

DIMERCO EXPRESS CORPORATION
2022 ANNUAL SHAREHOLDERS' MEETING MINUTES

Time: June 8th, 2022, Wednesday 09:00 am

Venue : Grand Mayfull Hotel (No.55, Lequn 2nd Rd., Zhongshan Dist., Taipei 10462, Taiwan.)

Total outstanding Dimerco Shares: 136,080,000 shares

Total shares represented by shareholders present in person or by proxy: 75,320,216 shares

Percentage of shares held by shareholders present in person or by proxy: 55.34 %

Chairman: Mr. Paul Chien

Minutes taker: Jason Ko

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

I. Chairman's Address (omitted)

II. Management Presentations:

1. Annual Business Report of year 2021 (See Appendix I).
2. Audit Committee's Audited Report (See Appendix II).
3. Report of dividends for 2021(See 2022 Annual Shareholders' Meeting Agenda).
4. Report of Compensation of Directors, Supervisors and Employees for 2021(See 2022 Annual Shareholders' Meeting Agenda).

III. Matters for Acknowledgement

1. First proposal: Proposed by Board of Directors

Topic : Acknowledgement of Business Report and Financial Statements for the year of 2021

Explanatory notes : (1) The financial report and consolidated financial report for the year of 2021, including balance sheets, statements of comprehensive income, statements of changes in shareholders' equity, statements of cash flows, consolidated balance sheets, consolidated statements of comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows, were audited by independent auditors, Ms. Huang, Bo Shu and Chang, Chun-I of KPMG, whereby an unqualified audit report was issued, and

together with business report were submitted to supervisors for inspection, for your kind acknowledgement.

- (2) Please refer to APPENDIX I Annual Business Report of year 2021, APPENDIX III Independent Auditors' Report, and 2021 Financial Statements.

Resolution :

Share represent at the time of voting: 75,320,216.

	Voting Results	% of the total represented share present
Votes in Favor	73,310,708	97.33%
Votes in against	21,889	0.03%
Votes invalid	0	0.00%
Votes abstained	1,987,619	2.64%

RESOLVED, that the 2021 Business Report and Financial Statements be and hereby were accepted as submitted.

2. Second proposal: Proposed by Board of Directors

Topic : Acknowledgement of proposal for distribution for 2021 profits

- Explanatory notes :
- (1) Profit distribution of year 2021 was intended to be derived from year 2021 profit after deducting provision for legal reserve to allocate for shareholder dividends.
 - (2) According to the year 2021 profit, each common shareholder would be entitled to receive a cash dividend of NTD 10.2 per share. Calculating based on the current outstanding shares, Dimerco would allocate total NTD 1,388,016,000 cash dividends.
 - (3) The Board of directors for determining an ex-dividend date and to proceed with the distribution. The cash dividend distribution ratio would be rounded up to 1 NTD dollars for the allocation fund, however, the amounts that rounded below 1 NTD dollar will be included in the shareholders' equity.
 - (4) In the event that, the company outstanding shares or the profit distributions are affected by a buyback of shares, issuance of new shares for transferring treasury shares to employees, an equity conversion in connection with domestic convertible corporate bonds or other convertible securities, employee stock options, or any transfer, transformation, or termination of stocks, it is proposed that the Board of Directors be authorized to adjust the cash to be distributed to each

share based on the number of actual shares outstanding on the record date for distribution.

