is accepted as submitted.

II. Matters To Be Reported

1. 2015 Business Report

2. 2015 Financial Statements

- 3. Supervisor’s Review Report on the 2015 Financial Statements**
- 4. Remuneration of Employees, Directors and Supervisors in 2015**
- 5. To approve the amendment to the company bylaws on “Ethical Corporate Management Best Practice Principles” and “Code of Ethical Conduct”**
- 6. Implementation of the 4th repurchase of the Company’s shares**

III. Matters To Be Ratified

1. The 2015 Business Report and Financial Statements

Explanation:

- (1) The supervisor’s review report is hereby issued after reviewing the 2015 financial statements (including the business report and the independent auditor’s report issued by CPA Shih, Ching-Pin and CPA Lee, Cheng-Ming of Deloitte & Touche; please refer to the attachment) without any nonconformity identified.
- (2) Please approve.

Resolved that:

Shareholders who are present represented 494,871,400 votes in total (including electronic votes). 477,844,376 votes (including electronic votes) ratify the motion, accounting to 96.56% of total votes ; 84,209 votes (including electronic votes) against the motion ; 11,989,471 votes (including electronic votes) abstained. The motion is ratified.

2. The proposal for distribution of 2015 profits and retained earnings (Cash Dividend NT\$1.0 per share)

Explanation:

- (1) Please refer to the 2015 Profit Distribution proposed in accordance with Article 27 of the Company’s Articles of Incorporation as follows:

| | |
|---|---------------|
| Unappropriated retained earnings of previous year | 8,749,422,930 |
| Less: adjustment of application of 2013 Taiwan-IFRSs version | 5,203,745 |
| Add: remeasurement of defined benefit plans | 4,672,209 |
| Adjusted unappropriated retained earnings | 8,748,891,394 |
| Add:2015 net income | 824,397,062 |
| Less: 10% legal reserve appropriated | 82,439,706 |

| | |
|--|---------------|
| Earnings available for distribution | 9,490,848,750 |
| Less: 2015 earning distribution (cash dividend NT\$1.0 per share) | 845,055,712 |
| Unappropriated retained earnings | 8,645,793,038 |

- (2) When computing the shareholder tax credit in accordance with Article 66-6 of the Income Tax Act, the earnings of 1998 and thereafter is to be distributed with top priority. When computing the unappropriated earnings with additional 10% business income tax levied in accordance with Article 66-9 of the Income Tax Act, the earnings of the most recent year should be distributed with top priority according to the itemized identification method.
- (3) The distribution of earnings is calculated to the dollar (round up to the dollar). The total amount of the odd shares will be booked as the other income of the Company. It is proposed that the Board authorized the Chairman to fix the record date of ex-cash dividend after the approved by the year 2016 annual shareholders' meeting.
- (4) This proposal was resolved in the 15th board meeting of the 16th term on March 11, 2016.
- (5) Please approve.

Resolved that:

Shareholders who are present represented 494,871,400 votes in total (including electronic votes). 478,000,845 votes (including electronic votes) ratify the motion, accounting to 96.59% of total votes ; 199,469 votes (including electronic votes) against the motion ; 11,717,742 votes (including electronic votes) abstained. The motion is ratified.

IV. Matters to Be Discussed and Election

1. To elect new Directors and Supervisors of the Company (the newly elected Directors including two Independent Directors)

Explanation:

- (1) The sixteenth-term Directors and Supervisors serving a term of three years and the tenure will expire. The Directors and Supervisors shall be elected at this Annual Shareholders' Meeting.

(2) According to Article 16 of the “Articles of Incorporation”, nine Directors (including two Independent Directors) and three Supervisors shall be elected, and each Director and Supervisor will serve a three year term beginning from June 8, 2016.

(3) Director, Independent Director and Supervisor candidates shall be nominated by the candidate nomination system. Shareholders shall elect from the candidate list. The Board has resolved all the candidates met requirements and qualifications of Directors, Independent Directors and Supervisors in the 16th Board meeting of the sixteenth-term dated April 27, 2016. Please refer to the Handbook of 2016 shareholders’ meeting for the candidate list.

(4) Please elect.

Election result:

| Title | Name | Votes Received | Name of Institutional Shareholders |
|-----------------------|------------------------|-----------------------|---|
| Directors | HSU, Shu-Tong | 510,550,282 | - |
| | CHANG, Tsai-Hsiung | 450,193,145 | Asia Cement Corp. |
| | Chee Chen TUNG | 430,690,249 | - |
| | LEE, Kun-Yen | 410,470,046 | Asia Cement Corp. |
| | Douglas Jefferson HSU | 401,144,297 | Asia Cement Corp. |
| | LEE, Kuan-Chun | 398,849,896 | Ya Li Transportation Co., Ltd. |
| | ONG Choo Kiat | 398,694,198 | Yue Ding Industry Co., Ltd. |
| Independent Directors | CHU, Shao-Hua | 391,284,051 | - |
| | LIU, Chorng-Jian | 391,157,077 | - |
| Supervisors | HSU, Shu-Ping | 450,364,004 | - |
| | CHIANG SHAO, Ruey-Huey | 407,265,556 | Yuan Ding Investment Co., Ltd. |
| | CHANG, Tzu-Pong | 406,020,560 | Far Eastern Construction Co., Ltd. |

2. Release from the non-competition restriction on directors in accordance with Article 209 of the Company Law.

Explanation:

- (1) It is to be handled in accordance with Article 209 Paragraph 1 of the Company Act “Directors act on behalf of themselves or others within the business scope of the Company shall explain the material contents of their behavior in the shareholders’ meeting for approval.”
- (2) The new Directors of the company are investing in or managing other companies and also acting as directors or manager of such companies which are in the same or similar business, the proposal is to be presented in the shareholders’ meeting to have the non-compete clause lifted in accordance with Article 209 of the Company Act.

| Title | Name | Service as other companies in the industry |
|--------------|--|---|
| Director | HSU, Shu-Tong | Director, Global Energy Marine Transport Corp. |
| Director | Chee Chen TUNG | President, Orient Overseas Container Line Limited |
| Director | CHANG, Tsai-Hsiung (Representative of Asia Cement Corp.) | Chairman, Wuhan Asia Marine Transport Corp. Ltd. |
| Director | Douglas Jefferson HSU (Representative of Asia Cement Corp.) | Director, Global Energy Marine Transport Corp. |
| Director | ONG Choo Kiat (Representative of Yue Ding Industry Co., Ltd.) | Director, Global Energy Marine Transport Corp. |

- (3) The proposal is hereby presented for referendum.

Resolved that:

Shareholders who are present represented 494,871,400 votes in total (including electronic votes). 456,755,692 votes (including electronic votes) ratify the motion, accounting to 92.30% of total votes ; 4,670,050 votes (including electronic votes) against the motion ; 28,492,314 votes (including electronic votes) abstained. The motion hereby is accepted as submitted.

V. Extempore Motion: None

VI. Motion to Adjourn

Amendments Table of “Articles of Incorporation”

| No. | After amendment | Before amendment |
|------------|---|---|
| Article 21 | The remuneration of Chairman and Vice Chairman shall be decided by the Board of Directors with consideration of industry and listing companies’ remuneration level. | <u>The remuneration of Directors and Supervisors shall be decided by a stockholders' meeting.</u> And the remuneration of Chairman and Vice Chairman shall be decided by the Board of Directors with consideration of industry and listing companies’ remuneration level. |
| Article 26 | <p><u>If the Corporation has a profit at the end of a fiscal year, the Corporation shall allocate one percent as the remuneration of employees, and less than one percent as the remuneration of Directors and Supervisors. But if the Corporation still have losses of previous years, should remain to make up the losses first.</u></p> <p><u>The Corporation may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation distributed in the form of shares or in cash; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. Remuneration for Directors, the manner in which it is to be distributed shall be decided by the Board of Directors.</u></p> | <p><u>Dividends distributed to stockholders shall be paid pursuant to the allocation percentage stipulated in the articles of incorporation of the Corporation and consideration shall be given to the business perspective of the corporation, the life cycle of various products or service provided, capital requirement in the future and the effect of possible changes of tax laws respectively and under the objective of maintaining a stable dividend policy. For issue of dividend, the cash dividend shall not be lower than 10% of total dividend and stockholders bonus of that year.</u></p> |
| Article 27 | <p>If the Corporation has a profit at the end of a fiscal year, the Corporation shall make up losses of previous years after paying business income taxes based on Law and, if there is any remaining profit, a legal reserve of 10% of the balance shall be appropriated as legal reserve. In addition, after appropriation of special reserve based on provision in law, together with the accumulated undistributed earnings of the previous year, the total shall be the profit that is available for allocation. However, depending on the condition of the business, part of the profit shall be retained, <u>to be allocated in proportion to all shares. In case of an increase in the capital of the Corporation, the stockholders bonus for the new shares for the same year shall be decided by the stockholders' meeting.</u></p> <p>Dividends distributed to stockholders consideration shall be given to the business perspective of the corporation, the life cycle of various products or service provided,</p> | <p>If the Corporation has a profit at the end of a fiscal year, the Corporation shall make up losses of previous years after paying business income taxes based on Law and, if there is any remaining profit, a legal reserve of 10% of the balance shall be appropriated as legal reserve. In addition, after appropriation of special reserve based on provision in law, together with the accumulated undistributed earnings of the previous year, the total shall be the profit that is available for allocation. However, depending on the condition of the business, part of the profit shall be retained <u>and the balance shall be allocated based on the following percentage:</u></p> <p><u>(1) Sixty percent of the balance as dividends: To be allocated in proportion to all shares. In case of an increase in the capital of the Corporation, unless otherwise provided in the law, the dividend for the new shares for the same year shall be decided by the stockholders' meeting.</u></p> |

