



WAN HAI LINES LTD.

Minutes for 2020 Annual General Shareholders' Meeting

1. Time: 9 A.M. June 23 (Tuesday) 2020.
2. Place: China Youth Corps Chientan Youth Activity Center, Auditorium
(2F, No.16, Section 4, Jhongshan North Road, Taipei City Jing-Guo Memorial Hall)
3. Chairman: Randy Chen Recorded by: Tsai-Rung Huang
4. Directors present: Director Chih-Chao Chen, Director Chiu-Ling Wu
Independent Director Shih-Ni Lin
Independent Director cum Chairman of the Audit Committee Rung-Nian Lai
5. Attendees: President Fur-Lung Hsieh, Accounting Manager Chia-Yi Hsiao,
lawyer Cheng-Hsien Lin, from Lin & Associates Law Firm.
CPA Chung-Yi Chiang, from KMPG, manager Wan-Ting Lin, from KMPG
6. Shares Represented: 1,940,314,697 shares (including 1,321,132,268 shares by electronic voting.), accounting for 84.47% of total issued shares of 2,218,297,466 shares.
7. The chairman announced commencement of the 2020 Wan Hai Lines' regular Shareholders' Meeting and gave a speech. (abbreviated)
8. Report Items: (refer to the Handbook or visit <http://mops.twse.com.tw>)
 - (1) A report on allocation of remunerations for employees and directors for 2019 was submitted for approval.
 - (2) Operations Report for 2019 was submitted for approval.
 - (3) The 2019 Financial Statement reviewed by the Audit Committee was submitted for approval.
 - (4) A report on 2020 issuance of unsecured corporate bonds was submitted for approval.
 - (5) A revision of Wan Hai Lines' "Ethical Management Rules" and "Procedures for Ethical Management and Guidelines for Conduct" was submitted for approval.
9. Elections:
 - 1st Motion:
Subject: Elections for Directors (Including Independent Directors), 21st Board of Directors
(Proposed by the Board of Directors)
Details:
 - (1) The term of Directors, 20th Board of Directors has expired on June 21, 2020. The Board of Directors resolved that all Directors will be elected at this Annual General Shareholders' Meeting in accordance with Article 195 of the Company Act.

- (2) Under the Articles of Incorporation, the Company's Board of Directors consists of seven directors (including three independent directors) and the term of office for each director shall be three years and may be eligible re-election. The tenure of 21st Board of Directors (including independent directors) will commence from June 23, 2020 upon being elected and expire on June 22, 2023. The existing directors and independent directors shall continue to perform their duties until new directors are elected at this Annual General Shareholders' Meeting and assumed office.
- (3) The Directors (including Independent Directors) shall be elected by adopting candidates nomination system as specified in Articles of Incorporation and Article 5 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. The Candidates List of Independent Directors was resolved by 17th Meeting of the 20th Board of Directors on March 26, 2020 and 18th Meeting of the 20th Board of Directors on May 6, 2020. All candidates' education and professional background, experience and relevant information are attached hereto as Attachment 6 (page 41 ~ 42).
- (4) Please vote.

Election Results:

Position	Name	Account or I.D. Number	Votes Received
Director	Jiufu Garden Co., Ltd.	175910	2, 487, 596, 733
Director	CHEN-YUNG FOUNDATION	53808	2, 181, 612, 985
Director	TAILI CORPORATION	37557	2, 156, 385, 353
Director	SUN SHINE CONSTRUCTION CO., LTD.	79923	2, 142, 983, 036
Independent Director	Rung-Nian Lai	C120*****	1, 231, 669, 552
Independent Director	Yi-Sheng Tseng	A123*****	1, 212, 462, 266
Independent Director	Stephanie Lin	AB90*****	1, 210, 052, 312

10. Discussions:

1st Motion:

Subject: The proposal to release of the Non-Competition Restriction for members of the Company's new Board of Directors is hereby submitted for discussion. (Proposed by the Board of Directors)

Details:

- (1) In accordance with paragraph 1 of Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business shall explain to the meeting of shareholders the essential contents of such act and secure its approval.
- (2) The Company's new directors may act as directors or managers of an enterprise invested by the Company without damaging the Company's interests. In the light of this, if a nominee is elected (including the representative appointed as a director to exercise the powers and functions by a juristic person shareholder), it is propose to approve to release the new directors from the non-competition restriction on assuming posts in the enterprises invested by the Company at this Annual General Shareholders' Meeting. Please refer to Attachment 7 (page 43)
- (3) It is propose for discussion.

Resolution:

- (1) Exempting Po-Ting Chen, representative of a corporate director, from the non-compete clause: According to results of the electronic and ballot voting, 1,939,941,697 voting shares were present, 1,841,294,111 shares were in favor, 223,616 shares against and 98,423,970 shares were invalid or abstained, and since 94.91% of all voting shares were in favor, the proposal was adopted.
- (2) Exempting Randy Chen, representative of a corporate director, from the non-compete clause: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,841,667,111 shares were in favor, 223,615 shares against and 98,423,971 shares were invalid or abstained, and since 94.92% of all voting shares were in favor, the proposal was adopted.
- (3) Exempting Chih-Chao Chen, representative of a corporate director, from the non-compete clause: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,841,616,564 shares were in favor, 232,615 shares against and 98,465,518 shares were invalid or abstained, and since 94.91% of all voting shares were in favor, the proposal was adopted.

2nd Motion:

Subject: The proposal to amend the Articles of Incorporation of Wan Hai Lines Ltd. is hereby submitted for discussion. (Proposed by the Board of Directors)

Details:

- (1) To meet the operational requirements of our company and to identify the categories of business we conduct by the "Category Code" stipulated in Paragraph 3, Article 18 of the "Company Act", we intend to amend Article 2 of Articles of Incorporation to include the additional categories of business we conduct.