(5) Please refer to the Statement of Profit Distribution as follows:

Dimerco Express Corporation
Statement of Profit Distribution of Year 2021

Unit : NTD

Item	Amount	Remark
	Subtotal	
Beginning Balance of Unappropriated Retained earnings	234,808,813	
Add:		
Share of Profit of Associates Accounted for Using Equity Method	(546,357)	
Changes in Actuarial gains and losses	(2,778,056)	
Beginning Balance of Unappropriated Retained earnings after Adjustments	231,484,400	
Add:		
2021 Net profit after tax	2,310,477,427	
Deduct:		
10% Legal reserve	(230,715,301)	
Special reserve	(116,193,991)	
Available Retained Earnings for Distribution	2,195,052,535	
Items for distribution:		
Shareholder dividends - Stocks		
Shareholder dividends - Cash	1,388,016,000	
Ending Balance of Unappropriated earnings:	807,036,535	

Remark: The Board of directors to determine the base date for allocation of cash dividends. In the event that, the company outstanding shares or the profit distributions are affected by a buyback of shares, issuance of new shares for transferring treasury shares to employees, an equity conversion in connection with domestic convertible corporate bonds or other convertible securities, employee stock options, or any transfer, transformation, or termination of stocks, it is proposed that the Board of Directors be authorized to adjust the cash to be distributed to each

share based on the number of actual shares outstanding on the record date for distribution.

Resolution:

Share represent at the time of voting: 75,320,216

	Voting Results	% of the total represented share present
Votes in Favor	73,440,385	97.50%
Votes in against	22,885	0.03%
Votes invalid	0	0.00%
Votes abstained	1,856,946	2.47%

RESOLVED, that the above proposal be and hereby were accepted as submitted

IV. Matters for Discussion:

1. First Proposal: Proposed by Board of Directors

Topic: Amendment to the “Articles of Incorporation”.

Explanatory notes :

- (1) To conform to the regulation for revision on part of “Articles of Incorporation” from “Company Act 267”.
- (2) Please refer to Chinese Version of 2022 Meeting Agenda for the Comparison Table of Before and After Revision of articles.

Resolution:

Share represent at the time of voting: 75,320,216

	Voting Results	% of the total represented share present
Votes in Favor	72,935,031	96.83%
Votes in against	523,068	0.70%
Votes invalid	0	0.00%
Votes abstained	1,862,117	2.47%

2. Second Proposal: Proposed by Board of Directors

Topic: Amendment to the “Operational procedures for Acquisition and Disposal of Assets”.

Explanatory notes :

- (1) According to Financial Supervision Commission letter no. 1110380465 modified Regulations Governing the Acquisition and Disposal of Assets by Public Companies Article 31 for relax the rule of public disclosure of information. To conform to the regulation for revision on part of “Operational procedures for Acquisition and Disposal of Assets”.
- (2) Please refer to Chinese Version of 2022 Meeting Agenda for the Comparison Table of Before and After Revision of articles.

Resolution:

Share represent at the time of voting: 75,320,216

	Voting Results	% of the total represented share present
Votes in Favor	72,939,492	96.83%
Votes in against	523,068	0.70%
Votes invalid	0	0.00%
Votes abstained	1,857,656	2.46%

V. Extraordinary Motions

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned.

VI. Meeting end time: 9:32 a.m., June 8th 2022

APPENDIX I

Annual Business Report of year 2021

On behalf of the company's Board of Directors, the Chairman and the entire management team, we would like to express our gratitude to every one of our shareholders for your long-term support of Dimerco Express Group during our promising developments and for sparing your time to participate in the 2022 shareholders meeting.

As per the KPMG audited Dimerco Express Group 2021 Financial Statement, the consolidated sales revenue in 2021 was NTD38,986 billion, an increase of 69.9% compared with the previous year. The net profit after tax reached NTD2.31 billion, an increase of 112.8% compared with the previous year. The earnings per share (EPS) after tax is NTD16.98, an increase of 112.8% compared with the previous year.

With the great changes in Artificial Intelligence Technology, as well as the application of Big Data and semi-automated technologies in the Digital Internet of Things (IoT) era, we at Dimerco Express Group have fully committed to create a "Mobile Intelligence Logistics Service Partner" for our customers on our self-developed Cloud Networking Digital SCM Platform – Dimerco Value Plus System. Coupled with the professionalism and industry know-how of our BIT division, we have successfully introduced and applied the relevant technologies to our system developments, enhancement, and its application with cyber security assurance, to support product diversification, operational optimization, management efficiency and service excellence.