| | | |
|-------------------|---|--|
| | <p>capital requirement in the future and the effect of possible changes of tax laws respectively. And <u>distributed</u> under the objective of maintaining a stable dividend policy. For issue of dividend, <u>except save for the purposes of improving the financial structure, reinvestments, production expansion or other capital expenditures in which capital is required</u>, the cash dividend shall not be lower than 10% of stockholders <u>bonus</u> of that year.</p> | <p><u>(2) Thirty-eight percent as bonus to stockholders to be allocated in proportion to all shares. In case of an increase in the capital of the Corporation, the bonus for the new shares for the same year shall be decided by the stockholders' meeting.</u></p> <p><u>(3) One percent as remuneration for Directors and Supervisors.</u></p> <p><u>(4) One percent as bonus to employees.</u></p> <p><u>When allocating employee bonus in the form of shares certificate, it shall be handled based on the method stipulated by the Board of Directors.</u></p> |
| <p>Article 29</p> | <p>The Articles of Incorporation of the Corporation are stipulated on the 22nd day of June 1968 and after resolution was obtained in the stockholders' regular meeting, it was submitted to the competent authority for approval and became effective on the same day. Subsequent amendment to these Articles of Incorporation shall become effective after being passed at the stockholders' meeting.</p> <p>Omitted.</p> <p>The forty-fifth revision was in June 10th 2015.</p> <p>The forty-sixth revision was in June 8th 2016.</p> | <p>The Articles of Incorporation of the Corporation are stipulated on the 22nd day of June 1968 and after resolution was obtained in the stockholders' regular meeting, it was submitted to the competent authority for approval and became effective on the same day. Subsequent amendment to these Articles of Incorporation shall become effective after being passed at the stockholders' meeting.</p> <p>Omitted.</p> <p>The forty-fifth revision was in June 10th 2015.</p> |

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

| ASSETS | December 31, 2015 | | December 31, 2014 (Restated and Audited) | | January 1, 2014 (Restated and Audited) | |
|--|----------------------|------------|---|------------|---|------------|
| | Amount | % | Amount | % | Amount | % |
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents (Notes 4 and 7) | \$ 16,375,872 | 26 | \$ 19,054,142 | 30 | \$ 13,001,660 | 25 |
| Financial assets at fair value through profit or loss - current (Notes 4 and 8) | 1,014,670 | 2 | 1,329,188 | 2 | 776,430 | 2 |
| Available-for-sale financial assets - current (Notes 4, 9, 27 and 28) | 8,692,432 | 14 | 9,412,565 | 15 | 9,901,316 | 19 |
| Held-to-maturity financial assets - current (Note 4) | - | - | - | - | 1,811,039 | 4 |
| Trade receivables from unrelated parties (Note 11) | 350,000 | - | 531,602 | 1 | 457,740 | 1 |
| Trade receivables from related parties (Notes 11 and 27) | 81,852 | - | 69,206 | - | 193,382 | - |
| Other receivables (Note 11) | 120,869 | - | 192,034 | - | 110,757 | - |
| Fuel inventory (Note 4) | 350,969 | 1 | 422,995 | 1 | 381,440 | 1 |
| Other current assets (Note 27) | 249,425 | - | 255,353 | - | 184,922 | - |
| Total current assets | <u>27,236,089</u> | <u>43</u> | <u>31,267,085</u> | <u>49</u> | <u>26,818,686</u> | <u>52</u> |
| NON-CURRENT ASSETS | | | | | | |
| Available-for-sale financial assets - non-current (Notes 4 and 9) | 125 | - | 135 | - | 121 | - |
| Financial assets measured at cost - non-current (Notes 4 and 10) | 892,943 | 1 | 892,943 | 2 | 892,943 | 2 |
| Investments accounted for using equity method (Notes 4, 13 and 27) | 1,977,723 | 3 | 1,173,015 | 2 | 596,029 | 1 |
| Property, plant and equipment (Notes 4, 14, 28 and 29) | 30,968,544 | 49 | 25,972,794 | 41 | 16,806,347 | 33 |
| Deferred tax assets (Notes 4 and 22) | 107,525 | - | 139,796 | - | 51,763 | - |
| Prepayment for equipment (Note 14) | 1,543,005 | 3 | 3,132,014 | 5 | 5,443,954 | 11 |
| Refundable deposits (Notes 27 and 28) | 107,154 | - | 122,557 | - | 116,375 | - |
| Long-term receivable - related parties (Note 27) | 884,448 | 1 | 793,603 | 1 | 695,182 | 1 |
| Total non-current assets | <u>36,481,467</u> | <u>57</u> | <u>32,226,857</u> | <u>51</u> | <u>24,602,714</u> | <u>48</u> |
| TOTAL | <u>\$ 63,717,556</u> | <u>100</u> | <u>\$ 63,493,942</u> | <u>100</u> | <u>\$ 51,421,400</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Short-term borrowings (Notes 15 and 28) | \$ 7,130,000 | 11 | \$ 6,180,000 | 10 | \$ 5,440,000 | 11 |
| Short-term bills payable (Notes 15 and 28) | 2,395,020 | 4 | 2,332,000 | 4 | 2,331,348 | 4 |
| Financial liabilities at fair value through profit or loss - current (Notes 4 and 8) | 161,665 | - | 24,196 | - | 35,622 | - |
| Trade payables | 94,806 | - | 116,155 | - | 89,667 | - |
| Other payables (Note 18) | 786,544 | 1 | 861,563 | 1 | 852,254 | 2 |
| Current tax liabilities (Notes 4 and 22) | 181,542 | 1 | 509,123 | 1 | 208,384 | - |
| Current portion of long-term borrowings and bonds payable (Notes 15 and 28) | 4,581,707 | 7 | 3,241,208 | 5 | 742,480 | 1 |
| Obligation under capital leases - current (Notes 4 and 17) | - | - | 888,959 | 1 | 109,819 | - |
| Other current liabilities (Notes 4 and 27) | 286,797 | 1 | 284,187 | 1 | 282,899 | 1 |
| Total current liabilities | <u>15,618,081</u> | <u>25</u> | <u>14,437,391</u> | <u>23</u> | <u>10,092,473</u> | <u>19</u> |
| NON-CURRENT LIABILITIES | | | | | | |
| Bonds payable (Note 16) | 992,420 | 2 | 1,992,136 | 3 | 1,991,852 | 4 |
| Bank loans (Notes 15 and 28) | 18,447,976 | 29 | 16,053,632 | 25 | 12,427,608 | 24 |
| Deferred tax liabilities (Notes 4 and 22) | 470,727 | 1 | 553,640 | 1 | 513,423 | 1 |
| Obligation under capital leases - non-current (Notes 4 and 17) | - | - | 968,896 | 1 | 150,245 | - |
| Deferred revenue - non-current (Note 4) | 262,107 | - | 824,361 | 1 | 286,238 | 1 |
| Net defined benefit liabilities - non-current (Notes 4 and 19) | 339,391 | - | 377,396 | 1 | 467,987 | 1 |
| Other non-current liabilities | - | - | 143 | - | 118 | - |
| Total non-current liabilities | <u>20,512,621</u> | <u>32</u> | <u>20,770,204</u> | <u>32</u> | <u>15,837,471</u> | <u>31</u> |
| Total liabilities | <u>36,130,702</u> | <u>57</u> | <u>35,207,595</u> | <u>55</u> | <u>25,929,944</u> | <u>50</u> |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 20 and 22) | | | | | | |
| Common share capital | 8,580,167 | 13 | 8,580,167 | 14 | 8,580,167 | 17 |
| Capital surplus | 225,410 | - | 225,368 | - | 225,384 | 1 |
| Retained earnings | | | | | | |
| Legal reserve | 6,978,008 | 11 | 6,769,696 | 10 | 6,613,006 | 13 |
| Special reserve | 337,186 | 1 | 1,195,583 | 2 | 3,553,170 | 7 |
| Unappropriated earnings | 9,573,288 | 15 | 9,981,770 | 16 | 7,378,126 | 14 |
| Total retained earnings | <u>16,888,482</u> | <u>27</u> | <u>17,947,049</u> | <u>28</u> | <u>17,544,302</u> | <u>34</u> |
| Other equity | 2,370,488 | 4 | 1,533,763 | 3 | (858,397) | (2) |
| Treasury shares | (477,693) | (1) | - | - | - | - |
| Total equity | <u>27,586,854</u> | <u>43</u> | <u>28,286,347</u> | <u>45</u> | <u>25,491,456</u> | <u>50</u> |
| TOTAL | <u>\$ 63,717,556</u> | <u>100</u> | <u>\$ 63,493,942</u> | <u>100</u> | <u>\$ 51,421,400</u> | <u>100</u> |