- (2) In response to the letter from the Ministry of Economic Affairs dated January 9, 2020 and serially numbered Jing Shang Zi Number 10802432410, amending the basis for setting aside legal reserves, we intend to amend Article 11-1 of Articles of Incorporation regarding allocation of surplus profits. For a Comparison Table listing the Articles before and after the amendment, and an explanation for the amendment, please refer to Attachment 8 (page 44); for the amended Articles of Incorporation please refer to Appendix 3 (page 75~80).
- (3) It is proposed for discussion

Resolution: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,846,897,920 shares were in favor, 495,788 shares against and 92,920,989 shares were invalid or abstained, (including absentees), and since 95.19% of all voting shares were in favor, the proposal was adopted.

3rd Motion:

Subject: The proposal to amend the Rules of Procedures of the Stockholders Meeting of Wan Hai Lines Ltd. is hereby submitted for discussion. (Proposed by the Board of Directors)

Details:

- (1) We intend to amend the rules of procedures of the stockholders meeting of our company, in response to the amendment of Company Act and to comply with reference examples announced by the competent authorities.
- (2) For a Comparison Table listing rules of procedures before and after the amendment, please refer to Attachment 9 (page 45~51); for rules of procedures before and after the amendment, please refer to Appendix 4 and Appendix 5 (page 81~97).
- (3) It is proposed for discussion.

Resolution: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,847,237,445 shares were in favor, 154,788 shares against and 92,922,464 shares were invalid or abstained, (including absentees), and since 95.20% of all voting shares were in favor, the proposal was adopted.

4th Motion:

Subject: The proposal to amend the Procedures for the Election of Directors of WAN HAI LINES LTD is hereby submitted for discussion. (Proposed by Board of Directors)

Details:

- (1) In response to amend the Rules of Procedures of the Stockholders Meeting, it is proposed to amend Procedures for the Election of Directors in accordance with

Company act and Securities and Exchange Act.

- (2) The comparison table for the amendments is attached hereto as Attachment 10 (page 52) and for post-revision procedure please refer to Appendix 6 (page 98~100).
- (3) It is proposed for discussion.

Resolution: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,847,220,040 shares were in favor, 174,603 shares against and 92,918,054 shares were invalid or abstained, (including ballots not casted), and since 95.20% of all voting shares were in favor, the proposal was adopted.

The question submitted by shareholder No. 178612 was explained in detail by the chairman himself and appointed persons.

11. Acknowledgements:

1st Motion:

Subject: Presenting the 2019 Financial Statements and Business Report for acknowledgements.
(Proposed by Board of Directors)

Details:

- (1) The Company's 2019 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows (including Consolidated Financial Statements) have been audited by independent Auditors. The Financial Statements and Business Report have also been sent to the Audit Committee, and the Audit Committee has completed the examination. An Independent Auditor's Report has been included on the record.
- (2) For the Business Report and Financial Statements mentioned above, please refer to Attachment 1 and Attachment 2. (Pages 9~30)
- (3) It is proposed for acknowledgements.

Resolution: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,845,280,824 shares were in favor, 151,618 shares against and 94,882,255 shares were invalid or abstained, (including ballots not casted), and since 95.10% of all voting shares were in favor, the proposal was adopted.

2nd Motion:

Subject: Presenting the 2019 Earnings Appropriation for acknowledgements. (Proposed by Board of Directors)

Details:

- (1) The Company's 2019 net income after tax was NT\$3,573,702,722. In accordance with relevant laws and the Memorandum of Association, 10% of net income which equates to the amount of NT\$356,208,545 was appropriated as legal reserve and also the provision of special reserve of NT\$708,981,466. After the addition of beginning period undistributed earnings of NT\$2,926,844,869 and the other comprehensive income of NT\$11,617,276 (the 2019 annual remeasurement of defined benefit obligation), the available undistributed earnings was NT\$5,423,740,304. The 2019 annual earnings appropriation was NT\$ 1,774,637,973 for distribution to shareholders as cash dividend of NT\$0.8 per share.
- (2) In accordance with the Ministry of Finance's Regulatory Letter No. 871941343, a company shall first determine the year to which earning dividends or surpluses belong. The Company's earnings appropriation principle has allocated the undistributed earnings to 2019.
- (3) Cash dividends which are listed in the shareholders' ledger on the ex-dividend date, will be proportionally calculated to the nearest NT Dollar. Any amount less than NT\$1 will be forfeited. Less than a dollar fractional totals are adjusted in order from large to small decimal points and shareholders numbers are ordered from first to last to meet the distribution of the cash dividend total. The shareholders meeting is requested to ratify authorization for the Board of Directors to stipulate record date and cash dividend payment date.
- (4) The shareholders meeting is requested to ratify authorization for the Board of Directors to make all necessary adjustments if changes in share capital impact volume of shares in circulation and subsequently affect the dividend yield.
- (5) For the company's 2019 Earnings Appropriation table, please refer to Attachment 11 (Page 53).
- (6) It is proposed for acknowledgements

Resolution: According to results of the electronic and ballot voting, 1,940,314,697 voting shares were present, 1,847,234,878 shares were in favor, 161,513 shares against and 92,918,306 shares were invalid or abstained, (including absentees), and since 95.20% of all voting shares were in favor, the proposal was rectified.

12. Extempore Motion: None
13. The meeting was adjourned at 09:34 A.M.

This minutes of the shareholders meeting only record the gist of the meeting and results of motions, in accordance with relevant laws. For meeting contents, procedures and statements made by shareholders, the video and audio records shall prevail.

Chairman: Randy Chen

Recorded by: Tsai-Rung Huang