Dimerco Express Group has successfully entered the era of digitization, and with added emphasis on Cyber Security, we have proudly secured an Information Security Certification (including ISO27001:2013 - IS 743553, NIST CSF - Cybersecurity Framework NIST 759307). This focuses on 3 major directions: Cloud Enablement, Mobility, and Intelligence.

We virtually integrated the processes of Marketing & Sales, Customers Service, Operations, Finance Management and Customer Service to digitalize and optimize management efficiency for the entire Group of companies. Most importantly, we provide customers with the real-time data they need to optimize their supply chains.

In March 2021, Dimerco Express Group carried out the planned organizational restructure 2.0. The goal is to create a flatter organization that replaces the regional functions with a Central

Service Center to achieve improved communication, coordination, and collaboration. Today we provide a faster response to market changes and solutions to our customers with mobility in any locations where the internet is connected.

Concerning Digital Marketing, as customers' requirements change rapidly with the swift development of digital technologies during and after the COVID-19 pandemic, content is the key to Digital Marketing in the internet+ era. In 2021, Dimerco Express Group launched an upgraded external website that clearly conveys Dimerco's value proposition and supply chain management capabilities across Asia Pacific and China. Dimerco has leveraged its database, automation, and analysis capabilities to improve digital marketing efforts and the ability of our global sales and customer service team to respond quickly to customers' needs.

As we step into 2022, the international transportation and logistics market is faced with great opportunities, but also great challenges.

On the positive side, the ratification of the RCEP (Regional Comprehensive Economic Partnership) should positively impact regional trade and transportation activities. The RCEP brings together ten association of Southeast Asian nations (ASEAN), along with China, Japan, South Korea, Australia, and New Zealand, to create the world's largest trading block.

Meanwhile, it is believed that the Biden administration will exempt 352 import tariffs on non-strategic goods and/or materials imported from China, which will help reduce the USA inflation rate by 1.3%. The recent interest rate hike announced by the U.S. Federal Reserve will strengthen the US Dollar against all global currencies, including EUR, GBP, RMB, JPY, SGD, NTD and all other Asian currencies. This will likely boost purchasing power, but will it boost imports into the USA? Well, that will depend on successful navigation of some of the challenges we face.

Supply chain disruptions continue due to many factors, including port congestion, a shortage of chassis, truck drivers, and other essential logistics workers – mainly due to the COVID-19 pandemic. The global pandemic remains as a threat. For instance, the recent lock down in Shanghai crippled transportation out of China causing major supply chain delays.

Other concerns include the ILWU labor negotiation in Long Beach, California, which could lead to a port strike or slowdown. And, of course, the Russia-Ukraine war is expected to continue for some time, harming the global economy and pushing oil prices higher, which will significantly increase the cost of international transportation. The war and sanctions have

made many ports, especially in Europe, even more congested, further slowing and disrupting global supply chains.

According to the WTO, global inflation and an economic growth slowdown are inevitable. Global trade volumes and the transportation & logistics operations that support global trade will be subject to change based on multiple variables.

Looking to the future, Dimerco Express Group is well prepared to face the coming challenges in the global transportation and logistics market. We will leverage our strong management team and our Cloud Networking Digital SCM Platform – Dimerco Value Plus System – to adapt quickly to market changes. Our goals, as always, are to satisfy our customers, to achieve our business management objectives in compliance with our ESG standard, to support our valued employees who contribute to the growth of the company, and to deliver a fair return to all our shareholders.

Thank you for your continued support!

Dimerco Express Corporation

Dimerco Express Group

Executive Management Board

June 8, 2022

Other Business information:

(1) Results of Business plan implementation

Unit: NTD'000

Item	IFRS 2020	IFRS 2021	Growth %
Sales Revenue	22,948,845	38,986,916	69.9%
Net Profit After Tax	1,085,845	2,310,477	112.8%

(2) Status of Budget Accomplishment

The company was not obligated to prepare financial forecast for year 2021 in accordance to the “Standards on treatment guidelines for disclosure of financial forecast information on public companies”.