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

(With Deloitte & Touche audit report dated March 11, 2016)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of U.S. Dollars, Note 6)

| ASSETS | December 31, 2015 | | December 31, 2014 (Restated and Audited) | | January 1, 2014 (Restated and Audited) | |
|--|---------------------|------------|---|------------|---|------------|
| | Amount | % | Amount | % | Amount | % |
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents (Notes 4 and 7) | \$ 498,884 | 26 | \$ 602,027 | 30 | \$ 436,224 | 25 |
| Financial assets at fair value through profit or loss - current (Notes 4 and 8) | 30,911 | 2 | 41,996 | 2 | 26,050 | 2 |
| Available-for-sale financial assets - current (Notes 4, 9, 27 and 28) | 264,811 | 14 | 297,395 | 15 | 332,203 | 19 |
| Held-to-maturity financial assets - current (Note 4) | - | - | - | - | 60,763 | 4 |
| Trade receivables from unrelated parties (Note 11) | 10,663 | - | 16,796 | 1 | 15,358 | 1 |
| Trade receivables from related parties (Notes 11 and 27) | 2,494 | - | 2,187 | - | 6,488 | - |
| Other receivables (Note 11) | 3,682 | - | 6,067 | - | 3,717 | - |
| Fuel inventory (Note 4) | 10,692 | 1 | 13,365 | 1 | 12,798 | 1 |
| Other current assets (Note 27) | 7,599 | - | 8,069 | - | 6,205 | - |
| Total current assets | <u>829,736</u> | <u>43</u> | <u>987,902</u> | <u>49</u> | <u>899,806</u> | <u>52</u> |
| NON-CURRENT ASSETS | | | | | | |
| Available-for-sale financial assets - non-current (Notes 4 and 9) | 4 | - | 4 | - | 4 | - |
| Financial assets measured at cost - non-current (Notes 4 and 10) | 27,203 | 1 | 28,213 | 2 | 29,960 | 2 |
| Investments accounted for using equity method (Notes 4, 13 and 27) | 60,251 | 3 | 37,062 | 2 | 19,998 | 1 |
| Property, plant and equipment (Notes 4, 14, 28 and 29) | 943,444 | 49 | 820,625 | 41 | 563,877 | 33 |
| Deferred tax assets (Notes 4 and 22) | 3,276 | - | 4,417 | - | 1,737 | - |
| Prepayment for equipment (Note 14) | 47,007 | 3 | 98,958 | 5 | 182,652 | 11 |
| Refundable deposits (Notes 27 and 28) | 3,264 | - | 3,872 | - | 3,905 | - |
| Long-term receivable - related parties (Note 27) | 26,944 | 1 | 25,074 | 1 | 23,324 | 1 |
| Total non-current assets | <u>1,111,393</u> | <u>57</u> | <u>1,018,225</u> | <u>51</u> | <u>825,457</u> | <u>48</u> |
| TOTAL | <u>\$ 1,941,129</u> | <u>100</u> | <u>\$ 2,006,127</u> | <u>100</u> | <u>\$ 1,725,263</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Short-term borrowings (Notes 15 and 28) | \$ 217,212 | 11 | \$ 195,261 | 10 | \$ 182,520 | 11 |
| Short-term bills payable (Notes 15 and 28) | 72,963 | 4 | 73,681 | 4 | 78,220 | 4 |
| Financial liabilities at fair value through profit or loss - current (Notes 4 and 8) | 4,925 | - | 764 | - | 1,195 | - |
| Trade payables | 2,888 | - | 3,670 | - | 3,008 | - |
| Other payables (Note 18) | 23,962 | 1 | 27,222 | 1 | 28,594 | 2 |
| Current tax liabilities (Notes 4 and 22) | 5,531 | 1 | 16,086 | 1 | 6,992 | - |
| Current portion of long-term borrowings and bonds payable (Notes 15 and 28) | 139,580 | 7 | 102,408 | 5 | 24,911 | 1 |
| Obligation under capital leases - current (Notes 4 and 17) | - | - | 28,087 | 1 | 3,685 | - |
| Other current liabilities (Notes 4 and 27) | 8,737 | 1 | 8,979 | 1 | 9,492 | 1 |
| Total current liabilities | <u>475,798</u> | <u>25</u> | <u>456,158</u> | <u>23</u> | <u>338,617</u> | <u>19</u> |
| NON-CURRENT LIABILITIES | | | | | | |
| Bonds payable (Note 16) | 30,234 | 2 | 62,943 | 3 | 66,829 | 4 |
| Bank loans (Notes 15 and 28) | 562,010 | 29 | 507,224 | 25 | 416,964 | 24 |
| Deferred tax liabilities (Notes 4 and 22) | 14,341 | 1 | 17,493 | 1 | 17,226 | 1 |
| Obligation under capital leases - non-current (Notes 4 and 17) | - | - | 30,613 | 1 | 5,041 | - |
| Deferred revenue - non-current (Note 4) | 7,985 | - | 26,045 | 1 | 9,604 | 1 |
| Net defined benefit liabilities - non-current (Notes 4 and 19) | 10,339 | - | 11,924 | 1 | 15,702 | 1 |
| Other non-current liabilities | - | - | 4 | - | 4 | - |
| Total non-current liabilities | <u>624,909</u> | <u>32</u> | <u>656,246</u> | <u>32</u> | <u>531,370</u> | <u>31</u> |
| Total liabilities | <u>1,100,707</u> | <u>57</u> | <u>1,112,404</u> | <u>55</u> | <u>869,987</u> | <u>50</u> |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 20 and 22) | | | | | | |
| Common share capital | 261,391 | 13 | 271,095 | 14 | 287,877 | 17 |
| Capital surplus | 6,867 | - | 7,121 | - | 7,562 | 1 |
| Retained earnings | | | | | | |
| Legal reserve | 212,582 | 11 | 213,892 | 10 | 221,876 | 13 |
| Special reserve | 10,272 | 1 | 37,775 | 2 | 119,214 | 7 |
| Unappropriated earnings | 291,646 | 15 | 315,380 | 16 | 247,547 | 14 |
| Total retained earnings | <u>514,500</u> | <u>27</u> | <u>567,047</u> | <u>28</u> | <u>588,637</u> | <u>34</u> |
| Other equity | 72,216 | 4 | 48,460 | 3 | (28,800) | (2) |
| Treasury shares | (14,552) | (1) | - | - | - | - |
| Total equity | <u>840,422</u> | <u>43</u> | <u>893,723</u> | <u>45</u> | <u>855,276</u> | <u>50</u> |
| TOTAL | <u>\$ 1,941,129</u> | <u>100</u> | <u>\$ 2,006,127</u> | <u>100</u> | <u>\$ 1,725,263</u> | <u>100</u> |

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

(With Deloitte & Touche audit report dated March 11, 2016)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Years Ended December 31 | | | |
|--|---------------------------------|------------|----------------------------------|-----------|
| | 2015 | | 2014 | |
| | Amount | % | (Restated and Audited) Amount | % |
| OPERATING REVENUE (Notes 4, 27 and 29) | | | | |
| Freight revenue | \$ 7,733,341 | 98 | \$ 8,965,430 | 98 |
| Other operating revenue (Note 21) | <u>190,747</u> | <u>2</u> | <u>175,521</u> | <u>2</u> |
| Total operating revenue | 7,924,088 | 100 | 9,140,951 | 100 |
| OPERATING COSTS | | | | |
| Freight cost (Notes 21 and 27) | <u>7,544,723</u> | <u>95</u> | <u>7,328,780</u> | <u>80</u> |
| GROSS PROFIT | 379,365 | 5 | 1,812,171 | 20 |
| OPERATING EXPENSES (Notes 21 and 27) | <u>314,266</u> | <u>4</u> | <u>333,228</u> | <u>4</u> |
| PROFIT FROM OPERATIONS | <u>65,099</u> | <u>1</u> | <u>1,478,943</u> | <u>16</u> |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Financial costs (Note 21) | (461,525) | (6) | (376,477) | (4) |
| Interest income (Note 4) | 294,851 | 4 | 334,255 | 4 |
| Dividend income (Note 4) | 296,684 | 4 | 338,248 | 4 |
| Other income | 107,932 | 1 | 71,226 | 1 |
| Gain on disposal of property, plant and equipment, net (Note 4) | 192,882 | 3 | 514,813 | 6 |
| Gain on sale of investments, net (Notes 4 and 27) | 967,332 | 12 | 419,414 | 4 |
| Net loss on foreign currency exchange (Notes 4, 21 and 30) | (453,926) | (6) | (951,790) | (11) |
| Valuation gain on financial instruments, net (Note 4) | - | - | 625,889 | 7 |
| Other losses | (5,185) | - | (13,128) | - |
| Valuation loss on financial instruments, net (Note 4) | (318,693) | (4) | - | - |
| Impairment loss (Notes 4, 9 and 14) | (62,386) | (1) | (94,925) | (1) |
| Share of the profit or loss of associates and joint ventures (Notes 4 and 13) | <u>102,246</u> | <u>1</u> | <u>31,990</u> | <u>-</u> |
| Total non-operating income and expenses | <u>660,212</u> | <u>8</u> | <u>899,515</u> | <u>10</u> |
| PROFIT BEFORE INCOME TAX | 725,311 | 9 | 2,378,458 | 26 |
| INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 22) | <u>(99,086)</u> | <u>(1)</u> | <u>290,206</u> | <u>3</u> |
| NET PROFIT FOR THE YEAR | <u>824,397</u> | <u>10</u> | <u>2,088,252</u> | <u>23</u> |

(Continued)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Years Ended December 31 | | | |
|---|---------------------------------|------------|----------------------------------|-----------|
| | 2015 | | 2014 | |
| | Amount | % | (Restated and Audited) Amount | % |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans (Notes 4 and 19) | \$ 4,672 | - | \$ 41,764 | - |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translating foreign operations | 1,873,370 | 24 | 2,980,188 | 33 |
| Unrealized gain (loss) on available-for-sale financial assets | (975,537) | (12) | (590,345) | (7) |
| Share of the other comprehensive income (loss) of associates using the equity method (Notes 4 and 13) | <u>(61,108)</u> | <u>(1)</u> | <u>2,317</u> | <u>-</u> |
| Other comprehensive income for the year, net of income tax | <u>841,397</u> | <u>11</u> | <u>2,433,924</u> | <u>26</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 1,665,794</u> | <u>21</u> | <u>\$ 4,522,176</u> | <u>49</u> |
| NET PROFIT ATTRIBUTABLE TO: | | | | |
| Owners of the Company | <u>\$ 824,397</u> | <u>10</u> | <u>\$ 2,088,252</u> | <u>23</u> |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | |
| Owners of the Company | <u>\$ 1,665,794</u> | <u>21</u> | <u>\$ 4,522,176</u> | <u>49</u> |
| EARNINGS PER SHARE (Note 23) | | | | |
| Basic | <u>\$ 0.96</u> | | <u>\$ 2.43</u> | |
| Diluted | <u>\$ 0.96</u> | | <u>\$ 2.43</u> | |

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

(With Deloitte & Touche audit report dated March 11, 2016)

(Concluded)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of U.S. Dollars, Except Earnings Per Share, Note 6)

| | For the Years Ended December 31 | | | |
|--|---------------------------------|------------|----------------------------------|-----------|
| | 2015 | | 2014 | |
| | Amount | % | (Restated and Audited) Amount | % |
| OPERATING REVENUE (Notes 4, 27 and 29) | | | | |
| Freight revenue | \$ 235,593 | 98 | \$ 283,268 | 98 |
| Other operating revenue (Note 21) | <u>5,811</u> | <u>2</u> | <u>5,546</u> | <u>2</u> |
| Total operating revenue | 241,404 | 100 | 288,814 | 100 |
| OPERATING COSTS | | | | |
| Freight cost (Notes 21 and 27) | <u>229,847</u> | <u>95</u> | <u>231,557</u> | <u>80</u> |
| GROSS PROFIT | 11,557 | 5 | 57,257 | 20 |
| OPERATING EXPENSES (Notes 21 and 27) | <u>9,574</u> | <u>4</u> | <u>10,529</u> | <u>4</u> |
| PROFIT FROM OPERATIONS | <u>1,983</u> | <u>1</u> | <u>46,728</u> | <u>16</u> |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Financial costs (Note 21) | (14,060) | (6) | (11,895) | (4) |
| Interest income (Note 4) | 8,983 | 4 | 10,561 | 4 |
| Dividend income (Note 4) | 9,038 | 4 | 10,687 | 4 |
| Other income | 3,288 | 1 | 2,250 | 1 |
| Gain on disposal of property, plant and equipment, net (Note 4) | 5,876 | 3 | 16,266 | 6 |
| Gain on sale of investments, net (Notes 4 and 27) | 29,469 | 12 | 13,252 | 4 |
| Net loss on foreign currency exchange (Notes 4, 21 and 30) | (13,829) | (6) | (30,073) | (11) |
| Valuation gain on financial instruments, net (Note 4) | - | - | 19,775 | 7 |
| Other losses | (157) | - | (415) | - |
| Valuation loss on financial instruments, net (Note 4) | (9,709) | (4) | - | - |
| Impairment loss (Notes 4, 9 and 14) | (1,901) | (1) | (2,999) | (1) |
| Share of the profit or loss of associates and joint ventures (Notes 4 and 13) | <u>3,115</u> | <u>1</u> | <u>1,011</u> | <u>-</u> |
| Total non-operating income and expenses | <u>20,113</u> | <u>8</u> | <u>28,420</u> | <u>10</u> |
| PROFIT BEFORE INCOME TAX | 22,096 | 9 | 75,148 | 26 |
| INCOME TAX (BENEFIT) EXPENSE (Notes 4 and 22) | <u>(3,019)</u> | <u>(1)</u> | <u>9,169</u> | <u>3</u> |
| NET PROFIT FOR THE YEAR | <u>25,115</u> | <u>10</u> | <u>65,979</u> | <u>23</u> |

(Continued)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of U.S. Dollars, Except Earnings Per Share, Note 6)

| | For the Years Ended December 31 | | | |
|---|---------------------------------|------------|----------------------------------|-----------|
| | 2015 | | 2014 | |
| | Amount | % | (Restated and Audited) Amount | % |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans (Notes 4 and 19) | \$ 142 | - | \$ 1,320 | - |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translating foreign operations | 57,072 | 24 | 94,161 | 33 |
| Unrealized gain (loss) on available-for-sale financial assets | (29,719) | (12) | (18,653) | (7) |
| Share of the other comprehensive income (loss) of associates using the equity method (Notes 4 and 13) | <u>(1,862)</u> | <u>(1)</u> | <u>73</u> | <u>-</u> |
| Other comprehensive income for the year, net of income tax | <u>25,633</u> | <u>11</u> | <u>76,901</u> | <u>26</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 50,748</u> | <u>21</u> | <u>\$ 142,880</u> | <u>49</u> |
| NET PROFIT ATTRIBUTABLE TO: | | | | |
| Owners of the Company | <u>\$ 25,115</u> | <u>10</u> | <u>\$ 65,979</u> | <u>23</u> |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | |
| Owners of the Company | <u>\$ 50,748</u> | <u>21</u> | <u>\$ 142,880</u> | <u>49</u> |
| EARNINGS PER SHARE (Note 23) | | | | |
| Basic | <u>\$ 0.03</u> | | <u>\$ 0.08</u> | |
| Diluted | <u>\$ 0.03</u> | | <u>\$ 0.08</u> | |