(3) Analysis on financial balances and profitability

Unit: NTD'000

Item		Year	IFRS	IFRS
			2020	2021
Financial Balances	Sales Revenue		22,948,845	38,986,916
	Net Operating Profit		1,219,878	2,690,971
	Net Profit After Tax		1,085,845	2,310,477
Profitability	Return on Equity	%	39%	54%
	Ratio of net profit after tax on paid-in capital	%	86%	170%
	Retroactive adjusted earnings per share		7.98	16.98

(4) Status of Research and Development:

The Company developed the Dimerco Value Plus System © version 2.0 (based on Web 2.0) formally implemented on August 1, 2009. It is not only to construct a unified platform of sales, operations and accounting management but also build timely information ability to further integrate with strategic partners and our customers. Meanwhile, Dimerco Value Plus System © used CYM (Consolidation Yield Management) and Data Synchronization Method were awarded certification of patents in both United States and Taiwan during Y2014. This self-developed technology is tightly integrated data flow / information flow combined with strategic partners to provide further customer service, enhance service quality and create added value and also effectively help customers improve synergy of supply chain management. The ability of integration architecture of this system about the can be summarized as follows:

- 4-1. Vertically integrated sales management system, international logistics operating system and financial management system
- 4-2. Horizontal integration: Use International Logistics operating system as the core to cover
 - (1) The International Air Freight
 - (2) The International Ocean Freight
 - (3) Logistics & Warehouse Management
 - Service Logistics, SL
 - Reverse Logistics, RL
 - Distribution Center, DC
 - Vender Managed Inventory, VMI
 - (4) Trucking Management & Cross-Border Road Freight
 - (5) Cross Border Train Freight
 - (6) Cross Broder eCommerce
 - (7) Multi-Modal Transport
 - (8) China Domestic Transport

APPENDIX II

Dimerco Express Corporation

Audit Committee's Audited Report

Board of Directors made up of year 2021 company's annual business report financial statements (includes consolidated financial reports) had been audited by KPMG. The audit report that provided by KPMG, annual business report, and the motion of profit distribution had been audited by the Audit Committee without inconsistent. This report is prepared according to Securities and Exchange Act and Company Act.

**DIMERCO EXPRESS CORPORATION
2022 ANNUAL GENERAL SHAREHOLDERS' MEETING**

Audit Committee Chairman: Bill Chien

March 17, 2022



安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號88樓(台北101大樓)
88F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web home.kpmg/tw

Independent Auditor's Report

To the Board of Directors of Dimerco Express Corporation:

Opinion

We have audited the consolidated financial statements of Dimerco Express Corporation and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2021 and 2020, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2021 and 2020 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"), Interpretations 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 Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the report of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements of certain subsidiaries. The financial statements of these subsidiaries were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts for these companies, is based solely on the reports of the other auditors. The consolidated total assets for these subsidiaries amounted to \$1,883,650 thousand and \$1,509,293 thousand as of December 31, 2021 and 2020, respectively, constituted 19% and 23% of consolidated total assets, of each financial reporting date. Their net revenues for the years ended December 31, 2021 and 2020, amounted to \$8,401,764 thousand and \$5,482,217 thousand, respectively, constituted 22% and 24% of consolidated net revenues for the years then ended.

We did not audit the financial statements of ITG Air & Sea GmbH, whose investments were recognized using the equity method. The financial statements of ITG Air & Sea GmbH were audited by an other auditor, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts for ITG Air & Sea GmbH, was based solely on the report of the an other auditor. The financial statements of ITG Air & Sea GmbH reflect total assets constituting both 2% of consolidated total assets at December 31, 2021 and 2020, and the share of profit of associates accounted for using the equity method constituting both 1% of consolidated total income before tax, for the years then ended, respectively.

Dimerco Express Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unqualified opinion with other matter section.