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

(With Deloitte & Touche audit report dated March 11, 2016)

(Concluded)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

| | Common Share Capital | Capital Surplus | Retained Earnings | | | Exchange Differences on Translating Foreign Operations | Unrealized Gain (Loss) on Available-for- sale Financial Assets | Other Equity | | | Treasury Shares | Total Equity |
|--|-------------------------|-------------------|---------------------|-------------------|----------------------------|--|--|--------------------------|---------------------|---------------------|---------------------|----------------------|
| | | | Legal Reserve | Special Reserve | Unappropriated Earnings | | | Revaluation Increment | Cash Flow Hedges | Total | | |
| BALANCE AT JANUARY 1, 2014 | \$ 8,580,167 | \$ 225,384 | \$ 6,613,006 | \$ 3,553,170 | \$ 7,388,568 | \$ (2,949,772) | \$ 2,035,523 | \$ 55,852 | \$ - | \$ (858,397) | \$ - | \$ 25,501,898 |
| Effect of retrospective application and retrospective restatement | - | - | - | - | (10,442) | - | - | - | - | - | - | (10,442) |
| BALANCE AT JANUARY 1, 2014 AS RESTATED | 8,580,167 | 225,384 | 6,613,006 | 3,553,170 | 7,378,126 | (2,949,772) | 2,035,523 | 55,852 | - | (858,397) | - | 25,491,456 |
| Appropriation of 2013 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | 156,690 | - | (156,690) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | (2,357,587) | 2,357,587 | - | - | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (1,716,033) | - | - | - | - | - | - | (1,716,033) |
| Change from investments in associates and joint ventures accounted for using equity method | - | - | - | - | (11,236) | - | - | - | - | - | - | (11,236) |
| Net profit for the year ended December 31, 2014 | - | - | - | - | 2,088,252 | - | - | - | - | - | - | 2,088,252 |
| Other comprehensive income for the year ended December 31, 2014, net of income tax | - | - | - | - | 41,764 | 2,981,330 | (589,170) | - | - | 2,392,160 | - | 2,433,924 |
| Total comprehensive income for the year ended December 31, 2014 | - | - | - | - | 2,130,016 | 2,981,330 | (589,170) | - | - | 2,392,160 | - | 4,522,176 |
| Dividends claimed after over five years by stockholders | - | (16) | - | - | - | - | - | - | - | - | - | (16) |
| BALANCE AT DECEMBER 31, 2014 | 8,580,167 | 225,368 | 6,769,696 | 1,195,583 | 9,981,770 | 31,558 | 1,446,353 | 55,852 | - | 1,533,763 | - | 28,286,347 |
| Appropriation of 2014 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | 208,312 | - | (208,312) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | (858,397) | 858,397 | - | - | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (1,887,636) | - | - | - | - | - | - | (1,887,636) |
| Change from investments in associates and joint ventures accounted for using equity method | - | 44 | - | - | - | - | - | - | - | - | - | 44 |
| Net profit for the year ended December 31, 2015 | - | - | - | - | 824,397 | - | - | - | - | - | - | 824,397 |
| Other comprehensive income for the year ended December 31, 2015, net of income tax | - | - | - | - | 4,672 | 1,873,493 | (981,319) | (55,399) | (50) | 836,725 | - | 841,397 |
| Total comprehensive income for the year ended December 31, 2015 | - | - | - | - | 829,069 | 1,873,493 | (981,319) | (55,399) | (50) | 836,725 | - | 1,665,794 |
| Buy-back of ordinary shares | - | - | - | - | - | - | - | - | - | - | (477,693) | (477,693) |
| Dividends claimed after over five years by stockholders | - | (2) | - | - | - | - | - | - | - | - | - | (2) |
| BALANCE AT DECEMBER 31, 2015 | <u>\$ 8,580,167</u> | <u>\$ 225,410</u> | <u>\$ 6,978,008</u> | <u>\$ 337,186</u> | <u>\$ 9,573,288</u> | <u>\$ 1,905,051</u> | <u>\$ 465,034</u> | <u>\$ 453</u> | <u>\$ (50)</u> | <u>\$ 2,370,488</u> | <u>\$ (477,693)</u> | <u>\$ 27,586,854</u> |

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

(With Deloitte & Touche audit report dated March 11, 2016)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of U.S. Dollars, Note 6)

| | Common Share Capital | Capital Surplus | Retained Earnings | | | Exchange Differences on Translating Foreign Operations | Unrealized Gain (Loss) on Available-for- sale Financial Assets | Other Equity | | | Total Treasury Shares | Total Equity |
|--|-------------------------|-----------------|-------------------|-----------------|----------------------------|--|--|--------------------------|---------------------|-------------|--------------------------|--------------|
| | | | Legal Reserve | Special Reserve | Unappropriated Earnings | | | Revaluation Increment | Cash Flow Hedges | Total | | |
| BALANCE AT JANUARY 1, 2014 | \$ 287,877 | \$ 7,562 | \$ 221,876 | \$ 119,214 | \$ 247,897 | \$ (98,969) | \$ 68,295 | \$ 1,874 | \$ - | \$ (28,800) | \$ - | \$ 855,626 |
| Effect of retrospective application and retrospective restatement | - | - | - | - | (350) | - | - | - | - | - | - | (350) |
| BALANCE AT JANUARY 1, 2014 AS RESTATED | 287,877 | 7,562 | 221,876 | 119,214 | 247,547 | (98,969) | 68,295 | 1,874 | - | (28,800) | - | 855,276 |
| Appropriation of 2013 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | 4,951 | - | (4,951) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | (74,489) | 74,489 | - | - | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (54,219) | - | - | - | - | - | - | (54,219) |
| Change from investments in associates and joint ventures accounted for using equity method | - | - | - | - | (355) | - | - | - | - | - | - | (355) |
| Net profit for the year ended December 31, 2014 | - | - | - | - | 65,979 | - | - | - | - | - | - | 65,979 |
| Other comprehensive income for the year ended December 31, 2014, net of income tax | - | - | - | - | 1,320 | 94,196 | (18,615) | - | - | 75,581 | - | 76,901 |
| Total comprehensive income for the year ended December 31, 2014 | - | - | - | - | 67,299 | 94,196 | (18,615) | - | - | 75,581 | - | 142,880 |
| Dividends claimed after over five years by stockholders | - | (1) | - | - | - | - | - | - | - | - | - | (1) |
| Changes in translation adjustments | (16,782) | (440) | (12,935) | (6,950) | (14,430) | 5,770 | (3,982) | (109) | - | 1,679 | - | (49,858) |
| BALANCE AT DECEMBER 31, 2014 | 271,095 | 7,121 | 213,892 | 37,775 | 315,380 | 997 | 45,698 | 1,765 | - | 48,460 | - | 893,723 |
| Appropriation of 2014 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | 6,346 | - | (6,346) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | (26,151) | 26,151 | - | - | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (57,506) | - | - | - | - | - | - | (57,506) |
| Change from investments in associates and joint ventures accounted for using equity method | - | 1 | - | - | - | - | - | - | - | - | - | 1 |
| Net profit for the year ended December 31, 2015 | - | - | - | - | 25,115 | - | - | - | - | - | - | 25,115 |
| Other comprehensive income for the year ended December 31, 2015, net of income tax | - | - | - | - | 142 | 57,076 | (29,895) | (1,688) | (2) | 25,491 | - | 25,633 |
| Total comprehensive income for the year ended December 31, 2015 | - | - | - | - | 25,257 | 57,076 | (29,895) | (1,688) | (2) | 25,491 | - | 50,748 |
| Buy-back of ordinary shares | - | - | - | - | - | - | - | - | - | - | (14,552) | (14,552) |
| Dividends claimed after over five years by stockholders | - | - | - | - | - | - | - | - | - | - | - | - |
| Changes in translation adjustments | (9,704) | (255) | (7,656) | (1,352) | (11,290) | (36) | (1,636) | (63) | - | (1,735) | - | (31,992) |
| BALANCE AT DECEMBER 31, 2015 | \$ 261,391 | \$ 6,867 | \$ 212,582 | \$ 10,272 | \$ 291,646 | \$ 58,037 | \$ 14,167 | \$ 14 | \$ (2) | \$ 72,216 | \$ (14,552) | \$ 840,422 |

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

(With Deloitte & Touche audit report dated March 11, 2016)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

| | For the Years Ended December 31 | |
|--|------------------------------------|-----------------------------------|
| | 2015 | 2014 (Restated and Audited) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 725,311 | \$ 2,378,458 |
| Adjustments for: | | |
| Depreciation expenses | 2,278,587 | 1,838,069 |
| Unrealized loss on foreign currency exchange | 509,935 | 931,543 |
| Dividend income | (498,757) | (509,371) |
| Finance costs | 461,525 | 376,477 |
| Net gain on financial assets and liabilities at fair value through profit or loss | (381,334) | (914,717) |
| Interest income | (294,851) | (334,255) |
| Gain on disposal of investment, net | (267,305) | (130,586) |
| Gain on disposal of property, plant and equipment, net | (192,882) | (514,813) |
| Other non-cash items | (122,282) | (24,528) |
| Share of the profit of associates and joint ventures | (102,246) | (31,990) |
| Impairment loss recognized on available-for-sale financial assets | 46,042 | - |
| Impairment loss recognized on transportation equipment | 16,343 | 94,925 |
| Recognition (reversal) of provision for doubtful accounts | 9,383 | (1,637) |
| Changes in operating assets and liabilities | | |
| Financial assets held for trading | 695,852 | 361,959 |
| Trade receivables | 157,146 | 51,951 |
| Other receivables | (15,198) | (2,595) |
| Fuel inventory | 51,468 | (41,555) |
| Other current assets | (6,035) | (82,302) |
| Financial liabilities held for trading | 137,469 | (11,426) |
| Trade payables | (41,213) | 26,488 |
| Other payables | (83,807) | 8,489 |
| Other current liabilities | 154,988 | (144,619) |
| Net defined benefit liabilities | (33,333) | (48,827) |
| Cash generated from operations | 3,204,806 | 3,275,138 |
| Interest received | 381,218 | 255,609 |
| Dividends received | 498,757 | 509,371 |
| Interest paid | (440,581) | (363,503) |
| Income tax paid | (279,051) | (37,319) |
| Net cash generated from operating activities | <u>3,365,149</u> | <u>3,639,296</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Increase in prepayment for equipment | (4,719,574) | (6,459,399) |
| Proceeds on sale of available-for-sale financial assets | 3,074,266 | 1,472,113 |
| Purchase of available-for-sale financial assets | (2,942,876) | (1,212,239) |
| Purchase of property, plant and equipment | (1,683,251) | (390,869) |

(Continued)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

| | For the Years Ended December 31 | |
|---|------------------------------------|-----------------------------------|
| | 2015 | 2014 (Restated and Audited) |
| Acquisition of associates | \$ (760,000) | \$ (553,400) |
| Proceeds from disposal of property, plant and equipment | 314,708 | 791,587 |
| Increase in financing provided - related parties | (59,352) | (53,036) |
| Decrease (increase) in refundable deposits | 15,696 | (5,721) |
| Proceeds on maturity of held-to-maturity financial assets | - | 1,814,670 |
| Dividend received from associates | - | 6,667 |
| Net cash used in investing activities | <u>(6,760,383)</u> | <u>(4,589,627)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term borrowings | 8,708,213 | 9,104,383 |
| Repayments of long-term borrowings | (4,980,736) | (3,338,091) |
| Dividends paid to owners of the Company | (1,887,638) | (1,716,049) |
| (Decrease) increase in obligation under capital lease | (753,610) | 1,515,742 |
| Payments for buy-back ordinary shares | (477,693) | - |
| (Repayments) proceeds from short-term borrowings | (450,000) | 460,000 |
| Proceeds from short-term bills payable | <u>63,020</u> | <u>652</u> |
| Net cash generated from financing activities | <u>221,556</u> | <u>6,026,637</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | <u>495,408</u> | <u>976,176</u> |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | (2,678,270) | 6,052,482 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>19,054,142</u> | <u>13,001,660</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 16,375,872</u> | <u>\$ 19,054,142</u> |

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

(With Deloitte & Touche audit report dated March 11, 2016)

(Concluded)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of U.S. Dollars, Note 6)

| | For the Years Ended December 31 | |
|---|------------------------------------|-----------------------------------|
| | | 2014 (Restated and Audited) |
| | 2015 | 2014 (Restated and Audited) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 22,096 | \$ 75,148 |
| Adjustments for: | | |
| Depreciation expenses | 69,417 | 58,075 |
| Unrealized loss on foreign currency exchange | 15,535 | 29,432 |
| Dividend income | (15,194) | (16,094) |
| Finance costs | 14,060 | 11,895 |
| Net gain on financial assets and liabilities at fair value through profit or loss | (11,617) | (28,901) |
| Interest income | (8,983) | (10,561) |
| Gain on disposal of investment, net | (8,143) | (4,126) |
| Gain on disposal of property, plant and equipment, net | (5,876) | (16,266) |
| Other non-cash items | (3,725) | (775) |
| Share of the profit of associates and joint ventures | (3,115) | (1,011) |
| Impairment loss recognized on available-for-sale financial assets | 1,403 | - |
| Impairment loss recognized on transportation equipment | 498 | 2,999 |
| Recognition (reversal) of provision for doubtful accounts | 286 | (52) |
| Changes in operating assets and liabilities | | |
| Financial assets held for trading | 21,199 | 11,436 |
| Trade receivables | 4,787 | 1,641 |
| Other receivables | (463) | (82) |
| Fuel inventory | 1,568 | (1,313) |
| Other current assets | (184) | (2,600) |
| Financial liabilities held for trading | 4,188 | (361) |
| Trade payables | (1,256) | 837 |
| Other payables | (2,553) | 268 |
| Other current liabilities | 4,722 | (4,569) |
| Net defined benefit liabilities | (1,015) | (1,542) |
| Cash generated from operations | 97,635 | 103,478 |
| Interest received | 11,614 | 8,076 |
| Dividends received | 15,194 | 16,094 |
| Interest paid | (13,422) | (11,485) |
| Income tax paid | (8,501) | (1,179) |
| Net cash generated from operating activities | 102,520 | 114,984 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Increase in prepayment for equipment | (143,780) | (204,088) |
| Proceeds on sale of available-for-sale financial assets | 93,656 | 46,512 |
| Purchase of available-for-sale financial assets | (89,653) | (38,301) |
| Purchase of property, plant and equipment | (51,280) | (12,349) |

(Continued)

U-MING MARINE TRANSPORT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of U.S. Dollars, Note 6)

| | For the Years Ended December 31 | |
|---|------------------------------------|-----------------------------------|
| | 2015 | 2014 (Restated and Audited) |
| Acquisition of associates | \$ (23,153) | \$ (17,485) |
| Proceeds from disposal of property, plant and equipment | 9,587 | 25,011 |
| Increase in financing provided - related parties | (1,808) | (1,676) |
| Decrease (increase) in refundable deposits | 478 | (181) |
| Proceeds on maturity of held-to-maturity financial assets | - | 57,336 |
| Dividend received from associates | - | 211 |
| Net cash used in investing activities | <u>(205,953)</u> | <u>(145,010)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term borrowings | 265,292 | 287,658 |
| Repayments of long-term borrowings | (151,736) | (105,469) |
| Dividends paid to owners of the Company | (57,506) | (54,220) |
| Decrease (increase) in obligation under capital lease | (22,958) | 47,891 |
| Payments for buy-back ordinary shares | (14,552) | - |
| (Repayments) proceeds from short-term borrowings | (13,709) | 14,534 |
| Proceeds from short-term bills payable | <u>1,920</u> | <u>21</u> |
| Net cash generated from financing activities | <u>6,751</u> | <u>190,415</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | <u>(6,461)</u> | <u>5,414</u> |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | (103,143) | 165,803 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>602,027</u> | <u>436,224</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 498,884</u> | <u>\$ 602,027</u> |

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

(With Deloitte & Touche audit report dated March 11, 2016)

(Concluded)