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. Based on our judgment, the key audit matters that should be disclosed in this auditor's report are as follows:

1. Revenue recognition

Please refer to note 4(m) "revenue from contracts with customers" for accounting policy related to revenue recognition, and note 6(m) for the disclosure related to revenue of the consolidated financial statements.

Description of key audit matter:

The Group mainly generates revenue from providing service of air freight and ocean freight forwarding. Revenue is recognized when the goods are consigned for transportation based on each shipping term and the transportation fee can be reasonably determined. Wherein the timing of delivery is different for each shipping term; therefore, the management of the Group needs to determine the accuracy of the timing for revenue recognition. Therefore, revenue recognition is considered as one of our key audit matters in our audit.



How the matter was addressed in our audit:

The key audit procedures performed by us and procedures noted in the audit instructions sent to the international accounting firm in cooperation with the R.O.C. accounting firm and other firms are as follows:

- Testing the effectiveness of the internal control over sales.
- Selecting a period of sales data from the system, and determining the completeness of the revenue recognition.
- Obtaining the list of top ten sales customers and sales data of the year, then performing test-of-detail by selecting samples from each month to evaluate the existence of the sales and the accuracy of the amount recognized, as well as the appropriateness of sales recognition.
- Obtaining the master bill of lading provided by the airline and the summarize documents prepared by the Group, as well as selecting sample from the summarized documents to determine whether the related house bill of lading have been recognized appropriately.
- Performing sales cut-off test of a period before and after the financial position date by vouching relevant documents of sales transactions to determine whether the timing of revenue recognition is appropriate.

2. Cost accrual

Please refer to note 4(m) "revenue from contracts with customers" for accounting policy related to cost accrual and note 6(n) for the disclosure related to cost of the consolidated financial statements.

Description of key audit matter:

The cost of the Group consists of local and international transportation cost. There is a risk in identifying the completeness of the accrual cost and the accuracy of the amount accrued. Therefore, the cost accrual is considered as one of our key audit matters in our audit.

How the matter was addressed in our audit:

The key audit procedures performed by us and procedures noted in the audit instructions sent to the international accounting firm in cooperation with the R.O.C. accounting firm and other firm are as follow:

- Testing the effectiveness of the internal control over purchase.
- Performing test-of-detail by selecting the same samples in connection with the audit of top ten sales customers and the sales data of year from each month, and evaluate whether the related cost have been matched with the recognition of revenue and accrued appropriately.
- Sending confirmation letter for the ending balance of accounts payable. Selecting samples with significant amount from the reconciled documents between the Group and the vendors and vouching the subsequent payment to determine whether the costs accrued at the financial position date were reasonable.
- Performing purchase cut-off test of a period before and after the financial position date by vouching relevant documents of cost transactions to determine whether the timing of cost accrual is appropriate.

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 supervisors) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 auditor's 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 Po-Shu Huang and Chun-I Chang.

KPMG

Taipei, Taiwan (Republic of China)
March 17, 2022

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2021		December 31, 2020			December 31, 2021		December 31, 2020			
	Amount	%	Amount	%		Amount	%	Amount	%		
Assets					Liabilities and Equity						
Current assets:					Current liabilities:						
1100	Cash and cash equivalents (note 6(a))	\$ 3,438,978	35	2,856,190	43	2100	Short-term borrowings (notes 6(d), (g) and 8)	\$ 676,592	7	700,592	11
1150	Notes receivable, net (note 6(b))	25,919	-	7,284	-	2150	Notes payable	42,310	-	30,302	-
1170	Accounts receivable, net (notes 6(b) and 7)	4,587,395	47	2,281,490	34	2170	Accounts payable (note 7)	3,500,904	37	2,233,517	33
1470	Other current assets (note 8)	446,950	5	229,927	3	2216	Dividends payable (note 6(k))	5,695	-	4,818	-
	Total current assets	<u>8,499,242</u>	<u>87</u>	<u>5,374,891</u>	<u>80</u>	2230	Income tax payable	309,422	3	79,289	1
Non-current assets:					Current lease liabilities (note 6(h))						
1517	Financial assets at fair value through other comprehensive income – non-current	442	-	444	-	2399	Other current liabilities (note 6(n))	136,893	1	161,481	2
1551	Investments accounted for using the equity method (note 6(c))	236,889	3	217,725	3		Total current liabilities	<u>436,171</u>	<u>5</u>	<u>364,710</u>	<u>6</u>
1600	Property, plant and equipment (notes 6(d), 8 and 9)	544,456	6	561,771	9		Total current liabilities	<u>5,107,987</u>	<u>53</u>	<u>3,574,709</u>	<u>53</u>
1755	Right-of-use assets (note 6(e))	298,555	3	389,410	7	2570	Non-Current liabilities:				
1805	Goodwill (note 6(f))	32,780	-	32,921	-	2580	Deferred income tax liabilities (note 6(j))	184	-	198	-
1840	Deferred income tax assets (note 6(j))	27,820	-	31,999	-	2640	Non-current lease liabilities (note 6(h))	133,127	1	200,255	3
1920	Refundable deposits	76,437	1	75,841	1	2670	Net defined benefit liabilities (note 6(i))	18,904	-	22,749	-
1990	Other non-current assets (notes 6(b), 8 and 9)	29,946	-	9,198	-		Other non-current liabilities	51,391	1	17,212	-
	Total non-current assets	<u>1,247,325</u>	<u>13</u>	<u>1,319,309</u>	<u>20</u>		Total non-current liabilities	<u>203,606</u>	<u>2</u>	<u>240,414</u>	<u>3</u>
							Total liabilities	<u>5,311,593</u>	<u>55</u>	<u>3,815,123</u>	<u>56</u>
							Equity attributable to owners of parent (note 6(c) and (k)):				
						3100	Common stock	1,360,800	14	1,260,000	19
						3200	Capital surplus	19,362	-	19,362	-
						33xx	Retained earnings:				
						3310	Legal reserve	502,575	5	394,064	6
						3320	Special reserve	441,086	5	182,174	3
						3350	Unappropriated retained earnings	2,541,962	26	1,358,232	20
								<u>3,485,623</u>	<u>36</u>	<u>1,934,470</u>	<u>29</u>
						34xx	Other equity:				
						3410	Foreign currency translation differences for foreign operations	(557,281)	(6)	(441,087)	(6)
							Total equity attributable to owners of parent	<u>4,308,504</u>	<u>44</u>	<u>2,772,745</u>	<u>42</u>
						36xx	Non-controlling interests	126,470	1	106,332	2
							Total equity	<u>4,434,974</u>	<u>45</u>	<u>2,879,077</u>	<u>44</u>
1xxx	Total assets	<u>\$ 9,746,567</u>	<u>100</u>	<u>6,694,200</u>	<u>100</u>	2-3xxx	Total liabilities and equity	<u>\$ 9,746,567</u>	<u>100</u>	<u>6,694,200</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