U-MING MARINE TRANSPORT CORPORATION

INDIVIDUAL BALANCE SHEETS (In Thousands of New Taiwan Dollars)

| ASSETS | December 31, 2015 | | December 31, 2014 (Restated and Audited) | | January 1, 2014 (Restated and Audited) | |
|--|----------------------|------------|---|------------|---|------------|
| | Amount | % | Amount | % | Amount | % |
| CURRENT ASSETS | | | | | | |
| Cash | \$ 12,683 | - | \$ 18,154 | - | \$ 105,775 | - |
| Financial assets at fair value through profit or loss - current | 601,310 | 1 | 729,131 | 1 | 50,612 | - |
| Available-for-sale financial assets - current | 1,577,977 | 3 | 1,770,751 | 3 | 1,933,975 | 4 |
| Trade receivables from unrelated parties | 14,822 | - | 17,019 | - | 23,286 | - |
| Trade receivables from related parties | 82,158 | - | 97,961 | - | 152,209 | - |
| Other receivables | 54,246 | - | 29,579 | - | 32,384 | - |
| Fuel inventory | 30,890 | - | 50,815 | - | 37,726 | - |
| Other current assets | 85,255 | - | 74,101 | - | 48,280 | - |
| Total current assets | <u>2,459,341</u> | <u>4</u> | <u>2,787,511</u> | <u>4</u> | <u>2,384,247</u> | <u>4</u> |
| NON-CURRENT ASSETS | | | | | | |
| Financial assets measured at cost - non-current | 344,296 | 1 | 344,296 | 1 | 344,296 | 1 |
| Investments accounted for using equity method | 57,170,150 | 93 | 57,403,773 | 93 | 53,119,939 | 94 |
| Property, plant and equipment | 1,219,423 | 2 | 1,334,087 | 2 | 425,986 | 1 |
| Deferred tax assets | 107,525 | - | 139,796 | - | 51,763 | - |
| Refundable deposits | 24,933 | - | 33,684 | - | 32,683 | - |
| Total non-current assets | <u>58,866,327</u> | <u>96</u> | <u>59,255,636</u> | <u>96</u> | <u>53,974,667</u> | <u>96</u> |
| TOTAL | <u>\$ 61,325,668</u> | <u>100</u> | <u>\$ 62,043,147</u> | <u>100</u> | <u>\$ 56,358,914</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Short-term borrowings | \$ 7,130,000 | 12 | \$ 6,180,000 | 10 | \$ 5,440,000 | 10 |
| Short-term bills payable | 2,248,617 | 4 | 2,139,086 | 3 | 2,138,569 | 4 |
| Financial liabilities at fair value through profit or loss - current | - | - | - | - | 23,136 | - |
| Trade payables | 36,349 | - | 38,325 | - | 24,531 | - |
| Other payables | 370,844 | 1 | 436,933 | 1 | 365,471 | 1 |
| Other payables from related parties | 14,122,893 | 23 | 14,564,258 | 23 | 13,715,331 | 24 |
| Current tax liabilities | 181,406 | - | 508,922 | 1 | 202,187 | - |
| Current portion of long-term borrowings and bonds payable | 2,574,736 | 4 | 1,000,000 | 2 | - | - |
| Other current liabilities | 24,201 | - | 18,689 | - | 101,830 | - |
| Total current liabilities | <u>26,689,046</u> | <u>44</u> | <u>24,886,213</u> | <u>40</u> | <u>22,011,055</u> | <u>39</u> |
| NON-CURRENT LIABILITIES | | | | | | |
| Bonds payable | 992,420 | 1 | 1,992,136 | 3 | 1,991,852 | 4 |
| Bank loans | 5,359,587 | 9 | 6,074,288 | 10 | 6,059,714 | 11 |
| Deferred tax liabilities | 470,727 | 1 | 553,640 | 1 | 513,423 | 1 |
| Deferred revenue - non-current | 520 | - | 877 | - | 1,235 | - |
| Net defined benefit liabilities - non-current | 226,514 | - | 249,646 | - | 290,179 | - |
| Total non-current liabilities | <u>7,049,768</u> | <u>11</u> | <u>8,870,587</u> | <u>14</u> | <u>8,856,403</u> | <u>16</u> |
| Total liabilities | <u>33,738,814</u> | <u>55</u> | <u>33,756,800</u> | <u>54</u> | <u>30,867,458</u> | <u>55</u> |
| EQUITY | | | | | | |
| Common share capital | 8,580,167 | 14 | 8,580,167 | 14 | 8,580,167 | 15 |
| Capital surplus | 225,410 | - | 225,368 | - | 225,384 | - |
| Retained earnings | | | | | | |
| Legal reserve | 6,978,008 | 11 | 6,769,696 | 11 | 6,613,006 | 12 |
| Special reserve | 337,186 | 1 | 1,195,583 | 2 | 3,553,170 | 6 |
| Unappropriated earnings | 9,573,288 | 16 | 9,981,770 | 16 | 7,378,126 | 13 |
| Total retained earnings | <u>16,888,482</u> | <u>28</u> | <u>17,947,049</u> | <u>29</u> | <u>17,544,302</u> | <u>31</u> |
| Other equity | 2,370,488 | 4 | 1,533,763 | 3 | (858,397) | (1) |
| Treasury shares | (477,693) | (1) | - | - | - | - |
| Total equity | <u>27,586,854</u> | <u>45</u> | <u>28,286,347</u> | <u>46</u> | <u>25,491,456</u> | <u>45</u> |
| TOTAL | <u>\$ 61,325,668</u> | <u>100</u> | <u>\$ 62,043,147</u> | <u>100</u> | <u>\$ 56,358,914</u> | <u>100</u> |

U-MING MARINE TRANSPORT CORPORATION

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Years Ended December 31 | | | |
|---|---------------------------------|--------------|----------------------------------|--------------|
| | 2015 | | 2014 | |
| | Amount | % | (Restated and Audited) Amount | % |
| FREIGHT REVENUE | \$ 1,387,973 | 100 | \$ 1,251,285 | 100 |
| FREIGHT COST | <u>1,252,806</u> | <u>91</u> | <u>1,133,000</u> | <u>90</u> |
| GROSS PROFIT | 135,167 | 9 | 118,285 | 10 |
| OPERATING EXPENSES | <u>208,342</u> | <u>15</u> | <u>233,748</u> | <u>19</u> |
| LOSS FROM OPERATIONS | (<u>73,175</u>) | (<u>6</u>) | (<u>115,463</u>) | (<u>9</u>) |
| NON-OPERATING INCOME AND EXPENSES | | | | |
| Financial costs | (315,932) | (23) | (275,214) | (22) |
| Share of the profit or loss of subsidiaries, associates and joint ventures | 639,243 | 46 | 2,228,556 | 178 |
| Interest income | 300 | - | 499 | - |
| Dividend income | 284,165 | 21 | 315,922 | 25 |
| Other income | 29,953 | 2 | 33,994 | 3 |
| Gain on disposal of property, plant and equipment, net | 357 | - | 35,149 | 3 |
| Gain on sale of investments, net | 750,008 | 54 | 305,236 | 24 |
| Net loss on foreign currency exchange | (484,590) | (35) | (877,893) | (70) |
| Valuation gain on financial instruments, net | - | - | 701,655 | 56 |
| Other losses | (2,155) | - | (5,274) | - |
| Valuation loss on financial instruments, net | (<u>127,821</u>) | (<u>9</u>) | <u>-</u> | <u>-</u> |
| Total non-operating income and expenses | <u>773,528</u> | <u>56</u> | <u>2,462,630</u> | <u>197</u> |
| PROFIT BEFORE INCOME TAX | \$ 700,353 | 50 | \$ 2,347,167 | 188 |
| INCOME TAX (BENEFIT) EXPENSE | (<u>124,044</u>) | (<u>9</u>) | <u>258,915</u> | <u>21</u> |
| NET PROFIT FOR THE YEAR | <u>824,397</u> | <u>59</u> | <u>2,088,252</u> | <u>167</u> |

(Continued)