	2021		2020	
	Amount	%	Amount	%
4000 Operating revenue (notes 6(m) and 7)	38,986,916	100	22,948,845	100
5000 Operating costs (notes 6(n))	<u>33,164,591</u>	<u>85</u>	<u>19,211,898</u>	<u>84</u>
5900 Gross profit from operations	<u>5,822,325</u>	<u>15</u>	<u>3,736,947</u>	<u>16</u>
6000 Operating expenses (notes 6(b), (d), (e), (h), (i), (o) and 7):				
6100 Selling expenses	978,574	2	749,681	2
6200 Administrative expenses	2,115,592	6	1,754,468	8
6450 Expected credit loss for bad debt expense	<u>37,188</u>	<u>-</u>	<u>12,920</u>	<u>-</u>
Total operating expenses	<u>3,131,354</u>	<u>8</u>	<u>2,517,069</u>	<u>10</u>
6900 Net operating income	<u>2,690,971</u>	<u>7</u>	<u>1,219,878</u>	<u>6</u>
7000 Non-operating income and expenses (notes 6(c), (h) and (p)):				
7100 Interest income	8,885	-	6,271	-
7010 Other income	20,973	-	49,347	-
7020 Other gains and losses	(14,796)	-	(27,887)	-
7050 Finance costs	(15,545)	-	(18,585)	-
7060 Share of profit of associates accounted for using the equity method	<u>35,548</u>	<u>-</u>	<u>16,710</u>	<u>-</u>
Total non-operating income and expenses	<u>35,065</u>	<u>-</u>	<u>25,856</u>	<u>-</u>
7900 Profit from continuing operations before tax	2,726,036	7	1,245,734	6
7950 Less: Income tax expenses (note 6(j))	<u>368,405</u>	<u>1</u>	<u>144,429</u>	<u>1</u>
Net income	<u>2,357,631</u>	<u>6</u>	<u>1,101,305</u>	<u>5</u>
8300 Other comprehensive income:				
8310 Components of other comprehensive income that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	(3,324)	-	(730)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Components of other comprehensive income that will not be reclassified to profit or loss	<u>(3,324)</u>	<u>-</u>	<u>(730)</u>	<u>-</u>
8360 Components of other comprehensive income that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	(121,554)	-	(272,778)	(1)
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss	<u>(121,554)</u>	<u>-</u>	<u>(272,778)</u>	<u>(1)</u>
8300 Other comprehensive income	<u>(124,878)</u>	<u>-</u>	<u>(273,508)</u>	<u>(1)</u>
8500 Total comprehensive income (loss)	<u>2,232,753</u>	<u>6</u>	<u>827,797</u>	<u>4</u>
Profit attributable to:				
8610 Owners of parent	2,310,477	6	1,085,845	5
8620 Non-controlling interests	<u>47,154</u>	<u>-</u>	<u>15,460</u>	<u>-</u>
Total comprehensive income (loss) attributable to:	<u>2,357,631</u>	<u>6</u>	<u>1,101,305</u>	<u>5</u>
8710 Owners of parent	2,190,959	6	811,343	4
8720 Non-controlling interests	<u>41,794</u>	<u>-</u>	<u>16,454</u>	<u>-</u>
Earnings per share (NT dollars) (note 6(l))	<u>2,232,753</u>	<u>6</u>	<u>827,797</u>	<u>4</u>
9750 Basic earnings per share	<u>16.98</u>		<u>7.98</u>	
9850 Diluted earnings per share	<u>16.77</u>		<u>7.87</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Total other equity interest Exchange differences on translation of foreign financial statements	Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Share capital		Retained earnings							
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total				
Balance at January 1, 2020	\$ 1,260,000	19,362	353,700	182,174	484,841	1,020,715	(167,315)	2,132,762	93,714	2,226,476
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	40,364	-	(40,364)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(171,360)	(171,360)	-	(171,360)	(3,836)	(175,196)
Net income	-	-	-	-	1,085,845	1,085,845	-	1,085,845	15,460	1,101,305
Other comprehensive income	-	-	-	-	(730)	(730)	(273,772)	(274,502)	994	(273,508)
Total comprehensive income	-	-	-	-	1,085,115	1,085,115	(273,772)	811,343	16,454	827,797
Balance at December 31, 2020	1,260,000	19,362	394,064	182,174	1,358,232	1,934,470	(441,087)	2,772,745	106,332	2,879,077
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	108,511	-	(108,511)	-	-	-	-	-
Special reserve appropriated	-	-	-	258,912	(258,912)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(655,200)	(655,200)	-	(655,200)	-	(655,200)
Stock dividends of ordinary share	100,800	-	-	-	(100,800)	(100,800)	-	-	-	-
Net income	-	-	-	-	2,310,477	2,310,477	-	2,310,477	47,154	2,357,631
Other comprehensive income	-	-	-	-	(3,324)	(3,324)	(116,194)	(119,518)	(5,360)	(124,878)
Total comprehensive income	-	-	-	-	2,307,153	2,307,153	(116,194)	2,190,959	41,794	2,232,753
Subsidiary distribute cash dividends to non-controlling interests	-	-	-	-	-	-	-	-	(21,656)	(21,656)
Balance at December 31, 2021	\$ 1,360,800	19,362	502,575	441,086	2,541,962	3,485,623	(557,281)	4,308,504	126,470	4,434,974