U-MING MARINE TRANSPORT CORPORATION

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

| | For the Years Ended December 31 | | | |
|--|---------------------------------|------------|--------------------------------|------------|
| | 2015 | | 2014 (Restated and Audited) | |
| | Amount | % | Amount | % |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Remeasurement of defined benefit plans | (5,814) | - | (2,940) | - |
| Share of the other comprehensive income of subsidiaries and associates using the equity method | 10,486 | 1 | 44,704 | 3 |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translating foreign operations | 1,873,370 | 135 | 2,981,330 | 238 |
| Unrealized gain (loss) on available-for-sale financial assets | (192,775) | (14) | (163,224) | (13) |
| Share of the other comprehensive income of subsidiaries and associates using the equity method | (843,870) | (61) | (425,946) | (34) |
| Other comprehensive income for the year, net of income tax | <u>841,397</u> | <u>61</u> | <u>2,433,924</u> | <u>194</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>\$ 1,665,794</u> | <u>120</u> | <u>\$ 4,522,176</u> | <u>361</u> |
| EARNINGS PER SHARE | | | | |
| Basic | <u>\$ 0.96</u> | | <u>\$ 2.43</u> | |
| Diluted | <u>\$ 0.96</u> | | <u>\$ 2.43</u> | |

(Concluded)

U-MING MARINE TRANSPORT CORPORATION

INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

| | Common Share Capital | Capital Surplus | Retained Earnings | | | Exchange Differences on Translating Foreign Operations | Unrealized Gain (Loss) on Available-for-sale Financial Assets | Other Equity | | | Treasury Shares | Total Equity |
|--|----------------------|-----------------|-------------------|-----------------|-------------------------|--|---|-----------------------|------------------|--------------|-----------------|---------------|
| | | | Legal Reserve | Special Reserve | Unappropriated Earnings | | | Revaluation Increment | Cash Flow Hedges | Total | | |
| BALANCE AT JANUARY 1, 2014 | \$ 8,580,167 | \$ 225,384 | \$ 6,613,006 | \$ 3,553,170 | \$ 7,388,568 | \$ (2,949,772) | \$ 2,035,523 | \$ 55,852 | \$ - | \$ (858,397) | \$ - | \$ 25,501,898 |
| Effect of retrospective application and retrospective restatement | - | - | - | - | (10,442) | - | - | - | - | - | - | (10,442) |
| BALANCE AT JANUARY 1, 2014 AS RESTATED | 8,580,167 | 225,384 | 6,613,006 | 3,553,170 | 7,378,126 | (2,949,772) | 2,035,523 | 55,852 | - | (858,397) | - | 25,491,456 |
| Appropriation of 2013 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | 156,690 | - | (156,690) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | (2,357,587) | 2,357,587 | - | - | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (1,716,033) | - | - | - | - | - | - | (1,716,033) |
| Change from investments in associates and joint ventures accounted for using equity method | - | - | - | - | (11,236) | - | - | - | - | - | - | (11,236) |
| Net profit for the year ended December 31, 2014 | - | - | - | - | 2,088,252 | - | - | - | - | - | - | 2,088,252 |
| Other comprehensive income for the year ended December 31, 2014, net of income tax | - | - | - | - | 41,764 | 2,981,330 | (589,170) | - | - | 2,392,160 | - | 2,433,924 |
| Total comprehensive income for the year ended December 31, 2014 | - | - | - | - | 2,130,016 | 2,981,330 | (589,170) | - | - | 2,392,160 | - | 4,522,176 |
| Dividends claimed after over five years by stockholders | - | (16) | - | - | - | - | - | - | - | - | - | (16) |
| BALANCE AT DECEMBER 31, 2014 | 8,580,167 | 225,368 | 6,769,696 | 1,195,583 | 9,981,770 | 31,558 | 1,446,353 | 55,852 | - | 1,533,763 | - | 28,286,347 |
| Appropriation of 2014 earnings | | | | | | | | | | | | |
| Legal reserve | - | - | 208,312 | - | (208,312) | - | - | - | - | - | - | - |
| Special reserve | - | - | - | (858,397) | 858,397 | - | - | - | - | - | - | - |
| Cash dividends distributed by the Company | - | - | - | - | (1,887,636) | - | - | - | - | - | - | (1,887,636) |
| Change from investments in associates and joint ventures accounted for using equity method | - | 44 | - | - | - | - | - | - | - | - | - | 44 |
| Net profit for the year ended December 31, 2015 | - | - | - | - | 824,397 | - | - | - | - | - | - | 824,397 |
| Other comprehensive income for the year ended December 31, 2015, net of income tax | - | - | - | - | 4,672 | 1,873,493 | (981,319) | (55,399) | (50) | 836,725 | - | 841,397 |
| Total comprehensive income for the year ended December 31, 2015 | - | - | - | - | 829,069 | 1,873,493 | (981,319) | (55,399) | (50) | 836,725 | - | 1,665,794 |
| Buy-back of ordinary shares | - | - | - | - | - | - | - | - | - | - | (477,693) | (477,693) |
| Dividends claimed after over five years by stockholders | - | (2) | - | - | - | - | - | - | - | - | - | (2) |
| BALANCE AT DECEMBER 31, 2015 | \$ 8,580,167 | \$ 225,410 | \$ 6,978,008 | \$ 337,186 | \$ 9,573,288 | \$ 1,905,051 | \$ 465,034 | \$ 453 | \$ (50) | \$ 2,370,488 | \$ (477,693) | \$ 27,586,854 |

U-MING MARINE TRANSPORT CORPORATION

INDIVIDUAL STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

| | For the Years Ended December 31 | |
|---|------------------------------------|-----------------------------------|
| | 2015 | 2014 (Restated and Audited) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | \$ 700,353 | \$ 2,347,167 |
| Adjustments for: | | |
| Share of the profit or loss of subsidiaries, associates and joint ventures | (639,243) | (2,228,556) |
| Net gain on financial assets and liabilities at fair value through profit or loss | (622,187) | (1,006,891) |
| Unrealized loss on foreign currency exchange | 540,354 | 846,959 |
| Finance costs | 315,932 | 275,214 |
| Dividend income | (284,165) | (315,922) |
| Depreciation expenses | 215,609 | 141,024 |
| Gain on disposal of property, plant and equipment, net | (357) | (35,149) |
| Interest income | (300) | (499) |
| Changes in operating assets and liabilities | | |
| Financial assets held for trading | 750,008 | 328,372 |
| Trade receivables | 18,000 | 60,515 |
| Other receivables | (24,951) | 2,627 |
| Fuel inventory | 19,925 | (13,089) |
| Other current assets | (22,451) | (37,339) |
| Financial liabilities held for trading | - | (23,136) |
| Trade payables | (1,976) | 13,794 |
| Other payables | (74,109) | 70,993 |
| Other current liabilities | 5,512 | (83,141) |
| Net defined benefit liabilities | (28,946) | (43,473) |
| Cash generated from operations | 867,008 | 299,470 |
| Interest received | 584 | 677 |
| Dividends received | 284,165 | 315,922 |
| Interest paid | (293,533) | (262,681) |
| Income tax paid | (254,028) | (31) |
| Net cash generated from operating activities | <u>604,196</u> | <u>353,357</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Dividend received from subsidiaries | \$ 2,672,896 | \$ 1,086,975 |
| Acquisition of associates | (760,000) | (553,400) |
| Purchase of property, plant and equipment | (100,945) | (134,517) |
| Decrease (increase) in refundable deposits | 8,751 | (1,001) |
| Increase in prepayment for equipment | - | (1,042,441) |

(Continued)

U-MING MARINE TRANSPORT CORPORATION

INDIVIDUAL STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

| | For the Years Ended December 31 | |
|---|------------------------------------|-----------------------------------|
| | 2015 | 2014 (Restated and Audited) |
| Proceeds from disposal of property, plant and equipmen | <u>-</u> | <u>162,624</u> |
| Net cash used in investing activities | <u>1,820,702</u> | <u>(481,760)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term borrowings | 4,880,000 | 3,629,574 |
| Repayments of long-term borrowings | (3,619,965) | (2,335,000) |
| Dividends paid | (1,887,638) | (1,716,050) |
| Decrease in other payables from related parties | (984,750) | - |
| Payments for buy-back ordinary shares | (477,693) | - |
| (Repayments) proceeds from short-term borrowings | (450,000) | 460,000 |
| Proceeds from short-term bills payable | <u>109,531</u> | <u>517</u> |
| Net cash generated from financing activities | <u>(2,430,515)</u> | <u>39,041</u> |
| EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES | <u>146</u> | <u>1,741</u> |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | <u>(5,471)</u> | <u>(87,621)</u> |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>18,154</u> | <u>105,775</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 12,683</u> | <u>\$ 18,154</u> |

(Concluded)