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
DIMERCO EXPRESS CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars)

	2021	2020
Cash flows from operating activities:		
Net income before tax	\$ 2,726,036	1,245,734
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation expense	227,124	225,235
Amortization expense	277	260
Expected credit losses	37,188	12,920
Net gain on financial assets or liabilities at fair value through profit or loss	(610)	-
Interest expense	15,545	18,585
Interest income	(8,885)	(6,271)
Dividend income	(130)	(168)
Share of profit of associates accounted for using the equity method	(35,548)	(16,710)
Gain on disposal of property, plant and equipment	(1,160)	(26)
Loss on disposal of investments accounted for using equity method	21	-
Unrealized foreign exchange loss	22,266	36,626
Loss on lease modification	(2,232)	-
Total adjustments to reconcile profit and loss	<u>253,856</u>	<u>270,451</u>
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Notes receivable	(18,635)	(2,058)
Accounts receivable	(2,343,093)	(35,430)
Other current assets	(217,023)	(131,948)
Total changes in operating assets, net	<u>(2,578,751)</u>	<u>(169,436)</u>
Net changes in operating liabilities:		
Notes payable	12,008	3,165
Accounts payable	1,267,387	602,432
Other current liabilities	71,461	127,228
Net defined benefit liabilities	(7,169)	(1,997)
Total changes in operating liabilities, net	<u>1,343,687</u>	<u>730,828</u>
Total changes in operating assets and liabilities, net	<u>(1,235,064)</u>	<u>561,392</u>
Total adjustments	<u>(981,208)</u>	<u>831,843</u>
Cash inflow generated from operations	1,744,828	2,077,577
Interest received	8,885	6,271
Dividends received	130	168
Interest paid	(15,545)	(18,585)
Income taxes paid	(134,107)	(93,336)
Net cash provided by operating activities	<u>1,604,191</u>	<u>1,972,095</u>
Cash flows from investing activities:		
Acquisition of financial assets designated at fair value through profit or loss	(167,603)	-
Proceeds from disposal of financial assets designated at fair value through profit or loss	168,216	-
Acquisition of investments accounted for using the equity method	(2,148)	(183,547)
Proceeds from disposal of investments accounted for using the equity method	375	-
Acquisition of property, plant and equipment	(27,243)	(8,413)
Proceeds from disposal of property, plant and equipment	1,375	1,413
Decrease in refundable deposits	(596)	8,364
Increase in other non-current assets	(21,025)	(1,522)
Dividends received from associates accounted for using equity method	10,365	2,985
Net cash used in investing activities	<u>(38,284)</u>	<u>(180,720)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	2,626,125	429,050
Decrease in short-term borrowings	(2,650,125)	(438,050)
Payment of lease liabilities	(190,402)	(199,572)
Increase in other non-current liabilities	34,179	2,715
Cash dividends paid	(654,323)	(172,665)
Subsidiary distribute cash dividends to non-controlling interests	(21,656)	-
Net cash used in financing activities	<u>(856,202)</u>	<u>(378,522)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(126,917)</u>	<u>(271,438)</u>
Net increase in cash and cash equivalents	582,788	1,141,415
Cash and cash equivalents at beginning of period	<u>2,856,190</u>	<u>1,714,775</u>
Cash and cash equivalents at end of period	<u>\$ 3,438,978</u>	<u>2,856,190</u>

See accompanying notes to consolidated financial statements.